



Sim Leisure Group Ltd. Annual Report 2024

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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 annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report. The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318 and sponsorship@ppcf.com.sg.

Corporate Profile



Sim Leisure Group Ltd is a Malaysian-based developer and operator of attractions, with an international theming design and build unit based in United Arab Emirates providing specialised services to the Themed Entertainment Industry (“**Theming Specialists**”). From its humble beginnings with the launch of the first ESCAPE Adventure Park in Penang, Malaysia (“**ESCAPE Penang**”), Sim Leisure Group Ltd. introduced a new genre of retro-eco, family-friendly outdoor fun. The Group has since experienced remarkable growth, including the innovative launch of ESCAPE Challenge at Paradigm Mall PJ in 2021—the first indoor adventure park in Petaling Jaya, Selangor—bringing outdoor adventure indoors or into urban spaces.

Over the years, the Group has significantly expanded its operations, acquiring KidZania indoor edutainment parks in both Malaysia and Singapore. It further accelerated growth through a revenue-sharing business model, enabling the design, build, operation and maintenance of the ESCAPE-branded parks in collaboration with land and asset owners. These include an outdoor ESCAPE Adventure Park in Ipoh, as well as two indoor ESCAPE Challenge parks in Putrajaya and Johor Bahru. Today, the Group operates a total of seven parks, offering diverse experiences under the ESCAPE and KidZania brands, as follows:

Additionally, the Group continues to invest in its flagship ESCAPE Penang, regularly enhancing its offerings with new attractions and refreshing existing rides. The park holds four Guinness World Records for its exceptional attractions: 1) Longest Zip Coaster ride; 2) Longest Inner Tube Water Slide; 3) Largest Tipping Bucket; and 4) Longest Dry Ski Slope Slide ride.

In response to the challenges faced by shopping malls in staying relevant, Sim Leisure Group has introduced its innovative Play Mall Entertainment Hub, marking the next phase of its growth. This hub combines immersive virtual reality experiences, such as the Sim Coaster and virtual reality arenas, with traditional activities and attractions. Features include the FUNDAY Adventure Playgrounds, which replicate the excitement of ESCAPE Adventure Parks in kid-sized formats, and Carnival, which recreates a funfair atmosphere with thrilling rides and skill-based games.

The Group ensures a seamless and enjoyable customer journey with Cool Melon, its in-house developed, cloud-based ticketing and park management system. Cool Melon’s cutting-edge features, including facial-scan technology and dynamic pricing optimization, minimize queues while maximizing revenue. It has become a core component and a unique value proposition for the Play Mall Entertainment Hub, benefiting both mall owners and operators.

The Group’s Theming Specialists offer a comprehensive range of services, including consultation, master planning, concept design, project management, fabrication, and construction of themed environments. These services span from small-scale artistic elements to large-scale, turnkey theme park projects. With over 30 years of experience and more than 3000 successful projects globally, our Theming Specialists has participated and created family entertainment centres, theme parks, waterparks and aquariums, among other attractions. Notable projects include theming works at Legoland Malaysia, Universal Studio in Singapore and the ongoing Six Flags Qiddiya, Riyadh Saudi Arabia. Looking ahead, the Group plans to expand these services into the Asia-Pacific region, exploring collaborations with intellectual property owners and local fabricators for theming projects.

Executive Chairman's Message



Dato' Sim Choo Kheng
Founder, Executive Chairman

Dear Shareholders,

As I reflect on my journey as the Founder and Executive Chairman of our company, I feel it is imperative to address a recurring theme that has shaped our philosophy and approach to business. Time and again, I encounter questions framed around conventional wisdom—such as, "most people would... why wouldn't you?" My response remains steadfast: "I am not 'most people.'" My decision-making is not dictated by popular opinion but is guided by our core principles and vision.

In our society, many voices contribute to a consensus on what is deemed acceptable or normal in business. It often appears as though the majority have attended a shared curriculum in business thinking, moulded by their environments and satisfied by the norms established by their peers. This phenomenon extends to academia, where the rigor of peer-reviewed publications often stifles innovation, as new ideas are easily dismissed unless they conform to established precedents. If a concept has already been validated, it is no longer a novelty. electric vehicles, artificial intelligence, social media, smartphones, e-hailing, and online shopping were never peer-reviewed or validated business concepts.

In a competitive business landscape that yearns for unicorn ideas, it is ironic how seldom we encounter truly disruptive thought leadership. My entrepreneurial journey began entirely by accident; it started because I found myself unable to conform to the absurdities of groupthink, often being viewed as an outlier due to my unorthodox personality. Over the past 32 years, we have carved out our own path, fuelled by innovative ideas and a commitment to challenging the status quo. While we remain aware of our surroundings, we trust our internal compass to navigate our future.

I am pleased to report that Fiscal Year 2024 has been a record-breaking year for our company, with net profits reaching S\$10.5 million. However, I believe that the assessment of profit should transcend mere financial metrics. The essence of profit cannot be defined solely as revenue minus expenses; instead, profit should be a multifaceted indicator of our operational success that includes our contributions to the world we live in.

Our commitment to sustainable environmental practices in our parks and ethical business operations reflects the social and financial benefits we strive to achieve. A notable initiative that many are not aware of is our policy of providing free admission to individuals with disabilities and senior citizens aged 60 and above at our park operations. Conversely, in the conscientious world we live in today, profit derived from pain and suffering—such as those linked to gambling, tobacco, alcohol, and fast fashion—should not be counted in the same light.



I also believe that our relentless pursuit of new business ideas is an intangible profit that distinguishes us. Our team is not only focused on optimising existing operations; we are equally dedicated to incubating groundbreaking business concepts that will shape our future. This commitment to "Future Preparedness," as I prefer to call it, has yielded significant developments, including our innovative "Mall version of ESCAPE" and our successful theme park contracting business in Saudi Arabia, all of which stemmed from our initiative established over a decade ago.

Our transformative vision for the future, including the development of our PlayMall business division and the global expansion of ESCAPE, holds the promise of sustainable growth and satisfaction. It mirrors the nurturing of a tree or the growth of a child—an investment in the future that brings profound fulfillment.

While I recognize that public understanding of our business, particularly in Asia, remains limited, this is not unexpected, as "most people" rely on conventional validation. I see this working to our advantage. The fewer individuals who grasp our business and approach, the less we need to worry about market overcrowding.

With Environmental, Social, and Governance ("ESG") concerns gaining prominence, we believe the core goal of our ESG practices is to ensure that we are well-prepared for the evolving expectations of our stakeholders. To this end, we are committed to upholding robust corporate governance, protecting the environment, and promoting the well-being of our people and the communities we serve.

I am pleased to share several key initiatives that underscore our dedication to environmental sustainability. Notably, we have embraced circular economy principles in the design and construction of our theme park attractions. This approach enables us to minimize waste, reduce our carbon footprint, and contribute to a more sustainable future. Among our efforts, we are proud to expand the GREENIE Program, our eco-literacy initiative in Malaysia, which aims to educate and inspire children and youth by instilling a deeper understanding of sustainability concepts and cultivating a genuine appreciation for nature and its preservation.

Further details on these initiatives and our sustainability journey can be found in our separately published FY2024 Sustainability Report, which offers an in-depth perspective on our Group's strategies, policies, and performance in integrating sustainability into our operations.

As we continue to innovate and build upon our legacy, let us remain united in our understanding that we, as shareholders and team members, are not "most people." Our journey would not have brought us to our current position had we sought peer approval.

I extend my heartfelt gratitude to all our shareholders and the dedicated members of our team. As we look to the future, I invite you to stay engaged and watch this space.



Board of Directors



Dato' Sim Choo Kheng

Founder, Executive Chairman

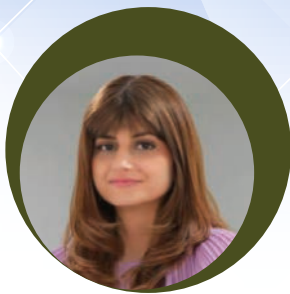
Dato' Sim Choo Kheng ("Dato' Sim") is our Executive Chairman and was appointed to our Board on 8 March 2018. Dato' Sim has devoted 33 years of his career to the Leisure Industry. Dato' Sim is a visionary and a true entrepreneur who has persevered in creating a new theme park / family entertainment genre with his revolutionary thinking. Through sheer hard work, Dato' Sim has built the Group from scratch to become a leading developer and operator of theme parks.

Dato' Sim began his career in 1990 as a theme park employee before Dato' Sim took the big step to set up his own business in 1993 first by providing theme park management services, then theme park design and contracting, a business journey that took him on across the globe for the next 25 years. Dato' Sim and his team have worked on more than 100 major theme park projects before he took Sim Leisure's ESCAPE theme park division for listing on the Singapore Exchange.

Dato' Sim was involved in numerous projects such as Ski Egypt, Universal Studios Singapore, Legoland in Denmark, Yas Island in Abu Dhabi, as well as La Mer Water Park, Motiongate™ and Bollywood Parks™ in Dubai. Having also operated and managed theme parks in Bulgaria, Armenia, Malaysia and Vietnam, Dato' Sim has developed an in-depth knowledge of the theme park industry.

With his cross-cultural experience in the industry over the decades, Dato' Sim opened his very own theme park, ESCAPE, which is based on reintroducing the outdoor fun of Dato' Sim's childhood through active self-directed play, providing healthy family fun to the masses. This theme park's cost-competitive business model sets it apart from other brands, showing financial success over the years since its opening.

Backed by his cross-cultural international experience in doing business across multiple continents and deep understanding of theme parks, Dato' Sim developed ESCAPE, a disruptive and cost-competitive theme park business model catered to markets seeking affordable and healthy family entertainment. The ESCAPE brand of theme parks differentiates itself with its unique approach to design while providing affordable quality fun where everyone plays the games of yesteryear recreated for today.



Datin Silviya Georgieva Georgieva

Executive Director

Datin Silviya Georgieva Georgieva ("Datin Silviya") is our Executive Director and was appointed to our Board on 24 December 2018. Datin Silviya has been with the Group since 2006 and is instrumental in successfully implementing strategy for Quality Control and Human Resource management. Datin Silviya is responsible for ensuring that the Group's management systems and processes meet international standards, including achieving the ISO 9001 and ISO 45001 certifications for the Group. Datin Silviya leads the organization's planning, implementation, and control of quality assurance programs while reducing overall operating costs.

Datin Silviya has also been actively involved in recruitment and human capital initiatives to drive efficiency across the Group's theme park operations. Datin's Silviya keen attention to detail and hands-on approach to park operations have also led to improved productivity and the effective utilisation of manpower. Datin Silviya graduated from the Varna Free University in 2002 with a Bachelor's Degree in Business Administration before obtaining a Master's Degree specializing in Economics and Marketing in 2005.



Mr Chung Yew Pong

Lead Independent Director

Mr Chung Yew Pong ("Mr Chung") is our Lead Independent Non-Executive Director with effect from 5 August 2022 and was appointed to our Board as Independent Director on 24 December 2018. He is currently the Director of True Vine Capital Partners Pte Ltd since July 2021. True Vine Capital Partners Pte Ltd is in the business of venture capital fund management. He is also an Independent Director of CPA Australia Ltd, a global professional accounting body headquartered in Australia since October 2022.

Mr Chung has more than 23 years of experience in various industries including audit, corporate banking, fund management, private equity and venture capital. In addition, he was also part of an equity crowdfunding platform and sat on the board of an e-wallet company in Malaysia. He obtained a Bachelor of Commerce degree and Bachelor of Business (Hons) degree at Monash University in 1995 and 1996, respectively. He is a Chartered Accountant of the Malaysian Institute of Accountants, a Fellow at CPA Australia, a Fellow at Chartered Institute of Management Accountants (United Kingdom) and a member of the ASEAN Chartered Professional Accountants.



Mr Stephen Brian Peet

Independent Director

Mr Stephen Brian Peet ("Mr Stephen") is our Independent Director and was appointed to our Board on 5 August 2022. Mr Stephen has over 40 years senior management experience across all aspects of theme park and amusement attraction operations. He specialises in strategic business planning, financial performance, safety, operational management, and project planning. His involvement in the Leisure Industry includes management and consultancy services as well as serving a sixteen-year tenure as the General Manager of Wet 'n' Wild Waterworld and another seven years as Chief Operating Officer of Warner Village Theme Parks, both in Gold Coast, Australia.

Mr Stephen is also instrumental to the development of the leisure business of Khazanah Nasional Berhad, a Malaysian Government investment arm in relation to the operational start-up of KidZania Malaysia, Puteri Harbour Hello Kitty, Little Big Club Family Entertainment Centres and Legoland Malaysia Park, Waterpark and Hotel. He was also responsible for the initial design, development, and operational start up planning of Desaru Coast Resort and Waterpark attractions in Bandar Penawar, Johor Malaysia.



Mr Mohamed Nasser Ismail

Independent Non-Executive Director

Mr Mohamed Nasser Ismail ("Mr Nasser") was appointed as Independent Non-Executive Director with effect from 1 March 2024. He is the Chairman of the DBS Digital Exchange (DDEX) Appeals and Conflicts Committee. Additionally, he is also board member of HydraX, Action Community for Entrepreneurship and SURFIN Meta Technologies PTE Ltd respectively.

Mr Nasser has contributed to the Singapore Exchange Securities Trading Limited (SGX) for the past 18 years. He held the position of Executive Director and Global Head of Equity Capital Market at SGX from October 2014 to October 2023. Before that, he served as the Senior Vice President of Head Issuer Regulations at the Exchange from 2011 to September 2014. Prior to his tenure at SGX, Mr Nasser worked as State Counsel with the Attorney General's Chambers. He obtained a Bachelor of Law (Honours) from the National University of Singapore in 1998.

Key Management



Mr Looi Tuck Meng
Interim Head of Finance

Mr Looi Tuck Meng ("Mr Looi") is our interim Head of Finance overseeing the financial and accounting aspects of the Group and its subsidiaries since January 2023. He previously served as the Group's Corporate and Finance Advisor. Prior to joining Sim Leisure Group, Mr Looi served in senior corporate and finance roles for various public-listed companies in Malaysia.

Mr Looi is a member of The Malaysian Institute of Certified Public Accountants since 1992.



Mr Wesley James Rae
Director of Operations

Wesley James Rae is our Non-Independent and Non-Executive Director. He is currently the Director of Operations of SL Gulf since May 2014. He is responsible for managing all aspects of the design, build and theming of leisure attractions undertaken by SL Gulf. He obtained a Bachelor of Engineering degree at Liverpool John Moores University in 2000.

Wesley James Rae was a site engineer from July 1998 to July 1999 and a senior engineer from July 2000 to October 2002 at Kier Construction Ltd where he was involved in civil engineering and building projects. From October 2002 to October 2003, he joined Kier Engineering Services Ltd as a design engineer. He worked as a site agent for Kier Construction Ltd from October 2003 to April 2004. From April 2004 to December 2006, he was a project manager in Hadsphaltic International Ltd responsible for construction projects in Cayman Islands. He was a project manager in Faithful and Gould Limited from January 2006 to December 2007, providing project management consultancy services for construction projects. From January 2008 to February 2009, he was a senior project manager for Sama EC Harris LLC and was responsible for the master planning and design of mixed use developments. He managed construction of waterparks as a project manager for Sim Leisure Consultants SPC from February 2009 to October 2010. He was appointed as the Director of Operations for Sim Leisure Emirates General Contracting LLC from October 2010 to May 2014 where he managed all aspects of the designing and building of leisure theming attractions.



Ms Josie Booth
General Manager

Josie leads Sim Leisure in international business and is responsible for the overall company operations and success in the UAE and KSA. She has over 15 years of experience in marketing, sales and management in the creative design and construction industry in the UAE, KSA and USA. Josie completed her Bachelors of Science Degree at the Georgia Institute of Technology located in Atlanta, Georgia, USA in 2006. She relocated to the UAE in 2010 where she grew her career in the design and construction industry. Joining Sim Leisure in 2013, she has seen and contributed to the growth of the business in the UAE for the past 11 years. She started with Sim Leisure as the Design Manager, progressing to General Manager and now Managing Director of the Middle East business.

Josie has played a vital role in key Middle East projects including Motiongate, SeaWorld Abu Dhabi, Oman Snow Park, Reem Mall Snow Park and Six Flags KSA.

Group Structure



Financial Review

Review of the Group's Performance

The increase in revenue for FY2024 was mainly driven by: (i) increase in theme attraction construction segment, which includes Sim Leisure Gulf Contracting L.L.C ("SL Gulf"), Sim Leisure Arabia ("SL Arabia") and Sim Leisure Makers Sdn Bhd ("SL Makers"). Together, this segment generated a combined revenue of RM89.38mil, mainly from subcontracted theming works for the Six Flags Qiddiya project in Saudi Arabia, as well as theming, design and refurbishment work for new and existing attractions in United Arab Emirates. (ii) Improved performance in the theme park business, with revenue increasing from RM60.08mil in FY2023 to RM78.45mil in FY2024. The growth is primarily driven by the opening of Kidzania Singapore and Escape Ipoh in Q2 2024, although this is partially offset by a decline in revenue from existing theme parks in Malaysia. Save for Kidzania Kuala Lumpur, existing theme parks in Malaysia recorded lower visitor numbers compared to FY2023.

Cost of sales

Cost of sales increased from RM77.35mil in FY2023 to RM84.76mil in FY2024. The increase in cost of sales is less proportionate to the increase in revenue primarily driven by the growth of the contribution from the theme attraction construction segment which has a smaller cost margin compared to the theme park segment in FY2024. This was partially offset by the increase in cost in theme park segment where the opening of two new theme parks, ESCAPE Ipoh Park and Kidzania Singapore. These parks, while still in the early stages of gaining popularity, incurred higher costs to kickstart operations. However, existing theme parks saw a reduction in costs of around RM2.0mil compared to the previous year as a result of the Group's continuous focus on improving operational efficiency and optimizing costs.

Gross Profit

The Group's gross profit increased by 42.9%, rising from RM58.14mil in FY2023 to RM83.08 mil in FY2024. In addition, the gross profit margin improved from 42.9% to 49.5% during the same period. This performance was primarily driven by an enhanced margin in the theme attraction construction segment, while the theme park segment maintained its strong margin performance.

Other income

Other income decreased significantly by RM7.65mil, mainly due to the absence of a one-off gain on bargain purchase of RM6.73mil arising from the acquisition of SL Gulf during FY2023. Finance income from bank deposits also seen a decline from RM0.58mil to RM0.31mil attributable to a decrease in interest receivable due to the withdrawal of fixed deposits to partially fund the Group's expansion activities in FY2024, while exchange gain differences of RM0.32mil arising from strengthening of Ringgit Malaysia against Singapore Dollar further contributed to the decline.

Administrative expenses

Administrative expenses increased from RM27.96mil in FY2023 to RM30.79mil in FY2024. This increase was mainly attributed to an increase in pre-operating and administrative costs of RM3.46mil, incurred by the newly active subsidiaries and parks opened during FY2024 and increase of expenses in the theme attraction segment of RM0.67mil. This increase is partially offset by the reversal of an over-accrued director's incentive of RM0.65 million and a RM0.68 million decrease in staff costs in FY2024.

Impairment loss on trade and other receivables

The impairment loss on trade and other receivables significantly decreased by RM0.34mil, primarily due to the absence of new impairments. The RM0.002mil impairment in the current year consists of an outstanding amount owed by a debtor from a bill issued in FY2023.

Finance costs

Finance costs increased significantly by 35.8% from RM3.21mil in FY2023 to RM4.36mil in FY2024, principally due to inclusion of lease liabilities interest for Kids Edutainment Pte Ltd (“KEPL”) and Sim Leisure Rock Sdn Bhd (“SLR”), which amounted to RM2.52mil in aggregate. While noting this increase, the increase was offset by a decrease of RM0.35mil for RRSB, RM0.26mil for Sim Leisure Adventureplay (“SLA”) and RM0.76mil for Sim Leisure Escape Sdn Bhd (“SLE”).

Profit after income tax

As a result of the above, the Group recorded a net profit after tax of RM36.15mil for FY2024 as compared to a net profit after tax of RM29.07mil for FY2023, which is a 24.4% increase.

Review of Financial Position of the Group

Non-current assets

The Group recorded an increase in the non-current assets of RM51.71mil as at 31 December 2024, primarily driven by: (i) a significant rise in Right-of-use assets by RM44.45mil, mainly contributed by the newly active subsidiary, SLR, the theme park operator for ESCAPE Ipoh; (ii) a RM0.53mil increase in Intangible assets, mainly contributed by The Future Is Here Pte. Ltd. Group (“TFIH”) for HavenXR, a virtual reality attraction; (iii) a net increase of RM2.90mil in Property, Plant, and Equipment, resulting from asset additions as part of the Group’s expansion plan; and (iv) a RM3.32mil increase in non-current trade receivables arising from contract retention receivables from SL Arabia.

Current assets

Current assets increased from RM94.53mil to RM106.13mil as at 31 December 2024 mainly due to (i) an increase in contract assets by RM7.68mil, primarily from SL Gulf and SL Arabia; (iii) an increase in cash and bank balances by RM3.96mil and an increase of RM0.57mil in inventories, driven by the addition of inventories such as retail merchandise and safety equipment, from the newly active parks. The increase was offset by a decrease in tax recoverable of RM1.31mil following a tax refund received from the tax authority of Malaysia from previous year’s tax overpaid.

Non-current liabilities

The Group recorded an increase in non-current liabilities of RM40.29mil.

Lease liability increased by RM32.16mil due to the inclusion of lease liabilities arising from SLR amounting to RM32.92mil following the commencement of Escape Ipoh theme park in FY2024. This increase was offset by a decrease in lease liabilities from RRSB of RM0.84mil due to re-assessment of lease period and quantum following the tenancy renewal the tenancy renewal with the landlord.

The Group recorded a RM4.56mil increase in borrowings, mainly attributed to a newly secured SGD3mil (RM9.86mil equivalent) loan with a five years repayment term to finance the upcoming “Play Mall” entertainment hub development, this is offset by reclassification to short term borrowings and effect of foreign exchange of RM4.55mil and RM0.75mil respectively.

The Group recorded a RM4.18mil increase in provisions primarily contributed by KEPL for the provision of restoration amounting to RM3.91mil and RM0.28mil of provision for end of service benefit respectively.

The Group recorded a RM0.65mil increase in deferred tax liabilities contributed by SLE and SLR. These were offset by a decrease in amount due to director and contract liabilities of RM1.04mil and RM0.23mil respectively following repayment made in FY2024.

Current liabilities

Current liabilities decreased by RM2.58mil, from RM49.06mil to RM46.48mil as at 31 December 2024, primarily due to a RM3.77mil decrease in trade and other payables, driven by SL Gulf and SL Arabia due to repayments to suppliers following increased collections from project customers partially offset by an increase in trade and other payables attributable to KEPL due to the cost incurred from pre-openings activities.

The Group recorded a reduction in the amount due to a director following the full repayment of RM4.5mil, along with the scheduled loan repayment to a director of RRSB of RM0.9mil. This decrease was partly counterbalanced by a RM2.47 million rise in tax payable, primarily due to increased revenue from the theme attraction construction segment and the implementation of corporate tax in Dubai¹, amounting to RM3.39 million. This was partially offset by a RM0.92 million reduction in tax payable for the SLA & Sim Leisure Challenge.

¹ <https://u.ae/en/information-and-services/finance-and-investment/taxation/corporate-tax>

Current liabilities (Continued)

In FY2024 the Group recorded a RM1.91mil increase in contract liabilities from KEPL, arising from unsatisfied performance obligations and advance sponsorship income received.

Lastly, the Group recorded a RM1.20mil increase in lease liabilities and RM1.02mil increase in borrowings that will fall due within the next 12 months due to the reclassification of non-current liabilities.

Working Capital Position

The Group recorded a positive working capital position of RM59.65mil as at 31 December 2024, which is a significant improvement when compared to the working capital position of RM45.47mil as at 31 December 2023.

Review of Statement of Cash Flow of the Group

During FY2024, the net cash generated from operations amounted to approximately RM27.13mil. This comprises positive operating cash flows before changes in working capital of RM65.62mil, adjusted by net working capital outflow of RM29.94mil and taxes paid of RM8.56mil.

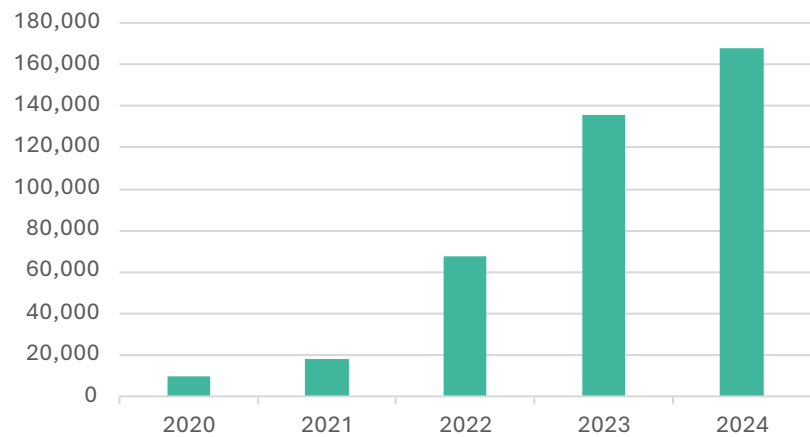
Net cash used in investing activities of RM9.6mil was primarily due to purchase of property, plant and equipment amounting to RM8.58mil and purchase of intangible asset of RM1.04 mil mainly from TFIH.

The Group's net cash used in financing activities for FY2024 is approximately RM12.04mil, mainly due to repayment of finance lease obligations, lease liabilities, loans and borrowings, interest and dividend paid as well as cash used in pledged fixed deposits for banker's guarantee.

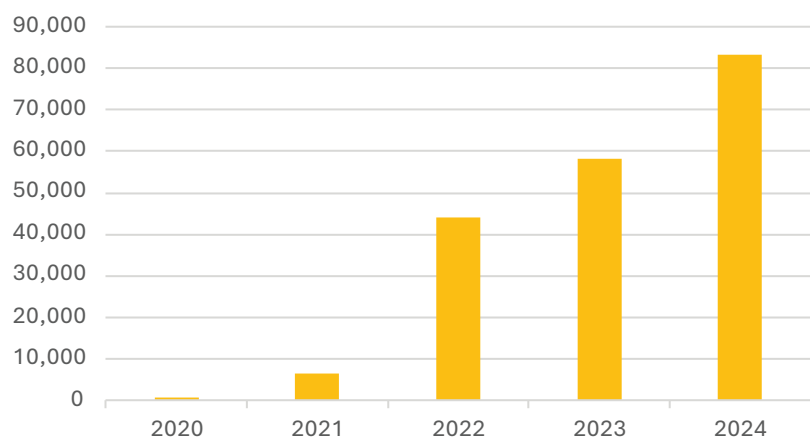


Financial Highlights

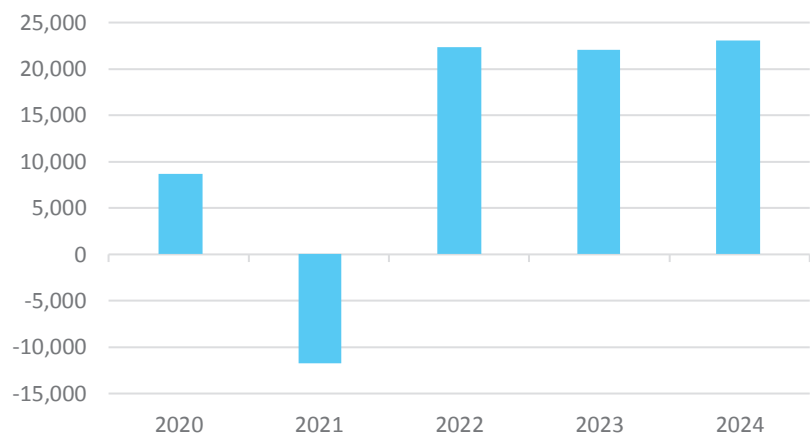
Revenue
(RM'000)



Gross Profit
(RM'000)



Net Profit /
(Loss) After Tax
Attributed to
Owners of the
Parent (RM'000)



Corporate Information

Company Registration Number

201808096D

Board of Directors

Dato' Sim Choo Kheng
Executive Chairman

Datin Silviya Georgieva Georgieva
Executive Director

Chung Yew Pong
Lead Independent Non-Executive Director

Stephen Brian Peet
Independent Non-Executive Director

Mohamed Nasser Ismail
Independent Non-Executive Director

Company Secretary

Chua Kern LLB (Hons)

Registered Office

138 Robinson Road
#26-03, Oxley Tower
Singapore 068906
Tel: (65) 6236 9353

Share Registrar

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

Independent Auditors

UHY Lee Seng Chan & Co
Public Accountants and Chartered Accountants
6001 Beach Road
#14-01 Golden Mile Tower
Singapore 199589
Partner-in-charge: Mr Lee Sen Choon
(Appointed with effect from the financial year ended
31 December 2020)

Principal Bankers

Public Bank Berhad, RHB Bank Berhad & DBS Bank Ltd.

Sponsor

PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay
#10-00 Collyer Quay Centre
Singapore 049318

Corporate Governance Report

The board of directors (the “**Board**” or the “**Directors**”) and the management (“**Management**”) of Sim Leisure Group Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) are committed to upholding a high standard of corporate governance, business integrity and professionalism within the Company and the Group by reference to the principles and provisions as set out in the Code of Corporate Governance 2018 (the “**Code**”). This report outlines the Group’s corporate governance framework and practices adopted by the Company during the financial year ended 31 December 2024 (“**FY2024**”), with specific reference made to the principles and provisions of the Code, which forms part of the continuing obligations pursuant to Rule 710 of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”).

The Board is pleased to report that, for FY2024, the Company has complied with the principles of the Code, and substantially with the provisions of the Code. In areas where the Company’s practices vary from any provisions of the Code, the Company has stated herein the provision of the Code from which it has varied, and appropriate explanations are provided for the variation, and how the practices the Company had adopted are consistent with the intent of the relevant principle of the Code. The Company will continue to assess its needs and implement appropriate practices accordingly.

Board Matters

The Board’s Conduct of Affairs

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

Provision 1.1

The Company is headed by an effective Board to lead and control its operations and affairs. The principal function of the Board is the overall management and corporate governance of the Group including establishing strategic objectives and providing entrepreneurial leadership. The Board’s key responsibilities include charting and reviewing the Group’s overall business strategy, supervising the Management as well as reviewing the Group’s financial performance and managerial performance while considering sustainability issues as part of its strategic formulation.

In addition, the Board has an obligation to the shareholders of the Company (the “**Shareholders**”) and other stakeholders of the Company to safeguard their interests and the Company’s assets by establishing a framework of prudent and effective controls which enables risk to be assessed and managed, setting the Company’s values and standards (including ethical standards), and ensuring that obligations to Shareholders and other stakeholders are understood and being met, as well as identifying the key stakeholder groups and recognising that their perceptions affect the Company’s reputation.

All Directors, expected to exercise due diligence and independent judgment, are obliged to act in good faith and objectively in the best interests of the Company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organizational culture, and ensures proper accountability within the Company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

Provision 1.2

During FY2024, the Management has kept the Board up-to-date on all pertinent developments in the business of the Group during Board and/or Board Committee meetings to facilitate the discharge of duties by the Directors. All Directors are also provided with regular updates on developments in financial reporting and governance standards, as well as changes in the relevant laws and regulations to enable them to make well-informed decisions and to ensure that the Directors are competent in carrying out their expected roles and responsibilities. News releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority (“ACRA”) which are relevant to the Group and/or Directors are circulated to the Board.

To ensure Directors can fulfil their obligations and to continually improve the performance of the Board, all Directors are encouraged to undergo regular training and participate in conferences, seminars or any training programme in connection with their duties.

In the FY2024, the Company has appointed Mr Mohamed Nasser Bin Ismail (“**Mr Nasser**”) as its new Independent Director.

Mr Nasser age 52, Independent Director, was appointed to the Board on 1 March 2024 and has no prior experience as a director of public-listed companies in Singapore. Mr Nasser has vast experience in the legal, regulatory strategies and policies, corporate and capital market fields. He has served and contributed to SGX-ST for the past 18 years in various senior capacities including the positions of the Executive Director and Global Head of Equity Capital Market and Senior Vice President of Head Issuer Regulations. Prior to that Mr Nasser was a State Counsel and Deputy Public Prosecutor with the Attorney General Chambers of Singapore. Mr Nasser has completed the training syllabus as prescribed by the SGX-ST pursuant to Practice Note 4D of the Catalist Rules in July 2024.

As a newly appointed Director, Mr Nasser was briefed on and provided with background information about the Group’s history, strategic direction, industry-specific knowledge and the Group’s governance practices. The Company has also provided Mr Nasser with a formal letter of appointment setting out his duties and obligations as a Director of the Company.

The training courses attended by the Directors of the Company for FY2024 and up to the date of this report are as follows:

Name of Director	Designation	Training and/or Course
Dato’ Sim Choo Kheng	Executive Chairman	<ul style="list-style-type: none"> Listed Entity Director programme (“LED”) - Board Risk Committee Essentials
Datin Silviya Georgieva Georgieva	Executive Director	<ul style="list-style-type: none"> LED - Board Risk Committee Essentials
Mr Chung Yew Pong ⁽²⁾	Lead Independent Director	<p>Malaysian Institute of Accountants</p> <ul style="list-style-type: none"> Decoding the TCFD Reporting Framework Navigating the Updates on International Valuation Standards: Transforming Valuation Practices <p>Singapore Institute of Directors</p> <ul style="list-style-type: none"> From GRI to ISSB – What to Consider? The Board’s Role in Talent Management Evolving Global Reporting: Implications for Global Companies Board’s Role in Driving Innovation Culture Technology Governance and Oversight at the Top

Name of Director	Designation	Training and/or Course
		<ul style="list-style-type: none"> Extracting Real Value and Impact from ESG Institute of Corporate Directors Malaysia <ul style="list-style-type: none"> Being Sued as an INED CPA Australia <ul style="list-style-type: none"> Enhancing Cyber Resilience Cybersecurity Challenges in ASEAN
Mr. Stephen Brian Peet	Independent Director	<ul style="list-style-type: none"> LED - Board Risk Committee Essentials
Mr. Nasser ⁽¹⁾	Independent Director	<ul style="list-style-type: none"> LED - Environmental, Social and Governance Essentials LED - Listed Entity Director Essentials LED - Board Dynamics LED - Board Performance LED - Stakeholder Engagement LED - Audit Committee Essentials

Notes:

(1) Mr Nasser was appointed as Independent Director with effect from 1 March 2024.

(2) Mr Chung Yew Pong will not be seeking re-election as director at the forthcoming annual general meeting of the Company.

The Directors will continue to endeavour to participate in courses and training that enhance and maintain their skills and knowledge to facilitate effective and efficient discharge of their duties while the Company will continue to review and recommend available professional development programme and training to all Directors.

Provision 1.3

The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters that require the approval of the Board include, but are not limited to, the following:

- (a) matters that involve a conflict of interest of a controlling Shareholder or a Director or persons connected to such Shareholder or Director;
- (b) approval of announcements to be released via the Singapore Exchange Network ("SGXNet"), including half yearly and full year financial results announcements;
- (c) approval of operating budgets, internal annual and interim reports, financial statements, Directors' statements and annual report;
- (d) share issuance, dividends and other returns to Shareholders;
- (e) authorisation of banking facilities and corporate guarantees;
- (f) approval of change in corporate business strategy and direction;
- (g) appointment/cessation, and remuneration packages of the Directors and key management executives;
- (h) any matters relating to the Company's general meetings, Board and Board Committees (as defined below); and

- (i) approval of material investment and divestment proposals, acquisitions and disposals, and funding requirements.

Provision 1.4

The Board has, without abdicating its responsibilities, delegated certain matters to three (3) main sub-committees, namely the Audit Committee (“**AC**”), the Nominating Committee (“**NC**”) and the Remuneration Committee (“**RC**”) (collectively, the “**Board Committees**”), which operate under clearly defined written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The Board Committees play an important role in ensuring good corporate governance in the Company and within the Group. The terms of reference of the Board Committees are reviewed on a regular basis to ensure their continued relevance. The respective Chairmen of the Board Committees report the outcome of the Board Committee meetings to the Board. The composition, description (including the terms of reference) and activities of each Board Committee are set out in the Board Membership section, Procedure for Developing Remuneration Policies section and Audit Committee section of this report respectively.

Provision 1.5

The schedule of all the Board and Board Committee meetings as well as the annual general meeting of the Company (“**AGM**”) for the next calendar year is planned well in advance. The Board will meet at least twice yearly and whenever warranted by circumstances. Ad-hoc, non-scheduled Board or/and Board Committee meetings may be convened to deliberate on urgent substantial matters. In addition to these meetings, corporate events and actions requiring the Board’s approval may be discussed over the telephone or video-conference, followed by Directors’ resolutions in writing being passed. Regulation 110(A) of the Company’s Constitution (the “**Constitution**”) allows a Board and Board Committee meeting to be conducted by way of tele-conference and video conference.

Two (2) Board meetings were held in FY2024 to review and discuss, amongst others, the financial performance of the Group and the announcements for the unaudited full year financial results of the Group for the financial year ended 31 December 2023 and unaudited half yearly financial results of the Group for the FY2024. Directors attend and actively participate in Board and Board Committee meetings. The attendance of the Directors at the meetings of the Board and the Board Committees during FY2024 is as follows:

	AGM	Board	Board Committees		
			Audit Committee	Nominating Committee	Remuneration Committee
Number of meetings held during the year	1	2	2	1	1
Number of meetings attended					
Dato’ Sim Choo Kheng (“ Dato’ Sim ”)	1	2	-	-	-
Datin Silviya Georgieva Georgieva (“ Datin Silviya ”)	1	2	-	-	-
Mr Chung Yew Pong (Mr Chung) ⁽⁵⁾	1	2	2	1	1

	AGM	Board	Board Committees		
			Audit Committee	Nominating Committee	Remuneration Committee
Mr Stephen Brian Peet (“Mr Peet”)	-	2	2	-	1
Mr Nasser ⁽¹⁾	1	1	1	-	-
Mr Darrell Edward Metzger ⁽²⁾	-	1	1	1	-
Ms Tan Hui Tsu ⁽³⁾	-	1	1	1	1
Mr Tan Boon Seng ⁽⁴⁾	-	-	-	-	-

Notes:

- (1) Mr Nasser was appointed as Independent Director with effect from 1 March 2024.
- (2) Mr Darrell Edward Metzger retired as Independent Director on 23 April 2024.
- (3) Ms Tan Hui Tsu (“Ms Tan”) resigned as Independent Director with effect from 14 March 2024.
- (4) Mr Tan Boon Seng resigned as Non-Independent Non-Executive Director with effect from 5 January 2024.
- (5) Mr Chung will not be seeking re-election as director at the forthcoming AGM

Provision 1.6

Management provides Directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities. Detailed Board and Board Committee papers are prepared and circulated to the Directors before each Board and Board Committee meeting. The Board and Board Committee papers include sufficient information on financial, budgets, projections, business and/or corporate issues (where applicable) to enable the Directors to be properly briefed on issues to be considered at the Board and Board Committee meetings. However, sensitive matters may be tabled at the meeting itself or discussed without any papers being distributed. Key personnel who can provide additional insight into the matters at hand would be present at the relevant time during the Board and Board Committee meetings.

The Board receives half year and full year financial performance results, annual budgets and explanation on material forecasts variances to enable them to oversee the Group’s operational and financial performance as well as risks faced by the Group. Directors are also informed on a regular basis as and when there are any significant developments or events relating to the Group’s business operations.

All Directors have unrestricted access to the Company’s records and information. The Directors may also liaise with the Management as and when required to seek additional information.

Provision 1.7

All Directors have separate and independent access to the Management and the Company Secretary through electronic mail, telephone, videoconference as well as face-to-face meetings where appropriate. The Company Secretary is responsible for ensuring that Board procedures are followed, and that applicable rules and regulations are complied with. The Company Secretary and/or his representatives attend all the Board and Board Committees meetings. The appointment and removal of the Company Secretary is decided by the Board as a whole.

Should the Directors, whether as a group or individually, need independent professional advice, the Company will appoint such professional adviser to render the appropriate professional advice. The cost of such professional advice will be borne by the Company.

Board Composition and Guidance

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

As at the date of this report, the Board comprises five (5) members, three (3) of whom are Independent Directors, details of the Board's composition (including the Board Committee membership) are as follows:

Name of Director	Designation	Board Committee Membership		
		Audit Committee ("AC")	Nominating Committee ("NC")	Remuneration Committee ("RC")
Dato' Sim	Executive Chairman	-	-	-
Datin Silviya	Executive Director	-	-	-
Mr Chung ⁽²⁾	Lead Independent Director	Chairman	Member	Chairman
Mr Peet	Independent Director	Member	Member	Member
Mr Nasser ⁽¹⁾	Independent Director	Member	Chairman	Member

Notes:

- (1) Mr Nasser was appointed as Independent Director with effect from 1 March 2024.
- (2) Mr Chung will not be seeking re-election as director at the forthcoming AGM.

Provision 2.1

The independence of each Director is reviewed by the NC, based on the guidelines as provided in the Code as well as Rule 406(3)(d) of the Catalist Rules, and any other salient factors. The independence of each Director is assessed and will be reviewed at least annually by the NC. In its deliberation as to the independence of a Director, the NC takes into account examples of relationships as set out in the Code. There is no policy to prohibit or require Independent Directors to hold shares in the Company. As at the date of this report, Mr Chung holds 10,000 shares in the Company amounting to approximately 0.006% of the total issued shares in the Company of 165,365,200. The NC and the Board are of the view that the holding of shares by Independent Directors of less than 5.0% of the total issued shares in the Company encourages the alignment of their interests with the interests of Shareholders without compromising their independence. The NC has reviewed, determined and confirmed the independence of each Director for FY2024.

Save as disclosed above, the Independent Directors (namely Mr Chung, Mr Peet and Mr Nasser) as at end of the FY2024 have confirmed that they or their immediate family members do not have any relationship with the Company or any of its related corporations, its substantial Shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment with a view to the best interests of the Company, and do not fall under any of the circumstances pursuant to Rule 406(3)(d) of the Catalist Rules for the FY2024. The Independent Directors were not in foreseeable situations that could compromise their independence of thought and decision. The Board, based on the review conducted by the NC, has determined that the said Directors are independent for FY2024.

As at the date of this report, none of the Independent Directors has served on the Board beyond nine (9) years from the date of his first appointment.

Provisions 2.2 and 2.3

As the Chairman of the Board is not an Independent Director, the Company maintains an Independent Director-majority Board. The Board as at the date of the report, comprises a total of five (5) members. Three (3) of whom are Independent Directors. A Lead Independent Director was appointed among the three (3) Independent Directors to enable the Board to discharge its function, duties, and responsibilities effectively and efficiently as well as to facilitate the compliance of the Code.

Following the cessation of Mr Chung as the Independent Director at the forthcoming AGM, the Board will comprise a total of four (4) members, two (2) of whom are Independent Directors. The Board will immediately appoint a new Independent Director to maintain an independent Director-majority Board, upon the retirement of Mr Chung at the forthcoming AGM.

In respect of the FY2024, the Board has an independent element of 60% and more and as at the date of this report, the Board's independent element is stood at 60% comprising three (3) Independent Directors, one (1) of whom was appointed as the Lead Independent Director to facilitate the Board to attend to the interest of Shareholders and other stakeholders effectively and efficiently. This majority-independent position will allow and ensure effective representation for Shareholders and that issues of strategy, performance and resources are fully discussed and examined to take into account long-term interest of Shareholders, employees, customers, suppliers, other stakeholders and the industry in which the Group conducts its businesses.

Although all the Directors have equal responsibility for the performance of the Group, the role of the Independent Directors is particularly important in ensuring that the strategies proposed by the Management are fully discussed and rigorously examined and take into account the long-term interests of not only the Shareholders, but also of the employees and reviewing the performance of the Management in achieving agreed goals and objectives. The NC considers the Independent Directors to be of sufficient calibre and number and their views to be of sufficient weight such that no individual or small group of individuals dominates the Board's decision-making process.

Provision 2.4

The key information of the Directors (as at the date of this report), including their academic and professional qualifications, shareholding interests in the Group, Board Committees served on, first appointment dates, last re-appointment dates, present directorships in other listed companies, and their other principal commitments, are set out in this report, as well as in the sections entitled "Board of Directors" and "Directors' Statement" of this Annual Report. None of the Directors is related to one another, with the exception of Dato' Sim and Datin Silviya, who are spouses.

The Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. The Board Diversity Policy support the principle that its Board members collectively possess the balance of skills, knowledge, experience which are broadly classified into three (3) core competency categories 1) Accounting /Finance /Legal /Corporate governance; 2) Industry /Customer based knowledge or experience and 3) Strategic planning experience and other aspects of diversity including gender and age that will facilitate the Group's pursuit of its long term strategic and business objectives. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately.

The NC reviews and assesses Board composition and recommends the appointment of new Directors apart from overseeing the conduct of the annual assessment of Board effectiveness. In determining the optimum composition and size of the Board and Board Committees, the NC based on the guidance of the Board Diversity Policy, will consider the benefits of all aspects of the diversity in order to maintain an appropriate range and balance of skills, knowledge and experience and background on the Board. Newly identified candidate(s) will be subject to NC's interview before any recommendation is made to the Board including the appointment to the appropriate Board Committees.

To maintain or enhance the balance and diversity of the Board, the NC will review the size and composition of the Board and the Board Committees annually to ensure that the Board and the Board Committees are of an appropriate size, and comprise persons who as a group provides the appropriate balance and mix of skills, knowledge, expertise and experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate and to enable the Management to benefit from a diverse perspective of issues that are brought before the Board and the Board Committees.

The Board taking into consideration the views from the NC, will assess if the existing attributes and core competencies, age, gender, and other aspects of the diversity of the Directors are complementary and contributes to the efficacy of the Board. This enables the Board to maintain or enhance the balance and diversity within the Board.

The NC has reviewed the size, diversity and composition of the Board and the Board Committees, and together with the Board, taking into account the scope and nature of the operations of the Group, are of the view that the current size, diversity and the composition of the Board and the Board Committees are sufficient and appropriate to meet the Company's objectives and facilitates effective and informed decision-making. Summary details of the Board composition as at the date of this report and the diversity targets for the financial year ending 31 December 2025 ("FY2025") in relation to the diversity of the Board, are as follows:

Description of principle	No. of Directors	Proportion of Board	Diversity Targets for FY2025
a) Core Competencies <ul style="list-style-type: none"> Accounting/Finance/Legal/Corporate governance Industry/Customer based-knowledge or experience Strategic planning experience 	3 2 5	60% 40% 100%	For each core competency at 40% or more.
b) Gender Diversity <ul style="list-style-type: none"> Male Female 	4 1	80% 20%	Female director representation at 20%.
c) Age Group <ul style="list-style-type: none"> 40 – 49 years 50 – 59 years 60 – 69 years 	1 3 1	20% 60% 20%	Neutral with wide spectrum of age groups.
d) Independence <ul style="list-style-type: none"> Independent Non-Independent 	3 2	60% 40%	Independent-majority Board

The NC and Board believe that current diversity of the Board and its Board Committees is satisfactory. Please refer to the table below for details on the diversity target for the FY2024, progress and achievement as at the date of this report.

Description of principle	Diversity Targets for FY2025	Proportion of Board as at date of this report
a) Core Competencies <ul style="list-style-type: none"> Accounting/Finance/Legal/Corporate governance Industry/Customer based-knowledge or experience Strategic planning experience 	For each core competency at 40% or more.	60% 40% 100%
b) Gender Diversity <ul style="list-style-type: none"> Male Female 	Female director representation at 20%.	80% 20%

Description of principle	Diversity Targets for FY2025	Proportion of Board as at date of this report
c) Age Group <ul style="list-style-type: none"> o 40 - 49 years o 50 - 59 years o 60 - 69 years 	Neutral with wide spectrum of age groups	20% 60% 20%
d) Independence <ul style="list-style-type: none"> o Independent o Non-Independent 	Independent-majority Board	60% 40%

Provision 2.5

The Independent Directors have the necessary experience and expertise to assist the Board in decision-making and provide greater balance to the Board as they do not participate in the day-to-day running of the Group. The Independent Directors may challenge and help develop proposals on strategy, review the performance of and to extend guidance to the Management. The Company will coordinate informal meeting sessions to be led by the Lead Independent Director (whichever is applicable) or such other Independent Director as appropriate, for the Independent Directors to meet regularly without the presence of the Management to discuss matters such as the Group's financial performance, corporate governance initiatives, Board processes, succession planning as well as leadership development and the remuneration of the Executive Director and Executive Chairman. The chairman of such meetings provides feedback to the Board as appropriate. In FY2024, the Independent Directors had one (1) meeting without the presence of the Management.

Chairman, Executive Director and Chief Executive Officer ("CEO")

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.

Provisions 3.1 and 3.3

The Executive Chairman of the Board and CEO are separate persons in order to provide an appropriate balance of power and authority, increased accountability and greater capacity of the Board for independent decision-making. In FY2024, the Executive Chairman of the Board is Dato' Sim, an Executive Director. The CEO was Mr Philip John Whittaker ("**Mr Phil**") until his last date of engagement on 30 June 2024 following his resignation as a CEO due to increasing personal and private commitments, as announced on SGX-ST on 7 May 2024. Following Mr Phil's resignation, Datin Silviya, an Executive Director of the Company, has assumed the duties and responsibilities of overseeing the strategic directions and day-to-day operations of the Company. This is in addition to her primary roles in the areas of human resources, information technology and finance. Considering the present operations and corporate strategies of the Group, there are no plans to seek or appoint a replacement for the CEO position at this time. Datin Silviya is the spouse of Dato' Sim and both are Executive Director of the Company.

Dato' Sim, the Executive Chairman remains as a part of the Management team and is responsible for overseeing the overall business development and general management of the Group and formulating the Group's strategic direction and expansion plans. The Executive Chairman of the Board and the Executive Director (CEO-designate) are separate persons in order to provide an appropriate balance of power and authority, increased accountability and greater capacity of the Board for independent decision-making.

To facilitate clear division of responsibilities between leadership of the Board and Management pursuant to the Code, the Company maintains an Independent Director-majority Board with Mr Chung, an Independent Director, as the Lead Independent Director of the Company.

In respect of Provision 3.3 of the Code, the Lead Independent Director is available at all times to Shareholders and Independent Directors when they have concerns and for which contacts through the normal channels of communication with the Executive Chairman, Executive Director or Management are inappropriate or inadequate. There was no query or request on any matter which requires the Lead Independent Director's attention, received in FY2024.

Provision 3.2

There is a clear division of responsibilities, as set out in writing and agreed by the Board, between the Chairman of the Board and CEO or Executive Director.

The Chairman is responsible for the effective functioning of the Board and exercises control over the quality, quantity and timeliness of information flow between the Board and the Management while together with the Lead Independent Director, ensures effective communication with Shareholders and other stakeholders. In addition, the Chairman encourages constructive relations among the Directors and the Board's interaction with the Management, as well as facilitates effective contribution from Independent Directors. The Chairman's responsibilities in respect of the Board proceedings include:

- (a) setting the agenda (with the assistance of the Company Secretary) and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (b) ensuring that all agenda items are adequately and openly debated at the Board meetings;
- (c) ensuring that all Directors receive complete, adequate and timely information; and
- (d) assisting in ensuring that the Group complies with the Code and maintains high standards of corporate governance.

The Chairman is an Executive Director of the Company, who has full executive responsibilities in the business directions and operation efficiency of the Group and remain as part of the Management team and responsible for overseeing the overall business development and general management of the Group and formulating the Group's strategic direction and expansion plans.

Datin Silviya who is an Executive Director has full executive responsibilities in the business directions and operation efficiency of the Group. Datin Silviya is responsible for the execution of the Group's corporate and business strategies and the day-to-day running of the business. All major proposals and decisions made by the Executive Director are discussed and reviewed by the Chairman and the AC.

The Executive Directors' performance and appointment will be reviewed periodically by the NC and their remuneration packages are reviewed annually or periodically based on the term of his employment by the RC. As each of the AC, NC and RC consist of all Independent Directors, the Board believes that there are sufficient strong and independent elements and adequate safeguards in place against an uneven concentration of power and authority in a single individual.

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.

Provision 4.1

The terms of reference of the NC sets out its duties and responsibilities. Amongst others, the NC is responsible for:

- (a) recommending to the Board on relevant matters relating to (i) the review of Board succession plans for Directors, in particular, the appointment and/or replacement of the Chairman, the CEO and key management personnel; (ii) the process and criteria for evaluation of the performance of the Board, the Board Committees and the Directors; (iii) the review of training and professional development programs for the Board; and (iv) the appointment and reappointment of the Directors (including alternate Directors, if applicable);
- (b) reviewing and determining annually, and as when circumstances require, if a Director is independent, in accordance with the Code, and any other salient factors;
- (c) reviewing and approving any new employment of persons related to the Directors, the CEO or substantial Shareholders and the proposed terms of their employment;
- (d) reviewing the size and composition of the Board and Board Committees annually to ensure that the Board and the Board Committees comply with the Code and the Catalist Rules;
- (e) implementing a process to assess the effectiveness of the Board as a whole and the Board Committees and for assessing the contribution by each individual Director and the Chairman to the effectiveness of the Board. The Chairman will act on the results of the performance evaluation of the Board and the Board Committees as well as each individual Director, and in consultation with the NC, propose, where appropriate, new members to be appointed to the Board or seek the resignation of Directors; and
- (f) where a Director has multiple board representations, to decide whether or not the Director is able to and has been adequately carrying out his duties as a Director, taking into consideration the Director's number of listed company board representation, the competing time commitments that are faced by the Director when serving on multiple boards and discharging his duties towards other principal commitments.

The NC is scheduled to meet at least once a year and at such other times as may be necessary. In respect of FY2024, one (1) NC meeting was held. The purpose of the NC meeting was primarily to review the performance of the Board and to confirm matters regarding the re-election of Directors at the forthcoming AGM as reported below.

Each member of the NC shall abstain from voting on any resolutions in respect of his or her re-nomination as a Director.

In respect of the FY2024, the Board has an independent element of 60% and more and as at the date of this report, the Board's independent element is stood at 60% comprising three (3) Independent Directors, one (1) of whom was appointed as the Lead Independent Director to facilitate the Board to attend to the interest of Shareholders and other stakeholders effectively and efficiently

Provision 4.2

Throughout the FY2024, the NC comprises no less than three (3) members all of whom are Independent Directors. The NC members as at end of FY2024 and the date of this report, are Mr Nasser (Chairman of the NC), Mr Chung and Mr Peet. The Lead Independent Director, Mr Chung is a member of the NC.

Provision 4.3

The Company has put into place a process for selecting, appointing new Directors and re-appointing Directors to the Board. Where there is a need to appoint a new Director, the NC will evaluate the balance and mix of skills, knowledge and experience and other aspects of diversity of the Board and Board Committees by reference to the Board Diversity Policy in order to identify the essential and desirable competencies of the candidate. The NC has also encouraged the Board to go beyond their immediate circle of contacts, including using third party search firms and institutions, to identify a broader range of suitable candidates. The NC will then meet up with the candidates to assess his or her suitability based on certain objective criteria such as integrity, independent mindedness and the ability to commit time, before making its recommendation to the Board.

The NC is charged with the responsibility of re-nomination having regard to a Director's contribution and performance (e.g. attendance, preparedness, participation and candour) including, if applicable, as an Independent Director. With effect from 1 January 2019, pursuant to Rule 720(4) of the Catalist Rules, all Directors must submit themselves for re-nomination and re-appointment at least once every three (3) years. Pursuant to the Company's Constitution and in particular to Regulation 102 therein, at least one-third of the Directors shall retire by rotation at every AGM and a retiring Director shall be eligible for re-election. In addition, Regulation 108 of the Company's Constitution requires any person so appointed by the Directors to hold office only until the next AGM and shall then be eligible for re-election.

In this regard, Dato' Sim will be retiring under Regulation 102 of the Company's Constitution at the forthcoming AGM (the "**Retiring Director**"), have been nominated by the NC for re-appointment at the forthcoming AGM. Mr Chung who is due for retirement at the forthcoming AGM, has decided not to seek re-election as the Director due to personal and family commitments. As such, Mr Chung will be stepping down as Director of the Company at the conclusion of the forthcoming AGM. In making the recommendation, the NC had considered, among others, the Retiring Director's contribution and performance to the Board and the Group. Dato' Sim will, upon re-election as a Director, remain as the Chairman and Executive Director of the Company.

The NC has conducted the annual review of the size, diversity and composition of the Board and the Board Committees, and together with the Board, taking into account the scope and nature of the operations of the Group, are of the view that the current size, diversity and the composition of the Board and the Board Committees are appropriate to meet the Company's objectives and facilitates effective and informed decision-making. Further, the Board has strong independent elements that safeguard against an uneven concentration of power and authority in a single individual.

Please refer to the Notice of AGM for the resolutions put forth in relation to the respective re-elections of the Retiring Directors, as well as detailed information on the Retiring Director as set out in the section entitled "Additional Information on Directors Nominated for Re-election – Appendix 7F to the Catalist Rules" of this report.

Provision 4.4

The NC determines the independence of Directors annually in accordance with the guidelines as set out in the Code as well as Rule 406(3)(d) of the Catalist Rules, and any other salient factors. Save for Mr Chung, who holds 10,000 shares in the Company amounting to approximately 0.006% of the total issued shares in the Company as at the date of this report, none of the Independent Directors or their immediate family members has any relationship with the Company, its related corporations, its substantial Shareholders or its officers, if any, that may affect their independence. The NC has reviewed and determined that the Independent Directors (namely Mr Chung, Mr Peet and Mr Nasser) are independent for FY2024.

Provision 4.5

The NC ensures that new Directors are aware of their duties and obligations. The NC will further decide if a Director is able to and has been adequately carrying out his or her duties as a Director of the Company, as well as sufficient time and attention have been given by the Director to the affairs of the Company. The NC considers that the multiple board representations held presently by the Directors and/or their other principal commitments do not impede their performance in carrying out their duties to the Company. The NC has determined that the maximum number of listed company board representations which any Director of the Company may hold at any point in time is six (6) for Director(s) who does not hold any other full-time position, and four (4) for Director(s) who holds other full-time position in other corporations. The Board, based on the review conducted by the NC, has considered and is satisfied that each Director is able to and has adequately carried out his or her duties as a Director of the Company, as well as sufficient time and attention are given by each Director to the affairs of the Company, in FY2024. The Board believes that each individual Director is best placed to determine and ensure that he or she is able to devote sufficient time and attention to discharge his or her duties and responsibilities as a Director of the Company, bearing in mind his or her other commitments. All Directors are required to declare their board representations at the Board meeting of the Company and to inform the Board as and when there are new board representations.

Other than the key information regarding the Directors (as at the date of this report) set out below, information pertaining to the Directors' interests in shares, options and other convertible securities are set out in the section entitled "Directors' Statement" of this Annual Report, and information in relation to the background and principal commitments of the Directors are set out in the section entitled "Board of Directors" of this Annual Report.

Name of Director	Board Appointment	Date of First Appointment	Date of Last Re-election	Present Directorships in other Listed Companies and other Principal Commitments
Dato' Sim	Executive Chairman	8 March 2018	28 April 2023 (shall retire and be subject to re-election at the forthcoming AGM)	<p><u>Present Directorships</u></p> <p>Nil</p> <p><u>Other Principal Commitments</u></p> <ul style="list-style-type: none"> · Sim Leisure Adventureplay Sdn Bhd · Sim Leisure Escape Sdn Bhd · Sim Leisure Waterplay Sdn Bhd · Sim Leisure Consultants Sdn. Bhd. · Sim Leisure Milan Sdn. Bhd. · Sim Leisure Challenge Sdn. Bhd. · Sim Leisure Rock Sdn. Bhd. · Sim Leisure Creative Pte. Ltd. · Rakan Riang Sdn. Bhd. · Sim Leisure Cameron Sdn. Bhd. · The Cool Melon Pte. Ltd. · The Cool Melon Sdn. Bhd. · Sim Leisure Makers Sdn. Bhd. · Sim Leisure Hong Kong Limited · Team Works Malaysia Sdn. Bhd. · Sim Leisure Gulf Contracting L.L.C. · Gabrovo Sdn. Bhd. · The Future Is Here Pte. Ltd. · The Future Is Here Sdn. Bhd. · Nha Hang Viet Nam Sdn. Bhd. · Kids Edutainment Pte. Ltd.
Datin Silviya	Executive Director	24 December 2018	24 April 2024	<p><u>Present Directorships</u></p> <p>Nil</p> <p><u>Other Principal Commitments</u></p> <ul style="list-style-type: none"> · Sim Leisure Adventureplay Sdn Bhd · Sim Leisure Escape Sdn Bhd · Sim Leisure Waterplay Sdn Bhd · Sim Leisure Consultants Sdn. Bhd. · The Cool Melon Sdn. Bhd. · The Cool Melon Pte. Ltd. · Sim Leisure Challenge Sdn. Bhd.

Name of Director	Board Appointment	Date of First Appointment	Date of Last Re-election	Present Directorships in other Listed Companies and other Principal Commitments
				<ul style="list-style-type: none"> · Sim Leisure Rock Sdn. Bhd. · Sim Leisure Creative Pte. Ltd. · Rakan Riang Sdn. Bhd. · Sim Leisure Cameron Sdn. Bhd. · Team Works Malaysia Sdn. Bhd. · Sim Leisure Hong Kong Limited · Kids Edutainment Pte. Ltd. · The Future Is Here Pte. Ltd. · The Future Is Here Sdn. Bhd.
Mr Chung	Independent Director	24 December 2018	28 April 2023 (shall retire and be subject to re-election at the forthcoming AGM)	<u>Present Directorships</u> Nil <u>Other Principal Commitments</u> <ul style="list-style-type: none"> · True Vine Capital Partners Pte. Ltd. · CPA Australia Ltd. · Incitable Digital Asia Sdn. Bhd.
Mr Peet	Independent Director	5 August 2022	23 April 2024	<u>Present Directorships</u> Nil <u>Other Principal Commitments</u> <ul style="list-style-type: none"> · Peet Leisure Pty Ltd.
Mr Nasser	Independent Director	1 March 2024	23 April 2024	<u>Present Directorships</u> <ul style="list-style-type: none"> · Zico Holdings Inc. (Independent Chairman) <u>Other Principal Commitments</u> <ul style="list-style-type: none"> · Action Community for Entrepreneurship (ACE) Ltd. · Hydrax Pte. Ltd. · Wong Partnership LLP · Raya Advisors Pte. Ltd. · SG HER Empowerment Limited · Surfin Meta Digital Technology Pte. Ltd. · Madrasah Alsagoff Al-Arabiah

Board Performance

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

Provisions 5.1 and 5.2

The NC has implemented a self-assessment process that requires each Director to assess the performance and effectiveness of the Board as a whole and the Board Committees and for assessing the contribution by the Chairman and each individual Director to the effectiveness of the Board, for each financial year. The self-assessment process takes into consideration, amongst others, board structure and composition, corporate strategy and planning, risk management and internal control, performance measurement and compensation, succession planning, financial reporting, conduct of meetings and communication with Shareholders and other stakeholders. The NC will continue to review the objective performance criteria, and where circumstances deem it necessary for any of the criteria to be changed. The performance criteria has been approved by the Board and is not subject to change unless otherwise necessary, in which case the onus will be on the Board to justify the change.

Although the Board's performance evaluation does not include a benchmark index of its industry peers, the Board assesses its effectiveness holistically through the completion of a questionnaire by each individual Director, which includes questions covering the above-mentioned areas of assessment. The questionnaire takes into consideration the guidelines contained in the Code. The questionnaire has to be completed individually by each Director. The NC will collate and review the responses and results of the questionnaire and discuss collectively with other Board members to address or recommend any areas for improvement and follow-up actions.

The review of the effectiveness of the Board as a whole, its Board Committees and the contribution of the Chairman and each individual Director has been undertaken collectively by the Board for FY2024 without the engagement of an external facilitator.

For FY2024, the Board is satisfied that the present Chairman and each individual Director has allocated sufficient time and attention to the affairs of the Company and is of the view that the effectiveness of the Board as a whole and of each of the Board Committees, as well as the contribution of each Director to the effectiveness of the Board and Board Committees has been satisfactory.

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.

Provision 6.1

The terms of reference of the RC sets out its duties and responsibilities. Amongst others, the RC is responsible for:

- (a) reviewing and recommending to the Board, in consultation with the Chairman, for endorsements, a comprehensive remuneration policy framework and guidelines for remuneration of the Directors and key management personnel;
- (b) reviewing and recommending to the Board, for endorsement, the specific remuneration packages for each of the Directors and key management personnel;
- (c) reviewing and approving the design of all share option plans, performance share plans and/or other equity-based plans;
- (d) reviewing the remuneration of employees related to Directors and/or substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;
- (e) in the case of service contracts, reviewing the Group's obligations in the event of termination of the Executive Directors' or key management personnel contracts of service, to ensure that such service contracts include fair and reasonable termination clauses, which are not overly generous, with a view to being fair and avoiding the reward of poor performance; and
- (f) approving the performance targets for assessing the performance of each of the key management personnel and recommending the performance targets as well as employee specific remuneration packages for each of such key management personnel, for the endorsement of the Board.

Provision 6.2

In respect of FY2024, the RC comprises three (3) Independent Directors and the RC members as at the date of this report, are Mr Chung (Chairman of the RC), Ms Peet and Mr Nasser.

Provision 6.3

The RC reviews and recommends to the Board the remuneration packages or policies for the Executive Chairman, Executive Director, CEO and the key management personnel based on the performance of the Group, the individual Director, CEO and the key management personnel. No Director individually decides or is involved in the determination of his or her own remuneration. The RC's recommendations are submitted for endorsement by the Board.

The RC will also review the Company's obligations under the service agreement entered into with the Executive Chairman, Executive Director, CEO and key management personnel that would arise in the event of termination of these service agreements. This is to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance .

An annual review of the compensation will be carried out by the RC to ensure that the remuneration of the Executive Chairman, Executive Director, CEO and key management personnel commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group and the terms of the service or employment contracts (if any). The performance of the Executive Chairman/Director/CEO (together with other key management personnel) is reviewed periodically by the RC and the Board. In structuring the compensation framework, the RC also takes into account the risk policies of the Group, the need for the compensation to be symmetric with the risk outcomes and the time horizon of risks.

In respect of FY2024, the RC met on 21 February 2024 to discuss, amongst others, the framework of remuneration for the Directors and key management personnel and Directors' fees. During the meeting, the RC had:

- reviewed the Directors' fees for the Non-Executive Directors for FY2024 and determined that there was no change to the Directors' fees for the Non-Executive Directors which were tabled by the RC to the Board for endorsement and recommendation to Shareholders for approval at the AGM held in April 2024;
- reviewed and approved the proposed revision to the Executive Directors' remuneration packages with effect from 1 January 2024 and recommended the revision to the Board for approval at the Board meeting held on the same day; and
- reviewed and determined that there was no material change to the remuneration of the CEO and key management personnel for FY2024.

Provision 6.4

The RC has access to advice from the internal human resource department and, if necessary, may seek external expert advice of which the expenses will be borne by the Company. No remuneration consultant was engaged by the RC in FY2024.

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.

Provisions 7.1, 7.2 and 7.3

The Group's remuneration policy is to provide compensation packages based on market rates which reward successful performance and to attract, retain and motivate Directors and key management personnel. The remuneration packages take into account the performance of the Group, the individual Directors and individual key management personnel.

The Company has adopted an employee share option scheme known as the “Sim Leisure Employment Share Option Scheme” (“**ESOS**”) and a performance share plan known as the “Sim Leisure Performance Share Plan” (“**PSP**”) in conjunction with the Company’s listing. All Directors and key management personnel are eligible to participate in the ESOS and the PSP in accordance with the respective rules. The ESOS and the PSP comply with the relevant rules as set out in Chapter 8 of the Catalist Rules. The ESOS and the PSP will provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty. Both the ESOS and the PSP are administered by the RC. Details of the ESOS and the PSP were set out in the Company’s Offer Document dated 22 February 2019 in connection with the listing (“**Offer Document**”). Since the commencement of the ESOS and the PSP to the end of FY2024 no options and/or awards were granted and no shares were issued under the ESOS and the PSP respectively.

A significant and appropriate proportion of Executive Directors’ and key management personnel’s remuneration is structured so as to link rewards to corporate and individual performances. Performance-related remuneration is aligned with the interests of Shareholders and other stakeholders and promotes the long-term success of the Company. The Executive Chairman and Executive Director of the Company do not receive any Directors’ fees.

The Non-Executive Directors receive Directors’ fees in accordance with their contributions. Directors’ fees for the Non-Executive Directors are proposed by the Executive Chairman/Executive Director/CEO and reviewed and recommended by the RC, based on the effort, time spent and the responsibilities of the individual Non-Executive Directors. No Director is involved in deciding his or her own remuneration. The Non-Executive Directors have not been over-compensated to the extent that their independence is compromised. The total remuneration of the Non-Executive Directors is recommended for Shareholders’ approval at the AGM.

Save for the ESOS and the PSP, there are no other share-based compensation schemes in place for Independent Directors.

The RC is of the view that there is presently no urgent need to institute contractual provisions in the terms of employment to reclaim incentive components of their remuneration paid in prior years in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company and the Group. The Executive Chairman and Executive Director owe a fiduciary duty to the Company. The Company would be able to avail itself of remedies against the Executive Chairman/Executive Director in the event of such breach of fiduciary duties.

The RC is of the view that the current remuneration structure for the Executive Chairman, Executive Director, Independent Directors and key management personnel are appropriate to attract, retain and motivate the 1) Directors to provide good stewardship of the Company, and 2) key management personnel to successfully manage the Company for the long term.

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.

Provision 8.1

The compensation packages for employees including the Executive Chairman/Executive Director and key management personnel comprised a fixed component (base salary), a variable component (such as cash-based annual bonus) and benefits-in-kind, where applicable, taking into account amongst other factors, the individual's performance, the performance of the Group and industry practices.

An annual review of the compensation is carried out by the RC to ensure that the remuneration of the Executive Chairman, Executive Director and key management personnel commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. The performance of the Executive Chairman, Executive Director and CEO of the Company (together with other key management personnel) is reviewed periodically by the RC and the Board. In structuring the compensation framework, the RC also takes into account the risk policies of the Group, as well as the need for the compensation to be symmetric with the risk outcomes.

Dato' Sim (the present Executive Chairman of the Company) and Datin Silviya (the present Executive Director of the Company), have an ongoing service agreement with the Company for a period of three (3) years with effect from 1 March 2025 and 2 January 2023 respectively.

Aggregate Directors' fees for the Independent Directors of S\$130,000 for FY2025 (with payment to be made in arrears) have been recommended by the Board and will be tabled for approval by Shareholders at the forthcoming AGM.

A breakdown, showing the level and mix of each individual Director's and CEO's remuneration for FY2024 is as follows:

(All in S\$'000) Name of Director	Salary		Bonus and/or profit sharing		Director's fee		Total
<u>S\$500,000 to S\$750,000</u>							
Dato' Sim	S\$446,325	51%	S\$429,129 ⁽⁷⁾	49%	–	–	S\$875,454
<u>Below S\$250,000</u>							
Datin Silviya	S\$223,769	95%	S\$10,955	5%	–	–	S\$234,724
Mr Chung ⁽⁶⁾	–	–	–	–	S\$50,000	100%	S\$50,000
Mr Peet	–	–	–	–	S\$40,000	100%	S\$40,000
Mr Nasser ⁽¹⁾	–	–	–	–	S\$33,333	100%	S\$33,333
Mr Darrell Edward Metzger ⁽²⁾	–	–	–	–	S\$12,556	100%	S\$12,556
Ms Tan ⁽³⁾	–	–	–	–	S\$8,172	100%	S\$8,172
Mr Tan Boon Seng ⁽⁴⁾	–	–	–	–	S\$538	100%	S\$538
Name of CEO Below S\$250,000							
Mr Phil ⁽⁵⁾	S\$94,008	100%	–	–	–	–	S\$94,008

Notes:

- (1) Mr Nasser was appointed as Independent Director with effect from 1 March 2024.
 (2) Mr Darrell Edward Metzger retired as the Independent Director on 23 April 2024.
 (3) Ms Tan resigned as Independent Director with effect from 14 March 2024.
 (4) Mr Tan Boon Seng resigned as Non-Independent Director with effect from 5 January 2024.
 (5) Mr Phil resigned as the CEO of the Company effective on 30 June 2024
 (6) Mr Chung will not be seeking re-election as director at the forthcoming AGM
 (7) Included an estimated annual performance bonus of S\$406,307 for the FY2024 which is subject to review and approval of the RC in August 2025

A breakdown, showing the level and mix of the top five (5) key management personnel (who are not Directors and CEO of the Company) for FY2024, is as follows:

Name of Key Management (All in %)	Salary	Bonus and/or profit sharing	Fee	Allowances and other benefits	Total
Below S\$250,000					
Mr Wesley Rae	83%	–	–	7%	100%
Ms Josie Booth	95%	–	–	5%	100%
Mr Looi Tuck Meng	100%	–	–	–	100%
Mr Milan Vanek ⁽¹⁾	90%	9%	–	1%	100%
Mr Johann Lim Noordin	88%	6%	–	6%	100%

Notes:

- (1) Mr Milan Vanek resigned as head of adventure park development on 9 July 2024.

The Company is of the view that in a small and medium size enterprise environment, the above disclosure of the key management's remuneration should be sufficient to provide an insight into the link between compensation and performance and further details are deemed to be not in the interest of the Company due to the sensitivities and confidentiality of remuneration.

All Directors and key management personnel are remunerated on an earned basis and there were no termination, retirement and post-employment benefits granted during FY2024.

The Board has not included a separate annual remuneration report to Shareholders in this Annual Report on the remuneration of the Directors, CEO and the key management personnel (who are not Directors or the CEO) as the Board is of the view that the matters which are required to be disclosed in such annual remuneration report have already been sufficiently disclosed in this Annual Report and in the financial statements of the Company.

Provision 8.2

Save for Dato' Sim and Datin Silviya, who are spouses, there is no employee of the Group who is a substantial Shareholder, or is an immediate family member of a Director, the CEO or a substantial Shareholder, and whose remuneration exceeded S\$100,000 during FY2024.

Provision 8.3

Please refer to Principle 7 of this report for information on the ESOS and PSP adopted by the Company. As at the date of this report, no options have been granted under the ESOS and no awards have been granted under the PSP by the Company.

Accountability and Audit

Risk Management and Internal Controls

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

Provision 9.1

The Board determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives and value creation.

The Board acknowledges that it is responsible for establishing, maintaining and reviewing the adequacy and effectiveness of the Company's overall internal control framework. The Board also recognises that an adequate and effective internal control system will not preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

As the Group does not have a risk management committee, the AC assumes the responsibility of the risk management function. The AC has reviewed, with the assistance of the internal auditors, and the external auditors, the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems.

The Company has put in place risk management and internal control systems, including financial, operational, compliance and information technology controls, which are detailed in formal instructions, standard operating procedures and financial authority limits policies. The Board has determined the Group's levels of risk tolerance and risk policies, and oversees the Management in the design, implementation and monitoring of the risk management and internal control systems. The Board also monitors the Group's risks through the AC, internal auditors and external auditors.

The Group has an Enterprise Risk Management Framework in place to manage its exposure to risks that are associated with the conduct of its business. The Board will continue its risk assessment, which is an on-going process, with a view to improve the Group's internal control and risk management systems.

Provision 9.2

In respect of FY2024, the Group's financial requirements which includes, inter alia, the financial accounts and reporting of the Group as well as the handling of the daily finance function are coordinated and handled by an outsourced qualified accountant ("**Outsourced Accountant**") with the Interim Head of Finance overseeing the Group's finance and corporate function ("**Interim HOF**"). The Company has over the FY2024 successfully identified a few qualified candidates, and none has been successfully employed or engaged, due to amongst others the preference for flexible working arrangement and workplace, and the expectation of the work perspectives and scope are not aligned with those required for the position offered. The Company continues its search for suitable candidates and finalises the appointment of the person who will be heading the finance function of the Company, at which time the requirement of the services of the Outsourced Accountant and Interim HOF will be reassessed and disengaged where appropriate.

For FY2024, the Board has received assurance from:

- (a) the Executive Chairman and Executive Director (with the assistance of the Outsourced Accountant and Interim HOF, who are overseeing the finance function in the interim), that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) the Executive Chairman, Executive Director and the other key management personnel that the Group's risk management systems and internal control systems (including financial, operational, compliance and information technology controls) are adequate and effective.

Based on the work performed by the internal auditors and external auditors, the review undertaken by the Management, the existing management internal controls in place and the assurance from the Executive Chairman, Executive Director and other key management personnel, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2024.

Audit Committee

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

Provision 10.1

The terms of reference of the AC sets out its duties and responsibilities. Amongst others, the AC is responsible for:

- (a) assist the Board in the discharge of its statutory responsibilities on financing and accounting matters;
- (b) review significant financial reporting issues and judgements to ensure the integrity of the financial statements and any announcements relating to financial performance;
- (c) review the periodic financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory/regulatory requirements;

- (d) review the adequacy, effectiveness, scope and results of the external audit and its cost effectiveness, and the independence and objectivity of the external auditors;
- (e) review the external auditor's audit plan and audit report, and the external auditor's evaluation of the system of internal accounting controls, their management letter and the Management's response;
- (f) review and discuss with auditors any suspected fraud or irregularity or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;
- (g) review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- (h) review the key financial risk areas, the risk management structure and any oversight of the risk management process and activities to mitigate and manage risk at acceptable levels determined by the Board;
- (i) review at least annually the adequacy and effectiveness of the risk management and internal control systems, including financial, operational, compliance controls, information technology controls and risk management sections and discuss issues and concerns, if any, arising from the internal auditors.
- (j) review the assurance from the Executive Chairman and CEO on the financial records and financial statements;
- (k) review the scope and results of the internal audit procedures, and at least annually, the independence, adequacy and effectiveness of the Group's internal audit function, and whether the Group's internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience;
- (l) review and approve transactions falling within the scope of Chapter 10 of the Catalist Rules (if any);
- (m) review any interested person transactions and monitor the procedures established to regulate interested person transactions, and any deviations from the procedures will be subject to the AC's review and approval;
- (n) make recommendations to the Board on the proposals to shareholders on the appointment, reappointment and removal of the external auditor;
- (o) review and oversee the Group's sustainability reporting framework and initiatives and implementation of framework, processes and procedures to facilitate the inclusion of such practices in every aspect of the Group's business;
- (p) undertake generally such other functions and duties as may be required by law or the Catalist Rules; and
- (q) met with the external auditors, other committees, and management, in separate executive sessions to discuss matters that these groups believe should be discussed privately with the AC.

The AC queried and noted that there are no non-audit services provided by the external auditors to the Group.

The AC has full access to and co-operation from the Management and has full discretion to invite any Director or key management personnel to attend the meetings and has reasonable resources to enable it to discharge its functions. The external auditors have unrestricted access to the AC. The AC is kept updated on new changes to the accounting and financial reporting standards by the external auditors during the year.

The AC has recommended to the Board of Directors the nomination of UHY Lee Seng Chan & Co for re-appointment as external auditor of the Company at the forthcoming AGM.

Provisions 10.2 and 10.3

Throughout the FY2024, the AC comprises no less than three (3) members all of whom are Independent Directors. The AC members as at the date of this report, are Mr Chung (Chairman of the AC and Lead Independent Director), Mr Peet and Mr Nasser.

The AC is established to assist the Board with discharging its responsibility of safeguarding the Group's assets, maintaining adequate accounting records, and developing and maintaining effective systems of risk management and internal controls.

The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two (2) years from the date of his ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

External Audit

The AC reviews the scope and results of the audit carried out by the external auditors, the cost effectiveness of the audit and the independence and objectivity of the external auditors. It always seeks to balance the maintenance of objectivity of the external auditors and their ability to provide value-for-money professional services. The AC also recommends to the Board the appointment, re-appointment and removal of external auditors, and approves the remuneration and terms of engagement of the external auditors. The re-appointment of the external auditors is always subject to Shareholders' approval at the AGM.

The Company's external auditor is UHY Lee Seng Chan & Co which was re-appointed at the previous AGM.

The aggregate amount of audit fees paid/payable to the current external auditors of the Company, UHY Lee Seng Chan & Co, and its network firms for FY2024 was approximately RM612,000 while the non-audit fees paid/payable to UHY Lee Tax Services Pte Ltd was at approximately RM22,000 for FY2024.

In reviewing the nomination of UHY Lee Seng Chan & Co for re-appointment as external auditors of the Company for FY2025, the AC has considered the adequacy of the resources and experience of the external auditors' firm and the audit partner-in-charge assigned to the audit, the external auditors' firm's other audit engagements, the size and complexity of the Group and the number and experience of supervisory and professional staff assigned to the particular audit, and the Audit Quality Indicators Disclosure Framework published by ACRA. The AC also noted that UHY Lee Seng Chan & Co has confirmed its independence and that it is approved under the Accountants Act (Chapter 2 of Singapore). The audit partner-in-charge assigned to the audit is a public accountant under the Accountants Act (Chapter 2 of Singapore). Taking into consideration the above, the AC with the concurrence of the Board, nominates the appointment of UHY Lee Seng Chan & Co as the external auditors for the Company's audit obligations for FY2025 at the forthcoming AGM. The Company has complied with Rules 712 and 715 of the Catalist Rules in the appointment of its external auditors.

Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

In the review of the financial statements, the AC has discussed with the Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. The following significant matters impacting the financial statements were discussed with the Management and the external auditors and were reviewed by the AC.

Matter Considered

Matter Considered	How the AC reviewed this matter and what decisions were made
<p>1. Revenue recognition</p> <p>The Group's business segments include theme park operations and the construction of theme park attractions and nature parks. Revenue is derived from ticketing, food and beverages, merchandising sales and services from operating theme parks in Malaysia and Singapore as well as revenue from the construction of theme attractions and nature parks.</p> <p>a) <u>Admission Fees to Theme Parks</u></p> <p>The Group captures revenue using the Point-of-Sales ("POS") system and data is recorded as revenue in the accounting system. Reconciliation is performed on a daily basis to match revenue generated from POS system to the accounting system so that errors, if any, are detected promptly.</p> <p>Customers are able to purchase tickets in advance, which gives rise to the possible cut-off errors relating to the period in which revenue is recorded.</p> <p>As at 31 December 2024, deferred revenue amounting to approximately RM1,178,000 (2023: RM838,000) was disclosed under contract liabilities in Note 22(b).</p> <p>We have determined this to be a key audit matter due to the significance of revenue to the financial statements and the risks surrounding the cut-off of revenue.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <p><u>Admission Fees to Theme Parks</u></p> <ul style="list-style-type: none"> Evaluated management's assessment of the application of SFRS(I) 15 for each revenue stream and evaluated the appropriateness of the Group's revenue recognition policies; Obtained an understanding of management's processes and controls surrounding the capturing and recording of revenue transactions; Performed test of details by obtaining consolidated ticketing reports from the ticketing software for sample selection. These samples were verified against supporting documents such as monthly sales reconciliation worksheet, journal postings and credit card or bank statements; Tested revenue recorded by matching revenue from POS reports to accounting systems, including the review of reconciliations with relevant supporting documents such as third-party merchant statements and bank statements; and Tested the reports generated from the POS system to ensure unutilised tickets are captured by management as deferred revenue and to ensure that revenue is recorded in the appropriate accounting period.

Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

Matter Considered (Continued)

Matter Considered	How the AC reviewed this matter and what decisions were made
<p>1. Revenue recognition (Continued)</p> <p>b) <u>Revenue from construction of theme attractions and nature parks</u></p> <p>For construction contracts, the Group recognises revenue overtime using both the input and output method for measuring progress for different performance obligations and for different contracts in different jurisdictions that best depicts the transfer of control of goods or services promised to the customer.</p> <p>For construction projects measured using input method, the performance obligation milestone is measured based on actual costs incurred to-date relative to the total budgeted costs for each project.</p> <p>If the unavoidable costs of meeting the obligations under a contract exceed the expected economic benefits to be received from the contract, a provision for onerous contract is recognised.</p> <p>For construction projects measured using output method, the performance obligation milestone is measured by reference to the value of work done certified by a third-party assessor engaged by the customer and acknowledgement by the customers.</p> <p>The uncertainty and subjectivity involved in determining the budgeted costs and progress towards completion including variation orders and claims may have a significant impact on the amount of revenue recognised and the results of the Group.</p> <p>Accordingly, we have determined this to be a key audit matter.</p> <p>The disclosures in the financial statements are set out in Notes 2.17 and 22(a) of the accompanying financial statements.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <p><u>Revenue from construction of theme attractions and nature parks</u></p> <ul style="list-style-type: none"> Traced total contract sums to contracts and variation orders entered into by the Group with its customers; Reviewed the contractual terms for all contracts with customers and verified project revenue and costs incurred against underlying supporting documents on a sampling basis; Assessed the reasonableness of the revenue recognised via discussions with the project teams and obtaining corroborating evidence such as correspondence with the customers; and Assessed the appropriateness of inputs, amongst others, materials, subcontractor and labour costs used by management in their estimation of the total costs to complete and obtained supporting documentation on the major inputs. <p>For construction projects measured using output method:</p> <ul style="list-style-type: none"> Obtained an understanding of the projects under construction through discussions with management and examined project documentation (including contracts and correspondence with customers); and Checked the contract revenue recognised to the value of work done certified by a third-party assessor on a sampling basis.

Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.
For the Financial Year Ended 31 December 2024

Matter Considered (Continued)

Matter Considered	How the AC reviewed this matter and what decisions were made
1. Revenue recognition (Continued)	<p>Our audit procedures included, but were not limited to the following:</p> <p><u>Revenue from construction of theme attractions and nature parks (Continued)</u></p> <p>For construction projects measured using input method:</p> <ul style="list-style-type: none"> • Obtained an understanding and reviewed management's internal costing and budgeting processes in estimating contract revenues, total budgeted costs and profit margin on a sampling basis; • Checked the contracts revenue recognised to the stage of completion of each project measured by reference to actual contract costs incurred for work performed to date relative to the estimated total budgeted cost; • Assessed the reasonableness of the key assumptions used by management in estimating the total budgeted cost for the projects; • Perused customers' and subcontractors' correspondences and discussed the progress of the projects with the Group's various project management personnel for signs of any potential disputes, variation order claims, known technical issues, delays, penalties, cost overrun or significant events that could impact the estimated total budgeted costs; • Assessed the reasonableness of the total estimated contract costs and costs to complete, taking into consideration past performance (where applicable); • Checked the mathematical accuracy of the revenue recognised based on the input method calculations;

Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.
For the Financial Year Ended 31 December 2024

Matter Considered (Continued)

Matter Considered	How the AC reviewed this matter and what decisions were made
1. Revenue recognition (Continued)	<p>Our audit procedures included, but were not limited to the following:</p> <p><u>Revenue from construction of theme attractions and nature parks (Continued)</u></p> <p>For construction projects measured using input method:</p> <ul style="list-style-type: none">• Reviewed management's assessment and assessed the reasonableness of the provision for onerous contracts provided by management for projects which are expected to be loss-making (where applicable);• Reviewed and challenged management's assessment of the outstanding projects' estimated costs to complete and the reasonableness of provisions for rectification costs and onerous contract, where needed;• Assessed the adequacy of the Group's disclosure on revenue recognition in accordance with SFRS(I) 15 in the financial statements.

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Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

Matter Considered (Continued)

Matter Considered	How the AC reviewed this matter and what decisions were made
<p>2. Impairment assessment of trade receivables and contract assets</p> <p>As at 31 December 2024, trade receivables and contract assets due from external customers amounted to approximately RM20,163,000 (after allowance for impairment of RM1,618,000) and RM15,788,000 respectively. Details of the trade receivables, contract assets and their credit risks are disclosed in Notes 9, 22(b) and 32.1 to the financial statements.</p> <p>Management has relied on the following observed data in assessing the level of allowance for impairment losses on trade receivables:</p> <ul style="list-style-type: none"> customers' payment profiles of past sales and corresponding historical credit losses; specific known facts or circumstances on customers' ability to pay; or by reference to past default experience. <p>The impairment assessment involves significant judgements and estimations and there is inherent uncertainty in the assumptions applied by management to determine the level of allowance.</p> <p>Hence, we considered this to be a key audit matter due to the inherent subjectivity that is involved in making judgement in relation to the recoverability of trade receivables.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> Reviewed receivable balances on a sampling basis and discussed with management the expected credit loss for receivables; Reviewed the ageing analysis of receivables and tested the reliability of the underlying accounting records on a sampling basis; Reviewed subsequent cash collections for major receivables and overdue amounts; Requested and obtained confirmations from trade receivables with material balances; Made inquiries of management regarding the action plans to recover overdue amounts; Examined other evidence including customers' correspondences, proposed or existing settlement plans, repayment schedules, etc.; Evaluated the reasonableness and adequacy of the allowance for impairment loss recognised; and Assessed the adequacy of the Group's disclosure on trade receivables and contract assets in accordance with SFRS(I) 9 in the financial statements.

Whistleblowing policy

The Company has publicly disclosed, and clearly communicated to employees and the public, the existence of a whistleblowing policy and procedures that serves to provide a channel to report in good faith and in confidence about any improper conduct and/or wrongdoing within the Group which will help to foster an environment where integrity and ethical behaviour is maintained. The AC is responsible for oversight and monitoring of whistleblowing activities. Complaints and reports from employees may be made through the Head of Department and/or the AC Chairman while whistle blowers other than employees may report via email to the Lead Independent Director and/or AC Chairman or via written complaint to the Company Secretary at our registered address, who will forward any such report to the AC Chairman.

The Company has designated an independent committee (comprising AC members) to investigate whistleblowing reports made in good faith ensuring that the identity of the whistle blower is kept confidential and that the whistle blower is ensured protection against detrimental or unfair treatment.

Any disclosure or report made in good faith, even if it is not subsequently confirmed by an investigation, the whistle blower concerned shall be eligible for protection. Whistle blowers' reports are investigated in a timely manner and their identities will not be disclosed without prior consent (except where disclosure obligations are required under law and regulations). In instances where the disclosure becomes necessary, the AC will engage with the whistle blower on the approach to proceed further on the said concern or matter. All complaints will be treated as confidential. In the event that the report is about a Director, that Director will not be involved in the review and any decision making with respect to that report.

There were no whistleblowing reports received by the AC in FY2024

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Provision 10.4

Internal Audit

The current size of the operations of the Group does not warrant the Group to have an in-house internal audit function. The internal audit function of the Group has been outsourced to RSM Corporate Consulting (Malaysia) Sdn Bhd, an independent accounting and auditing firm. The Board and the AC will ensure that the internal audit function is sufficiently resourced, and internal audits are to be performed by competent professional staff with the relevant qualifications and experience. The primary reporting line of the internal audit function is to the AC.

The AC will review the independence, adequacy and effectiveness of the internal audit function, annually and ensure that it has appropriate standing within the Group. The AC will also approve the appointment, removal, evaluation and compensation of the internal audit function. The internal audit function has unfettered access to all of the Company's documents, records, properties and personnel, including the AC.

In respect of FY2024, the AC has reviewed with the internal auditors their audit plan and their evaluation of the system of internal controls and has evaluated their audit findings and Management's responses to those findings, the adequacy and effectiveness of material internal controls, (including financial, operational, compliance and information technology controls) and risk management systems of the Company and the Group.

The AC is satisfied that the outsourced internal audit function is independent, adequately resourced, effective and has the appropriate standing within the Group. The Audit Committee is also of the view that the outsourced internal audit function is adequately staffed with persons with the relevant qualifications and experience and adheres to professional standards including those promulgated by The Institute of Internal Auditors.

Provision 10.5

To create an environment for open discussion on audit matters, the AC will meet with the external auditors and internal auditors, without the presence of the Management, at least once a year.

In respect of FY2024, the AC has met with the external auditors and the internal auditors once, without the presence of the Management.

Shareholder Rights and Engagement

Shareholder Rights and Conduct of General Meetings

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

Provision 11.1

Shareholders are encouraged to attend all general meetings of the Company to ensure a high level of participation and accountability. The Company will inform Shareholders on the rules governing general meetings of Shareholders. The AGM is the principal forum for dialogue with Shareholders and the Company recognises the value of feedback from Shareholders.

Shareholders are informed of AGMs and/or Extraordinary General Meetings (“**EGM**”) through notice contained in the Company’s annual report or circulars sent to all Shareholders via SGXNet. These notices are also published on the Company’s corporate website. The Company’s AGM for FY2023 took place in a wholly physical format at KidZania Palawan Kidz City, located at 31 Beach View Road, #01-01/02, Singapore 098008, on 23 April 2024. Shareholders and proxies participated in the 2023 AGM through in-person voting at the AGM. Shareholders have the option to appoint the Chairman of the general meeting as their proxy, and this proxy does not need to be a member of the Company. During the 2023 AGM, shareholders had the opportunity to ask questions related to any resolution outlined in the AGM notice. They could do so either through live queries during the meeting or by submitting advance queries to the Company. Before the 2023 AGM, the Company shared responses to advance queries via SGXNet and its website. During the AGM, any live queries were addressed, and those responses were also published via SGXNet and the Company’s website, along with the minutes of the 2023 AGM.

All the Directors will endeavour to attend the AGMs and EGMs, and Shareholders will be given the chance to share their thoughts and ideas or ask questions relating to the resolutions to be passed or on other corporate and business issues in advance.

For greater transparency, the Company will put all resolutions to vote by poll at general meetings and an announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages will be made on the same day on SGXNet.

In presenting the annual financial statements and half year and full year financial statements announcements to Shareholders, it is the aim of the Board to provide Shareholders with a balanced assessment of the Group’s performance, position and prospects. Financial reports and other price-sensitive information are disseminated to Shareholders through announcements via SGXNet and releases via the press. The Management currently provides the Executive Chairman/Executive Director with detailed management accounts of the Group’s performance, position and prospects on a monthly basis. Independent Directors are also briefed on significant matters when required and receive management reports on a half-yearly basis.

The Board reviews legislative and regulatory compliance reports from the Management to ensure that the Group complies with the relevant requirements.

In line with the Catalist Rules, the Board will provide Shareholders with a negative assurance statement in its half-yearly financial statements announcements, confirming to the best of its knowledge that nothing had come to the attention of the Board which might render the financial statements false or misleading in any material aspect. All the Directors and key management personnel of the Group have also signed a letter of undertaking pursuant to Rule 720(1) of the Catalist Rules.

Provision 11.2

Matters which require Shareholders' approval are presented and proposed as each substantially separate resolution. The Company practises having separate resolutions at general meetings for each substantially separate issue unless such issues are interdependent and linked so as to form one significant proposal. Where resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting. For the 2023 AGM held in FY2024, there was no "bundled" resolutions. In addition, each item of special business in the notice of general meeting will be accompanied by an explanatory note, where appropriate. Proxy form will also be sent with the notice of general meeting to all Shareholders.

Provision 11.3

At general meetings of the Company, Shareholders are given the opportunity to raise questions to the Directors and the Management relating to the Company's business or performance. The Management, as well as the respective Chairmen of the Board, AC, RC and NC will be present and available to address all comments or queries raised by Shareholders at general meetings of the Company. The external auditors of the Company will also be present at the AGM to address Shareholders' queries on the conduct of the audit and the preparation and content of the auditor's report. Please refer to Provision 11.1 for more information of the proceedings of the 2023 AGM.

All Directors, with the exception of Mr Peet and Mr Darrell Edward Metzger (who were absent with apologies), attended the 2023 AGM. Save for the 2023 AGM, no other general meetings of the Company were held during FY2024.

Provision 11.4

The Company has decided, for the time being, not to implement voting in absentia through mail, electronic mail or fax until such issues as security and integrity, and other pertinent issues are satisfactorily resolved.

Provision 11.5

The proceedings of each of the general meetings will be properly recorded, including substantial or relevant comments or queries from Shareholders relating to the agenda of the general meetings and responses from the Board and Management. All minutes of the general meetings will be available for the inspection of Shareholders upon their request and such minutes of general meetings are also published on the Company's corporate website as soon as practicable, and within one (1) month from the date of the general meeting. For the 2023 AGM, the Company had published the minutes of the general meeting on its corporate website and the SGXNet within one (1) month from the date of the 2023 AGM.

Provision 11.6

Dividend Policy

The Company currently does not have a fixed dividend policy. For FY2024, the Board is recommending a first and final one-tier tax exempt dividend of RM0.03 per ordinary share in the capital of the Company, for approval by Shareholders at the forthcoming AGM.

Any future dividends that the Directors may recommend or declared in respect of any particular financial year or period will be subject to the factors outlined below as well as other factors deemed relevant by the Board:

- (a) the level of the Group's cash and retained earnings;
- (b) the Group's actual and projected financial performance;
- (c) the Group's projected levels of capital expenditure and other investment plans;
- (d) the dividend yield of similar-sized companies with similar growth listed on the Catalist board of the SGX-ST; and
- (e) restrictions on payment of dividends imposed on the Company by the Group's financing arrangements or legal and contractual obligations (if any).

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.

Provisions 12.1, 12.2 and 12.3

The Company believes in timely and accurate dissemination of information to its Shareholders. The Board makes every effort to comply with continuous disclosure obligations of the Company under the Catalist Rules and the Singapore Companies Act 1967. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly as soon as practicable. Communication to Shareholders is normally made through:

- (a) annual reports or circulars to Shareholders (which include notices of general meetings) that are prepared and provided to all Shareholders by post and/or via SGXNet and the Company's website (where applicable) within the mandatory period;
- (b) annual and half-yearly financial statements announcements containing a summary of the financial information and affairs of the Group for the period;
- (c) notices and explanatory memoranda for general meetings;

- (d) disclosures, reports and presentation at the general meeting and released to the SGX-ST via SGXNet; and
- (e) press releases.

The Company has established an investor relations policy that outlines, amongst other things, our communication principles. The Company is committed to treating all Shareholders equally, and endeavour to keep Shareholders informed of all matters that affect their interests in the Company on a timely, equitable and transparent basis. Generally, the Company does not respond to rumours, market speculation or irregular queries submitted by investors. However, if the rumours and queries indicate that material information may have been leaked or where there are unusual trading activities that could be attributable to such rumours, queries or market speculation, clarifications will be made promptly through announcements via SGXNet.

The Company attends to Shareholders' queries during the general meetings, with the auditors and counsel present to address queries in relation to audit and clarify any point of law, regulation and meeting procedures. Shareholders may contact the Company's share registrar B.A.C.S. Private Limited at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896 or via the contact number (65) 6438 7929 or the Company's registered address at 138 Robinson Road, #26-03, Oxley Tower, Singapore 068906.

Outside of the financial announcement periods, when necessary and appropriate, the Lead Independent Director, Executive Chairman and Executive Director may meet Shareholders, analysts, media and other relevant stakeholders seeking a better understanding of the Group's operations.

Managing Stakeholders Relationships

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.

Provisions 13.1 and 13.2

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to secure the long-term future of the Company. The Company's efforts on sustainability are focused on creating sustainable value for our key stakeholders, which include communities, customers, staff, regulators, shareholders and vendors.

The Group key focus areas during the reporting period are ensuring customer satisfaction and memorable experience at our park, enhancing employees' well-being, engaging in responsible and ethical business practices and managing supply chain sustainability.

The Group keeps its suppliers informed of the Group's business ethics and practices to ensure suppliers, sponsors and vendors understand its principles and comply with the ethics and standards the Group operates by. Feedback is gathered from suppliers, sponsors and vendors through dialogues and surveys.

Further to the above, the Company also undertakes an annual review in identifying its material stakeholders. It assesses the material environmental, social and governance factors that affects the Group. Please refer to the Company's latest sustainability reporting in this annual report for the assessment process and how such relationships with stakeholders are identified and managed.

Provision 13.3

The Company maintains a current corporate website to communicate and engage with stakeholders. The Company's website can be accessed at <https://www.simleisuregroup.com>.

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Interested Person Transactions

The Company has adopted an internal policy in respect of any transaction with an interested person and has set out the procedures for review and approval of the Company's interested person transactions ("IPT").

All IPT are properly documented and reported in a timely manner to the AC and are subject to the review and approval of the AC when a potential conflict of interest arises. The IPT are carried out on normal commercial terms and on arm's length basis and are not prejudicial to the interests of the Group or the Company and its minority Shareholders. The Director(s) concerned does not participate in discussions and refrains from exercising any influence over other members of the Board.

The AC reviews, on a regular basis, all IPT, to ensure that the prevailing rules and regulations of Chapter 9 of the SGX-ST Catalist Rules are complied with. Details of the IPT for FY2024 are as follows:

Name of Interested Person / Description of Transactions	Nature of Relationship	Aggregate value of all IPT during the FY2024 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPT during the FY2024 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Mr Tan Boon Seng / Interest charged on loan granted to a wholly owned subsidiary of the Company ⁽¹⁾	Controlling shareholder ⁽²⁾	S\$'000 83 ⁽³⁾	S\$'000 -
Total		83	-

Notes:

- (1) Pursuant to the loan agreement entered into between Company's wholly owned subsidiary, Sim Leisure Escape Sdn Bhd, and Mr Tan Boon Seng on 20 November 2020 (as supplemented from time to time), which has been announced by the Company on 24 November 2020. Please refer to the Company's announcements dated 24 November 2020, 30 November 2020, 17 February 2021 and 30 December 2021 for information on the loan agreement.
- (2) Mr Tan Boon Seng resigned as Non-Independent Non-Executive Director with effect from 5 January 2024.
- (3) Based on RM273,430, converted at an exchange rate of S\$30.43:RM100 on 31 December 2024 published by Monetary Authority of Singapore.

Save as disclosed above, the Company and its subsidiary corporations have not entered into any IPT exceeding S\$100,000 during the FY2024.

Material Contracts

Save as disclosed above in the section entitled “Interested Person Transactions”, the service agreements between the Company and the Executive Chairman and the Executive Director respectively, and the Directors’ Statement and Financial Statements, there were no material contracts (including loans) entered into by the Company or any of its subsidiaries involving the interests of any Director or controlling Shareholder which are either still subsisting as at the end of FY2024 or if not then subsisting, entered into since the end of the previous FY2023.

Dealings in Securities

The Company has adopted an internal securities code of compliance to provide guidance to the Directors, officers and all employees of the Group with regard to dealing in the Company’s securities pursuant to Rule 1204(19) of the Catalist Rules, in relation to the best practices on dealings in the securities, as follows:

- (a) the Company had devised and adopted its own internal compliance code to provide guidance to its Directors and officers with regards to dealings by the Company, its Directors and its officers in its securities, as well as to set out the implications on insider trading;
- (b) Directors and officers of the Company are discouraged from dealing in the Company’s securities on short-term considerations; and
- (c) the Company, the Directors and its officers are prohibited from dealing in the Company’s securities (i) during the periods commencing one (1) month before the announcement of the Company’s half year and full year financial statements and ending on the date of the announcement of the relevant financial results; and (ii) if they are in possession of unpublished price-sensitive information of the Group.

Non-sponsorship Fees

No non-sponsorship fees were paid/payable to the Company’s Sponsor, PrimePartners Corporate Finance Pte. Ltd. for FY2024.

Additional Information on Directors Nominated for Re-election

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION – APPENDIX 7F TO THE CATALIST RULES

Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in Appendix 7F to the Catalist Rules relating to the Retiring Director (namely Dato’ Sim) who is retiring in accordance with the Company’s Constitution at the forthcoming AGM and nominated for re-election, is set out below:

Name of Director	Dato' Sim
Date of first appointment	8 March 2018
Date of last re-appointment (if applicable)	28 April 2023
Age	59
Country of principal residence	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Dato' Sim as a Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Dato' Sim's qualifications, skills, expertise, past experiences, and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive. Dato' Sim is responsible for responsible for overseeing the overall business development and general management of the Group and formulating the Group's strategic direction and expansion plans
Job Title (e.g. Lead ID, AC Chairman, AC member etc.)	Executive Chairman
Professional qualifications	<ul style="list-style-type: none"> • Not available
Working experience and occupation(s) during the past 10 years	<p>January 2013 to Present: Sim Leisure Escape Sdn. Bhd. and subsidiaries – Executive Director</p> <p>July 2013 to Present: Sim Leisure Gulf Contracting L.L.C. – General Manager and/or Director</p> <p>January 2013 to Present: Sim Leisure Consultants Sdn. Bhd. – Director</p> <p>January 2013 to Present: Sim Leisure Group Limited and subsidiaries. – Executive Director and CEO and/or Executive Chairman</p>
Shareholding interest in the listed issuer and its subsidiaries	91,434,730 shares (or 55.29%) in the Company.

Name of Director	Dato' Sim
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	<p>As at the date of this report, Dato' Sim holds 91,434,730 shares in the Company representing about 55.29% of the issued share capital of the Company.</p> <p>Dato' Sim is the spouse of Datin Silviya Georgieva Georgieva (Executive Director of the Company).</p> <p>Datin Silviya Georgeiva Georgieva holds 665,395 shares (or 0.4%) in the Company.</p>
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer.	Yes
Other	
Past (for the last 5 years)	<p>Directorships:</p> <ul style="list-style-type: none"> · Sim Leisure Builders Sdn. Bhd. · Sim Leisure Design Sdn. Bhd.
Present	<p>Directorships:</p> <ul style="list-style-type: none"> · Sim Leisure Group Limited · Sim Leisure Adventureplay Sdn Bhd · Sim Leisure Escape Sdn Bhd · Sim Leisure Waterplay Sdn Bhd · Sim Leisure Consultants Sdn. Bhd. · Sim Leisure Milan Sdn. Bhd. · Sim Leisure Challenge Sdn. Bhd. · Sim Leisure Rock Sdn. Bhd. · Sim Leisure Creative Pte. Ltd. · Rakan Riang Sdn. Bhd. · Sim Leisure Cameron Sdn. Bhd. · The Cool Melon Pte. Ltd. · The Cool Melon Sdn. Bhd. · Sim Leisure Makers Sdn. Bhd. · Sim Leisure Hong Kong Limited · Team Works Malaysia Sdn. Bhd. · Sim Leisure Gulf Contracting L.L.C. · Gabravo Sdn. Bhd. · The Future Is Here Pte. Ltd. · The Future Is Here Sdn. Bhd. · Nha Hang Viet Nam Sdn. Bhd. · Kids Edutainment Pte. Ltd.

Name of Director	Dato' Sim
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.	
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
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

Name of Director	Dato' Sim
f) Whether at any time during the last 10 years, judgement 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
i) Whether he has ever been the subject of any order, judgement 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 been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity? (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No

Name of Director	Dato' Sim
<p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No
<p>k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	No
<p>Disclosure applicable to the appointment of Director only.</p>	
<p>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.</p>	<p>Not applicable. Does not pertain to the appointment of a director.</p>

Name of Director	Dato' Sim
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. Does not pertain to the appointment of a director.

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Directors' Statement

The Directors of Sim Leisure Group Ltd. (the "Company") present their statement to the members together with the audited financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024.

1. Opinion of the Directors

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company together with the notes thereon 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 2024, and of the financial performance, changes in equity and cash flows of the Group for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

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

Dato' Sim Choo Kheng
Datin Silviya Georgieva Georgieva
Chung Yew Pong
Stephen Brian Peet
Mohamed Nasser Ismail (Appointed on 1 March 2024)

3. Arrangements to enable Directors to acquire shares or debentures

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

4. Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the Act), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

Name of Directors and companies in which interests are held	Shareholdings registered in name of Director		Shareholdings in which Director is deemed to have an interest	
	At beginning of year or date of appointment	At end of year	At beginning of year or date of appointment	At end of year
	<u>No. of ordinary shares</u>		<u>No. of ordinary shares</u>	
The Company				
<u>Sim Leisure Group Ltd.</u>				
Dato' Sim Choo Kheng	91,434,730	91,434,730	-	-
Datin Silviya Georgieva Georgieva	665,395	665,395	-	-
Chung Yew Pong	10,000	10,000	-	-

By virtue of Section 7 of the Act, Dato' Sim Choo Kheng is also deemed to have an interest in the shares of all related corporations of the Company to the extent the Company or its related corporations have an interest at the beginning and at the end of the financial year. In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the Register of the Directors' Shareholdings, the Directors' interests as at 21 January 2025 in the shares or debentures of the Company have not changed from those disclosed as at 31 December 2024.

5. Share options

There were no share options granted by the Company or its subsidiary corporations during the financial year to subscribe for unissued shares of the Company or its subsidiary corporations.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

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

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6. Audit committee

The Audit Committee (“AC”) of the Company is chaired by Chung Yew Pong, the lead Independent Non-Executive Director, and includes Stephen Brian Peet and Tan Hui Tsu, who are both Independent Non-Executive Directors. Tan Hui Tsu has resigned on 14 March 2024 and she is replaced by Mohamed Nasser Ismail who was appointed on 1 March 2024. The AC has carried out its functions in accordance with Section 201B(5) of the Act, including reviewing the following, where relevant, with the Executive Directors and external and internal auditors of the Company.

The principal responsibilities of the AC include, amongst others:

- (a) assist the Board of Directors in the discharge of its statutory responsibilities on financing and accounting matters;
- (b) review significant financial reporting issues and judgments to ensure the integrity of the financial statements and any formal announcements relating to financial performance;
- (c) review the periodic financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory/regulatory requirements;
- (d) review the adequacy, effectiveness, scope and results of the audit and its cost effectiveness, and the independence and objectivity of the external auditors;
- (e) review the external auditor’s audit plan and audit report, and the external auditor’s evaluation of the system of internal accounting controls, their management letter and the management’s response;
- (f) review and discuss with auditors any suspected fraud or irregularity or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group’s operating results or financial position and the management’s response;
- (g) review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- (h) review the key financial risk areas, the risk management structure and any oversight of the risk management process and activities to mitigate and manage risk at acceptable levels determined by the Board of Directors;
- (i) review at least annually the adequacy and effectiveness of the risk management and internal controls systems, including financial, operational, compliance controls, information technology controls and risk management sections and discuss issues and concerns, if any, arising from the internal auditors;
- (j) review the scope and results of the internal audit procedures, and at least annually, the independence, adequacy and effectiveness of our internal audit function, and whether our internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience;
- (k) review and approve transactions falling within the scope of Chapter 10 of the Catalist Rules (if any);
- (l) met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;

6. **Audit committee (Continued)**

The principal responsibilities of the AC include, amongst others: (Continued)

- (m) review any interested person transactions and monitor the procedures established to regulate interested person transactions, and any deviations from the procedures will be subject to the AC's review and approval;
- (n) review the assurance from the Executive Chairman and Chief Executive Officer on the financial records and financial statements;
- (o) make recommendations to the Board of Directors on the proposals to shareholders on the appointment, reappointment and removal of the external auditor; and
- (p) undertake generally such other functions and duties as may be required by law or the Catalist Rules.
- (q) Review and oversee the Group's sustainability reporting framework and initiatives and implementation of framework, processes and procedures to facilitate the inclusion of such practices in aspect of the Group's business.

The AC queried and noted that there are no non-audit services provided by the external auditors to the Group.

The AC has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any Director and Executive Officer to attend its meetings. The external and internal auditors have unrestricted access to the AC.

The AC has recommended to the Board of Directors the nomination of UHY Lee Seng Chan & Co for re-appointment as external auditor of the Company at the forthcoming AGM of the Company.

Further details regarding the AC are disclosed in the Corporate Governance Report.

7. **Independent auditors**

The independent auditors, UHY Lee Seng Chan & Co, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors

Dato' Sim Choo Kheng

Director

Datin Silviya Georgieva Georgieva

Director

28 March 2025

Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sim Leisure Group Ltd. (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

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Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

Key Audit Matters

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

Key Audit Matter	How the matter was addressed in our audit
<p>1. Revenue recognition</p> <p>The Group's business segments include theme park operations and the construction of theme park attractions and nature parks. Revenue is derived from ticketing, food and beverages, merchandising sales and services from operating theme parks in Malaysia and Singapore as well as revenue from the construction of theme attractions and nature parks.</p> <p>a) <u>Admission Fees to Theme Parks</u></p> <p>The Group captures revenue using the Point-of-Sales ("POS") system and data is recorded as revenue in the accounting system. Reconciliation is performed on a daily basis to match revenue generated from POS system to the accounting system so that errors, if any, are detected promptly.</p> <p>Customers are able to purchase tickets in advance, which gives rise to the possible cut-off errors relating to the period in which revenue is recorded.</p> <p>As at 31 December 2024, deferred revenue amounting to approximately RM1,178,000 (2023: RM838,000) was disclosed under contract liabilities in Note 22(b).</p> <p>We have determined this to be a key audit matter due to the significance of revenue to the financial statements and the risks surrounding the cut-off of revenue.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <p><u>Admission Fees to Theme Parks</u></p> <ul style="list-style-type: none"> Evaluated management's assessment of the application of SFRS(I) 15 for each revenue stream and evaluated the appropriateness of the Group's revenue recognition policies; Obtained an understanding of management's processes and controls surrounding the capturing and recording of revenue transactions; Performed test of details by obtaining consolidated ticketing reports from the ticketing software for sample selection. These samples were verified against supporting documents such as monthly sales reconciliation worksheet, journal postings and credit card or bank statements; Tested revenue recorded by matching revenue from POS reports to accounting systems, including the review of reconciliations with relevant supporting documents such as third-party merchant statements and bank statements; and Tested the reports generated from the POS system to ensure unutilised tickets are captured by management as deferred revenue and to ensure that revenue is recorded in the appropriate accounting period.

Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
<p>1. Revenue recognition (Continued)</p> <p>b) <u>Revenue from construction of theme attractions and nature parks</u></p> <p>For construction contracts, the Group recognises revenue overtime using both the input and output method for measuring progress for different performance obligations and for different contracts in different jurisdictions that best depicts the transfer of control of goods or services promised to the customer.</p> <p>For construction projects measured using input method, the performance obligation milestone is measured based on actual costs incurred to-date relative to the total budgeted costs for each project.</p> <p>If the unavoidable costs of meeting the obligations under a contract exceed the expected economic benefits to be received from the contract, a provision for onerous contract is recognised.</p> <p>For construction projects measured using output method, the performance obligation milestone is measured by reference to the value of work done certified by a third-party assessor engaged by the customer and acknowledgement by the customers.</p> <p>The uncertainty and subjectivity involved in determining the budgeted costs and progress towards completion including variation orders and claims may have a significant impact on the amount of revenue recognised and the results of the Group.</p> <p>Accordingly, we have determined this to be a key audit matter.</p> <p>The disclosures in the financial statements are set out in Notes 2.17 and 22(a) of the accompanying financial statements.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <p><u>Revenue from construction of theme attractions and nature parks</u></p> <ul style="list-style-type: none"> Traced total contract sums to contracts and variation orders entered into by the Group with its customers; Reviewed the contractual terms for all contracts with customers and verified project revenue and costs incurred against underlying supporting documents on a sampling basis; Assessed the reasonableness of the revenue recognised via discussions with the project teams and obtaining corroborating evidence such as correspondence with the customers; and Assessed the appropriateness of inputs, amongst others, materials, subcontractor and labour costs used by management in their estimation of the total costs to complete and obtained supporting documentation on the major inputs. <p>For construction projects measured using output method:</p> <ul style="list-style-type: none"> Obtained an understanding of the projects under construction through discussions with management and examined project documentation (including contracts and correspondence with customers); and Checked the contract revenue recognised to the value of work done certified by a third-party assessor on a sampling basis.

Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
1. Revenue recognition (Continued)	<p>Our audit procedures included, but were not limited to the following:</p> <p><u>Revenue from construction of theme attractions and nature parks (Continued)</u></p> <p>For construction projects measured using input method:</p> <ul style="list-style-type: none"> • Obtained an understanding and reviewed management's internal costing and budgeting processes in estimating contract revenues, total budgeted costs and profit margin on a sampling basis; • Checked the contracts revenue recognised to the stage of completion of each project measured by reference to actual contract costs incurred for work performed to date relative to the estimated total budgeted cost; • Assessed the reasonableness of the key assumptions used by management in estimating the total budgeted cost for the projects; • Perused customers' and subcontractors' correspondences and discussed the progress of the projects with the Group's various project management personnel for signs of any potential disputes, variation order claims, known technical issues, delays, penalties, cost overrun or significant events that could impact the estimated total budgeted costs; • Assessed the reasonableness of the total estimated contract costs and costs to complete, taking into consideration past performance (where applicable); • Checked the mathematical accuracy of the revenue recognised based on the input method calculations;

Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
1. Revenue recognition (Continued)	<p>Our audit procedures included, but were not limited to the following:</p> <p><u>Revenue from construction of theme attractions and nature parks (Continued)</u></p> <p>For construction projects measured using input method:</p> <ul style="list-style-type: none">• Reviewed management's assessment and assessed the reasonableness of the provision for onerous contracts provided by management for projects which are expected to be loss-making (where applicable);• Reviewed and challenged management's assessment of the outstanding projects' estimated costs to complete and the reasonableness of provisions for rectification costs and onerous contract, where needed;• Assessed the adequacy of the Group's disclosure on revenue recognition in accordance with SFRS(I) 15 in the financial statements.

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Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
<p>2. Impairment assessment of trade receivables and contract assets</p> <p>As at 31 December 2024, trade receivables and contract assets due from external customers amounted to approximately RM20,163,000 (after allowance for impairment of RM1,618,000) and RM15,788,000 respectively. Details of the trade receivables, contract assets and their credit risks are disclosed in Notes 9, 22(b) and 32.1 to the financial statements.</p> <p>Management has relied on the following observed data in assessing the level of allowance for impairment losses on trade receivables:</p> <ul style="list-style-type: none"> customers' payment profiles of past sales and corresponding historical credit losses; specific known facts or circumstances on customers' ability to pay; or by reference to past default experience. <p>The impairment assessment involves significant judgements and estimations and there is inherent uncertainty in the assumptions applied by management to determine the level of allowance.</p> <p>Hence, we considered this to be a key audit matter due to the inherent subjectivity that is involved in making judgement in relation to the recoverability of trade receivables.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> Reviewed receivable balances on a sampling basis and discussed with management the expected credit loss for receivables; Reviewed the ageing analysis of receivables and tested the reliability of the underlying accounting records on a sampling basis; Reviewed subsequent cash collections for major receivables and overdue amounts; Requested and obtained confirmations from trade receivables with material balances; Made inquiries of management regarding the action plans to recover overdue amounts; Examined other evidence including customers' correspondences, proposed or existing settlement plans, repayment schedules, etc.; Evaluated the reasonableness and adequacy of the allowance for impairment loss recognised; and Assessed the adequacy of the Group's disclosure on trade receivables and contract assets in accordance with SFRS(I) 9 in the financial statements.

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Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

Other Information

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

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

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

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.

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Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

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 skepticism 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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, actions taken to eliminate threats or safeguards applied.

Independent Auditor's Report

To the Members of Sim Leisure Group Ltd.

For the Financial Year Ended 31 December 2024

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

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 Mr Lee Sen Choon.

UHY Lee Seng Chan & Co
Public Accountants and
Chartered Accountants

Singapore
28 March 2025

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Statements of Financial Position

As at 31 December 2024

		Group 31 December 2024 RM'000	31 December 2023 RM'000	Company 31 December 2024 RM'000	31 December 2023 RM'000
	Note				
ASSETS					
Non-current assets					
Property, plant and equipment	4	87,142	84,238	-	-
Right-of-use assets	5	86,359	41,910	-	-
Intangible assets	6	4,950	4,422	-	-
Deferred tax assets	20	799	283	-	-
Trade receivables	9	5,258	1,942	-	-
Investments in subsidiaries	7	-	-	52,465	52,465
		184,508	132,795	52,465	52,465
Current assets					
Cash and bank balances	8	47,285	43,322	16,012	7,833
Trade and other receivables	9	39,433	39,058	13,908	13,623
Contract assets	22 (b)	15,788	8,111	-	-
Inventories	10	1,043	472	-	-
Prepayments	11	2,524	2,204	13	8
Income tax recoverable		56	1,362	-	-
		106,129	94,529	29,933	21,464
Total assets		290,637	227,324	82,398	73,929
EQUITY AND LIABILITIES					
Equity					
Share capital	12	66,575	66,575	66,575	66,575
Capital reserves	13	73	73	1,329	1,329
Merger reserve	14	(12,700)	(12,700)	-	-
Foreign currency translation reserves	15	(37)	527	-	-
Retained earnings		62,616	44,680	3,203	2,747
Equity attributable to owners of the parent		116,527	99,155	71,107	70,651
Non-controlling interests		19,007	10,773	-	-
Total equity		135,534	109,928	71,107	70,651

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

Statements of Financial Position

As at 31 December 2024

		Group 31 December 2024 RM'000	31 December 2023 RM'000	Company 31 December 2024 RM'000	31 December 2023 RM'000
	Note				
Non-current liabilities					
Borrowings	16	15,307	10,740	7,918	-
Amount due to directors	17	1,802	2,845	-	-
Provisions	18	8,093	3,905	-	-
Lease liabilities	19	74,527	42,366	-	-
Deferred tax liabilities	20	8,504	7,859	-	-
Contract liabilities	22(b)	395	623	-	-
		108,628	68,338	7,918	-
Current liabilities					
Trade and other payables	21	23,044	26,813	1,595	3,278
Borrowings	16	4,511	3,494	1,778	-
Amount due to directors	17	1,043	6,445	-	-
Lease liabilities	19	4,822	3,627	-	-
Contract liabilities	22(b)	4,243	2,336	-	-
Income tax payable		8,812	6,343	-	-
		46,475	49,058	3,373	3,278
Total liabilities		155,103	117,396	11,291	3,278
Total equity and liabilities		290,637	227,324	82,398	73,929

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

Consolidated Statement of Comprehensive Income

For the Financial Year Ended 31 December 2024

	Note	2024 RM'000	2023 RM'000
Revenue	22(a)	167,839	135,484
Cost of sales		(84,763)	(77,349)
Gross profit		83,076	58,135
Other item of income			
Other income		850	8,502
Other items of expense			
Administrative and other expenses		(30,791)	(27,955)
Impairment loss on trade and other receivables	9	(2)	(341)
Finance costs	23	(4,365)	(3,215)
Profit before income tax	24	48,768	35,126
Income tax expense	25	(12,618)	(6,055)
Profit for the year		36,150	29,071
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation		(1,195)	634
Other comprehensive income for the financial year, net of tax		(1,195)	634
Total comprehensive income for the financial year		34,955	29,705
Profit attributable to:			
Owners of the parent		22,899	21,881
Non-controlling interests		13,251	7,190
		36,150	29,071
Total comprehensive income attributable to:			
Owners of the parent		22,335	22,231
Non-controlling interests		12,620	7,474
		34,955	29,705
Earnings per share			
- Basic and diluted (RM sens per share)	26	13.85	13.23

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

Consolidated Statement of Changes in Equity

For the Financial Year Ended 31 December 2024

Group	Share capital RM'000	Capital reserves RM'000	Merger reserve RM'000	Currency translation reserve RM'000	Retained earnings RM'000	Equity attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance at 1 January 2024	66,575	73	(12,700)	527	44,680	99,155	10,773	109,928
Profit for the year	-	-	-	-	22,899	22,899	13,251	36,150
Other comprehensive income:								
Currency translation differences arising from consolidation	-	-	-	(564)	-	(564)	(631)	(1,195)
Total comprehensive income for the financial year	-	-	-	(564)	22,899	22,335	12,620	34,955
Transactions with owners of the parent								
Dividend paid (Note 27)	-	-	-	-	(4,963)	(4,963)	-	(4,963)
Transactions with non-controlling interests								
Dividends paid/payable to non-controlling interest of subsidiaries	-	-	-	-	-	-	(4,386)	(4,386)
Balance at 31 December 2024	66,575	73	(12,700)	(37)	62,616	116,527	19,007	135,534

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

Consolidated Statement of Changes in Equity

For the Financial Year Ended 31 December 2024

Group	Share capital RM'000	Capital reserves RM'000	Merger reserve RM'000	Currency translation reserve RM'000	Retained earnings RM'000	Equity attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance at 1 January 2023	66,575	69	(12,700)	177	31,074	85,195	6,030	91,225
Profit for the year	-	-	-	-	21,881	21,881	7,190	29,071
Other comprehensive income:								
Currency translation differences arising from consolidation	-	-	-	350	-	350	284	634
Total comprehensive income for the financial year	-	-	-	350	21,881	22,231	7,474	29,705
Transactions with owners of the parent								
Dividend paid (Note 27)	-	-	-	-	(8,268)	(8,268)	-	(8,268)
Transactions with non-controlling interests								
Capital contribution by a shareholder of non-controlling interests	-	-	-	-	-	-	133	133
Dividends paid/payable to non-controlling interest of subsidiaries (Note 21)	-	-	-	-	-	-	(2,867)	(2,867)
Transfer to statutory reserve	-	4	-	-	(7)	(3)	3	-
Balance at 31 December 2023	66,575	73	(12,700)	527	44,680	99,155	10,773	109,928

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

Consolidated Statement of Cash Flows

For the Financial Year Ended 31 December 2024

	Note	2024 RM'000	2023 RM'000
Operating activities			
Profit before tax		48,768	35,126
Adjustments for:			
Depreciation of property, plant and equipment	4	5,355	4,529
Depreciation of right-of-use assets	5	5,123	2,840
Amortisation of intangible assets	6	275	122
Recognition of expected credit loss on trade and other receivables	9	2	341
Write-off of receivables		481	-
Overprovision of restoration cost	18	-	(3,850)
Accretion of restoration cost	18	269	309
Gain on disposal of property, plant and equipment		(15)	(9)
Gain on bargain purchase	24(a)	-	(6,730)
Provision for employee's end of service benefits	24(c)	933	558
Unrealised foreign exchange loss/(gain)		379	699
Interest income	24(a)	(311)	(579)
Interest expense	23	4,365	3,215
Operating profit before working capital changes		65,624	36,571
Working capital changes:			
Inventories		(571)	(165)
Trade and other receivables		(23,430)	(3,411)
Trade and other payables		(7,089)	1,470
Contract liabilities		1,804	2,022
End of service benefits paid		(652)	(314)
Cash generated from operations		35,686	36,173
Income tax paid		(8,561)	(6,553)
Net cash from operating activities		27,125	29,620
Investing activities			
Purchase of property, plant and equipment	4	(8,575)	(7,983)
Purchase of intangible assets	6	(1,035)	(3,422)
Proceeds from disposal of property, plant and equipment		15	10
Proceeds from disposal of right-of-use assets		-	19
Balance payment of asset purchased net of lease financing obtained		-	(186)
Effect of acquisition of a subsidiary, net of cash acquired	7(b)	-	1,598
Net cash used in investing activities		(9,595)	(9,964)

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

Consolidated Statement of Cash Flows

For the Financial Year Ended 31 December 2024

	Note	2024 RM'000	2023 RM'000
Financing activities			
Proceeds from issuance of ordinary shares to non-controlling interests		-	133
Proceeds from loan drawdown		9,839	7,906
Repayment of loan from a director (Note A)		(6,710)	(3,719)
Repayment of borrowings (Note A)		(4,226)	(5,607)
Interest paid on bank overdraft		(16)	(2)
Repayment of obligations under leases (Note A)		(5,646)	(2,390)
Dividends paid to equity holders of the Company		(4,963)	(8,268)
Dividends paid to non-controlling interests of a subsidiary		(1,100)	(1,967)
Interest received		321	570
Changes in fixed deposits pledged		465	(5,195)
Net cash used in financing activities		(12,036)	(18,539)
Net change in cash and cash equivalents		5,494	1,117
Effect of exchange rate changes on balances of cash held in foreign currencies		(1,066)	316
Cash and cash equivalents at beginning of financial year		37,051	35,618
Cash and cash equivalents at end of financial year	8	41,479	37,051

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

Consolidated Statement of Cash Flows

For the Financial Year Ended 31 December 2024

Note A: Reconciliation of liabilities arising from financing activities

	Non-cash changes							
	1							31
	January	Cash	New	Offset with	Modification	Unrealised	Accretion	December
	2024	flows	lease	other	of lease	exchange	of	2024
	RM'000	RM'000	RM'000	receivables ⁽¹⁾	term	difference	interest	RM'000
				RM'000	RM'000	RM'000	RM'000	
Amount due to directors (Note 17)	9,290	(6,710)	-	-	-	(8)	273	2,845
Borrowings (Note 16)	14,234	5,613	-	-	-	(398)	369	19,818
Lease liabilities (Note 19)	45,993	(5,646)	47,799	(10,312)	(721)	(1,472)	3,708	79,349
	<u>69,517</u>	<u>(6,743)</u>	<u>47,799</u>	<u>(10,312)</u>	<u>(721)</u>	<u>(1,878)</u>	<u>4,350</u>	<u>102,012</u>

⁽¹⁾ The amount relates to an offset arrangement with a theme park owner ("TPO") in accordance with an addendum to the theme park agreement signed between a subsidiary and TPO (the "Parties"). The arrangement is for the additional capital expenditure incurred by the subsidiary that will be recovered from the TPO. This recoverable amount has been recognised as other receivables during the current financial year. It has been mutually agreed between the Parties to offset the subsidiary's other receivables against the lease liabilities owing to the TPO.

	<div>← Non-cash changes →</div>								
	1				Acquisition	Modification	Unrealised	Accretion	31
	January	Cash	New	Dividend	of	of lease	exchange	of	December
	2023	flows	lease	payable	subsidiary	term	difference	interest	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Amount due to directors (Note 17)	4,785	(3,719)	-	900	7,196	-	(221)	349	9,290
Borrowings (Note 16)	8,780	2,299	-	-	1,742	-	303	1,110	14,234
Lease liabilities (Note 19)	23,578	(2,390)	25,810	-	-	(3,574)	815	1,754	45,993
	37,143	(3,810)	25,810	900	8,938	(3,574)	897	3,213	69,517

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

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

1. General corporate information

1.1 Domicile and activities

Sim Leisure Group Ltd. (the “Company”) (Registration number 201808096D) is a public limited company domiciled in Singapore and incorporated on 8 March 2018. On 24 December 2018, in connection with its conversion into a public company limited by shares, the Company changed its name from Sim Leisure Group Pte. Ltd. to Sim Leisure Group Ltd. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 1 March 2019.

The Company’s registered office is located at 138 Robinson Road, #26-03 Oxley Tower, Singapore 068906 and its principal place of business is located at Curve Nx, 18, Jalan PJU 7/5, Mutiara Damansara, 47810 Petaling Jaya, Selangor, Malaysia.

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

The ultimate controlling shareholder of the Company is Dato’ Sim Choo Kheng, who is a Director of the Company.

The consolidated financial statements of the Company and its subsidiaries (the “Group”) for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024 were authorised for issue in accordance with a Directors’ resolution dated 28 March 2025.

2. Material accounting policy information

2.1 Basis of preparation of financial statements

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

The financial statements are presented in Ringgit Malaysia (“RM”). All financial information presented in Ringgit Malaysia has been rounded to the nearest thousand (RM’000), unless otherwise indicated.

The individual financial statements of each entity in the Group are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Ringgit Malaysia (“RM”) which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

The preparation of financial statements in compliance with SFRSs requires management to make judgements, estimates and assumptions that affect the Group’s application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have significant effect on the financial statements are disclosed in Note 3 to the financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.1 Basis of preparation of financial statements (Continued)

The financial statements of the Group have been prepared on the basis that it will continue to operate as a going concern.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial period beginning on 1 January 2024. The adoption of these standards did not have any material effect on the financial statements of the Group and the Company.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries made up to the end of the reporting period. The financial statements of the subsidiaries are prepared for the same reporting date as that of the parent company.

Accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group to ensure consistency.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which that control ceases. In preparing the consolidated financial statements, inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment loss of the asset transferred.

Business combinations and goodwill/bargain purchase

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the period in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognised in profit or loss.

Non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.3 Basis of consolidation (Continued)

Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary and any non-controlling interest. The profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of.

The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Acquisition under common control

Business combination arising from transfers of interest in entities that are under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. For this purpose, comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously and no adjustments are made to reflect the fair values or recognised any new assets or liabilities, including no goodwill is recognised as a result of the combination. The components of equity of the acquired entities are added to the same components within the Group equity. Any difference between the consideration paid for the acquisition and share capital of acquiree is recognised directly to equity as merger reserve.

2.4 Foreign currency transactions and translation

Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.4 Foreign currency transactions and translation (Continued)

Transactions and balances (Continued)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

Consolidated financial statements

For consolidation purposes, the assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the average exchange rate for the year.

The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.5 Property, plant and equipment

All items of Property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost of property, plant and equipment includes its purchase price and any costs 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Construction-in-progress represents items of property, plant and equipment under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction, including related borrowing costs, during the period of construction. Construction-in-progress is reclassified to the appropriate category of property, plant and equipment when it is completed and ready for use.

Subsequent expenditure relating to the property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that the future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group, and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.5 Property, plant and equipment (Continued)

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

	Years
Plant, machinery and park structures	5 to 50
Kitchen and other operating equipment	5 to 50
Furniture, fittings, office equipment and renovation	3 to 50
Motor vehicles	5 to 10

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

The residual values, useful lives and depreciation method are reviewed at least at the end of each financial period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Leases

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

(a) As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.6 Leases (Continued)

The right-of-use assets are depreciated based on the following bases:

	Years
Leasehold land	Over the leasehold period of 56 years
Leasehold buildings	Over the leasehold period from 12 to 50 years
Themed attractions and park facilities	Over the leasehold period of 30 years
Kiosk	5 years
Motor vehicles	5 – 10 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.9.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office rentals. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.7 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodies in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

Details of the intangible assets and their finite useful lives are as follows:

	Years
License fees	20
Accounting software	3
Content Development	10

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2.8 Subsidiaries

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

In the separate financial statements of the Company, investments in subsidiaries are carried at cost, less any impairment loss that has been recognised in profit or loss.

2.9 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.9 Impairment of non-financial assets (Continued)

A previously recognised impairment loss is reversed 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.10 Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude any pledged fixed deposits.

2.11 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

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 (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Group only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.11 Financial instruments (Continued)

(a) Financial assets (Continued)

Equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income.

For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.11 Financial instruments (Continued)

(b) Financial liabilities (Continued)

Derecognition (Continued)

The accounting policies adopted for other financial liabilities are set out below:

(i) Trade and other payables

Trade and other payables are recognised initially at cost which represents the fair value of the consideration to be paid in the future, less transaction cost, for goods received or services rendered, whether or not billed to the Group, and are subsequently measured at amortised cost using the effective interest method.

(ii) Borrowings

Interest-bearing bank loans and overdrafts are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to profit or loss over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within 12 months after the end of the reporting period are presented as current borrowings even though the original terms were for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of the reporting period and before the financial statements are authorised for issue. Other borrowings due to be settled more than 12 months after the end of the reporting period are presented as non-current borrowings in the consolidated statement of financial position.

2.12 Impairment of financial assets and contract assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL and contract assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.12 Impairment of financial assets and contract assets (Continued)

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Group considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Net realisable value is the estimated selling price at which the inventories can be realised in the ordinary course of business, less estimated costs to be incurred to make the sale. When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.14 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.15 Dividends to Company's shareholders

Dividends are recognised when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which the dividends are approved by shareholders.

2.16 Provisions

Provisions are recognised when the Group has 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 the amount of the obligation can be estimated reliably.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.16 Provisions (Continued)

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.17 Revenue recognition

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

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

Admission fees to theme parks

Revenue from admission fees to theme parks is recognised at a point upon utilisation of the ticket.

Sales of food, beverages and merchandise

Revenue from sale of food, beverages and merchandise is recognised when the goods have been transferred to the customers, which is when the customer obtains control of the goods. There is no right of return on the sale of goods. There is no significant financing component in the revenue arising from the sale of goods as the sales are made on the normal credit terms not exceeding twelve months.

Services income

Revenue from services rendered relates to the theme park entertainment service and design services. Revenue is recognised when the services are rendered.

Sponsorship income

Revenue from sponsorship which consists of initial and annual fees from sponsors are amortised across the tenure of the contracts subject to the terms and conditions of individual contract.

Revenue from construction of theme park attractions and nature parks

Revenue from construction of theme park attractions and nature parks is recognised over time as the Group's performance enhances a customer-controlled asset (i.e., asset constructed on premises that is owned by the customer and the Group has an enforceable right to payment for performance completed to date).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.17 Revenue recognition (Continued)

Revenue from construction of theme attractions and nature parks (continued)

Revenue from certain construction contracts in United Arab Emirates is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation using the output method. The output method recognises revenue based on contract work certified to date which depicts the basis of direct measurements of value to the customers of the construction work performed to date relative to the remaining construction work promised under the contract.

Revenue from certain construction contracts in Malaysia is recognised progressively over time based on the percentage of completion by using the cost-to-cost method ("input method"), based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The directors consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations. Work done is measured based on actual and expected cost incurred for project activities. There is no significant financing component in construction contracts with customers as the period between the recognition of revenue under the percentage of completion and the milestone payment is generally within the normal business operating cycle.

A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

Interest income

Interest income is recognised using the effective interest method.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.18 Employee benefits

Defined contribution plans

As required by law, companies in Malaysia contribute to the state pension scheme, the Employee Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes. Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group has no further payment obligations.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. The estimated liability for leave is recognised for the estimated undiscounted liability for annual leave expected to be settled wholly within 12 months after the end of reporting period as a result of services rendered by employees up to the end of the reporting period.

2.19 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2.20 Income tax

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and, at the time of transaction, does not give rise to equal taxable and deductible temporary differences; and

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.20 Income tax (Continued)

(b) Deferred tax (Continued)

- In respect of taxable temporary differences associated with investments in subsidiaries, associate and joint venture, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and, at the time of transaction, does not give rise to equal taxable and deductible temporary differences; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associate and joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

In assessing the recoverability and/or recognition of deferred tax assets, the Group shall recognise deferred tax assets at the end of the reporting period if it is probable that the entity having such unutilised losses can generate taxable profits for three consecutive financial years, before management can conclude that it is probable that the entity will have future taxable profits available to utilise these deferred tax assets.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.20 Income tax (Continued)

(b) Deferred tax (Continued)

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

(c) Sales tax and Goods and Services Tax ("GST")

Revenue, expenses and assets are recognised net of the amount of sales tax/GST except:

- where the sales tax/GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax/GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax/GST included.

The net amount of sales tax/GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.21 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group) and whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

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Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. Material accounting policy information (Continued)

2.22 Contingencies

A contingent liability is:

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

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

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

2.23 Financial guarantee

Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a liability.

Financial guarantees issued are initially measured at fair value. Subsequently, financial guarantees are measured at the higher of the loss allowance determined in accordance with the policy set out in Note 2.12 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Group expects to recover.

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. Significant accounting judgements and estimates (Continued)

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Determining the lease term of contracts with extension option – as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.

The Group has lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew.

The Group has included the renewal period as part of the non-cancellable lease term for leases of land and buildings as the Group is reasonably certain to exercise these renewal options. This is after taking into consideration that these land and buildings are strategic assets to the Group and the Group's operations will be adversely affected if replacement for these assets are not readily available.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Impairment of investments in subsidiaries

The Company follows the guidance of SFRS(I) 1-36 in determining whether investments in subsidiaries are impaired. This determination requires significant judgement and estimation. The Company evaluates, among other factors, the market and economic environment in which the subsidiaries operate and the financial performance of the subsidiaries to determine whether there are any indications of impairment loss and if so, whether the cost of investment in the subsidiaries exceed their value in use and fair value of investment less costs of disposal. The carrying amount of the investments is disclosed in Note 7.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. Significant accounting judgements and estimates (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(ii) Depreciation of property, plant and equipment

The Group depreciates property, plant and equipment over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the period that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment. The residual value reflects management's estimated amount that the Group would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, as if the asset was already of the age and in the condition expected at the end of its useful life. Changes in the expected level of usage and technological developments could affect the economics, useful lives and the residual values of these assets which could then consequentially impact future depreciation charges. The carrying amounts of the Group's property, plant and equipment at 31 December 2024 was RM87,141,772 (2023: RM84,238,401) (Note 4).

(iii) Impairment assessment of property, plant and equipment, right-of-use assets and intangible assets

The Group assesses at the end of each reporting period whether there are any indicators of impairment for property, plant and equipment, right-of-use assets and intangible assets. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

The carrying amounts of property, plant and equipment, right-of-use assets and intangible assets are disclosed in Notes 4, 5 and 6 respectively.

(iv) Provision of expected credit losses of trade receivables

The Group uses a provision matrix to calculate expected credit losses ("ECLs") for trade receivables. The provision rates are based on days past due for grouping of various customers that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of trade receivables as at 31 December 2024 was approximately RM20,163,000 (2023: RM21,431,000) (Note 9).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. Significant accounting judgements and estimates (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(v) Measurement of lease liabilities

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term. The Group has determined the discount rate by reference to the respective lessee's incremental borrowings rate when the rate inherent in the lease is not readily determinable. The Group obtains the relevant market interest rate after considering the applicable geographical location where the lessee operates as well as the term of the lease. Management considers credit spread information from its recent borrowings, industry data available as well as any security available in order to adjust the market interest rate obtained from similar economic environment, term and value of the lease.

The weighted average incremental borrowing rate applied to lease liabilities as at 31 December 2024 was 4.68% (2023: 5.11%). The carrying amount of the Group's lease liabilities as at 31 December 2024 was RM79,349,470 (2023: RM45,992,501) (Note 19).

(vi) Provision for restoration costs

The provision recognised represents management's best estimate of the present value of the future costs required. Significant estimates and assumptions are made in determining the amount of restoration provisions. Those estimates and assumptions deal with uncertainties such as: changes to the relevant legal and regulatory framework; the timing, extent and costs required. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provisions recognised are periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs are recognised in the statement of financial position by adjusting both the asset and provision. Such changes give rise to a change in future depreciation and interest charges.

The carrying amount of provision for restoration cost as at 31 December 2024 was RM5,266,231 (2023: RM1,255,828) [Note 18].

(vii) Income taxes

The Group has exposure to income taxes in Singapore, Malaysia, United Arab Emirates and Saudi Arabia. Significant judgement and estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax as well as the tax recoverable and tax payable in the period in which such determination is made. The carrying amounts of the Group's income tax recoverable, income tax payable, deferred tax assets and deferred tax liabilities were RM55,970 (2023: RM1,361,546), RM8,812,993 (2023: RM6,343,154), RM799,869 (2023: RM283,426), RM8,504,388 (2023: RM7,858,515) respectively.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. Significant accounting judgements and estimates (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(viii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of unrecognised deferred tax assets is disclosed in Note 20.

(ix) Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's judgement and estimation of the expected outcome of the contingencies after consulting the Group's appointed legal counsel for litigation cases to the Group for matters in the ordinary course of business. Details of contingent liabilities are disclosed in Note 29.

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Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

4. Property, plant and equipment

Group

	Plant, machinery and park structures RM'000	Kitchen and other operating equipment RM'000	Furniture, fittings, office equipment and Renovation RM'000	Motor vehicles RM'000	Construction- in-progress RM'000	Total RM'000
Cost						
Balance at 1 January 2024	112,918	1,762	17,822	508	6,148	139,158
Additions	3,806	564	3,034	4	1,167	8,575
Disposals	-	-	-	(139)	-	(139)
Foreign currency translation difference	(173)	-	(223)	-	(3)	(399)
Reclassification	4,213	6	453	-	(4,672)	-
Balance at 31 December 2024	120,764	2,332	21,086	373	2,640	147,195
Accumulated depreciation						
Balance at 1 January 2024	40,571	1,396	12,713	240	-	54,920
Depreciation for the financial year	4,052	274	1,022	7	-	5,355
Disposals	-	-	-	(139)	-	(139)
Foreign currency translation difference	(10)	-	(73)	-	-	(83)
Balance at 31 December 2024	44,613	1,670	13,662	108	-	60,053
Carrying amount						
Balance at 31 December 2024	76,151	662	7,424	265	2,640	87,142

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Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

4. Property, plant and equipment (Continued)

Group

	Plant, machinery and park structures RM'000	Kitchen and other operating equipment RM'000	Furniture, fittings, office equipment and Renovation RM'000	Motor vehicles RM'000	Construction- in-progress RM'000	Total RM'000
Cost						
Balance at 1 January 2023	110,061	1,590	14,386	255	3,001	129,293
Acquisition of subsidiary [Note 7(b)]	-	-	1,868	-	-	1,868
Additions	3,052	169	1,370	245	3,147	7,983
Adjustments (write-offs)	(18)	-	-	-	-	(18)
Disposals	(1)	-	(1)	-	-	(2)
Foreign currency translation difference	36	3	23	8	-	70
Reclassification	(212)	-	176	-	-	(36)
Balance at 31 December 2023	112,918	1,762	17,822	508	6,148	139,158
Accumulated depreciation						
Balance at 1 January 2023	36,933	1,141	10,396	223	-	48,693
Acquisition of subsidiary [Note 7(b)]	-	-	1,714	-	-	1,714
Depreciation for the financial year	3,657	255	600	17	-	4,529
Adjustments (write-offs)	(18)	-	-	-	-	(18)
Disposals	(1)	-	-	-	-	(1)
Foreign currency translation difference	-	-	3	-	-	3
Balance at 31 December 2023	40,571	1,396	12,713	240	-	54,920
Carrying amount						
Balance at 31 December 2023	72,347	366	5,109	268	6,148	84,238

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Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

5. Right-of-use assets

Group

	Leasehold land RM'000	Leasehold buildings RM'000	Theme Attractions & park facilities RM'000	Kiosk RM'000	Motor vehicles RM'000	Total RM'000
Balance as at 1						
January 2024	8,789	32,187	-	55	879	41,910
Additions	-	3,929	47,799	-	-	51,728
Modification of						
lease	-	(721)	-	-	-	(721)
Depreciation	(179)	(3,571)	(1,204)	-	(169)	(5,123)
Effect of foreign						
exchange						
translation	-	(1,435)	-	-	-	(1,435)
Balance as at						
31 December 2024	8,610	30,389	46,595	55	710	86,359
Balance as at 1						
January 2023	8,968	15,927	-	55	400	25,350
Additions	-	25,453	-	-	626	26,079
Disposals	-	-	-	-	(19)	(19)
Modification of lease	-	(3,574)	-	-	-	(3,574)
Depreciation	(179)	(2,533)	-	-	(128)	(2,840)
Over-provision of						
restoration cost	-	(3,850)	-	-	-	(3,850)
Effect of foreign						
exchange						
translation	-	764	-	-	-	764
Balance as at						
31 December 2023	8,789	32,187	-	55	879	41,910

The Company's subsidiaries, Sim Leisure Escape Sdn. Bhd., Sim Leisure Adventureplay Sdn. Bhd., and Sim Leisure Waterplay Sdn. Bhd. lease leasehold land with a carrying amount of RM8,609,059 (2023: RM8,789,059) under a non-cancellable agreement. The lease term is 26 years effective from 3 May 2016 with an option to renew for another 30 years from the expiration of the lease period.

The Company's subsidiary, Kids Edutainment Pte. Ltd. leases the leasehold building with a carrying amount of RM23,505,052 (2023: RM25,123,799) for a period of 5 years from 1 August 2023 with an option to renew for another 5 years.

The Company's subsidiary, Rakan Riang Sdn. Bhd. leases leasehold building with a carrying amount of RM3,110,502 (2023: RM3,940,074) under a non-cancellable agreement. The lease term is 3 years effective from 16 August 2014 and comes with renewal terms of 3 successive terms of 3 years each.

The Company's subsidiary, Sim Leisure Rock Sdn. Bhd., leases the theme attractions and park facilities with a carrying amount of RM46,595,761 for a period of 30 years from 1 April 2024.

Motor vehicles with carrying amount of RM710,233 (2023: RM879,179) was acquired under leasing arrangement and the corresponding lease liability of RM590,237 (2023: RM686,645) is secured over the asset which will be seized and returned to the lessor in the event of default by the Group.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

6. Intangible assets

Group

	License fees RM'000	Accounting software RM'000	Content development RM'000	Total RM'000
Cost				
At 1 January 2023	2,446	890	-	3,336
Additions	2,116	-	1,306	3,422
At 31 December 2023	4,562	890	1,306	6,758
Additions	-	60	975	1,035
Effect of foreign exchange translation	(119)	(3)	(116)	(238)
At 31 December 2024	4,443	947	2,165	7,555
Accumulated amortisation				
At 1 January 2023	1,324	890	-	2,214
Amortisation charges	122	-	-	122
At 31 December 2023	1,446	890	-	2,336
Amortisation charges	261	14	-	275
Effect of foreign exchange translation	(5)	(1)	-	(6)
At 31 December 2024	1,702	903	-	2,605
Carrying amount				
At 31 December 2023	3,116	-	1,306	4,422
At 31 December 2024	2,741	44	2,165	4,950

The license fees are amortised over a period of 20 years from the commercial public opening of the Kidzania facility located in multiple locations.

The content development cost relates to production fees paid to develop virtual reality content produced by HavenXR for use via HavenXR's Virtual Reality/Augmented Reality platform. This cost will be amortised when the virtual reality content is available for use and upon commercial roll-out of HavenXR Location Based Virtual Reality Centres retailing of immersive entertainment experiences.

7. Investments in subsidiaries

	Company	
	31 December 2024 RM	31 December 2023 RM
Unquoted equity shares, at cost	46,801	46,801
Loans and receivables		
Amounts due from a subsidiary	5,664	5,664
Carrying amount of investments in subsidiaries	52,465	52,465

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

7. Investments in subsidiaries (Continued)

a. The details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest held by the Group		Proportion of ownership interest held by the non-controlling interest	
			31 December 2024 %	31 December 2023 %	31 December 2024 %	31 December 2023 %
Held by the Company						
Sim Leisure Escape Sdn. Bhd. ⁽²⁾ (“SLESB”)	Malaysia	Investment holding and development of theme parks	100	100	-	-
Sim Leisure Hong Kong Ltd. ⁽³⁾	Hong Kong	Dormant	100	100	-	-
Sim Leisure Creative Pte. Ltd. ⁽¹⁾ (“SLCPL”)	Singapore	Leasing of non-financial intangible assets and provision of management consultancy services	60	60	40	40
The Cool Melon Pte. Ltd. ^{(1) (3)} (“TCPL”)	Singapore	Dormant	100	100	-	-
Kids Edutainment Pte Ltd ⁽¹⁾ (“KEPL”) (Note i)	Singapore	Owns and operates Kidzania Educational and entertainment City in Singapore	100	100	-	-
The Future is Here Pte Ltd ⁽¹⁾ (“TFIHPL”) (Note ii)	Singapore	Operates location-based virtual reality centres – retailing immersive entertainment experience	100	100	-	-
Held by SLESB						
Sim Leisure Adventureplay Sdn. Bhd. ⁽²⁾	Malaysia	Development and operation of theme parks	100	100	-	-

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

7. Investments in subsidiaries (Continued)

a. The details of the subsidiaries are as follows: (Continued)

Name of subsidiaries	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest held by the Group		Proportion of ownership interest held by the non-controlling interest	
			31	31	31	31
			December 2024	December 2023	December 2024	December 2023

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

7. Investments in subsidiaries (Continued)

a. The details of the subsidiaries are as follows: (Continued)

Name of subsidiaries	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest held by the Group		Proportion of ownership interest held by the non-controlling interest	
			31	31	31	31
			December 2024	December 2023	December 2024	December 2023
			%	%	%	%
<u>Held by TCPL</u>						
The Cool Melon Sdn. Bhd. ^{(2), (3)}	Malaysia	Dormant	100	100	-	-
<u>Held by TFIHPL</u>						
The Future is Here Sdn. Bhd. ⁽³⁾ (“TFIHSB”) (Note iii)	Malaysia	Dormant	100	100	-	-
<u>Held by SLCPL</u>						
Sim Leisure Gulf Contracting LLC ⁽⁴⁾ (“SL Gulf”) (Note b)	United Arab Emirates	Design and construction of theme attractions in theme parks	60	60	40	40
Sim Leisure Arabia for Contracting ⁽⁴⁾ (“SL Arabia”) (Note iv)	Kingdom of Saudi Arabia	Construction of theme attractions and all types of non-residential buildings	60	60	40	40

⁽¹⁾ Audited by UHY Lee Seng Chan & Co.

⁽²⁾ Audited by UHY, Malaysia, a member firm of UHY International.

⁽³⁾ Not considered a significant subsidiary.

⁽⁴⁾ Audited by UHY James, UAE, a member firm of UHY International.

⁽⁵⁾ In the current financial year, the Company through its wholly owned subsidiary SLESB, struck off Sim Leisure Cameron Sdn Bhd.

In the previous financial year:

- (i) The Company incorporated a 100% owned subsidiary, KEPL, for a sum of SGD1.00.
- (ii) The Company incorporated a 100% owned subsidiary, TFIHPL, for a sum of SGD1.00.
- (iii) The Company through its wholly owned subsidiary TFIHPL, incorporated a 100% owned subsidiary, TFIHSB, for a sum of RM100.
- (iv) The Company through its 60% owned subsidiary SLCPL, incorporated a 100% owned subsidiary, SL Arabia, for a sum of SAR 20,000.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

7. Investments in subsidiaries (Continued)

b. Acquisition of subsidiary

In the previous financial year, the Company through its 60% owned subsidiary SLCPL, completed the acquisition of 100% of the issued share capital in SL Gulf, whose principal activities are those of a theme park contractor. Upon the acquisition, SL Gulf became a subsidiary of the Group.

The fair value of the identifiable assets and liabilities of SL Gulf as at the acquisition date are as follows:

	Fair value RM'000
Property, plant and equipment	154
Trade and other receivables	27,441
Contract assets	1,862
Cash and bank balances	3,698
Contract liabilities	(497)
Trade and other payables	(22,086)
Borrowings	(1,742)
Net identifiable assets acquired	8,830
Less : Gain on bargain purchase [Note 24(a)]	(6,730)
Purchase consideration	<u>2,100</u>

The effect of the acquisition of subsidiary on the cash flows is as follows:

Consideration for equity interest acquired	2,100
Less : Cash and cash equivalents of the subsidiary acquired	(3,698)
Net cash inflow arising from acquisition of subsidiary	<u>(1,598)</u>

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Consolidated Statement of Changes in Equity

For the Financial Year Ended 31 December 2024

7. Investments in subsidiaries (Continued)

c. Summarised financial information of subsidiaries with material non-controlling interests (NCI)

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. These are presented before consolidated adjustments and intercompany eliminations.

Summarised statements Financial Position

	Rakan Riang Sdn Bhd		Sim Leisure Makers Sdn Bhd		Sim Leisure Creative Pte. Ltd.		Sim Leisure Contracting LLC		Sim Leisure Arabia for Contracting	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current Assets	6,332	9,612	13,108	9,400	6,382	4,905	25,364	30,741	27,110	19,498
Liabilities	(6,179)	(12,332)	(9,723)	(6,754)	(3,303)	(1,462)	(3,593)	(15,149)	(12,692)	(15,354)
Net current assets	153	(2,720)	3,385	2,646	3,079	3,443	21,771	15,592	14,418	4,144
Non-current Assets	20,426	22,982	75	98	2,163	2,292	156	144	5,539	290
Liabilities	(7,180)	(9,250)	-	-	-	-	(2,547)	(2,618)	(275)	(32)
Net non-current assets	13,246	13,732	75	98	2,163	2,292	(2,391)	(2,474)	5,264	258
Net Assets	13,399	11,012	3,460	2,744	5,242	5,735	19,380	13,118	19,682	4,402

Consolidated Statement of Changes in Equity

For the Financial Year Ended 31 December 2024

7. Investments in subsidiaries (Continued)

c. Summarised financial information of subsidiaries with material non-controlling interests (NCI) (Continued)

Summarised statements of comprehensive income

	Rakan Riang Sdn Bhd		Sim Leisure Makers Sdn Bhd		Sim Leisure Creative Pte. Ltd.		Sim Leisure Gulf Contracting LLC		Sim Leisure Arabia for Contrating	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	23,418	22,701	12,951	25,496	-	-	35,103	42,771	72,654	25,053
Profit/(Loss) before income tax	10,411	7,670	1,080	2,748	5,906	(78)	8,786	3,916	26,271	4,585
Income tax expense	(2,529)	(2,157)	(365)	(753)	251	-	(765)	-	(5,388)	-
Profit after tax - continuing operations	7,882	5,513	715	1,995	6,157	(78)	8,021	3,916	20,883	4,585
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	7,882	5,513	715	1,995	6,157	(78)	8,021	3,916	20,883	4,585

Consolidated Statement of Changes in Equity

For the Financial Year Ended 31 December 2024

7. Investments in subsidiaries (Continued)

d. Summarised financial information of subsidiaries with material non-controlling interests (NCI) (Continued)

Summarised cash flows

	Rakan Riang Sdn Bhd		Sim Leisure Makers Sdn Bhd		Sim Leisure Creative Pte. Ltd.		Sim Leisure Gulf Contracting LLC		Sim Leisure Arabia for Contracting	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net cash generated from/(used in) operating activities	6,216	13,299	(280)	2,805	1,979	4,469	6,402	5,236	5,300	7,714
Net cash (used in)/generated from investing activities	(487)	1,984	(10)	(7,127)	6,260	(2,291)	(85)	(81)	(67)	(312)
Net cash (used in)/generated from financing activities	(8,240)	(11,789)	2	5,039	(4,927)	(3,914)	(5,746)	(2,071)	(5,009)	25

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

8. Cash and bank balances

	Group		Company	
	31	31	31	31
	December	December	December	December
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash at banks and on hand	27,850	26,083	1,122	195
Short-term bank deposits	19,435	17,239	14,890	7,638
	<u>47,285</u>	<u>43,322</u>	<u>16,012</u>	<u>7,833</u>

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following at the end of the financial year:

	Group	
	31	31
	December	December
	2024	2023
	RM'000	RM'000
Cash and bank balances (as above)	47,285	43,322
Less:		
Fixed deposits pledged for banking facilities	<u>(5,806)</u>	<u>(6,271)</u>
Representing cash and cash equivalents in consolidated statement of cash flows	<u>41,479</u>	<u>37,051</u>

Cash at certain bank earns interest at floating rates based on daily bank deposit rates.

Fixed deposits

The effective interest rates relating to fixed deposits with banks at the reporting date for the Group ranged between 2.40 % to 4.00 % (2023: 2.40% to 4.00%) with various tenure ranging from 1 month to 6 months. Certain fixed deposits amounting to RM5,806,260 (2023: RM6,271,337) have been pledged to banks to secure credit facilities granted to the subsidiaries (Note 16).

Cash and bank balances are denominated in the following currencies:

	Group		Company	
	31	31	31	31
	December	December	December	December
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Malaysian Ringgit	10,290	18,440	-	-
Saudi Riyal	7,428	7,427	-	-
Singapore Dollar	18,458	6,663	11,912	3,663
United Arab Emirates Dirham	7,009	6,622	-	-
United States Dollar	4,100	4,170	4,100	4,170
	<u>47,285</u>	<u>43,322</u>	<u>16,012</u>	<u>7,833</u>

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

9. Trade and other receivables

	Group		Company	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
Trade receivables				
- third parties	21,781	23,100	-	-
- less: allowance for impairment	(1,618)	(1,669)	-	-
	20,163	21,431	-	-
Non-trade receivables				
- third parties	17,793	14,463	179	49
- subsidiaries of the Company	-	-	13,692	13,540
- related companies (Note 28)	670	65	37	34
- shareholders	-	133	-	-
- less: allowance for impairment	(76)	(76)	-	-
	18,387	14,585	13,908	13,623
Deposits	6,141	4,984	-	-
	24,528	19,569	13,908	13,623
Total trade and other receivables	44,691	41,000	13,908	13,623
Comprising:				
Non-current	5,258	1,942	-	-
Current	39,433	39,058	13,908	13,623
	44,691	41,000	13,908	13,623

Trade receivables are unsecured, non-interest bearing and generally on 0 to 60 (2023: 0 to 60 days) days' credit terms.

Included in the non-trade receivables due from third parties are:-

- (i) Project costs incurred amounting to RM4,416,306 (2023: Nil) which have yet to be acknowledged by a customer [Note 21].
- (ii) Amounts due from Bandar Malaysia Sdn. Bhd. (BMSB) amounting to RM12,718,547 (2023: Nil) arising from termination of the theme park agreement. Details of the cancellation are disclosed in Note 33 to the financial statements.

The non-trade amounts due from related companies and subsidiaries of the Company are unsecured, non-interest bearing and repayable on demand.

The Group does not hold any collateral as security.

Deposits mainly pertain to rental and utility deposits which are refundable.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

9. Trade and other receivables (Continued)

The movement in allowance for expected credit losses of trade and other receivables were computed as follows:

	Group			
	Trade receivables Lifetime ECL		Other receivables 12 months ECL	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
At beginning of the year	1,669	720	76	76
Movement in allowance amounts:				
Effect of acquisition of subsidiary	-	576	-	-
Charge for the year [Note 24(c)]	2	341	-	-
Foreign exchange difference	(53)	32	-	-
At end of the year	1,618	1,669	76	76

Trade and other receivables are denominated in the following currencies:

	Group		Company	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
Malaysian Ringgit	18,276	13,546	13,909	10,434
Singapore Dollar	3,317	4,701	639	3,189
Saudi Arabian Riyal	5,877	8,871	-	-
Omani Rial	3,250	1,113	-	-
Qatari Rial	-	11,119	-	-
United States Dollar	9,812	-	-	-
United Arab Emirates Dirham	4,159	1,650	-	-
	44,691	41,000	14,548	13,623

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

10. Inventories

	Group	
	31 December 2024	31 December 2023
	RM'000	RM'000
Trading goods	1,043	472

The cost of inventories recognised as an expense and included in “cost of sales” line item amounted to RM871,168 (2023: RM2,583,411) [Note 24(b)].

11. Prepayments

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000
Other prepaid operating expense	2,400	2,119	6	2
Prepaid insurance	124	85	7	6
	2,524	2,204	13	8

12. Share capital

	Group and Company			
	31 December 2024		31 December 2023	
	Number of ordinary shares ('000)	RM'000	Number of ordinary shares ('000)	RM'000
Issued and fully-paid:				
Balance at the beginning and end of the financial year	165,365	66,575	165,365	66,575

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

13. Capital reserves

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000
Balance at beginning	73	69	1,329	1,329
Transfer to statutory reserve	-	4	-	-
Balance at end	73	73	1,329	1,329

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

13. Capital reserves (Continued)

Capital reserves comprise:-

- a) Acquisition and disposal with non-controlling interests that do not result in a change of control.
- b) Statutory reserve of a subsidiary where 10% of the annual profits is allocated to this reserve according to the articles of association. The transfer will be suspended, when the reserve reaches 30% of the paid up capital. This reserve is not available for distribution.

14. Merger reserve

Merger reserve represents the difference between the consideration paid and the share capital of subsidiaries acquired.

15. Foreign currency translation reserves

The foreign currency translation reserves represent exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

16. Borrowings

	Group		Company	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
Bank loans				
-Term loan 1	2,091	2,987	-	-
-Term loan 2	-	805	-	-
-Term loan 3	1,304	1,648	-	-
-Term loan 4	354	557	-	-
-Term loan 5	6,373	8,237	-	-
-Term loan 6	9,696	-	9,696	-
Total interest-bearing borrowings	19,818	14,234	9,696	-
Less:				
Amount due for settlement within 12 months	(4,511)	(3,494)	(1,778)	-
Amount due for settlement after 12 months	15,307	10,740	7,918	-

Term loan 1 is repayable over a period of 5 years and bears average interest rate of 7.85% (2023: 7.85%) per annum. Term loan 1 are secured by pledges of fixed deposits as disclosed in Note 8 to the financial statements, individual guarantee by a director of the Company, and a corporate guarantee of the Company.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

16. Borrowings (Continued)

Term loan 2 is repayable over a period of 4 years and bears average effective interest rates of 7.7% (2023: 6.87%) per annum. It is secured by a basic debenture by way of fixed and floating charge over certain subsidiaries and the Company's future assets, corporate guarantees by the Company's subsidiaries and jointly and severally guaranteed by a director of the Company.

Term loan 3 is repayable over a period of 5 years and bears average interest rate of 7.7% per annum (2023: 7%). Term loan 3 are secured by 70% guarantee coverage by the Government of Malaysia, personal guarantee by a director of the Company, corporate guarantees by subsidiaries, Sim Leisure Escape Sdn. Bhd. and Sim Leisure Challenge Sdn. Bhd., and first debenture over the present and future fixed and floating assets of the Company.

Term loan 4 is repayable over a period of 5 years and bears fixed interest rate of 4.5% per annum (2023: 4.5%). It is secured by 80% guarantee coverage by Syarikat Jaminan Pembiayaan Perniagaan Berhad, a personal guarantee by a director of the Company, and a corporate guarantee by subsidiaries, Sim Leisure Escape Sdn. Bhd. and Sim Leisure Challenge Sdn. Bhd.

Term loan 5 is repayable over a period of 5 years and bears an average interest rate of 6.01% per annum (2023: 6.16%). It is secured by a corporate guarantee of the immediate holding company.

Term loan 6 is repayable over a period of 5 years and bears an average interest rate of 5.3%. It is secured by a corporate guarantee of the Company's subsidiaries, Sim Leisure Adventureplay and Sim Leisure Waterplay.

At the reporting date, the fair values of the Group and the Company's bank borrowings approximate their carrying amounts as they are subject to floating interest rates.

Bank borrowings are denominated in the following currencies:

	Group	
	31	31
	December	December
	2024	2023
	RM'000	RM'000
Malaysian Ringgit	3,749	5,192
Singapore Dollar	16,069	9,042
	<u>19,818</u>	<u>14,234</u>
		Company
		31
		December
		2024
		RM'000
Singapore Dollar		<u>9,696</u>

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

17. Amount due to directors

	Group	
	31 December 2024 RM'000	31 December 2023 RM'000
Amount due to a Director of the Company		
Current		
-dividend payable by a subsidiary	-	4,502
Amount due to Director of a subsidiary		
Current		
-loan	1,043	693
-dividend payable by a subsidiary	-	900
-interest payable	-	350
	1,043	6,445
Non-current		
-loan	1,802	2,845
	2,845	9,290

Amount due to a director includes a loan facility of up to RM 7,000,000 extended by the director to a subsidiary of the Group and the subsidiary had drawn down an amount of RM 6,300,000 in the prior financial year ended 31 December 2020 with no further drawdown thereafter. This is pursuant to an agreement dated 20 November 2020 entered into between the director and the subsidiary ("Agreement"). The loan is secured by the Agreement and a memorandum of charge over the entire shares in a subsidiary held by the Group and assignment of proceeds being 5% of the total revenue of the subsidiary, interest-bearing at the rate of 8% per annum (Note 23).

Pursuant to a supplementary agreement dated 30 December 2021, the loan repayment has been rescheduled to be repayable in 7 yearly instalments of RM750,000 in year 1, RM765,000 in year 2, RM897,500 in year 3, RM1,042,500 in year 4, RM1,070,000 in year 5, RM1,117,500 in year 6 and RM657,500 in year 7, commencing from 30 November 2020 which was the date when the loan was first drawn down.

18. Provisions

	Group	
	31 December 2024 RM'000	31 December 2023 RM'000
End of service benefits (Note (a))	2,827	2,649
Provision for restoration costs (Note (b))	5,266	1,256
Total	8,093	3,905

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

18. Provisions (Continued)

(a) End of service benefits

End of service benefits represent the amounts owed to employees in accordance with the Labour Law in the Kingdom of Saudi Arabia and United Arab Emirates to compensate for their years of service to the Group.

	Group	
	31 December 2024	31 December 2023
	RM'000	RM'000
Balance at beginning	2,659	-
Acquisition of subsidiary	-	2,306
Provision for end of service benefits	933	558
End of service benefits paid during the year	(652)	(314)
Effect on foreign exchange translation	(113)	99
Balance at end	2,827	2,649

(b) Provision for restoration costs

Restoration costs relates to the future cost incurred of dismantling, removing and restoring the site on which the Group currently occupied for its themed attraction operation.

Provision for restoration costs is based on management's best estimates after taking into account quotations from various suppliers. The Group is obligated to make good the site upon the expiration of the lease agreements.

	Group	
	31 December 2024	31 December 2023
	RM'000	RM'000
Balance at beginning	1,259	4,711
Additions	3,929	86
Accretion of restoration cost (Note 24(c))	269	309
Overprovision of restoration cost	-	(3,850)
Effect on foreign exchange translation	(191)	-
Balance at end	5,266	1,256

During the previous financial year, the Group has reassessed its provision for restoration costs for one of its theme park attractions and recognised a reversal of RM3,849,800.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

19. Lease liabilities

	Group	
	31 December 2024	31 December 2023
	RM'000	RM'000
Current	4,822	3,627
Non-current	74,527	42,366
	<u>79,349</u>	<u>45,993</u>

The details and movements of lease liabilities are as follows:

	Leasehold land RM'000	Leasehold Buildings RM'000	Theme Attractions & Park facilities RM'000	Motor vehicles RM'000	Total RM'000
2024					
Balance at 1 January 2024	11,685	33,621	-	687	45,993
Addition	-	-	47,799	-	47,799
Modification of lease term	-	(721)	-	-	(721)
Interest expense (Note 23)	514	1,769	1,391	34	3,708
Offset against other receivables	-	-	(10,312)	-	(10,312)
Lease payments	(355)	(3,380)	(1,780)	(131)	(5,646)
Effect of foreign exchange translation	-	(1,472)	-	-	(1,472)
Balance at 31 December 2024	11,844	29,817	37,098	590	79,349
	Leasehold land RM'000	Leasehold buildings RM'000	Motor vehicles RM'000	Total RM'000	
2023					
Balance at 1 January 2023		10,378	12,868	332	23,578
Addition		-	25,638	441	26,079
Modification of lease term		-	(3,574)	-	(3,574)
Interest expense (Note 23)		1,116	612	26	1,754
Lease payments		(355)	(1,923)	(112)	(2,390)
Effect of foreign exchange translation		546	-	-	546
Balance at 31 December 2023		11,685	33,621	687	45,993

The Group leases land and buildings in Malaysia and Singapore. The lease contract provides for payment increases each year to account for inflation.

All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The Group's obligations under leases are secured by the leased assets, which will revert to the lessors in the event of default by the Group, and secured by personal guarantees from certain Directors of the Company.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

19. Lease liabilities (Continued)

The Group leases also certain assets which qualify as low value assets and the Group also leases certain machinery on a short-term basis (i.e., less than 1 year). The election of short-term leases is made by class of underlying assets with similar nature and use in the Group's operation whereas the low-value lease exemption is made on lease-by-lease basis. The lease expense relating to these leases which are recognised in profit or loss is disclosed below.

As at 31 December 2024, the average incremental borrowing rate applied was 4.68% (2023: 5.11%).

Lease liabilities are denominated in Malaysian Ringgit and Singapore Dollars.

Amounts recognised in profit or loss

	Group	
	31 December 2024	31 December 2023
	RM'000	RM'000
Depreciation of right-of-use assets (Note 5)	5,123	2,840
Interest expense on lease liabilities (Note 23)	3,708	1,754
Lease expense not capitalised in lease liabilities		
- Expense relating to short-term leases (included in cost of sales) [Note 24(b)]	268	564
- Expense relating to leases of low value assets (included in cost of sales) [Note 24(b)]	262	146
- Expense relating to short-term leases (included in administrative and other expenses) [Note 24(c)]	1,454	994
Total	1,984	1,704
Total amount recognised in profit or loss	10,815	6,298

The Group had total cash outflows for leases of RM7,630,581 (2023: RM4,093,707).

20. Deferred taxes

	Group	
	31 December 2024	31 December 2023
	RM'000	RM'000
Deferred tax liabilities		
Balance at beginning of financial year	7,576	8,442
Charged to profit or loss		
- Current year	310	(517)
- Overprovision in prior year	(219)	(341)
Effect of foreign exchange translation	38	(8)
Balance at end of financial year	7,705	7,576

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

20. Deferred taxes (Continued)

Recognised deferred tax assets and liabilities

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. The following amounts, determined after appropriate offsetting, are included in the statement of financial position as follows:

	Group	
	31 December 2024	31 December 2023
	RM'000	RM'000
Deferred tax liabilities	8,504	7,859
Deferred tax assets	(799)	(283)
	<u>7,705</u>	<u>7,576</u>

Deferred tax liabilities have been recognised by the Group during the financial year in respect of the following items:

	Group	
	31 December 2024	31 December 2023
	RM'000	RM'000
Accelerated tax depreciation	11,067	10,765
Unabsorbed tax losses and capital allowances	(211)	(248)
Provisions	(2,844)	(2,634)
Contract liabilities	(307)	(307)
	<u>7,705</u>	<u>7,576</u>

The Group has unrecognised tax assets arising from estimated unabsorbed capital allowances and unutilised tax losses carried forward, which are available to set-off against future taxable profit, and other deductible temporary differences as follows:

	Group	
	31 December 2024	31 December 2023
	RM'000	RM'000
Unrecognised deferred tax assets – Group		
Other deductible temporary differences	(45)	(7)
Unabsorbed capital allowances	45	1
Unutilised tax losses	734	64
	<u>734</u>	<u>58</u>

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

20. Deferred taxes (Continued)

Recognised deferred tax assets and liabilities

	Group	
	31 December 2024 RM'000	31 December 2023 RM'000
Expiry date of utilisation		
Unabsorbed capital allowances with no expiry date	303	1,327
Unutilised tax losses, expiring on:		
- Year assessment 2028	521	521
- Year assessment 2030	-	55
- Year assessment 2032	373	406
- Year assessment 2033	50	50
- Year assessment 2034	2,877	-
	<u>4,124</u>	<u>2,359</u>

21. Trade and other payables

	Group		Company	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
Trade payables				
- third parties	6,553	4,815	-	-
Other payables				
- third parties	4,173	10,918	18	35
- dividend payable to non-controlling interest of subsidiaries	3,286	900	-	-
- subsidiaries	-	-	-	1,840
	<u>7,459</u>	<u>11,818</u>	<u>18</u>	<u>1,875</u>
Accrued operating expenses	9,032	10,180	1,577	1,403
	<u>23,044</u>	<u>26,813</u>	<u>1,595</u>	<u>3,278</u>

Trade payables are unsecured, non-interest bearing and are normally settled between 30 to 60 (2023: 30 to 60) days' terms.

Included in trade payables is an amount of RM4,416,306 (2023: Nil) pertaining to project costs invoiced by a supplier that has not been certified by the Group's customer [Note 9].

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

21. Trade and other payables (Continued)

Trade and other payables are denominated in the following currencies:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000
Malaysian Ringgit	4,727	8,395	-	3,040
Singapore Dollar	10,156	5,400	1,595	238
Saudia Arabian Riyal	2,813	6,790	-	-
Qatari Rial	-	5,839	-	-
United Arab Emirates Dirham	5,348	252	-	-
Euro	-	137	-	-
	<u>23,044</u>	<u>26,813</u>	<u>1,595</u>	<u>3,278</u>

22. Revenue

(a) Disaggregation of revenue

Disaggregation of the Group's revenue for the financial year is as follows:

	Group	
	2024	2023
	RM'000	RM'000
<u>Type of goods or services</u>		
Admission fees to theme parks	63,487	48,160
Sale of food, beverages and merchandise	6,483	6,941
Service income	2,532	1,974
Sponsorship income	5,949	3,007
Revenue from construction of theme park attractions and nature parks	89,388	75,402
	<u>167,839</u>	<u>135,484</u>

Timing of transfer of goods or services

	Group			
	At the point in time		Over time	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Admission fees to theme parks	63,487	48,160	-	-
Sale of food, beverages and merchandise	6,483	6,941	-	-
Service income	2,532	1,974	-	-
Sponsorship income	-	-	5,949	3,007
Revenue from construction of theme park attractions and nature parks	-	-	89,388	75,402
	<u>72,502</u>	<u>57,075</u>	<u>95,337</u>	<u>78,409</u>

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

22. Revenue (continued)

(b) Contract assets and liabilities

	Group	
	31 December 2024 RM'000	31 December 2023 RM'000
Contract assets		
Construction contracts	15,788	8,111
	<u>15,788</u>	<u>8,111</u>
Contract liabilities		
Theme park tickets purchased	1,178	838
Sponsorship	3,460	1,403
Construction contracts	-	718
	<u>4,638</u>	<u>2,959</u>
Non-current	395	623
Current	<u>4,243</u>	<u>2,336</u>
	<u>4,638</u>	<u>2,959</u>

Contract assets relate to the Group's right to consideration for work completed but not yet billed at the reporting date for revenue from construction contracts. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

Contract liabilities comprise of unsatisfied performance obligations related to customers' advance purchase of theme park tickets from the Group, advance receipt of sponsorship income and income received from long term construction contracts with customers. Contract liabilities are recognised as revenue when performance obligations are satisfied.

Included in contract liabilities is an amount of RM1,178,288 (2023: RM838,161) pertaining to ticket purchased in advance by customers.

An amount of RM2,336,455 (2023: RM1,693,849) which was recognised in contract liabilities at the beginning of the respective financial years has been recognised as revenue for the financial year ended 31 December 2024.

The transaction price allocated to the unsatisfied performance obligations as at 31 December 2024 is RM4,638,462 (2023: RM2,959,491) and is expected to be recognised over the years as follows:

	Group	
	2024 RM'000	2023 RM'000
Within one year	4,243	2,336
More than 1 year and less than 2 years	395	623
	<u>4,638</u>	<u>2,959</u>

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

23. Finance costs

	Group	
	2024 RM'000	2023 RM'000
Interest expense		
- lease liabilities (Note 19)	3,708	1,754
- term loans	368	1,109
- bank overdraft	16	2
- director (Note 17)	273	350
	<u>4,365</u>	<u>3,215</u>

24. Profit before tax

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the above includes the following (credit)/charges:

	Group	
	2024 RM'000	2023 RM'000
(a) Other income		
Write off of payables	2	-
Gain on disposal of property, plant and equipment	15	9
Finance income from bank deposits	311	579
Miscellaneous income received	518	564
One off sponsorship income	-	20
Reduction in consideration payable to former owner of a Subsidiary	-	600
Gain on bargain purchase [Note 7(b)]	-	6,730

	Group	
	2024 RM'000	2023 RM'000
(b) Cost of sales		
Amortisation of intangible assets (Note 6)	275	122
Depreciation of property, plant and equipment [Note 24(e)]	4,995	4,212
Depreciation of right-of-use assets (Note 5)	5,123	1,788
Cost of inventories recognised as expense (Note 10)	871	2,583
Royalty expense	2,370	1,204
Repair and maintenance expenses	2,538	1,924
Insurance for visitors	423	427
Lease expense on:		
- Short term leases (Note 19)	268	564
- low value assets (Note 19)	262	146
Employee benefit expenses [Note 24(d)]		
- salaries, bonus and other benefits	36,844	11,343
- social security contributions	472	76
- defined contribution plans	709	476

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

24. Profit before tax (Continued)	Group	
	2024 RM'000	2023 RM'000
(c) Administrative and other expenses		
Audit fees:		
- Auditors of the Company	368	330
- Member firms of UHY International	244	218
Non-audit fees:	-	
- Member firms of UHY International	22	20
Accretion of restoration cost (Note 18)	269	309
Depreciation of property, plant and equipment [Note 24(e)]	360	317
Depreciation of right-of-use assets (Note 5)	85	1,052
Legal and professional fees	1,959	2,859
Lease expenses on:		
- short-term leases (Note 19)	1,454	994
Loss on foreign exchange		
- realised	670	194
- unrealised	552	863
Travelling and vehicle expenses	1,708	1,994
Marketing and promotion expenses	2,010	1,557
Recognition of expected credit loss on trade and other receivables (Note 9)	2	341
Directors' remuneration (Note 28)		
- directors' fee	1,198	708
- salaries, bonus and other benefits	3,887	2,883
- defined contribution plans	309	121
Employee benefits expense (excluding directors' remuneration)		
- salaries, bonus and other benefits	3,963	4,501
- Provision for employee's end of service benefits	933	558
- social security contributions	163	21
- defined contribution plans	247	155

	Group	
	2024 RM'000	2023 RM'000
(d) Employee benefits expenses included the following line items:		
Cost of sales [Note 24(b)]	38,025	11,895
Administrative and other expenses [Note 24(c)]	10,700	8,947
Total employee benefits expenses	48,725	20,842

(e) Depreciation of property, plant and equipment included the following line items:		
Cost of sales [Note 24(b)]	4,995	4,212
Administrative and other expenses [Note 24(c)]	360	317
Total depreciation of property, plant and equipment (Note 4)	5,355	4,529

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

25. Income tax expense

	Group	
	2024 RM'000	2023 RM'000
Current income tax		
- current financial year	13,208	8,849
- over provision in prior financial years	(681)	(1,936)
	12,527	6,913
Deferred income tax		
- Origination and reversal of timing differences	310	(517)
- (Over)/under provision in prior financial years	(219)	(341)
	91	(858)
Total income tax expense recognised in profit or loss	12,618	6,055

Reconciliation of effective income tax rate

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December is as follows:

	Group	
	2024 RM'000	2023 RM'000
Profit before income tax	48,768	35,126
Tax at the domestic tax rates applicable to profit in the countries where the Group operates	11,782	8,060
Tax effect in respect of:		
Non-allowable expenses	3,690	2,264
Income not subject to tax	(2,652)	(2,079)
Deferred tax assets not recognised	698	87
Overprovision of current income tax in prior financial years	(681)	(1,936)
Overprovision of deferred income tax in prior financial years	(219)	(341)
Total income tax expense recognised in profit or loss	12,618	6,055

Included in income tax payable is an amount of RM3,862,029 (2023: RM3,862,029) that is payable to the Inland Revenue Board and recognised in profit or loss in prior financial years as disclosed in Note 29(iii) to the financial statements.

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Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

26. Earnings per share

The calculation of earnings per share ("EPS") is based on the following data:

	Group	
	2024 RM'000	2023 RM'000
Profit for the financial year attributable to owners of the parent	22,899	21,881
Weighted-average number of ordinary shares in issue during the financial year	165,365	165,365
Earnings per share		
- Basic and diluted (RM sens per share)	13.85	13.23

The calculations of basic earnings per share are based on profit attributable to owners of the parent divided by the weighted average number of ordinary shares outstanding during the financial year.

The diluted EPS would be equivalent to the basic EPS as the Company does not have any dilutive potential ordinary shares.

The number of ordinary shares used for the calculation of basic earnings per share in a common control combination, which is accounted for using merger accounting, was the aggregate of the number of shares of the Company whose shares are outstanding after the combination.

27. Dividend

	Group	
	2024 RM'000	2023 RM'000
Final tax exempt dividend of RM0.03 cents per share in respect of financial year ended 31 December 2023 (FY2022 : RM0.05 cents per share)	4,963	8,268
Dividend per share (net of tax)	0.03	0.05

At the Annual General Meeting scheduled to be held on 28 April 2025, a final one tier, tax exempt cash dividend of RM0.03 per ordinary share amounting to a total of RM4,960,950 for the financial year ended 31 December 2024 will be recommended.

These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ended 31 December 2024.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

28. Significant related party transactions

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

	Group	
	2024 RM'000	2023 RM'000
Interest payable to a director of a subsidiary	273	350
Acquisition cost of a subsidiary paid to a director of the Company	-	2,100

Related company refers to an entity with a common director as the Company and whom the common director has control over the Company and is a member of the key management personnel of the entity.

Compensation of key management personnel

Key management personnel are directors of the Group and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly, or indirectly.

The remuneration of key management personnel of the Group during the financial year was as follows:

	Group	
	2024 RM'000	2023 RM'000
Short-term employee benefits	3,887	2,883
Post-employment benefits	309	121
Directors' fee	1,198	708
	5,394	3,712
Comprise amounts paid to:		
Directors of the Company [Note 24(c)]	5,394	3,712

The outstanding balances with related companies at the reporting date is disclosed in Note 9 to the financial statements and are unsecured, interest-free, repayable on demand and are to be settled in cash, unless otherwise stated.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. Contingent liabilities

(i) Corporate Guarantees

	Group	
	2024 RM'000	2023 RM'000
Corporate guarantees to financial institutions for subsidiaries' banking facilities	17,727	11,247

Based on information currently available, the Group does not expect any liabilities to arise from the guarantees.

(ii) Legal claims

- (a) On 14 September 2021, a management consultancy company (the "Plaintiff") had commenced a legal suit for a sum of RM187,649 against a subsidiary of the Group, for monies due and owing to the Plaintiff pursuant to invoices issued for accounting services rendered.

The Group's legal counsel is of the view that there are no actual or contingent liabilities that will arise from this legal suit. Accordingly, the Directors are of the view that there are no merits to the claim and hence, no provision of the claim has been made for the financial year ended 31 December 2024.

In the same legal suit commenced by the Plaintiff, the Group had vided the said subsidiary counter claimed against the Plaintiff for a sum of RM286,392 and SGD4,284 for compensation for the loss and damages respectively, arising from the Plaintiff's negligence and failure to discharge its contractual obligations and duties. On 30 September 2022, the Plaintiff has filed an application to strike out SLE's counter claim and the Court has dismissed the Plaintiff's strike out application. The Group's legal counsel have on 12 March 2025 filed in pre-trial documents and is now waiting for the Court to fix the hearing date. The Directors are of the view that it is not possible to reasonably determine the extent and timing of possible inflow of economic benefit arising from the counter claimed lawsuit against the Plaintiff. Accordingly, these claims are not recognised in these financial statements for the financial year ended 31 December 2024.

- (b) On 25 May 2021, a subsidiary of the Group received a letter of demand for a sum of RM102,000 from a third-party vendor (the "Plaintiff") for alleged non-payment of services rendered. Both the subsidiary and the Plaintiff had exchange correspondence from May 2021 to December 2021 stating their positions.

On 7 February 2022, the Plaintiff commenced a legal suit against the subsidiary of the Group for the sum of RM102,000, which comprises mainly outstanding rental for vehicle transportation including costs for reinstatement of the vehicles to their initial condition.

The Group's legal counsel had advised that there are no merits to the claim and hence, the Directors are of the view that no provision for the claim is required for the financial year ended 31 December 2024. The Group's legal counsel attended the trial on 24 February 2025 and the Court has vacated the trial and had on 26 February 2025, fixed a new date on 26 May 2025 to continue for trial.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. Contingent liabilities (Continued)

(ii) Legal claims (Continued)

- (c) On 26 April 2024, a subsidiary of the Group received a letter of demand from a third-party vendor (the "Plaintiff") for a sum of RM234,542 for services rendered pursuant to agreements to which the subsidiary vehemently denies. In the same legal suit commenced by the Plaintiff, the Group has counterclaimed against the Plaintiff to seek a Declaration that such agreements and invoices are void and general damages to be assessed by the Court. The case is fixed for case management on 11 April 2025 for further instructions from the Court.
- (d) On 21 November 2024, two subsidiaries of the Group, received a letter of demand from a third-party vendor (the "Plaintiff") for a sum of RM44,085 being amount due and supply of goods and outstanding rental of goods amounting to RM112,876.

The subsidiaries denied these claims as the amounts are not supported by valid purchase orders issued by the subsidiaries, which are part of the standard operating procedures. Both subsidiaries have good records of settled bills with the Plaintiff previously that tally with the subsidiaries' recorded purchase orders.

The case is fixed for case management on 15 April 2025 to get further instructions from the Court.

(iii) Appeal commenced by a subsidiary of the Group

On 29 July 2020, a subsidiary of the Group received a notice of assessment from the Inland Revenue Board for additional tax assessment for the years of assessment for 2013, 2014, 2015, 2016 and 2017.

On 27 August 2020, the subsidiary filed an appeal to the Special Commissioners of Income Tax against this additional assessment imposed by the Inland Revenue Board as the subsidiary being a theme park operator had obtained tax incentives for its tourism project "Escape Adventureplay" from the Malaysian Investment Development Authority on 24 May 2014.

In August 2021, while waiting for the outcome of the appeal, the subsidiary received a notice of installment payments schedule from the Inland Revenue Board for the additional tax payment. Accordingly, the additional tax assessment amounting to RM3,862,029 has been fully recognised during the prior financial years under income tax payable and also reflected as an 'under provision of current income tax' in the financial year ended 31 December 2021 (Note 25).

As at the date of this report, the Directors are still waiting for the outcome of the appeal.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

30. Capital commitment

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

	Group	
	31 December 2024 RM'000	31 December 2023 RM'000
Capital commitment in respect of:		
Property, plant and equipment	21,003	9,146
Intangible assets	440	900
	<u>21,443</u>	<u>10,046</u>

31. Segment information

The Group has two primary business segments, which is that of theme park operations and construction of theme park attractions and nature parks. Revenue from theme park operations is derived from ticketing, food and beverages, merchandising sales and other services rendered from operating theme parks in Malaysia. Revenue from construction of theme park attractions and nature parks is derived from the business of design and construction of theme attractions in theme parks as well as theme features mainly for restaurants and hotels to related companies as well as third parties.

Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (loss) before income tax, as included in the internal management reports that are reviewed by the Chief Operating Officer. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Income taxes are managed on a Group basis.

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Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

31. Segment information (Continued)

Information about reportable segments:

FY2024

Revenue

Sales to external parties	
Inter-segment sales	
Total	

Theme Park Operations RM'000	Construction of Theme Park Attractions and Nature Parks RM'000	Others RM'000	Eliminations RM'000	Total RM'000
78,451	89,388	-	-	167,839
1,083	3,487	797	(5,367)	-
79,534	92,875	797	(5,367)	167,839

Results

Segment results	
Finance income	
Finance cost	
Profit before tax	
Tax expense	
Profit for the year	

Significant non-cash items

Accretion of restoration cost	
Depreciation and amortization	
Unrealised foreign exchange loss/(gain)	

269	-	-	-	269
10,608	145	-	-	10,753
360	26	4	-	390

As at 31 December 2024

Assets

Segment assets	
Deferred tax assets	
Tax recoverable	
Total assets	

181,445	66,260	42,077	-	289,782
799	-	-	-	799
56	-	-	-	56
182,300	66,260	42,077	-	290,637

Liabilities

Segment liabilities	
Deferred tax liabilities	
Current tax payable	
Total liabilities	

102,831	17,118	17,838	-	137,787
8,485	-	19	-	8,504
2,878	5,934	-	-	8,812
114,194	23,052	17,857	-	155,103

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

31. Segment information (Continued)

FY2023

Revenue

Sales to external parties	
Inter-segment sales	
Total	

Results

Segment results	
Finance income	
Finance cost	
Profit before tax	
Tax expense	
Profit for the year	

Significant non-cash items

Accretion of restoration cost	
Depreciation and amortization	
Unrealised foreign exchange loss/(gain)	

As at 31 December 2023

Assets

Segment assets	
Deferred tax assets	
Tax recoverable	
Total assets	

Liabilities

Segment liabilities	
Deferred tax liabilities	
Current tax payable	
Total liabilities	

	Theme Park Operations RM'000	Construction of Theme Park Attractions and Nature Parks RM'000	Others RM'000	Eliminations RM'000	Total RM'000
	60,082	75,402	-	-	135,484
	1,310	5,004	181	(6,495)	-
	61,392	80,406	181	(6,495)	135,484
	24,278	11,687	1,797	-	37,762
	501	-	78	-	579
	(2,277)	(247)	(691)	-	(3,215)
	22,502	11,440	1,184	-	35,126
	(4,468)	(1,837)	250	-	(6,055)
	18,034	9,603	1,434	-	29,071
	309	-	-	-	309
	6,340	131	1,019	-	7,490
	300	560	(161)	-	699
	125,692	59,682	40,305	-	225,679
	-	-	283	-	283
	1,362	-	-	-	1,362
	127,054	59,682	40,588	-	227,324
	50,984	37,704	14,506	-	103,194
	7,850	-	9	-	7,859
	3,178	1,704	1,461	-	6,343
	62,012	39,408	15,976	-	117,396

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

31. Segment information (Continued)

Geographical information

The Group's revenue and assets are mainly derived from Malaysia, Singapore and United Arab Emirates.

Revenue and non-current assets information based on geographical locations of customers and assets respectively are as follows:

	Revenue		Non-current assets ¹	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysia	69,898	78,614	143,549	99,750
Singapore	18,017	-	35,133	30,661
United Arab Emirates	7,270	32,120	287	831
Saudi Arabia	72,654	24,750	5,539	1,553
	<u>167,839</u>	<u>135,484</u>	<u>184,508</u>	<u>132,795</u>

¹Non-current assets information presented above consist of property, plant and equipment, right of use assets and intangible assets and other assets as presented in the consolidated statement of financial position.

32. Financial instruments, financial risks and capital management

The Group's activities expose it to a variety of financial risk from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk). The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management establishes detailed policies such as risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rate and foreign exchange rate.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. If necessary, market risk exposures are measured using sensitivity analysis indicated below.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

32. Financial instruments, financial risks and capital management (Continued)

32.1 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require collaterals.

The carrying amounts of financial assets and contract assets recorded in the financial statements (grossed up for any allowances for losses) represents the Group's maximum exposure to credit risks. The Group does not hold any collateral.

The Group's major classes of financial assets are trade and other receivables, cash and bank balances.

Trade receivables and contract assets

The exposure to credit risk for trade receivables and contract assets by types of customers at each reporting date is as follows:

	Group	
	31 December 2024 RM'000	31 December 2023 RM'000
Contract assets	15,788	8,111
Online payment portals, credit card issuers and operating partners	442	1,425
Sponsorship income receivable	836	311
Contract customers from construction of theme parks and nature parks	18,309	19,387
Design services and corporate clients	576	308
	<u>35,951</u>	<u>29,542</u>

As at 31 December 2024 and 31 December 2023, approximately 90% of the Group's trade receivables from third parties were due from 8 and 10 customers respectively.

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Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

32. Financial instruments, financial risks and capital management (Continued)

32.1 Credit risk (Continued)

The Group uses an allowance matrix to measure the expected credit losses of trade receivables and contract assets. In measuring the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk and days past due. In calculating expected credit loss rates, the Group considers historical loss rates for each aging bracket of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

At the reporting date, the age analysis of trade receivables past due but not impaired and contract assets is as follows:

	Group			
	2024		2023	
	Gross carrying amount RM'000	Less allowance provision RM'000	Gross carrying amount RM'000	Less allowance provision RM'000
Contract assets	15,788	-	8,111	-
Trade receivables:				
Neither past due nor impaired	4,933	-	1,743	-
Past due less than 1 month	742	-	333	-
Past due 1 to 2 months	574	-	77	-
Past due over 2 to 3 months	262	-	120	-
Past due over 3 months	15,270	(1,618)	20,826	(1,669)
	37,569	(1,618)	31,210	(1,669)

Trade receivables that are neither past due nor impaired are substantially companies with good collection track record with the Group.

Cash and bank balances

The Group held cash and bank balances of RM47,285,565 as at 31 December 2024 (2023: RM43,321,618). The cash and bank balances are held with banks and financial institutions which are currently rated AA3 to A3, based on Moody's ratings.

The Board of Directors monitors the credit ratings of counterparties regularly. Impairment of cash and bank balances has been measured based on 12-month expected credit loss model. At the reporting date, the Group did not expect any credit losses from non-performance by the counterparties.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

32. Financial instruments, financial risks and capital management (Continued)

32.1 Credit risk (Continued)

Financial guarantee contracts

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks on subsidiaries' borrowings (Note 16). The Group's maximum exposure in this is the maximum amount the Group could have to pay if the guarantee is called on. For the financial guarantee issued, the Company has assessed that these subsidiaries have sufficient financial capabilities to meet its contractual cash flows obligation in the near future and hence, does not expect any material loss allowance under 12-month expected credit loss model.

Based on expectations of the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under this arrangement.

32.2 Liquidity risk

Liquidity risk refers to the risk in which the Group encounters difficulties in meeting its short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle. At the reporting date, assets held by the Group for managing liquidity risk included cash and short-term deposits as disclosed in Note 8.

The Group actively manages its operating cash flows so as to ensure that all payment needs are met. As part of its overall prudent liquidity management, the Group minimises liquidity risk by ensuring the availability of funding through an adequate amount of committed credit facilities from financial institutions and maintain sufficient levels of cash to meet its working capital requirements.

The following tables detail the Group's and the Company's remaining contractual maturity for its non-derivative financial instruments. The tables have been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group is expected to pay.

Contractual maturity analysis

	Effective interest rate %	Within one financial year RM'000	After one financial year but within five financial years RM'000	After five years RM'000	Total RM'000
Group 2024					
Trade and other payables	-	23,044	-	-	23,044
Amount due to directors	8%	1,043	1,803	-	2,846
Bank borrowings	3.5% to 7.85%	5,801	19,667	-	25,468
Lease liabilities	3.44% to 6.26%	7,257	35,825	105,300	148,382
		<u>37,145</u>	<u>57,295</u>	<u>105,300</u>	<u>199,740</u>

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

32. Financial instruments, financial risks and capital management (Continued)

32.2 Liquidity risk (Continued)

Contractual maturity analysis (Continued)

	Effective interest rate %	Within one financial year RM'000	After one financial year but within five financial years RM'000	After five years RM'000	Total RM'000
Group					
2023					
Trade and other payables	-	26,813	-	-	26,813
Amount due to directors	8%	6,445	2,845	-	9,290
Bank borrowings	4.5% to 7.83%	3,494	12,923	-	16,417
Lease liabilities	3.44% to 6.26%	3,627	36,027	35,887	75,541
		<u>40,379</u>	<u>51,795</u>	<u>35,887</u>	<u>128,061</u>
Company					
2024					
Trade and other payables	-	1,595	-	-	1,595
Bank borrowings	5.28%	2,383	9,331	-	11,714
		<u>3,978</u>	<u>9,331</u>	<u>-</u>	<u>13,309</u>
2023					
Trade and other payables	-	3,278	-	-	3,278

32.3 Market risk

Market risk arises from the Group's use of interest-bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates (foreign currency risk), interest rates (interest rate risk) or other market factors (another price risk).

Interest rate risk

The Group's results are affected by changes in interest rates due to the impact on interest expenses from borrowings which are at floating interest rates based on the banks' cost of funds. It is the Group's policy to obtain quotes from banks to ensure that the most favourable rates are made available to the Group.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

32. Financial instruments, financial risks and capital management (Continued)

32.3 Market risk (Continued)

Sensitivity analysis

If the bank interest rates increase or decreases by 0.5%, the Group's profit and equity will decrease or increase by approximately RM97,320 at 31 December 2024 (Group's profit and equity will decrease or increase by approximately RM68,385 as at 31 December 2023), arising mainly as a result of higher or lower interest on floating rates for bank borrowings. The interest expense from bank borrowings is recognised as an expense under "Finance costs" line item in the consolidated statement of comprehensive income.

32.4 Foreign currency risk

Currency risk arises when transaction or balances are denominated in foreign currencies.

The Group's exposure to foreign currency risk relates primarily to trade and other receivables, cash and bank balances, borrowings and trade and other payables that are denominated in a currency other than the respective functional currencies of the Group entities and the Company. The currencies giving rise to their risk are primarily the Singapore dollar ("SGD"), United States dollar ("USD"), Euro ("EUR"), United Arab Emirates dirham ("AED"), Omani Rial ("OMR"), Saudi Arabian Riyal ("SAR") and Qatari Riyal ("QAR").

The Group and Company's exposures to foreign currencies are as follows:

	SGD RM'000	USD RM'000	AED RM'000	OMR RM'000	SAR RM'000	Total RM'000
Group 2024						
Cash and bank balances	18,458	4,100	7,009	-	7,428	36,995
Trade and other receivables	3,317	9,812	4,159	3,250	5,877	26,415
Trade and other payables	(10,156)	-	(5,424)	-	(2,813)	(18,393)
Borrowings	(16,069)	-	-	-	-	(16,069)
	(4,450)	13,912	5,744	3,250	10,492	28,948

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Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

32. Financial instruments, financial risks and capital management (Continued)

32.4 Foreign currency risk (Continued)

	SGD RM'000	USD RM'000	Euro RM'000	AED RM'000	OMR RM'000	SAR RM'000	QAR RM'000	Total RM'000
Group								
2023								
Cash and bank balances	7,119	4,181	-	6,622	-	7,427	-	25,349
Trade and other receivables	4,434	-	-	2,192	1,109	16,774	11,112	35,621
Trade and other payables	(1,065)	-	(2,178)	(12,062)	-	(7,405)	(185)	(22,895)
Borrowings	(9,043)	-	-	-	-	-	-	(9,043)
	<u>1,445</u>	<u>4,181</u>	<u>(2,178)</u>	<u>(3,248)</u>	<u>1,109</u>	<u>16,796</u>	<u>10,927</u>	<u>29,032</u>

	SGD RM'000	USD RM'000	Total RM'000
Company			
2024			
Cash and bank balances	11,912	4,100	16,012
Trade and other receivables	639	-	639
Trade and other payables	1,595	-	1,595
Borrowings	(9,696)	-	(9,696)
	<u>4,450</u>	<u>4,100</u>	<u>8,550</u>
2023			
Cash and bank balances	3,652	4,181	7,833
Trade and other receivables	1,482	-	1,482
Trade and other payables	237	-	237
	<u>5,371</u>	<u>4,181</u>	<u>9,552</u>

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Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

32. Financial instruments, financial risks and capital management (Continued)

32.4 Foreign currency risk (Continued)

The Group and Company's exposures to foreign currencies are as follows: (Continued)

Sensitivity analysis

A 5% strengthening of the relevant functional currencies against the foreign currencies of the respective Group's entities at the reporting date would decrease/(increase) profit before income tax as shown below. This analysis assumes that all other variables remain constant.

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Singapore dollar	(223)	73	223	269
United States dollar	695	210	205	210
Euro	-	(109)	-	-
UAE Dirham	287	(162)	-	-
Omani Rial	162	55	-	-
Saudi Arabia Riyal	524	840	-	-
Qatari Riyal	-	546	-	-
	1,445	1,453	428	479

A 5% (2023: 5%) weakening of the relevant functional currencies against the foreign currencies of the respective Group's entities would have equal but opposite impact to the amounts shown above, on the basis that all other variables remain constant.

32.5 Fair value of assets and liabilities

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

Cash and bank balances, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Borrowings, lease liabilities and amounts due to a director

The carrying amounts of borrowings, lease liabilities and loan amount due to a director approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

32. Financial instruments, financial risks and capital management (Continued)

32.6 Financial instrument by category

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000
Financial assets at amortised costs				
- Trade and other receivables excluding deposits	38,550	36,016	13,908	13,623
- Cash and bank balances	47,285	43,322	16,012	7,833
	<u>85,835</u>	<u>79,338</u>	<u>29,920</u>	<u>21,456</u>
Financial liabilities measured at amortised cost				
- Trade and other payables	23,043	26,813	1,595	3,278
- Bank borrowings	19,818	14,234	9,696	-
- Lease liabilities	79,349	45,993	-	-
- Amount due to a director	2,846	9,290	-	-
	<u>125,056</u>	<u>96,330</u>	<u>11,291</u>	<u>3,278</u>

32.7 Capital management policies and objectives

The Group manages capital to ensure that the Group is able to continue as a going concern and maintain an optimal capital structure so as to maximise shareholders' value.

The management reviews the capital structure to ensure that the Group is able to service any debt obligations (including principal repayment and interest) based on its operating cash flows. Upon review, the Group will balance its overall capital structure through new share issues and the issue of new debt or the redemption of existing debt, if necessary.

The Group's overall strategy remains unchanged during the financial years ended 31 December 2024 and 31 December 2023.

The Group monitors capital based on a gearing ratio, which is net debt divided by total equity plus net debt. The Group includes within net debt, trade and other payables, bank borrowings and lease liabilities less cash and cash and bank balances. Total equity comprises of share capital plus reserves.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

32. Financial instruments, financial risks and capital management (Continued)

32.7 Capital management policies and objectives (Continued)

Computation of gearing ratio is shown below:

	Group	
	31 December 2024	31 December 2023
	RM'000	RM'000
Trade and other payables	30,527	39,062
Bank borrowings (Note 16)	19,818	14,234
Lease liabilities (Note 19)	79,349	45,993
Less: Cash and bank balances (Note 8)	(47,285)	(43,322)
Net debt	82,409	55,967
Total equity	135,534	109,928
Total capital	217,943	165,895
Gearing ratio (%)	37.8%	33.7%

The Group is in compliance with externally imposed capital requirements for the financial years ended 31 December 2024 and 2023.

33. Significant events

In the previous financial year ended 2023, a subsidiary of the Group, Sim Leisure Escape Sdn Bhd ("SLE") entered into a Theme park Agreement ("Agreement") with Bandar Malaysia Sdn Bhd ("Owner") for a long-term lease to develop a seventy-five (75) acre Adventure Park in KL Base, Bandar Malaysia in Sungai Besi, Kuala Lumpur.

Construction was underway with Phase 1 scheduled to open by second quarter of 2025 followed by subsequent opening of additional facilities and activities of ESCAPE@KL Base throughout its lease term.

However, on 16 December 2024, SLE received a Notice of Termination of the Agreement from the Owner. The Agreement has been terminated prematurely by the Owner as announced by the Company in its announcement dated 19 December 2024. Pursuant to the Agreement and as announced to the Singapore Exchange Securities Trading Limited, SLE is amongst others, entitled to compensation for all capital expenditures ("Capex") invested including the Maximum Capex Commitment of RM150,000,000, less the cumulative profits after taxation up until the date of termination.

Subsequent to the financial year, on 18 February 2025, SLE submitted a letter of demand to the Owner for settlement negotiations and discussions.

As at the date of this report, there are no further progress on this matter.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

34. Standards issued but not yet effective

A number of new standards and amendments to standard applicable to the Group that have been issued are not yet effective and have not been applied in preparing these financial statements.

The following are new/revised/amendments to FRSs issued by the Accounting Standards Council of Singapore up to 31 December 2024 which are effective for annual reporting periods beginning after 1 January 2025:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-21 <i>The Effects of Changes in Foreign Exchange Rates : Lack of Exchangeability</i>	1 January 2025
Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvement to SFRS(I)s Volume 11	1 January 2026
SFRS(I) 118 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
SFRS(I) 119 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to SFRS(I) 10 <i>Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

The directors expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

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Statistics of Shareholdings

As at 14 March 2025

Authorised share capital	: S\$
Number of shares issued	: 165,365,200
Number of treasury shares and subsidiary holdings held	: Nil
Class of shares	: Ordinary shares
Voting shares	: One vote per share

Distribution 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	14	21.54	7,200	0.00
1,001 – 10,000	18	27.69	99,300	0.06
10,001 – 1,000,000	25	38.46	4,796,395	2.90
1,000,001 and above	8	12.31	160,462,305	97.04
Total	65	100.00	165,365,200	100.00

Substantial Shareholders

(as shown in the Company's Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
Name of Substantial Shareholder	No. of shares	%	No. of shares	%
Dato' Sim Choo Kheng	91,434,730	55.29	-	-
Desamal Capital Sdn Bhd	43,016,700	26.01	-	-
Tan Boon Seng ⁽¹⁾	2,000,000	1.21	43,016,700	26.01

- ⁽¹⁾ The entire issued and paid-up share of Desamal Capital Sdn Bhd ("**DCSB**") is held by RHB Trustees Berhad as bare trustee for the SWY Trust, SWY Trust is a family trust and the named beneficiaries are Mr Tan Boon Seng, Mr Tan Boon Yao and Mr Tan Boon Wy ("**Named Beneficiaries**"). The Named Beneficiaries are also settlors of the SWY Trust. Mr Tan Boon Seng is the protector of the SWY Trust and has the power to, inter alia, remove and appoint a new trustee. Mr Tan Boon Seng is also in charge of operating the assets within the SWY Trust. Mr Tan Boon Seng is also a director of DCSB. By virtue of Section 4 of the Securities and Futures Act, Mr Tan Boon Seng is deemed to have an interest in all the shares in the Company held by DCSB.

Shareholdings Held in the Hands of the Public

Based on the information available to the Company as at 14 March 2025 and to the best knowledge of the Directors of the Company, approximately **11.86%** of the issued ordinary shares of the Company was held by the public as defined in the Singapore Exchange Securities Trading Limited Misting Manual Section B : Rules of Catalist ("**Catalist Rules**"). Accordingly, the Company has complied with Rule 723 of the Catalist Rules which requires at least 10% of a listed issuer's equity securities to be held by the public is complied with.

Statistics of Shareholdings

As at 14 March 2025

Top Twenty Shareholders as at 14 March 2025

No.	Name	No. of Shares	% of Shares
1.	HSBC (Singapore) Nominees Pte Ltd	91,434,730	55.29
2.	DB Nominees (Singapore) Pte Ltd	47,093,700	28.48
3.	OCBC Securities Private Ltd	8,231,700	4.98
4.	UOB Kay Hian Pte Ltd	6,285,300	3.80
5.	DBS Nominees Pte Ltd	3,489,500	2.11
6.	Yeoh Seng Hooi	1,610,175	0.98
7.	Ng Lyp-Hau	1,189,000	0.72
8.	ABN AMRO Clearing Bank N.V.	1,128,200	0.68
9.	Sim Goay Heoh	833,900	0.50
10.	Phillip Securities Pte Ltd	716,800	0.43
11.	Silviya Georgieva Georgieva	665,395	0.40
12.	CGS International Securities Singapore Pte Ltd	582,600	0.35
13.	Sim Goay Hoon	486,700	0.30
14.	Sim Mong Chuan Mervyn (Shen Maoquan)	330,000	0.20
15.	Maybank Securities Pte. Ltd.	297,500	0.18
16.	Ifast Financial Pte Ltd	145,700	0.09
17.	Yeoh Chiew Lim	120,000	0.07
18.	Lim Bee Pheng	115,000	0.07
19.	Yeoh Bee Yee	80,000	0.05
20.	Citibank Nominees Singapore Pte Ltd	77,000	0.05
Total		164,912,900	99.73

SIM LEISURE GROUP LTD.
(Company Registration No: 201808096D)
(Incorporated in the Republic of Singapore)
(the “Company”, and together with its subsidiaries, the “Group”)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM” or the “Meeting”) of the Company will be convened and held at KidZania Palawan Kidz City, 31 Beach View Road, #01-01/02, Singapore 098008 on Monday, 28 April 2025 at 2.00 p.m. for the purposes of transacting the following business:-

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2024 (“FY2024”), together with the Independent Auditor’s Report thereon. **(Resolution 1)**
2. To declare and approve the payment of a first and final tax-exempt (one-tier) dividend of RM0.03 per ordinary share in respect of FY2024. **(Resolution 2)**
3. To note the retirement of Mr. Chung Yew Pong, who is retiring by rotation pursuant to Regulation 102 of the Constitution of the Company (the “Constitution”), and has decided not to offer himself for re-election as a Director of the Company (“Director”).
[See Explanatory Note (i)]
4. To re-elect Dato’ Sim Choo Kheng, who is retiring by rotation pursuant to Regulation 102 of the Constitution and who, being eligible, has offered himself for re-election as a Director.
[See Explanatory Note (ii)] **(Resolution 3)**
5. To approve the payment of Directors’ fees of up to S\$147,000 for the financial year ending 31 December 2025 (“FY2025”), to be paid quarterly in arrears (FY2024: S\$204,000). **(Resolution 4)**
6. To re-appoint Messrs UHY Lee Seng Chan & Co as the Independent Auditors of the Company to hold office until the next AGM and to authorise the Directors to fix their remuneration. **(Resolution 5)**
7. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as Ordinary Resolutions, with or without modifications:-

8. **Authority to allot and issue shares in the capital of the Company** **(Resolution 6)**
“That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “Companies Act”), the Constitution and Rule 806 of the Listing Manual Section B: Rules of Catalist (the “Catalist Rules”) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”), authority be and is hereby given to the Directors to:-
 - (a) (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, the “**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 that 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 this Resolution is in force,

provided that:-

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) shall not exceed one hundred per cent. (100%) of the Company’s total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (the “**Shareholders**”) (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, if any) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued pursuant to the Instruments) that may be issued under sub-paragraph (1) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:-
 - (i) new Shares arising from the conversion or exercise of the Instruments or any convertible securities which are outstanding or subsisting at the time this Resolution is passed;
 - (ii) (where applicable) new Shares arising from the exercise of share options or vesting of share awards, provided that such share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares;

provided that the adjustments in accordance with sub-paragraph (2)(i) or sub-paragraph (2)(ii) above are only to be made in respect of new Shares arising from the Instruments, convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions the Catalist Rules (including supplemental measures hereto) for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Constitution for the time being in force; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of 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, whichever is the earlier, or (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments.”

[See Explanatory Note (iii)]

9. **Authority to offer and grant awards, and to allot and issue Shares under the Sim Leisure Performance Share Plan (“Sim Leisure PSP”)** **(Resolution 7)**

“That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to offer and grant awards in accordance with the provisions of the Sim Leisure PSP, and to allot and issue from time to time such number of fully paid-up new Shares as may be required to be allotted and issued pursuant to the vesting of awards granted under the Sim Leisure PSP (including but not limited to the allotment and issuance of Shares at any time, whether during the continuance of this authority or thereafter, pursuant to awards made or granted by the Company whether granted during the subsistence of this authority or otherwise), provided that the total number of new Shares to be allotted and issued pursuant to the Sim Leisure PSP when aggregated with the total number of Shares over which options and awards are granted under any other share option schemes, share award schemes or share incentive schemes of the Company and the Group then in force, shall not exceed fifteen per cent. (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time. Such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of 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, whichever is the earlier.”

[See Explanatory Note (iv)]

10. **Authority to offer and grant options, and to allot and issue Shares under the Sim Leisure Employee Share Option Scheme (“Sim Leisure ESOS”)** **(Resolution 8)**

That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to offer and grant options in accordance with the provisions of the Sim Leisure ESOS, and to allot and issue from time to time such number of fully paid-up Shares as may be required to be allotted and issued pursuant to the exercise of the options under the Sim Leisure ESOS (including but not limited to the allotment and issuance of Shares at any time, whether during the continuance of this authority or thereafter, pursuant to options made or granted by the Company whether granted during the subsistence of this authority or otherwise), provided that the total number of Shares to be allotted and issued pursuant to the Sim Leisure ESOS (including options granted under any other share option scheme of the Group and all outstanding options or awards granted under the Sim

Leisure PSP and such other share-based incentive schemes of the Company and the Group) shall not at any time exceed fifteen per cent. (15%) of the total number of issued Shares (including treasury shares and subsidiary holdings, if any) from time to time. Such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of 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, whichever is the earlier.”

[See Explanatory Note (v)]

BY ORDER OF THE BOARD

Chua Kern
Company Secretary

Singapore,
11 April 2025

Explanatory Notes:

- (i) Following the retirement of Mr. Chung Yew Pong (“**Mr. Chung**”), the Board of Directors (the “**Board**”) and the relevant Board Committees of the Company will review the respective composition of the Board to ensure compliance with the Catalist Rules and the Code of Corporate Governance 2018 (the “**Code**”), including but not limited to complying with (i) Principle 2 (Provisions 2.2 and 2.3) of the Code which provides that independent directors make up a majority of the Board where the Chairman is not independent and non-executive directors make up a majority of the Board; (ii) Principle 4 (Provision 4.2) of the Code which provides that the Nominating Committee should comprise at least three (3) directors, the majority of whom are independent; (iii) Principle 6 (Provision 6.2) of the Code which provides that the Remuneration Committee (“**RC**”) should comprise at least three (3) directors, the majority of whom, including the Chairman of the RC, are independent; (iv) Principle 10 (Provision 10.2) of the Code which provides that the Audit Committee (“**AC**”) should comprise at least three (3) directors, the majority of whom, including the Chairman of the AC, are independent; and (v) Rule 704(7) of the Catalist Rules to fill the vacancy in the AC to meet the minimum number of not less than three (3) members within two (2) months, but in any case not later than three (3) months.
- (ii) Dato’ Sim Choo Kheng (“**Dato’ Sim**”) will, upon re-election as a Director, remain as the Executive Chairman of the Company. Detailed information on Dato’ Sim can be found under the sections entitled “Board of Directors” and “Corporate Governance Report” in the Company’s Annual Report 2024.
- (iii) Ordinary Resolution 6 proposed in item 8 above, if passed, will empower the Directors from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held, whichever is earlier, unless such authority is varied or revoked by the Company in a general meeting, to allot and issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per cent. (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any), of which up to fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) may be issued other than on a pro-rata basis to existing Shareholders.

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

- (iv) **Ordinary Resolution 7** proposed in item 9 above, if passed, will empower the Directors from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held, whichever is earlier, unless such authority is varied or revoked by the Company in a general meeting, to offer and grant awards and to allot and issue Shares in the Company pursuant to the vesting of awards under the Sim Leisure PSP with the aggregate number of Shares over which options or awards are granted under any other share option schemes or share schemes of the Company and the Group, collectively of up to a number not exceeding, in total, fifteen per cent. (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time.

- (v) **Ordinary Resolution 8** proposed in item 10 above, if passed, will empower the Directors from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held, whichever is earlier, unless such authority is varied or revoked by the Company in a general meeting, to offer and grant options and to allot and issue Shares pursuant to the exercise of options granted under the Sim Leisure ESOS. The maximum number of new Shares to be issued under the Sim Leisure ESOS (including options granted under the Sim Leisure ESOS and all outstanding options or awards granted under such other share-based incentive schemes of the Company and the Group) shall not exceed fifteen per cent. (15%) of the issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time.

Notes:

The AGM will be held in a wholly physical format at KidZania Palawan Kidz City, 31 Beach View Road, #01-01/02, Singapore 098008 on Monday, 28 April 2025 at 2.00 p.m. for considering and, if thought fit, passing the resolutions set out in the Notice of AGM. There will be no option for members to participate virtually.

Printed copies of the Notice of AGM and the accompanying Proxy Form will be sent by post to members and published on the Company's corporate website at the URL: <https://www.simleisuregroup.com> and the Singapore Exchange Network ("SGXNet") at the URL: <https://www.sgx.com/securities/company-announcements>.

The Annual Report 2024 has been published on the SGXNet and may be accessed at the Company's website at www.simleisuregroup.com. Printed copies of the Annual Report 2024 will not be sent to members unless requested for by a member submitting a request by email to the Company's Share Registrar at main@zicoholdings.com by 18 April 2025. The following information must be provided:-

- (i) the member's full name;
- (ii) the member's address; and
- (iii) the manner in which the shares are held.

A printed copy of the Annual Report 2024 will then be sent to the address specified by the member.

Members should take note of the following arrangements for the AGM:-

(a) Physical Participation in the AGM

Members of the Company (including Supplementary Retirement Scheme investors ("SRS Investors")), may participate in the AGM by:-

- (i) attending the AGM in person;
- (ii) submitting questions in relation to any agenda item in this Notice of AGM in advance of, or at the AGM; and/or
- (iii) voting at the AGM by (1) themselves personally; or (2) through duly appointed proxy(ies).

SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective SRS Operators to submit their votes by **2.00 p.m. on Wednesday, 16 April 2025**, being at least seven (7) working days before the AGM. Please refer to Proxy Voting under item (c) below for details.

Members, including SRS Investors, or, where applicable, their appointed proxy(ies) who are attending the AGM in person should bring along their NRIC/passport to enable the Company to verify their identity. Members are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell. Members are strongly encouraged to exercise social responsibility to rest at home if they are feeling unwell and consider appointing a proxy(ies) to attend the Meeting. We encourage members to mask up when attending the AGM.

(b) Submission of Questions

Members, including SRS Investors, may raise questions at the AGM or submit substantial and relevant questions related to the resolutions to be tabled at the AGM in advance of the AGM via the following means by **2.00 p.m. on Friday, 18 April 2025**, in the following manner:-

- (i) by email, to investorrelations@simleisuregroup.com; or
- (ii) by post, to be deposited with the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77, Singapore 068896, attention to Sim Leisure AGM.

For verification purpose, when submitting any questions by post or via email, members **MUST** provide the Company with their particulars (comprising full name (for individuals)/company name (for corporates), email address, contact number, NRIC/passport number/company registration number, shareholding type and number of shares held), failing which the Company shall be entitled to regard the submission as invalid.

Members are strongly encouraged to submit their questions by email in advance of the AGM. The Company will publish its responses to the substantial and relevant questions submitted by members prior to the abovementioned deadline by **2.00 p.m. on Wednesday, 23 April 2025**, which is at least forty-eight (48) hours before the proxy form deadline.

For questions received after 18 April 2025, the Company will endeavour to address all substantial and relevant questions submitted by members prior to or during the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed. For questions addressed during the AGM, the Company will publish the responses to such questions together with the minutes of the AGM on SGXNet and the Company's corporate website within one (1) month after the date of the AGM.

(c) Proxy Voting

Members will be able to vote at the AGM in person, or by appointing proxy(ies) to vote on their behalf. A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory. A proxy need not be a member of the Company.

Duly completed Proxy Forms must be submitted in the following manner:-

- (i) by email, to main@zicoholdings.com; or
- (ii) by post, to be deposited with the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77, Singapore 068896, attention to Sim Leisure AGM,

in either case, by **2.00 p.m. on Friday, 25 April 2025** (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument appointing proxy(ies) can either use the printed copy of the Proxy Form which is sent to him/her/it by post or download a copy of the Proxy Form from the SGXNet and the Company's corporate website at <https://www.simleisuregroup.com>, and subsequently, to complete and sign the Proxy Form before submitting it by (i) post to the address provided above, or (ii) scanning and sending it to the email address provided above.

A member can appoint the Chairman of the Meeting as his/her/its proxy. If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If there is no specific instruction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

Where a member appoints proxy(ies), he/she/it may give specific instructions as to voting, or abstentions from voting, in respect of the resolutions in the Proxy Form, failing which the proxy(ies) will vote or abstain from voting at his/her/its discretion, as he/she/it may on any other matter arising at the AGM.

Completion and submission of the instrument appointing a proxy(ies) by a member will not prevent him/her/it from attending, speaking and voting at the AGM if he/she/it so wishes. The appointment of a proxy(ies) for the AGM shall be deemed to be revoked if the member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies), to the AGM.

Please refer to the detailed instructions set out in the Proxy Form.

Persons who hold Shares through relevant intermediaries, other than SRS Investors, and who wish to participate in the AGM should contact the relevant intermediary through which they hold such Shares as soon as possible. Persons who hold Shares through relevant intermediaries, other than SRS Investors, may (i) vote at the AGM if they are appointed as proxies by their respective relevant intermediaries; or (ii) specify their voting instructions to/arrange for their votes to be submitted with their respective relevant intermediaries, and should contact their respective relevant intermediaries as soon as possible in order for the necessary arrangements to be made.

In addition, SRS Investors may (i) vote at the AGM if they are appointed as proxies by their respective SRS Operators, and should contact their respective SRS Operators if they have any queries regarding their appointment as proxies; or (ii) specify their voting instructions to/arrange for their votes to be submitted with their respective SRS Operators, and should approach their respective SRS Operators by **2.00 p.m. on Wednesday, 16 April 2025**, being at least seven (7) working days before the date of the AGM, to ensure their votes are submitted.

A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

Where such member appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his/her/its name in the Depository Register and any second named proxy as an alternate to the first named.

A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act:-

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

- (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under the aforesaid Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

Personal Data Privacy

“Personal data” in this notice of AGM has the same meaning as “personal data” in the Personal Data Protection Act 2012 of Singapore, which includes his/her name, address and NRIC/Passport number.

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company:-

- (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”);
- (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes;
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty; and
- (iv) agrees and consents to such photographic, sound and/or video recordings of the AGM as may be made by the Company (or its respective agents or service providers) for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of the member (such as his/her/its name, his/her/its presence at the AGM and any questions he/she/it may raise or motions he/she/it may propose and/or second) may be recorded by the Company (or its respective agents or service providers) for such purpose.

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PROXY FORM - ANNUAL GENERAL MEETING
(Please see notes overleaf before completing this form)

IMPORTANT
1. The Annual General Meeting (“AGM” or the “Meeting”) will be held in a wholly physical format at KidZania Palawan Kidz City, 31 Beach View Road, #01-01/02, Singapore 098008 on Monday, 28 April 2025 at 2.00 p.m. There will be no option to participate virtually. The Notice of AGM dated 11 April 2025 and printed copies of this Proxy Form will be sent by post to members.
2. Relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore) may appoint more than two (2) proxies to attend, speak and vote at the AGM.
3. For Supplementary Retirement Scheme investors (“SRS Investors”) who have used their SRS monies to buy shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS Investors should contact their respective SRS Operators if they have any queries regarding their appointment as proxies or appointment of the Chairman of the Meeting as proxy.
4. Please read the notes to this Proxy Form, which contain instructions on the appointment of proxy(ies).
PERSONAL DATA PRIVACY
By submitting this proxy form, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 11 April 2025.

I / We* _____ (Name) _____ (NRIC/Passport Number/Company Registration No.*) of _____
_____ (Address) being a member / members* of SIM LEISURE GROUP LTD. (the “Company”, and together with its subsidiaries, the “Group”), hereby appoint:-

Name	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
			No. of Shares	%
Address				

*and / or

Name	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
			No. of Shares	%
Address				

or failing him / her / them*, the Chairman of the AGM as my / our* proxy / proxies* to attend and vote on my / our* behalf, at the AGM of the Company, to be held at KidZania Palawan Kidz City, 31 Beach View Road, #01-01/02, Singapore 098008 on Monday, 28 April 2025 at 2.00 p.m. and at any adjournment thereof.

I / We* direct my / our* proxy / proxies* to vote for or against, or abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy / proxies* will vote or abstain from voting at his / her / their* discretion. Where the Chairman of the AGM is appointed as proxy and the absence of specific directions as to voting, the appointment of Chairman of the Meeting as your proxy for that resolution will be treated as invalid.

The Resolutions proposed at the AGM as indicated hereunder will be put to vote at the AGM by way of poll.

If you wish to exercise all your votes “For” or “Against”, or “Abstain” the relevant resolutions, please mark an “X” in the appropriate box provided. Alternatively, please indicate the number of votes “For” or “Against”, or “Abstain” for each Resolution in the boxes provided as appropriate. If you mark an “X” in the abstain box for a particular Resolution, you are directing your proxy, not to vote on that Resolution.

No.	Resolutions relating to:	By way of poll		
		For	Against	Abstain
AS ORDINARY BUSINESS				
1.	Adoption of the Directors’ Statement and the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2024 (“FY2024”), together with the Independent Auditor’s Report thereon			
2.	Declaration and approval of the payment of a first and final tax exempt (one-tier) dividend of RM0.03 per ordinary share in respect of FY2024			
3.	Re-election of Dato’ Sim Choo Kheng, who is retiring pursuant to Regulation 102 of the Constitution of the Company, as a director of the Company (“Director”)			
4.	Approval of the payment of Directors’ fees of up to S\$147,000 for the financial year ending 31 December 2025 (“FY2025”), to be paid quarterly in arrears (FY2024: S\$204,000)			
5.	Re-appointment of Messrs UHY Lee Seng Chan & Co as the Independent Auditors of the Company to hold office until the next AGM and to authorise the Directors to fix their remuneration			
AS SPECIAL BUSINESS				
6.	Authority to allot and issue shares in the capital of the Company			
7.	Authority to offer and grant awards, and to allot and issue shares under the Sim Leisure Performance Share Plan (“Sim Leisure PSP”)			
8.	Authority to offer and grant options, and to allot and issue shares under the Sim Leisure Employee Share Option Scheme (“Sim Leisure ESOS”)			

Dated this _____ day of _____ 2025

.....
Signature(s) of Member(s)/Common Seal of
Corporate Member

Total Number of Shares Held	
--------------------------------	--

* delete if not applicable

NOTES:

1. Please insert the total number of ordinary shares in the capital of the Company (“Shares”) held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this instrument appointing a proxy shall be deemed to relate to all the Shares held by you.
2. The Proxy Form appointing the Chairman of the Meeting (or any person other than the Chairman of the Meeting) as proxy to vote on the member behalf at the AGM, duly executed, must be submitted through any of the following means to the Company in the following manner:-
 - (a) by email, to main@zicoholdings.com; or
 - (b) by post, to be deposited with the Company’s Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, attention to Sim Leisure AGM.in either case, by **2.00 p.m. on Friday, 25 April 2025** (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid. A member who wishes to submit an instrument appointing proxy(ies) can either use the printed copy of the Proxy Form which is sent to him/her/it by post or download a copy of the Proxy Form from the Singapore Exchange Network (“SGXNet”) or the Company’s corporate website at <https://www.simleisuregroup.com>, and subsequently complete and sign the Proxy Form before submitting it by post to the address provided above, or scanning and sending it to the email address provided above.
3. Completion and submission of the instrument appointing a proxy(ies) by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of a proxy(ies) for the AGM shall be deemed to be revoked if the member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies), to the AGM.
4. This proxy form must be under the hand of the appointor or of his/her/its attorney duly authorised in writing.
 - (a) Where this proxy form is executed by a corporation, it must be executed either under its common seal (or otherwise in accordance with its constitution) or under the hand of an officer or attorney duly authorised.
 - (b) Where this proxy form is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.
5. If any proxy other than the Chairman of the AGM is preferred, please strike out the words “the Chairman of the AGM” and insert the name and address of the proxy desired in the space provided. Any alteration made to this Proxy Form must be initialled by the person signing the Proxy Form. A member of the Company entitled to attend and vote at the AGM of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
6. A member who is a relevant intermediary entitled to attend and vote at the AGM of the Company is entitled to appoint more than two (2) proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form. “Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.
7. A corporation which is a member of the Company may authorise, by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore, the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it was an individual.
8. SRS Investors may attend and vote at the AGM if they are appointed as proxies by their SRS Operators and should contact their SRS Operators if they have any queries regarding their appointment as proxies. For SRS Investors who wish to submit their votes or to appoint the Chairman of the Meeting as their proxy, they should approach their SRS Operators to submit their votes no later than **2.00 p.m. on Wednesday, 16 April 2025** (being not less than seven (7) working days before the AGM).
9. The Company shall be entitled to reject this Proxy Form 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 this Proxy Form (including any related attachment). In addition, in the case of members whose Shares are entered against their name in the Depository Register, the Company may reject any Proxy Form lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM (or at any adjournment thereof), as certified by The Central Depository (Pte) Limited to the Company.
10. For purposes of the appointment of a proxy(ies) and/or representative(s), the member’s and the proxy(ies)’ or representative(s)’ full name and full NRIC/passport number shall be required for verification purposes, and the proxy(ies)’ or representative(s)’ NRIC/passport shall need to be produced for sighting upon registration at the AGM. This is to ensure that only duly appointed proxy(ies)/representative(s) attend, speak and vote at the AGM. The Company reserves the right to refuse admittance to the AGM if the proxy(ies)’ or representative(s)’ identity cannot be verified accurately.

Personal Data Privacy

By submitting this proxy form, the member accepts and agrees to the personal data privacy terms as set out in the Notice of Annual General Meeting dated 11 April 2025.

SIM LEISURE GROUP LTD

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Singapore 068906

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