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Issuer: Lincotrade & Associates Holdings Limited

Stock code: BFT

Meeting details:

Date: 28 October 2026

Time: 10.00 a.m.

Venue: 5 Tuas Avenue 12 Singapore 639025

Q1. Group revenue increased by 75.8% from \$73.6 million in FY2025 to \$129.5 million in FY2026, with profit before tax significantly higher at \$10.3 million. However, despite the accounting profit, net cash outflow from operating activities amounted to \$(2.31) million, reflecting a substantial increase in working capital.

As shown in the consolidated statement of cash flow below, contract assets increased by \$15.0 million and trade and other receivables by \$11.0 million, partly offset by a \$13.0 million increase in trade and other payables.

CONSOLIDATED STATEMENT OF CASH FLOWS		
Year ended 30 June 2026		
	Group	
	2026	2025
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	10,333	3,006
Adjustments for:		
Plant and equipment written off	13	65
Depreciation of property, plant and equipment	973	1,109
Depreciation of right-of-use assets	–	39
Loss (gain) on disposal of plant and equipment	12	(1)
Interest income	(61)	(145)
Interest expense	888	767
Share of loss from equity-accounted associate	236	45
Foreign exchange adjustment differences	13	–
Operating cash flows before changes in working capital	12,407	4,885
Inventories	318	(456)
Contract assets	(15,040)	(5,012)
Trade and other receivables	(11,002)	(3,461)
Other non-financial assets	(397)	(1,005)
Trade and other payables	12,953	6,736
Net cash flows (used in) from operations	(761)	1,687
Interest paid	(586)	(467)
Income taxes paid	(962)	(469)
Net cash flows (used in) from operating activities	(2,309)	751

(Source: company annual report; emphasis added)

The annual report also shows that trade receivables turnover days increased from 52 days in FY2025 to 55 days in FY2026, while trade payables turnover days increased from 78 days to 80 days.

- (i) What guidance has the board given to management to improve cash conversion and align operating cash flow more closely with reported profits? What measurable targets has the board set for working capital efficiency, and by when does it expect operating cash flow to become consistently positive?**
- (ii) Specifically for contract assets which increased by \$15.0 million, what were the main reasons for this increase, and to what extent did it arise from normal certification and billing cycles rather than delays in customer acceptance or certification?**

Q2. As disclosed by the company, the group is supported by a healthy pipeline of projects. The group's order book stood at \$106.2 million as at 30 June 2026, with the majority comprising commercial projects, which are generally expected to be fulfilled over the next two years.

On 16 January 2026, SGX RegCo issued a Regulator's Column¹ on forward guidance, in which the regulator strongly encouraged issuers to provide meaningful forward-looking disclosures.

The Regulator's Column can be accessed here:

<https://www.sgxgroup.com/media-centre/20260116-regulators-column-forward-guidance-why-it-matters-and-how-get-it>

- (i) Given SGX RegCo's encouragement of forward guidance and its view that such disclosures can enhance investor confidence and credibility, has the board considered providing forward guidance for FY26/27 on the group's performance, outlook, key operating assumptions, and strategic priorities? If not, why not?**

¹ SGX RegCo noted that forward-looking information consistently ranks highly among the information sought by investors, including institutional investors and research analysts, particularly regarding anticipated earnings and management's strategy for achieving those outcomes. The regulator also clarified that forward guidance does not require auditor sign-off and that issuers are not expected to update guidance immediately for every change in circumstances. Issuers should nevertheless make timely announcements in accordance with existing listing rules relating to material information and price-sensitive developments.

SGX RegCo also highlighted that forward guidance should be viewed as a means for companies to signal confidence, build credibility with investors, and potentially support long-term shareholder value, rather than as a compliance exercise.

Q3. On 2 December 2025, the company issued 10 million new ordinary shares at \$0.22 per share in a placement exercise, raising net proceeds of \$2.11 million after placement expenses.

During the financial year, the company bought back 271,600 shares at prices of up to \$0.295 per share, with the average price of approximately \$0.276. After the financial year ended on 30 June 2026 and up to 9 October 2026, the company repurchased a further 1,465,300 shares, at prices up to \$0.33 per share.

- (i) How does the board reconcile the decision to issue shares at \$0.22 to fund ongoing projects with the subsequent repurchases of shares at materially higher prices, reaching as high as \$0.33 per share? What capital allocation framework does the board apply when deciding between raising equity, funding projects and repurchasing shares?**
- (ii) What role did the independent directors play in reviewing and approving the timing, pricing and size of the share buybacks, and how did they satisfy themselves that the repurchases were in the interests of the company and its shareholders as a whole?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Check out the latest questions on the annual reports of listed companies on [SIAS website](https://www.sias.org.sg)

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