
ENTRY INTO JOINT VENTURE WITH L&K ENGINEERING CO., LTD (SINGAPORE BRANCH)

1. Introduction

The Board of Directors (the “**Board**”) of Lum Chang Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that Lum Chang Builders Pte. Ltd. (“**LCB**”), the Company’s indirect subsidiary, has entered into a preliminary joint venture agreement with L&K Engineering Co., Ltd (Singapore Branch) (“**L&K**”) (LCB and L&K collectively, the “**JV Parties**”) for the collaboration to enter into a contract to carry out the civil, structural and architectural works for a project in North of Singapore (the “**Joint Venture**” and the “**Project**”).

As at the date of this announcement, LCB has an issued and paid-up share capital of S\$300,000 comprising 300,000 ordinary shares which are all held by Lum Chang Asia Pacific Pte Ltd (“**LCAP**”). LCAP is in turn a wholly-owned subsidiary of the Company.

2. Salient information on the Joint Venture**2.1 Formation and Share Capital of the Joint Venture**

The JV Parties have agreed to incorporate a limited liability partnership named L&K-LCB Joint Venture LLP, as the joint venture vehicle (the “**LLP**”) for the purpose of the Joint Venture business, with LCB and L&K’s percentage of participation of 30% and 70% respectively.

2.2 Business of the LLP

The principal activity of the LLP shall be to carry out civil, structure and architectural design and build works for the Project as a general contractor.

2.3 Management of the LLP

Pursuant to the preliminary joint venture agreement, a committee (the “**JV Management Committee**”) shall be formed for the overall management and supervision of the LLP. The JV Management Committee shall comprise of four (4) members, of whom each of LCB and L&K shall appoint two (2) members. Resolutions of the JV Management Committee shall be passed by simple majority of the votes cast by the members.

The quorum for any meeting of the JV Management Committee shall be a majority in number of the members, including at least one (1) member appointed by L&K, and at least one (1) member appointed by LCB.

Certain key decisions affecting the LLP shall be decided by unanimous vote, such as:

- (a) the admission of a new partner of the LLP;
- (b) any change in the name of the LLP;
- (c) the resignation of any Party from the LLP or the expulsion of any Party of the LLP, regardless of whether such resignation or expulsion would result in the termination of the LLP. For avoidance of doubt, this means that neither Party may unilaterally resign from the LLP or expel the other Party from the LLP without mutual agreement between the Parties;

- (d) appointment and removal of auditors;
- (e) any material changes in the accounting policies of the LLP;
- (f) any decision on the financial and working capital requirements of the LLP including any financing from the JV Parties and external financial institutions; and
- (g) any decision to terminate or dissolve the LLP.

The JV Parties shall, after the LLP has been incorporated, enter into a definitive joint venture agreement to set out further provisions relating to the LLP such as funding, distribution of profits, the financial year of the LLP and other matters relating to the Joint Venture.

3. Information on L&K

Founded in 1978, L&K Engineering Co., Ltd is a leading provider of integrated engineering solutions, specializing in cleanroom systems, electro-mechanical pipelines, and EPC turnkey services. Headquartered in Taiwan, the company has expanded its footprint across mainland China, Singapore, and Southeast Asia, evolving into a multinational corporation.

L&K began as a traditional building and laboratory air conditioning design firm, later transitioning into a full-service provider for pharmaceutical cleanrooms and high-tech semiconductor facilities. L&K is listed on the Taiwan Stock Exchange.

4. Increase of Share Capital of LCB

In pursuance of the Joint Venture, LCAP will increase the issued and paid-up share capital of LCB from S\$300,000 to S\$700,000 by the subscription of an additional 400,000 ordinary shares in LCB for a total amount of S\$400,000 (the “**Subscription**”). In addition to the Subscription, certain employees of the Company’s subsidiary, Lum Chang Building Contractors Pte. Ltd. (the “**Management Shareholders**”), will subscribe for an aggregate of 300,000 ordinary shares in LCB for a total amount of S\$300,000. The Management Shareholders are Mr Tay Wey Pin, Mr Tan Jui Hock, Mr Ng Kear Jin, Mr Chern Key and Mr Chai Chen Chee.

The Management Shareholders have been instrumental in leading the Group’s participation in the Joint Venture. It is the Company’s intention for the Management Shareholders to have an equity participation in the Joint Venture via LCB, and the Management Shareholders are similarly desirous of participating as such.

Immediately upon the completion of the subscriptions of all the 700,000 shares in LCB by LCAP and the Management Shareholders, LCAP will hold 70% and the Management Shareholders will hold in aggregate 30% respectively in the resultant enlarged issued and paid-up share capital of LCB.

5. Financial Effects

The incorporation of the LLP and the Subscription will be funded through internal resources and are not expected to have any material impact on the net tangible assets per share of the Company or the earnings per share of the Company for the current financial year ending 30 June 2026.

6. Interest of Directors and Substantial Shareholders

None of the Directors or the controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the incorporation of the LLP and the Subscription, save for their respective shareholdings (if any) in the Company.

BY ORDER OF THE BOARD

Yap Lay Hoon
Wong Yi
Company Secretaries
23 August 2025