BENG SOON MACHINERY HOLDINGS LIMITED

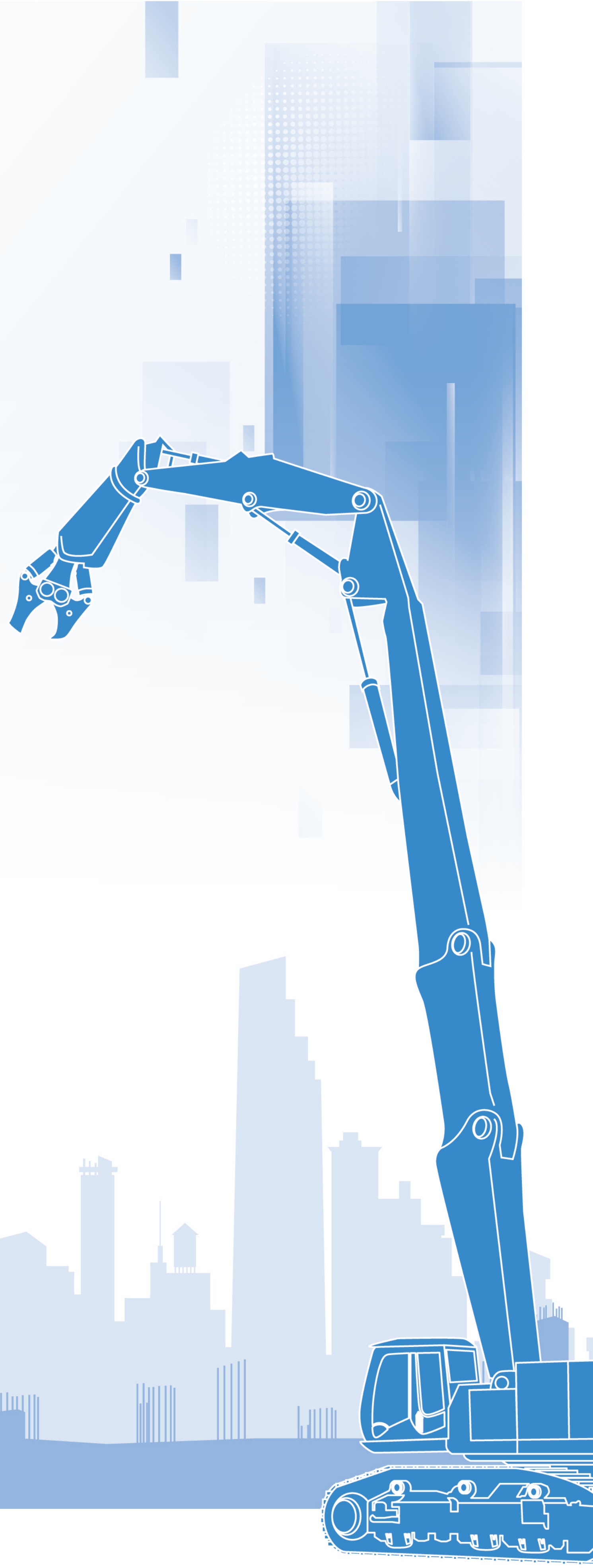
(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1987

2024

ANNUAL REPORT

CONTENTS



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Tan Chee Beng *(Chairman and Chief Executive Officer)*
Ms. Tang Ling Ling
Mr. Tan Wei Leong
Mr. Cheung Kam Fai
Mr. Ngan Kim Fung

Independent Non-Executive Directors

Mr. Wee Chorng Kien
Mr. Leung Yau Wan John
Mr. Leung Kee Wai

AUDIT COMMITTEE

Mr. Leung Yau Wan John *(Chairman)*
Mr. Wee Chorng Kien
Mr. Leung Kee Wai

NOMINATION COMMITTEE

Mr. Tan Chee Beng *(Chairman)*
Mr. Wee Chorng Kien
Mr. Leung Kee Wai

REMUNERATION COMMITTEE

Mr. Leung Yau Wan John *(Chairman)*
Mr. Tan Chee Beng
Ms. Tang Ling Ling
Mr. Wee Chorng Kien
Mr. Leung Kee Wai

COMPANY SECRETARY

Mr. Wong Chi Wai

AUTHORISED REPRESENTATIVES

Mr. Tan Chee Beng
Mr. Wong Chi Wai

AUDITOR

McMillan Woods (Hong Kong) CPA Limited
Certified public accountants
Registered Public Interest Entity Auditor
24/F., Siu On Centre
188 Lockhart Road, Wanchai
Hong Kong

LEGAL ADVISOR

Seyfarth Shaw
Suite 3701, Edinburgh Tower
The Landmark
15 Queen's Road Central
Central, Hong Kong

REGISTERED OFFICE

Windward 3, Regatta Office Park
PO Box 1350, Grand Cayman
KY1-1108
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

21 Tuas South Street 7
Singapore 637111

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

12/F., Ruttonjee House
Ruttonjee Centre
11 Duddell Street
Central
Hong Kong

COMPANY'S WEBSITE

http://www.bsm.com.sg/

PRINCIPAL SHARE REGISTRAR

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
PO Box 1350, Grand Cayman
KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Hong Kong

PRINCIPAL BANKERS

DBS Bank Ltd
12 Marina Boulevard
#43 MBFC Tower 3
Singapore 018982

United Overseas Bank Limited
325 Boon Lay Place #02–00
Singapore 649886

STOCK CODE

1987

CHAIRMAN'S STATEMENT

Dear Shareholders, On behalf of the board (the "**Board**") of Directors (the "**Directors**") of Beng Soon Machinery Holdings Limited (the "**Company**") and its subsidiaries (the "**Group**"), I am pleased to present the annual results of the Group for the year ended 31 December 2024 ("**FY2024**").

BUSINESS REVIEW

The Group is a distinguished and leading services provider in Singapore, with an operational history of over 30 years in executing demolition projects across both public and private sectors. Its extensive track record includes the demolition of industrial buildings, power stations, chemical plants, high-rise commercial properties, educational institutions, residential developments, bridges, marine structures, public roads, and vital infrastructure. This diverse expertise reinforces the Group's standing as a trusted pillar in Singapore's demolition industry.

In FY2024, the Group saw a significant revenue increase of S$4.1 million, or 13.9%, climbing from S$29.4 million in FY2023 to S$33.5 million. This growth was driven by robust demand in Singapore, complemented by an increase in project commitments. These factors collectively enhanced the Group's revenue, operational scope, and financial outcomes during the period. Amid global uncertainties, management's strategic oversight ensured the gross profit margin held steady, reaching 31.8% in FY2024, marginally up from 31.5% in FY2023. This stability reflects the Group's dedication to operational excellence and financial resilience in a challenging market.

During FY2024, the Group secured 24 demolition projects, ranging from residential blocks to factory buildings throughout Singapore, and completed 15 projects. The outstanding projects from FY2024 continue to progress smoothly, with a deeper exploration of the Group's financial performance available in the Management Discussion and Analysis section of this report. Leveraging its operational history of over 30 years, the Group remains well-positioned to capitalize on opportunities and navigate complexities in Singapore's dynamic demolition sector.

LOOKING AHEAD

Singapore's economic journey continues to evoke a measured sense of optimism, as evidenced by the latest insights from the Ministry of Trade and Industry (MTI). In 2023, the nation's economy grew by a modest 1.1%, a foundation that propelled it to a striking 4.4% expansion in 2024 — underscoring its resilience and capacity to adapt. Looking to 2025, MTI projects GDP growth to stabilize between 1.0% and 3.0%, a forecast that blends pragmatism with confidence, balancing global economic headwinds against Singapore's steadfast strengths.

The construction sector remains a vital engine of this advancement, exhibiting dynamic momentum. The Building and Construction Authority (BCA) estimates total construction demand for 2025 to range from S$47 billion to S$53 billion in nominal terms, building on a strong preliminary figure of S$44.2 billion in 2024. The public sector is poised to spearhead this surge, channeling investment into ambitious public housing initiatives and essential infrastructure projects. Simultaneously, the private sector thrives, fueled by residential developments, innovative commercial redevelopments, and state-of-the-art industrial complexes.

Amid this vibrant landscape, Singapore's demolition industry is positioned for a transformative leap forward. Bolstered by government-backed economic incentives and the construction sector's evolving demands, the industry is primed for robust growth. The Group stands ready to seize these prospects, drawing on its long operational history and a forward-looking approach. Committed to maximizing shareholder value and diversifying its portfolio, we are equipped to tackle challenges and embrace emerging opportunities with agility and foresight, ensuring enduring success in a rapidly evolving market.

APPRECIATION

On behalf of the Board, I wish to convey my deepest gratitude to our shareholders, investors, and business partners for their steadfast support throughout FY2024. Your trust and collaboration have been pivotal in propelling our success, and we are sincerely thankful for your partnership. Likewise, I extend my heartfelt appreciation to my fellow Board members, the management team, and every staff member for their relentless dedication and outstanding contributions. United in purpose and effort, we eagerly anticipate another year of progress and resilience in the journey ahead.

Tan Chee Beng
Chairman, Chief Executive Officer and Executive Director

Singapore
28 March 2025

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Tan Chee Beng ("Mr. Tan"), aged 70, is the founder and chairman of (the Company, together with its subsidiaries, the "**Group**"), chief executive officer, an executive director of the Company (the "**Director(s)**"), chairman of the nomination committee of the Board and a member of the remuneration committee of the Board. Mr. Tan was appointed as a Director on 6 April 2018, and was re-designated an the executive Director on 25 June 2018. Mr. Tan is responsible for the overall management, business development and formulation of business strategy of the Group.

Mr. Tan has over 30 years of experience in the demolition industry. In 1979, Mr. Tan established a sole proprietorship in the trade name of Beng Soon Machinery Service Co, providing demolition services as a general contractor in Singapore. Mr. Tan founded Beng Soon Machinery Services (Singapore) Pte Ltd ("**Beng Soon Machinery**"), the principal operating subsidiary of the Group, in 1993 as a limited liability company. Mr. Tan has been the managing director of Beng Soon Machinery since its incorporation, and was mainly responsible for the overall management, operation, as well as the growth of, Beng Soon Machinery.

Mr. Tan was awarded The Public Service Medal (Pingat Bakti Masyarakat) and The Public Service Star (Bintang Bakti Masyarakat) in 2010 and 2017, respectively, which recognize individuals who have rendered commendable public service or achievement in Singapore.

Mr. Tan obtained a certificate of completion of the Building Construction Supervisors Safety Course conducted by the BCA in July 2008. Mr. Tan holds a certificate of completion of the Essential Knowledge in Construction Regulations & Management for Licensed Builders Course conducted by the BCA in April 2009.

Mr. Tan is a controlling shareholder and the spouse of Ms. Lee Peck Kim ("**Ms. Lee**"), who is also a controlling shareholder, and father of Mr. Tan Wei Leong, who is an executive Director.

Ms. Tang Ling Ling (Alias: Chen Ling Ling) ("Ms. Tang"), aged 52, is the general manager of Beng Soon Machinery, an executive Director of the Company and a member of the remuneration committee of the Board. Ms. Tang was appointed as a Director on 6 April 2018, and was re-designated as an executive Director on 25 June 2018. Ms. Tang is responsible for the overall management and operation, and in particular human resources and tenders of the Group.

Ms. Tang has worked in the demolition industry for more than 20 years. Ms. Tang joined Beng Soon Machinery in April 2000 as an administration/personnel executive and has been Beng Soon Machinery's general manager since June 2009.

Ms. Tang obtained a diploma in management studies from the Singapore Institute of Management, Singapore in October 2002. Ms. Tang obtained a certificate of completion of the Asbestos Removal and Management Course co-conducted by the National Environment Agency and the Ministry of Manpower in July 2005, two certificates of completion issued by EQS Asia Pte. Ltd., Singapore, one in Workplace Risk Assessment Training in August 2006 and the other in Workplace Safety and Health Act Training in October 2006, a certificate of attendance of the bizSAFE Risk Management Course conducted by Team6 Safety Training and Consultancy(s) Pte. Ltd. in June 2010, certificates of completion of the Demolition Safety Course, bizSAFE Level 1 Workshop for company CEO/Top Management and the Project Management for Construction Professionals in Building & Construction Industry conducted by the BCA in March 2009, March 2009 and October 2011, respectively, and a certificate of completion of the Building Construction Supervisors Safety Course conducted by Absolute Kinetics Consultancy Pte. Ltd. in October 2013. Additionally, Ms. Tang obtained a certificate for the Manage Demolition of Building and Structure Course conducted by the SCAL Academy in November 2023.

Mr. Tan Wei Leong ("Mr. Alvin Tan"), aged 34, is Director of Beng Soon Machinery and an executive Director of the Company. Mr. Alvin Tan was appointed as a Director on 6 April 2018, and was re-designated as an executive Director on 25 June 2018. Mr. Alvin Tan is responsible for the overall management, administration and development of the recycling and logistics the Group.

Mr. Alvin Tan has worked in the demolition field for more than 10 years. Mr. Alvin Tan joined Beng Soon Machinery in April 2011 as a project coordinator. Mr. Alvin Tan was subsequently promoted to the position of project executive from June 2013 to July 2014 and recycling and logistics manager in July 2017. Mr. Alvin Tan was promoted to his current position as Director of Beng Soon Machinery in January 2020.

Mr. Alvin Tan obtained a diploma in civil and environmental engineering from Ngee Ann Polytechnic, Singapore in May 2011. Being sponsored by the Group to further his studies in engineering, Mr. Alvin Tan obtained a bachelor of engineering (mechanical) degree with honours from the Singapore campus of University of Newcastle, Australia in October 2017.

Mr. Alvin Tan completed the Building Construction Supervisor Safety Course conducted by NTUC LearningHub Pte. Ltd. in March 2011. Additionally, he obtained a certificate for the Registered Earthwork Supervisor Course conducted by the Building and Construction Authority (BCA) in July 2017, and a certificate for the Manage Demolition of Building and Structure Course conducted by the SCAL Academy in September 2023.

Mr. Alvin Tan is the son of Mr. Tan, who is the founder and chairman of the Group, chief executive officer, a controlling shareholder and an executive Director, and son of Ms. Lee, who is a controlling shareholder and spouse of Mr. Tan.

Mr. Cheung Kam Fai (張錦輝) ("Mr. Cheung"), aged 52, was appointed as a Director on 6 April 2018, and was re-designated as a non-executive Director on 25 June 2018. He was re-designated an Executive Director on 15 September 2021. Mr. Cheung is primarily responsible for overseeing and supervising the management of the Group independently.

Mr. Cheung was a managing director of Baron Group International Limited from January 2012 to September 2014 and was mainly responsible for the overall group's operation and development in China.

Mr. Ngan Kin Fung (顏建峰) (Mr. Ngan), aged 49, was appointed as a Director on 15 March 2022. Mr. Ngan is primarily responsible for the asset management and business development of the Group.

He has been the executive director of Kirin Wealth Management Ltd. since July 2016. Before that, he worked at AMTD Financial Planning Ltd. from December 2004 to May 2014, with his last position being regional director and also worked at GET Mdream Wealth Management Ltd. from May 2014 to June 2016, with his last position being district director. Mr. Ngan obtained a degree of Bachelor of Science (Physics) from The Chinese University of Hong Kong in July 2000.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wee Chorng Kien ("Mr. Wee"), aged 51, was appointed as an Independent Non-Executive Director on 15 October 2019. He also serves as a member of the Audit Committee, the Remuneration Committee, and the Nomination Committee of the Board. Mr. Wee is primarily responsible for providing independent oversight of the Group's management.

Mr. Wee has more than 20 years of experience in the investment and private equity sectors, having held various leadership roles across the financial industry since the late 1990s. Since August 2016, Mr. Wee has been the Chief Executive Officer of Celligenics Pte. Ltd., a company focused on research and development in regenerative biotechnology.

Mr. Wee holds a Bachelor of Arts degree in Economics and Southeast Asian Studies from the National University of Singapore, awarded in July 1998. Mr. Wee completed his 10-year term as President of the Association of Small & Medium Enterprises (ASME) in Singapore in December 2023, having first assumed the role in November 2013. He currently serves as the Immediate Past President and continues to contribute as a member of ASME's Advisory Board. He has also served as a Council Member of the Singapore Business Federation (SBF) and chaired its Small and Medium-Sized Enterprises Committee. Mr. Wee has been a Board Member of the Singapore Children's Society since 2007. He has also served on various government committees, including the Payments Committee and the Corporate Governance Council under the Monetary Authority of Singapore. In April 2018, Mr. Wee was appointed as a Justice of the Peace in Singapore.

Mr. Leung Yau Wan John (梁又穩) ("Mr. John Leung"), aged 65, has been our independent non-executive Director. He is responsible for supervising and providing independent judgment to our Board. Since January 2014, Mr. Leung has served as an executive director of Easternflair Investment & Development Group, where he is responsible for managing project developments and project finance. Additionally, Mr. Leung has been the managing director at JR Plus Capital Limited, since November 2015. Before joining our Group, Mr. Leung served as the chief financial officer of listed real estate and commercial property development companies. including China Aoyuan Group Limited (Stock Exchange stock code: 3883) and South China Land Limited (currently known as South China Assets Holdings Limited, the shares of which were cancelled from the GEM of the Stock Exchange on March 2023) (Stock Exchange stock code: 8155) between May 2010 and October 2013, respectively.

In addition, Mr. Leung served as the general manager of finance department (Eastern China) of K Wah Construction Materials (China) Limited and the group financial controller of SPG Land (Holdings) Limited (currently known as Greenland Hong Kong Holdings Limited (Stock Exchange stock code: 0337)) between June 2006 and May 2010, respectively. Previously, Mr. Leung was the chief executive officer of SMI Corporation Limited (currently known as SMI Holdings Group Limited (Stock Exchange stock code: 198) prior to the cancellation of its listing in December 2020), from November 2005 to February 2006; the financial controller and deputy general manager of Beijing Oriental Plaza Co., Ltd., a commercial property development company, from July 2003 to May 2005; and the deputy general manager of the finance department of GD Holdings, an investment holding company, as well as the director and chief financial officer of Guangdong Assets Management Ltd. from July 2000 to May 2003. From July 2002 to May 2003, Mr. Leung was also the director and chief financial officer of Guangdong Alliance Ltd.

Since November 2019, Mr. Leung has been an independent non-executive director of the Company. Since 25 June 2018, Mr. Leung has been an independent non-executive director of Redsun Properties Group Limited (Stock Exchange stock code: 1996). From February 2020 to October 2024, Mr. Leung has been an independent non-executive director of E&P Global Holdings Limited, formerly Siberian Mining Group Company Limited (Stock Exchange stock code: 1142). Mr. Leung obtained a Bachelor of Laws (Hons) with honours in July 2022 and Graduate Diploma in Laws with merit in September 2021 respectively from Oxford Brookes University, UK. He obtained a Master's degree in Accounting Studies from the University of New England, Australia in April 1994. He also received a master's degree in Business Administration from the University of East Asia Macau (currently known as the University of Macau) in October 1988. In November 1995. Mr. Leung was admitted as a Certified Practising Accountant of the Australian Society of Certified Practicing Accountants (currently known as CPA Australia), and registered as a Certified Public Accountant with The Hong Kong Institute of Certified Public Accountants in February 1996. Additionally, he is a fellow of the Association of Taxation and Management Accountants, a founding member of the Hong Kong Business Accountants Association and a founding and life member of The Hong Kong Independent Non-Executive Director Association.

Mr. Leung Kee Wai (梁基偉) ("Mr. Leung"), aged 60, was appointed as an independent non-executive Director, a member of the audit committee of the Board, a member of the remuneration committee of the Board and a member of the nomination committee of the Board on 15 October 2019.

Mr. Leung has over 30 years of accounting and corporate management experience and has held various positions in the accounting industry. Mr. Leung was primarily responsible for the company secretarial and compliance matters of Century Ginwa Retail Holdings Limited, a company listed on the Stock Exchange (Stock Code: 162), from October 2015 to August 2023 and was subsequently promoted to the position of chief financial officer and company secretary in March 2019. Before that, Mr. Leung was an accountant at PT International Development Corporation Limited (formerly known as ITC Corporation Limited), a company listed on the Stock Exchange (stock code: 372), from August 1991 to March 1992. Mr. Leung was a finance manager at Sino Products Proposition Co., Ltd., a company principally engaged in property agency, from April 1992 to August 1994. Mr. Leung was successively a senior accountant and a deputy financial controller at Kung Sheung International Holdings Limited, a company principally engaged in the trading of leisure, beauty and fitness equipment, from February 1995 to January 2014, and was mainly responsible for overseeing the company's finance and accounting operations. Mr. Leung was a company secretary at Culturecom Holdings Limited, a company listed on the Stock Exchange (Stock Code: 343), from June 2014 to July 2015, and was mainly responsible for overseeing the company's corporate and regulatory compliance issues.

Mr. Leung obtained a diploma in accounting from the Hong Kong Shue Yan University (formerly the Hong Kong Shue Yan College) in July 1988. Mr. Leung obtained a master of business administration from the University of Bradford, United Kingdom in December 1989. Mr. Leung was certified as an associate of the Hong Kong Institute of Certified Public Accountants in October 1995. Mr. Leung was admitted as a fellow of the Association of Chartered Certified Accountants in January 2001. Mr. Leung was elected a fellow of the Hong Kong Chartered Governance Institute (formerly known as the Hong Kong Institute of Chartered Secretaries) in August 2001. Mr. Leung was admitted as a fellow of the Chartered Governance Institute (formerly known as the Institute of Chartered Secretaries and Administrators) in August 2001. Mr. Leung has been a holder of the Practitioner's Endorsement from the Hong Kong Chartered Governance Institute since August 2014.

SENIOR MANAGEMENT

Ms. Cheng Chiew Ngok ("Ms. Cheng"), aged 49, has been Beng Soon Machinery's accounts manager since June 2009 and is responsible for the overall management of the accounting and taxation functions of the Group.

Ms. Cheng has over 25 years of experience of accounting and corporate management experience. Prior to her joining of the Group, Ms. Cheng was an accounts officer at Eastern Wire Pte. Ltd., a company principally engaged in the design and manufacturing of customized welded steel mesh reinforcement and mesh cages, from March 1996 to April 2002, and was mainly responsible for the company's accounting functions. Ms. Cheng was a senior accounts officer at NatFerrous Pte. Ltd., a company principally engaged in the recycling of metal waste and scrap, from April 2002 to October 2007.

Ms. Cheng obtained a diploma in business studies from the London Chamber of Commerce and Industry Examinations Board on April 1998. Ms. Cheng obtained certificates of completion of the Information Technology Processes Examination and the Certified Accounting Technician Qualification awarded by the Association of Chartered Certified Accountants in May 2003 and June 2004, respectively. Ms. Cheng obtained a certificate of accomplishment for completing the Basic GST Course conducted by the Inland Revenue Authority of Singapore in June 2004.

Mr. Tan Chin Tien ("Mr. CT Tan"), aged 58, has been Beng Soon Machinery's project manager and projects coordinating officer since April 2013 and is responsible for overseeing, and to ensure the safe execution and timely execution of, the Group's projects.

Mr. CT Tan obtained a diploma in manufacturing engineering from Singapore Polytechnic in May 1992. Mr. CT Tan obtained a certificate of completion of the Industrial Technician (mechanical engineering) Program conducted by Singapore Technical Institute in August 1985. Mr. CT Tan obtained a certificate of completion of the Building Construction Supervisors Safety Course conducted by NTUC LearningHub Pte. Ltd. in April 2013, a certificate of completion of the Work-at-Height Course conducted by QMT Industrial & Safety Pte Ltd in May 2013, a certificate of completion of the Work-at-Height Course for Assessors conducted by Absolute Kinetics Consultancy Pte Ltd in April 2014, and a certificate of completion of the Work-at-Height Course for Managers conducted by Eversafe Consultants Pte. Ltd. in January 2015. Mr. CT Tan obtained a certificate of competency in Earth Control Measures for Construction Site Personnel by the Institute of Engineers Singapore in September 2015. Additionally, Mr. CT Tan obtained a certificate for the Manage Demolition of Building and Structure Course conducted by the SCAL Academy in November 2023.

COMPANY SECRETARY

Mr. Wong Chi Wai (Mr. Wong)

Mr. Wong holds a master's degree in Global Management from Royal Roads University in Canada and a Bachelor of Business Administration degree (Honours) in Accountancy from City University of Hong Kong. He has been a registered member of the Hong Kong Institute of Certified Public Accountants since January 2012, the Institute of Chartered Accountants in England and Wales since February 2021, and the Chartered Professional Accountants of British Columbia since February 2023. With years of experience in accounting, auditing, and corporate secretary matters, Mr. Wong was appointed as company secretary of the Company on 23 April 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL OVERVIEW AND BUSINESS REVIEW

The Group is an established and leading demolition services provider in Singapore and has been running the demolition business in Singapore for more than 30 years in both the public and private sectors. The Group is principally engaged in the demolition of various types of buildings and structures, including power stations, chemical plants, high rise commercial and residential properties, bridges and marine structures in Singapore. To a lesser extent, the Group also leases and sells demolition machinery.

This growth was driven by robust demand in Singapore, complemented by an increase in project commitments. These factors collectively enhanced the Group's revenue, operational scope, and financial outcomes during the period. Amid global uncertainties, management's strategic oversight ensured the gross profit margin held steady, reaching 31.8% for the year ended 31 December 2024 ("**FY2024**"), marginally up from 31.5% for the year ended 31 December 2023 ("**FY2023**"). This stability reflects the Group's dedication to operational excellence and financial resilience in a challenging market.

During FY2024, the Group secured 24 demolition projects for different types of buildings, including residential blocks and factory buildings in Singapore and completed 15 demolition projects. The Group's outstanding projects secured in FY2024 are progressing on schedule with an expected total revenue of approximately S$37.0 million.

OUTLOOK AND PROSPECTS

In February 2025, the Ministry of Trade and Industry (MTI) in Singapore reported a robust 4.4% economic growth for 2024, concluding the year at around 3.5% as anticipated, and projecting GDP growth for 2025 to range between 1.0% and 3.0%. This steady outlook underscores Singapore's resilience amid global uncertainties, buoyed by strong performances in manufacturing, trade, and construction. Turning to January 2025, the Building and Construction Authority (BCA) forecasts total construction demand for 2025 to span S$47 billion to S$53 billion in nominal terms, a marked increase from the preliminary S$44.2 billion recorded in 2024. The public sector is poised to lead this surge, contributing approximately S$28 billion to S$32 billion through transformative public housing initiatives and major infrastructure projects, such as Changi Airport Terminal 5. Concurrently, private sector demand, projected at S$19 billion to S$21 billion, remains dynamic, driven by residential developments, commercial redevelopments, and cutting-edge industrial facilities.

Within this thriving economic and construction ecosystem, Singapore's demolition sector is primed for continued expansion in 2025. The industry is set to capitalize on increased construction activity, including the redevelopment of outdated structures and a push for sustainable urban renewal, supported by government-backed incentives and infrastructure modernization efforts. The Group's management remains unwavering, adeptly navigating these shifts by optimizing operational efficiency and sustaining financial robustness, ensuring gross profit margins stay competitive in an evolving landscape.

Looking forward, the Group anticipates a resilient construction demand environment in 2025, reinforced by Singapore's sustained economic momentum and the construction sector's upward trajectory. Though market volatility lingers, our proactive strategy, grounded in expertise and adaptability, positions us to harness these opportunities. With an unwavering focus on our core demolition services, the Group is also pursuing diversification and innovation to enhance shareholder value and strengthen our existing operations. This forward-thinking approach ensures we remain agile and competitive, ready for sustained growth in Singapore's ever-transforming marketplace.

FINANCIAL REVIEW

Revenue

During FY2024, the revenue of the Group was mainly derived from the provision of demolition and related value-added services to the Group's project owners (the "**Contract Revenue**"). The Contract Revenue comprised of (i) the net contract sum from the project owners; (ii) the proceeds for the services provided for the disposal of salvage materials removed from the demolition sites to salvage materials buyers; and (iii) the proceeds from earth providers for depositing earth at the demolition sites for landfilling purpose. During FY2024, the Group's total revenue increased by approximately S$4.1 million or 13.9% from approximately S$29.4 million in FY2023 to approximately S$33.5 million in FY2024. The increase was mainly due to more projects being taken on and finished during the year.

The following table sets forth the breakdown of revenue by source for FY2024 and FY2023 respectively:

	FY2024 S$'000	FY2023 S$'000
Net contract sum	**12,725**	6,843
Proceeds from disposal of salvage materials	**18,395**	21,846
Earth depositing proceeds	**471**	417
Others	**1,892**	246
	33,483	29,352

Cost of sales and services rendered

The Group's cost of sales and services rendered for FY2024 amounted to approximately S$22.9 million, representing an increase of S$2.8 million or 13.9% from approximately S$20.1 million in FY2023. The cost of sales mainly comprised of (i) direct labour costs; (ii) depreciation of the Group's machinery and equipment; (iii) raw materials, consumables and other overheads; and (iv) subcontractor charges. The increase in the cost of sales and services rendered of the Group in FY2024 was mainly due to the increase in the various project activities work.

Gross profit and gross profit margin

The Group's gross profit increased by S$1.4 million or 15.2%, from a gross profit of approximately S$9.2 million for FY2023 to a gross profit of approximately S$10.6 million for FY2024. The Group's gross profit margin was approximately 31.8% and 31.5% for FY2024 and FY2023, respectively. The management prefers not doing a price cut and keep the gross profit level by working efficiently and staying financially strong, even when the market changes.

Administrative expenses

The Group's administrative expenses for FY2024 amounted to approximately S$9.8 million, representing an increase of S$0.4 million or 4.3% from approximately S$9.4 million in FY2023. The administrative expenses primarily consisted of (i) staff costs; (ii) depreciation costs in respect of the Group's property, office equipment and right-of-use assets; and (iii) legal and professional fees. The increase in FY2024 was mainly due to the increase in increase in staff costs and depreciation charge of right-to-use assets.

Other income

During FY2024, the Group's other income amounted to S$0.3 million representing a decrease of S$0.2 million or 40.0% from approximately S$0.5 million in FY2023. The decrease primarily resulted from a decrease of S$0.1 million in interest income during FY2024.

Finance costs

During FY2024, finance costs incurred by the Group was S$0.3 million, representing no major change as compared to FY2023.

Income tax

During FY2024, the Group's income tax expense totaled $0.4 million, primarily comprising current income tax. This included a $0.5 million provision for current income tax in Singapore, offset by a $0.1 million deferred income tax credit for Singapore. In contrast, no current income tax expense was incurred for FY2023 due to the utilization of brought-forward business losses to offset the chargeable income.

Profit attributable to the owners of the Company

As a result of the foregoing, profit attributable to equity holders of the Company amounted to approximately S$0.3 million for FY2024, compared with approximately S$25,000 for FY2023. There was earnings per share of S$0.03 cents for FY2024 as compared to earnings per share of S$0.002 cents for FY2023.

Capital structure, liquidity and financial resources

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of its debt and equity balance. The capital structure of the Group consists of debt, which includes obligations under leases liabilities, net of bank deposits, bank balances, cash and equity attributable to the owners of the Group, comprising share capital and reserves. There has been no change in the capital structure of the Group since Listing. The Group has a solid financial position and continues to maintain a strong and steady cash inflow from internal generated funds.

The Group adopts a prudent cash and financial management policy. The Group's cash, mainly denominated in Singapore dollars, are generally deposited with certain financial institutions.

As at 31 December 2024, the Group had net current assets of approximately S$26.3 million as compared to S$24.3 million as at 31 December 2023, representing an increase of approximately S$2.0 million or 8.2%. The increase was mainly due to the increase in contract related assets and costs in partially offset by the increase in current income tax liabilities and current lease liabilities. As at 31 December 2024, the Group had cash and cash equivalents of approximately S$14.1 million as compared to S$15.1 million as at 31 December 2023. During FY2023, the cash was used primarily for payment of lease liabilities and borrowings of the Group. The decrease of cash and cash equivalents as at 31 December 2024 was mainly due to lesser cash generated from operating activities. The Board considers the level of cash balances reasonable and would enable the Company to take on suitable business opportunities in a very competitive and efficient manner.

As at 31 December 2024,

a. the total amount of the issued share capital of the Company was HK$10,000,000, divided into 1,000,000,000 shares of HK$0.01 per share. There were no movements in the Company's share capital during FY2024.

b. the leasehold land and building of the Group with carrying amounts of approximately S$4.2 million and S$4.7 million were mortgaged to licensed banks as security for credit facilities granted to the Group for FY2024 and FY2023 respectively.

c. the Group had lease liabilities of S$11.3 million (FY2023: S$9.1 million). All of the lease liabilities and bank borrowings were denominated in S$.

d. the Group's total equity attributable to equity holders of the Company amounted to approximately S$40.4 million as compared to S$40.1 million as at 31 December 2023. The capital of the Company mainly comprises share capital and reserves.

Gearing ratio

The gearing ratio (calculated by dividing the obligations under lease liabilities by total equity and then multiplied by 100%) increased from 22.7% as at 31 December 2023 to 27.9% as at 31 December 2024. This resulted from a decrease in bank borrowings and an increase in lease liabilities.

Treasury policies

The Group's financing and treasury activities are centrally managed and controlled at the corporate level. The Group's bank borrowings are all denominated in S$ and have been arranged on a fixed or mix of fixed and floating rate basis. It is the Group's policy not to enter into derivative transactions for speculative purposes. The Directors will continue to follow a prudent policy in managing the Group's cash and maintaining a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

Contingent liabilities

As at 31 December 2024, the Group had no significant contingent liabilities or outstanding litigation (2023: Nil).

Capital commitment

As at 31 December 2024, the Group did not have capital commitments for the purchase of property, plant and equipment (2023: Nil).

Material acquisitions and disposals of subsidiaries and affiliated companies

As at 31 December 2024, save as disclosed in this annual report, the Group did not have plans for material acquisitions or disposals of subsidiaries or associates during FY2024.

Future plans for material investments or capital assets

As at 31 December 2024, save as disclosed in this annual report, the Group did not have specific plans for material investments or capital assets in the coming year.

Employee information and remuneration policy

As at 31 December 2024, the Group had a total of 131 employees, 10 more than the same time in 2023. All of the Directors and employees are located in Singapore and Hong Kong. The remuneration offered to employees generally includes salaries and bonus and are determined with reference to market norms and individual employees' performance, qualifications and role. The Company has adopted a share option scheme under which options may be granted to Directors and eligible employees as in incentive.

The remuneration, bonuses and other compensation payable of the Directors are determined by the Remuneration Committee, having regard to the Company's operating results, responsibilities and individual performance of Directors.

Significant investment held

As at 31 December 2024, save as disclosed in this annual report, there were no material investments held by the Group.

Charge of the Group's assets

As at 31 December 2024, the leasehold land and building of the Group with carrying amounts of approximately S$4.2 million (2023: S$4.7 million) were mortgaged to licensed banks as security for credit facilities granted to the Group.

Foreign currency exposure

The Group operates in Singapore and most of its income and expenditures are denominated in Singapore Dollar ("**S$**"), being the functional currency of the Company. The Group has exposure to foreign exchange risk as a result of cash and cash equivalents, trade receivables, deposits, prepayments and other receivables, trade and other payables denominated in the United States dollar and Hong Kong dollar. As at 31 December 2024, should S$ be strengthened/weakened by 4% against those currencies, with all other variables held constant, the impact on the Group's post tax profit and the equity would have been approximately S$5,000 (2023: S$5,000) lower/higher for the year ended 31 December 2024 as a result of foreign exchange losses/gain.

DIRECTORS' REPORT

The Directors are pleased to present their report and the audited consolidated financial statements of the Group for FY2024.

PRINCIPAL ACTIVITIES

The Group is a demolition services provider in Singapore, which also (i) sells salvage materials removed from the demolition sites to third party salvage buyers; (ii) deposits earth from earth providers at its demolition sites for landfilling purposes; and (iii) leases and sells machinery to third parties. The principal business activity of the Company is investment holding. The names and the activities of its principal subsidiaries are set out in Note 29 to consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during FY2024.

BUSINESS REVIEW

The business review analysis using key financial performance indicators and future development in the Group's business for FY2024 are set out in the section headed "Management Discussion and Analysis" on pages 11 to 15 of this annual report. This discussion forms part of this Directors' report.

There are certain risks involved in the Group's operations, which may affect its business and results of operations. The following highlights some of the risks which its Directors consider to be material:

- the Group derives a significant portion of its revenue from the disposal of salvage materials, which are prone to price fluctuations

- the Group's demolition projects are non-recurring in nature and there is a possibility of not being able to secure new projects

- no long-term agreements with the Group's customers or salvage material buyers have been entered into. The Group can neither ensure that its customers and salvage material buyers will continue to engage its services and purchase its salvage materials respectively

- incorrect estimation of the Group's project operating costs and value of salvage materials in the determination of its tender or quotation prices may materially and adversely affect its profitability and financial performance

- the Group is dependent on its key personnel and cannot assure that it will be able to retain them

KEY RELATIONSHIPS WITH ITS EMPLOYEES, CUSTOMERS AND SUPPLIERS

As at 31 December 2024, the Group had a total of 131 employees. All of the Group's employees are located in Singapore and are remunerated according to their qualifications, role and responsibilities. Discretionary bonuses may be offered depending on their performance, profitability of the Group and market conditions. The Group adopts effective employee and emolument policies to comply with the local rules and regulations in relation to employment in Singapore.

Depending on the role and scope of work of the Group's employees, the Group sponsors its employees to receive relevant training courses including courses in relation to occupational health and safety, work quality and compulsory courses required by the Building and Construction Authority of Singapore and the Ministry of Manpower of Singapore.

The Group's employees are invaluable assets of the Group, with whom it has and continues to maintain good relationships. During FY2024, the Group did not have any significant disputes with its employees nor did it have any material difficulties in the recruitment of employees or any disruption to its operations due to any labour dispute.

The Group has established long-term business relationships with its key business partners and maintained long-term business relationships with its major customers, including a Singapore state-owned developer and manager of industrial estates and a Singapore private company engaged in the business of construction of buildings. The Group has maintained strong and long-term business relationships with the majority of its five largest customers for over three years, the longest business relationship being 20 years. For the salvage material buyers whom the Group disposes the salvage materials to, the majority of business relationships are of at least seven years, the longest business relationship being approximately 19 years.

As a result, the Directors believe that the Group has become its customers' preferred demolition services provider and salvage material supplier. Moreover, the Directors also believe that the Group's strong and long-term relationships with these key customers provide it with a competitive advantage to securing future contracts and a steady flow of repeated business, and enhancing its marketing and business development capabilities with new customers.

The Group has also established close and long-term working relationships with subcontractors and suppliers in different areas, including specialized construction activities and process and industrial plant engineering design and consultancy services providers. The majority of the Group's five largest suppliers (including subcontractors) have collaborated with the Group for at least five years. The Group believes that these established relationships have enhanced the Group's ability to provide its services to its customers and will continue to help expand its business capabilities.

In view of the above and as at the date of this report, there is no circumstance or any event which will have a significant impact on the Group's business on which the Group's success depends. During FY2024, there were no material and significant disputes between the Group and its suppliers and/or customers.

DIVIDEND POLICY

In order to enhance transparency of the Company and facilitate the shareholders of the Company and investors to make informed investment decisions relating to the Company, the Board adopted a dividend policy on 27 March 2020 (the "**Dividend Policy**"). According to the Dividend Policy, when determining whether to declare any dividend in the future and the amount of dividend to be declared, the Company shall consider a number of factors, including but not limited to:

- the Company's actual and expected financial performance;
- retained earnings and distributable reserves of the Group;
- the level of the Group's debts to equity ratio, return on equity and the relevant financial covenants;
- any restrictions on payment of dividends that may be imposed by the Group's contracting parties;
- the Group's expected working capital requirements and future expansion plans;
- general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
- any other factors that the Board may deem appropriate.

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the Board's discretion. The Board will review the Dividend Policy on a regular basis.

RESULTS AND DIVIDENDS

The Group's results for FY2024 and the Group's financial position are set out in the consolidated financial statements on pages 55 to 56 of this report.

The Directors do not recommend the payment of final dividend in respect of FY2024.

ENVIRONMENTAL PERFORMANCE

The Group is aware of and is committed to its corporate responsibility. Apart from driving the success of the Group's business, it also focuses on the impact it has on its employees, society and the environment. As a demolition services provider, the Company provides removal of salvage materials services by collecting recyclable demolition waste such as ferrous metal, non-ferrous metal and recycled concrete aggregate, from which it generates proceeds for the disposal of salvage materials to salvage materials buyers. The Company is pleased that its services do not only generate income for the Group but also reinforces the sustainable redevelopment plans envisaged and promoted by the Singapore Government.

The Company has adopted an environmental management system and policies in accordance with all applicable laws and regulations. The Group's operations on site are also subject to certain environmental requirements pursuant to the laws in Singapore such as the Environmental Public Health Act (Chapter 95) and the Environmental Protection and Management Act (Chapter 94A) of Singapore.

The environmental management system of the Group is certified to be in compliance with the standard under ISO 14001:2015 since 2016 as a recognition of its policies and procedures undertaken to protect the environment.

The Group's environmental management system includes specific operational procedures covering various aspects of control including air pollution control, noise pollution control, waste management and resources conservation for our employees to observe. The Company will comply with the environmental management procedures when the Company formulates the method statements or work plans to its customers before commencing the projects and implement them on an ongoing basis in the execution stage of the project.

To the best knowledge of the Directors, the Group was in compliance with the applicable environmental laws and regulations in all material respects during FY2024. For the three years ended 31 December 2024, our aggregate cost for environmental compliance was approximately S$2.8 million, S$0.8 million and S$1.0 million, respectively.

For details, please refer to the Environmental, Social and Governance Report 2024 which will be published by the end of April 2025.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, the Group has complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Company and its subsidiaries during FY2024.

USE OF PROCEEDS FROM LISTING

On the Listing Date, the issued shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). A total of 250,000,000 ordinary shares were issued to the public at a price of HK$0.5 per share for net proceeds of approximately HK$77.5 million after the deduction of related listing expenses. Part of these proceeds have been utilised in accordance with the proposed allocation set out in the Prospectus.

Set out below are details of the allocation of the net proceeds, the utilised amount of the net proceeds as at 31 December 2024:

Use of Net Proceeds	Intended amount of use of proceeds HK$'000	Approximate Unused Net Proceeds as at 31 December 2023 HK$'000	Approximate Amount of Net Proceeds utilised during FY2024 HK$'000	Approximate Unused Net Proceeds as at 31 December 2024 HK$'000	Expected timeline for utilising the Unused Net Proceeds
Enhancing the machinery fleet by acquiring excavators with different capacities including one unit of 48.5-metre high-reach excavator and attachments to excavators	51,200	17,379	6,391	10,988	On or before end of year 2025
Repaying the bank borrowing bearing interest rate at approximately 2.9% per annum and maturing in 2019, the proceeds from borrowing were used as working capital	13,500	–	–	–	–
Expanding the labour force by recruiting additional staff, including project management and project execution staff	9,100	–	–	–	–
Engagement of professional consultant to review the internal management systems for the purpose of the registration for B1 grade under the CW02 "Civil Engineering" workhead	2,200	2,200	1,532	668	On or before 30 June 2025
Group's general working capital	1,500	–	–	–	–

As at 31 December 2024, the amount of the net proceeds which remained unutilised amounted to approximately HK$11.7 million. Since 2020, COVID-19 pandemic had imposed negative impact to the overall business environment in Singapore and the correspondent strictly enforced lockdown had led to uncertain economic and market conditions. In such circumstances, the Company has taken a responsible and prudent view to implement the business strategies which lead to the delay in using the Net Proceeds. Nevertheless, the Group has endeavored to adhere to the implementation plan for the use of the Net Proceeds as disclosed in the Prospectus, and has been monitoring the market conditions in Singapore and making assessments from time to time on the right timing to utilise the Net Proceeds. Accordingly, the remaining unutilised net proceeds are expected to be fully utilised on or before 31 December 2025 for the following purposes:

- acquisition of property, plant and equipment; and
- application costs, including professional fees etc. for upgrading the "CW02, Civil Engineering" workhead from C1 grade to B1 grade.

DONATIONS

The Group donated a total amount of S$10,000 to YYD EDUCATION CENTRE LIMITED to support the society during FY2024.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group are set out in Note 14 to the consolidated financial statements.

PROPERTIES

The Group holds a medical facility unit in Singapore for investment purposes and a three-storey building as its head office as at 31 December 2024, details of which are set out in Notes 14 and 15 to the consolidated financial statements.

SHARE CAPITAL

As of 31 December 2024, the total amount of the issued share capital of the Company was HK$10,000,000, divided into 1,000,000,000 shares of HK$0.01 per share. There were no movements in the Company's share capital during the year.

RESERVES

Details of the movements in reserves of the Group and the Company during FY2024 are set out in the consolidated statement of changes in equity on page 57 of this report and Note 25 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

At 31 December 2024, the Company's reserves available for distribution, calculated in accordance with the provisions of sections 291, 297 and 299 of the Hong Kong Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the "**Companies Ordinance**"), amounted to approximately S$17.1 million.

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of the purchases attributable to the Group's major suppliers (including its subcontractors) for FY2024 are as follows:

Suppliers

— the largest supplier: 34.7%

— five largest suppliers combined: 55.0%

The percentage of revenue from the Group's major customers (by aggregate contract revenue contributed from the relevant projects and major salvage materials buyers (by proceeds from the disposal of salvage materials)) for FY2024 are respectively as follows:

Customers

— the largest customer: 21.6%

— five largest customers combined: 62.5%

Salvage Materials Buyers

— the largest salvage materials buyer: 54.2%

— five largest salvage materials buyers combined: 88.4%

None of the Directors, their associates or any shareholders (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had an interest in any of the Group's major customers, salvage materials buyers and suppliers as at 31 December 2024.

DIRECTORS

During FY2024, the Directors comprised of:

Executive Directors

Mr. Tan Chee Beng
Ms. Tang Ling Ling
Mr. Tan Wei Leong
Mr. Cheung Kam Fai
Mr. Ngan Kim Fung

Independent Non-executive Directors

Mr. Wee Chorng Kien
Mr. Leung Yau Wan John
Mr. Leung Kee Wai

CHANGES TO DIRECTORS' INFORMATION

Save as disclosed in this report, the Directors confirm that in relation to their profile, no information is required to be disclosed pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing from the Listing Date, which may be terminated in accordance with the terms of the service contracts.

The non-executive Director has signed a letter of appointment with the Company for a term of three years commencing from the Listing Date, which may be terminated in accordance with the terms of the letter of appointment.

Each of the independent non-executive Directors ("**INED**") has signed a letter of appointment with the Company for a term of three years commencing from the Listing Date, which may be terminated in accordance with the terms of their respective letters of appointment.

Apart from the foregoing, no Director was proposed for re-election at the forthcoming annual general meeting of the Company has entered into any service contracts with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment compensation other than statutory compensation.

DIRECTORS' REMUNERATION & EMOLUMENT POLICY

Details of the remuneration of the Directors are set out in Note 10 to the consolidated financial statements. The Directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Company's board of Directors with reference to duties and responsibilities of the Directors and the performance and results of the Group.

The Remuneration Committee was established for reviewing and determining the remuneration and compensation packages of the Directors and senior management of the Company with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors are set out under the section headed "Biographies of Directors and Senior Management" on pages 6 to 10 of this report.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in Notes 10 and 26 to the consolidated financial statements, no transactions, arrangements and contracts in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or his connected entity had a material interest, whether directly or indirectly, subsisted at the end of FY2024 or at any time during FY2024.

DISCLOSURE UNDER RULES 13.18 AND 13.21 OF THE LISTING RULES

There is no transaction which falls within the disclosure requirements under Rules 13.18 and 13.21 of the Listing Rules.

MANAGEMENT CONTRACTS

No contract between the Company and a person who undertakes the management and administration of the whole or any substantial part of any business of the Company and who was not a director of the Company were entered into or existed during FY2024.

CORPORATE GOVERNANCE

The Company maintains a high standard of corporate governance practices. Details of the corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 30 to 47. The Directors believe the long-term financial performance as opposed to short-term rewards is a corporate governance objective. The Board would not take undue risks to make short-term gains at the expense of its long-term objectives.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2024, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance, (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")) as recorded in the register required to be kept under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix 10 to the Listing Rules, were as follows:

Long positions in the shares and underlying shares of associated corporation of the Company

(i) Long positions in the Shares

Name	Capacity/Nature of interest	Number of Shares [Note 1]	Percentage of shareholding in the Company
Mr. Tan Chee Beng	Interest in a controlled corporation [Note 2]; Interest of spouse [Note 3]	505,600,000 Shares (L)	50.56%

Notes:

1. The letter (L) denotes the person's long position in such Shares.

2. Mr. Tan beneficially owns all of the issued shares of TCB Investment Holdings Limited ("**TCB**"), which in turn holds 34.17% of the Shares. Therefore, Mr. Tan is deemed, or taken to be, interested in the Shares held by TCB for the purposes of the SFO. Mr. Tan is a director of TCB.

3. Mr. Tan is the spouse of Ms. Lee Peck Kim ("**Ms. Lee**"), who through her controlled corporation was interested in 163,900,000 Shares representing 16.39% of the issued Shares of the Company. Accordingly, Mr. Tan is deemed, or taken to be, interested in the Shares which Ms. Lee is interested in for the purpose of the SFO.

(ii) Long position in the share of associated corporation

As at 31 December 2024, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the registered of interests required to be kept under Section 352 of the SFO or were otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

So far as known to the Directors or chief executive of the Company, as at 31 December 2024, the following corporates and persons (other than the Directors or chief executive of the Company) had interests or short positions in the shares of the Company and underlying shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long Positions in Shares

Name	Capacity/nature of interest	Number of Share held/interested	Percentage of shareholding
TCB	Beneficial owner	341,700,000	34.17%
K Luxe Holdings Limited ("**K Luxe**")	Beneficial owner	163,900,000	16.39%
Ms. Lee	Interest in controlled corporation [Note 1] Interest of spouse [Note 2]	505,600,000	50.56%

Notes:

(1) Ms. Lee beneficially owns all of the issued shares of K Luxe, which in turn holds 163,900,000 Shares, representing 16.39% of the total issued Shares of the Company. Therefore, Ms. Lee is deemed, or taken to be, interested in the Shares held by K Luxe for the purposes of the SFO.

(2) Ms. Lee is the spouse of Mr. Tan. Accordingly, Ms. Lee is deemed, or taken to be, interested in the Shares which Mr. Tan is interested (through his controlled corporation, TCB) for the purposes of the SFO.

Save as disclosed above, as at 31 December 2024, the Directors were not aware of any persons (other than the Directors and chief executive of the Company) who had any interests or short positions in the shares of the Company or underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, at no time during FY2024 was the Company, its holding company or any of its subsidiaries, a party to any arrangements which enable the Directors and the chief executives of the Company to acquire benefits by means of an acquisition of Shares or debentures of the Company or any other body corporate; and none of the Directors, or their spouses or children under the age of 18, had any rights to subscribe for the securities of the Company, or had exercised any such right during FY2024.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

The Directors are not aware of any business or interest of the Directors nor the controlling shareholder of the Company nor any of their respective associates (as defined in the Listing Rules) in the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group during FY2024 and up to the date of this report.

SHARE OPTION SCHEME

The Company has conditionally approved and adopted the share option scheme (the "**Share Option Scheme**") on 15 October 2019 (the "**Adoption Date**") which shall remain in force for a period of ten years commencing on the Adoption Date and expire at the close of business on the business day immediately preceding the tenth anniversary thereof. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules. The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), Directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners and service providers of the Group (the "**Eligible Persons**") and to promote the success of the business of the Group.

The principal terms of the Share Option Scheme are summarized in Appendix V to the Prospectus. Subject to the provisions of the Share Option Scheme, the Board may grant options at any time from time to time within a period of ten years from the Adoption Date. The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company (excluding, for this purpose, Shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) shall not, in aggregate, exceed 10% of the total number of Shares in issue as at the Listing Date (the "**Scheme Limit**"), unless approved by its shareholders pursuant to the paragraph below.

The Company may seek separate approval of the shareholders in a general meeting for refreshing the Scheme Limit provided that such limit as refreshed shall not exceed 10% of the total number of Shares in issue as of the date of the approval of the refreshed limit. Options previously granted under the Share Option Scheme or any other share option schemes of the Company (including those outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the refreshed 10% limit.

The total number of Shares issued and to be issued upon exercise of options granted to any Eligible Persons (including both exercised and outstanding options) under the Share Option Scheme, in any 12-month period up to the date of grant shall not exceed 1% of the Shares in any issue.

Save as determined by the Board and provided in the offer of the grant of the relevant options, there is no performance target which must be achieved before any of the options can be exercised.

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK$1.00.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme and there was no share option outstanding as at 31 December 2024.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the memorandum and articles of association of the Company (the "**Articles**"), the Directors, managing Directors, alternate Directors, auditors, secretary and other officers, for the time being, acting in relation to the affairs of the Company, shall be indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the exertion of their duty.

The permitted indemnity provision is currently in force for the benefit of the Directors as defined and required by Section 470 of the Hong Kong Companies Ordinance and has been in force throughout FY2024.

EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report relating to the Share Option Scheme, the Company did not enter into any equity-linked agreements that (i) will or may result in the Company issuing Shares or (ii) require the Company to enter into any agreements that will or may result in the Company issuing Shares during FY2024 or had subsisted at the end of FY2024.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES OF THE COMPANY

During FY2024, no purchase, sale or redemption of the Company's listed securities was made by the Company or any of its subsidiaries.

DEBENTURES

During FY2024, no debentures were issued by the Company or any of its subsidiaries.

CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS

During FY2024, there were no connected transactions or continuing connected transactions of the Company as defined under Chapter 14A of the Listing Rules, which are required to comply with any of the reporting, announcement or independent shareholders' approval requirements under the Listing Rules. None of the related party transactions constituted a connected transaction or continuing connected transaction which should be disclosed pursuant to the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the sufficient public float of at least 25% of the issued Shares under the Listing Rules as at the date of this annual report.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles, which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholders. There is also no restriction against such rights under the laws of the Cayman Islands.

EVENTS AFTER THE REPORTING PERIOD

There was no material subsequent events undertaken by the Company or the Group after 31 December 2024 and up to the date of this annual report.

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the entitlements to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 26 May 2025 to Friday, 30 May 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. Shareholders of the Company are reminded to ensure all properly executed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 pm on Friday, 23 May 2025.

OTHER MATTERS

There are no other matters that are material for the shareholders' appreciation of the state of the Company's and its subsidiaries' affairs.

AUDITOR

McMillan Woods (Hong Kong) CPA Limited was appointed as the auditor of the Company in place of PricewaterhouseCoopers on 13 December 2021 and to hold office until the conclusion of next AGM. The consolidated financial statements for the year ended 31 December 2024 were audited by McMillan Woods (Hong Kong) CPA Limited who will retire and, being eligible, offer themselves for re-appointment upon conclusion of the forthcoming annual general meeting. A resolution will be proposed at the forthcoming annual general meeting to re-appoint McMillan Woods (Hong Kong) CPA Limited as auditor of the Company and to authorize the Directors to fix its remuneration.

On behalf of the Board

Tan Chee Beng
Chairman, Chief Executive Officer and Executive Director

Singapore
28 March 2025

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Board recognises the importance of good corporate governance in management and internal procedures so as to achieve effective accountability and to protect and enhance shareholders' value. Committed to upholding good corporate standards and procedures in the best interests of its shareholders, the Company has adopted the principles and all the relevant code provisions set out in the Corporate Governance Code contained in Appendix C1 of the Listing Rules (the "**CG Code**"). Throughout FY2024, the Company has complied with the applicable code provisions of the CG Code with the exceptions of the deviation from code provision C.2.1 as explained below:

DEVIATION FROM C.2.1 OF THE CG CODE

Under paragraph C.2.1 of Appendix C1 to the Listing Rules, the roles of chairman and chief executive officer of a company should be separate and should not be performed by the same individual. Mr. Tan is currently the Chairman of the Board and the chief executive officer of the Group and primarily responsible for the day-to-day management of the Group's business. In view of the fact that Mr. Tan has been operating and managing our Group since its establishment, our Board believes it is in the best interests of our Group to have Mr. Tan take up both roles of effective management and business development. The Directors consider that vesting the roles of the chairman of the Board and chief executive officer in the same person facilitates the execution of the Group's business strategies and decision making, and maximises the effectiveness of the Group's operation. The Directors also believe that the presence of three Independent Non-Executive Directors provides added independence to the Board, and that the Board is appropriately structured to maintain the balance of power and to provide sufficient checks to protect the interests of the Company and its shareholders. The Directors shall review the structure from time to time and consider an adjustment should it become appropriate.

The balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced and high-calibre individuals. The Board currently comprises five executive Directors (including Mr. Tan), and three INEDs and therefore has a fairly strong independence element in its composition.

MODEL CODE OF CONDUCT OF DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code to the Listing Rules as its own code of conduct regarding Directors' transactions in securities of the Company. Having made specific enquiries with the Directors, all the Directors confirm that they have complied with the required standard set out in the Model Code during FY2024.

BOARD OF DIRECTORS

Responsibilities of the Directors

The Board is primarily responsible for overseeing and managing the Company's affairs, including the responsibilities for the adoption of long-term strategies and appointing and supervising senior management to ensure that the operation of the Group is conducted in accordance with the objective of the Group.

The Board is also responsible for determining the Company's corporate governance functions which include:

- developing and reviewing the Company's policies and practices on corporate governance;
- reviewing and monitoring the training and continuous professional development of Directors and senior management;
- reviewing and monitoring the Company's policies and practices to ensure compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- reviewing the Company's compliance with the code provisions set out in the CG Code and its disclosure requirements in the Corporate Governance Report.

During FY2024, the Board has performed the above-mentioned corporate governance functions by reviewing the Company's policies and practices on corporate governance and compliance with legal and regulatory requirements.

The day-to-day management, administration and operation of the Company are delegated to the executive Directors and the senior management, who fulfill their duties within their scope of authority and responsibility. Divisional heads are responsible for different aspects of the businesses. Major functions delegated to management include preparation of annual and interim results; execution of business strategies and initiatives adopted by the Board; implementation of adequate risk management and internal control systems; and compliance with the relevant statutory requirements. The functions and power that are so delegated are reviewed periodically by the Company to ensure that they remain appropriate.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary of the Company, with a view to ensuring that Board procedures and all applicable laws and regulations are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

BOARD OF DIRECTORS (CONTINUED)

Chairman and Chief Executive

During FY2024, Mr. Tan Chee Beng has taken up the dual-role of chairman ("**Chairman**") and chief executive officer of the Company (the "**CEO**"). Mr. Tan recognizes that these two roles are distinct. His respective responsibilities are clearly defined and segregated to ensure a balance of power and authority, and reinforce his independence and accountability. The Chairman provides leadership for the decision of the Board regarding the daily operations and administration of the Company that are delegated to the management and led by the CEO. Acting as the principal manager, the CEO formulates the business strategies, oversees the business operations of the Group and ensures the implementation of the strategies and policies adopted and prioritised by the Board are supported with effective and competent management. The CEO is also responsible for informing all Directors on major Company changes and business development in a timely and appropriate manner.

Board Composition

The composition of the Board reflects the necessary balance of skills and experience desirable for effective leadership of the Company and independence in decision making. The Board assumes the responsibility for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performances. The Board currently comprises of the following Directors:

Executive Directors
Mr. Tan Chee Beng *(Chairman and Chief Executive Officer)*
Ms. Tang Ling Ling
Mr. Tan Wei Leong
Mr. Cheung Kam Fai
Mr. Ngan Kim Fung

Independent Non-executive Directors
Mr. Wee Chorng Kien
Mr. Leung Yau Wan John
Mr. Leung Kee Wai

BOARD OF DIRECTORS (CONTINUED)

Relationships between the Board

Details of the background and qualifications of all the Directors are set out in the section headed "Biographies of Directors and Senior Management" of this annual report. To the best knowledge of the Company, save as disclosed under the section headed "Biographies of Directors and Senior Management", there is no financial, business, family or other material or relevant relationships among members of the Board.

The Company is committed to the view that the Board should include a balanced composition of executive and INEDs so that there is a strong independent element on the Board which can effectively exercise independent judgment. The composition of the Board is reviewed by the Company from time to time to ensure that the Board has a balance of skills and experience appropriate for the requirements of the business of the Company.

Independent Non-executive Directors

During FY2024, the Board has at all times complied with rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules. The Board consisted of three INEDs, which represents not less than one-third of the Board. Of the INEDs, at least one possesses appropriate professional qualifications or accounting or related financial management expertise as required under the Listing Rules. As such, there is a strong independent element in the Board to provide independent judgment.

The roles of the INEDs are to provide independent and unbiased opinions to the Board, giving adequate control and balances for the Group to protect the overall interests of the shareholders and the Group. The INEDs are of sufficient caliber and free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment. They are able to provide impartial and professional advice to protect the interests of the minority shareholders of the Company.

Specific enquiry has been made by the Company with each of the INEDs to confirm their independence pursuant to rule 3.13 of the Listing Rules. The Company has received positive confirmations from all three INEDs. Furthermore, the Board is not aware of any relationship or circumstances which would interfere with the exercise of the independent judgment of the INEDs. Based on the confirmations received, the Company is of the view that all INEDs are independent.

Appointment and Re-election of Directors

All the non-executive Directors/INEDs are appointed for a specific term of three years, subject to renewal after the expiry of the then current term.

The Articles provide that all Directors appointed to fill a casual vacancy shall be subject to re-election by shareholders at the first general meeting after appointment.

Pursuant to article 108(a) of the Articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

In accordance with article 108(a) of the Company's Articles, Mr. Tan Wei Leong, Mr. Ngan Kim Fung and Mr. Leung Yau Wan John will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

BOARD OF DIRECTORS (CONTINUED)

Continuous Professional Development of Directors

Every newly appointed Director will receive an information package on the first occasion of his/her appointment. This information package is a comprehensive, formal and tailored induction on the responsibilities and on-going obligations to be observed by a Director pursuant to the Companies Ordinance, the Listing Rules and the SFO. In addition, this information package includes material which briefly describes the operations and business of the Company. Directors will be continuously updated on major development of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices.

The Directors are committed to complying with code provision C.1.4 of the CG Code and all Directors have participated in continuous professional development to develop and refresh their knowledge and skills and provided a record of training they received for FY2024 to the Company.

During FY2024, the Directors participated in continuous professional development in relation to regulatory updates, the duties and responsibility of the Directors and the business of the Group in the following manner:

Directors	Attended Seminars or Briefing/Read Materials
Mr. Tan Chee Beng	✓
Ms. Tang Ling Ling	✓
Mr. Tan Wei Leong	✓
Mr. Cheung Kam Fai	✓
Mr. Ngan Kim Fung	✓
Mr. Wee Chorng Kien	✓
Mr. Leung Yau Wan John	✓
Mr. Leung Kee Wai	✓

BOARD OF DIRECTORS (CONTINUED)

Board Meetings and General Meetings

Pursuant to code provisions of the CG Code, meetings of the Board should be held at least four times a year at approximately quarterly intervals and notice of at least 14 days should be given for a regular board meeting. Agendas and accompanying papers shall be sent not less than 3 days before the date of Board meeting to ensure that the Directors are given sufficient time to review the documents.

The Board is responsible for the approval and monitoring of the Company's overall strategies and policies, approval of business plans, evaluating the performance of the Group and oversight of management. It is also responsible for promoting the success of the Company and its businesses by directing and supervising the Company's affairs.

1 general meeting and 4 board meetings were held during FY2024. Notice of the Board meeting, agenda and Board papers were sent to the Directors in a timely manner before the meeting. The attendance of each Director at the board meetings and general meeting is set out below:

	Attendance/Number of Meetings	
Director	Board Meeting	General Meeting
Mr. Tan Chee Beng	4	1
Ms. Tang Ling Ling	4	1
Mr. Tan Wei Leong	4	1
Mr. Cheung Kam Fai	4	1
Mr. Ngan Kim Fung	4	1
Mr. Leung Yau Wan John	4	1
Mr. Wee Chorng Kien	4	1
Mr. Leung Kee Wai	4	1

Mr. Tan Chee Beng held a meeting with the INEDs without the presence of other Directors on 4 December 2024.

BOARD COMMITTEES

The Board delegates certain responsibilities to committees. In accordance with Singapore laws, the Articles and the Listing Rules, the Board has established three committees, namely, the Audit Committee, Remuneration Committee and Nomination Committee, for overseeing particular aspects of the Company's affairs. Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expense.

The list of the chairman and members of each Board committee is set out under "Corporate Information" on page 2.

BOARD COMMITTEES (CONTINUED)

Audit Committee

The Audit Committee consists of three INEDs, namely Mr. Leung Yau Wan John, Mr. Wee Chorng Kien and Mr. Leung Kee Wai. The chairman of the Audit Committee, Mr. Leung Yau Wan John, possesses the appropriate professional qualifications and financial expertise for the purposes of compliance with the requirements of rule 3.21 of the Listing Rules.

The terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange.

The principal duties of the Audit Committee include the following:

- making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and to consider any questions of resignation or dismissal

- monitoring the integrity of financial statements of the Group and the Company and the annual report and half-year report and, if prepared for publication, quarterly reports, and reviewing significant financial reporting judgements contained in them

- reviewing the Company's financial controls, risk management and internal control systems

- discussing the risk management and internal control systems with management to ensure that management has performed its duty to have an effective system including the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function

The major work performed by the Audit Committee during FY2024 is summarized below:

- reviewed the financial reporting system, compliance procedures, risk management and internal control (including the adequacy of resources, staff qualifications and experience, training programs and budget of the Group's accounting and financial reporting functions, risk management systems and processes

- made recommendations to the Board on the re-appointment of the external auditors based on the needs of the business. The Board did not deviate from such recommendations provided and has adopted the same

- reviewed the results of the Group for FY2024 as well as the audit report prepared by the external auditor relating to accounting matters and major findings during the course of the audit

- established proper arrangements for employees, in confidence, to raise concerns about possible improprieties in financial reporting, internal control and other matters

BOARD COMMITTEES (CONTINUED)

Audit Committee (Continued)

According to the terms of reference of the Audit Committee, the members of the Audit Committee should meet at least twice a year. The Audit Committee held 2 meetings during FY2024. The composition of the Audit Committee and attendance of the members of the Audit Committee at the audit committee meetings are set out below:

Members of the Audit Committee	Attendance/ Number of Meetings
Mr. Leung Yau Wan John	2
Mr. Wee Chorng Kien	2
Mr. Leung Kee Wai	2

Nomination Committee

The Nomination Committee consists of one executive Director, being Mr. Tan Chee Beng (Committee Chairman), and two INEDs, being Mr. Wee Chorng Kien and Mr. Leung Kee Wai.

The terms of reference of the Nomination Committee are available on the websites of the Company and the Stock Exchange.

The principal duties of the Nomination Committee include the following:

- reviewing the structure, size and composition (including the skills, knowledge, experience and diversity representation) of the Board at least annually
- making recommendations on any proposed changes to the Board to complement the corporate strategy of the Company
- developing a list of desirable skills, perspectives and experience at the outset of the selection process for a new Director
- identifying individuals suitably qualified to become Board members
- selecting or making recommendations to the Board on the selection of individuals nominated for directorships
- assessing the independence of the INEDs
- making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors
- evaluating and assessing the optimal composition of the Board, taking into account the Company's agreed strategies and objectives

BOARD COMMITTEES (CONTINUED)

Nomination Committee (Continued)

During FY2024, the Nomination Committee held one meeting and performed the following work as summarised below:

- reviewed the structure, size and composition of the Board
- assessed the independence of the INEDs of the Company
- made recommendations for candidates as Directors of the Company
- made recommendations to the Board on the re-appointment of Directors who are subject to retirement from office by rotation at the first annual general meeting of the Company

The composition of the Nomination Committee and attendance of the members of the Nomination Committee at the nomination committee meetings are set out below:

Members of the Nomination Committee	Attendance/ Number of Meetings
Mr. Tan Chee Beng	1
Mr. Wee Chorng Kien	1
Mr. Leung Kee Wai	1

Nomination Policy

The nomination policy of the Group (the "**Nomination Policy**") has been in place during FY2024. The Nomination Policy sets out the key selection criteria, procedures and principles adopted by the Nomination Committee in nominating suitable candidates to the Board.

BOARD COMMITTEES (CONTINUED)

Procedure

- To fill a casual vacancy, the Nomination Committee shall propose candidates for the Board's consideration and approval, evaluating the balance of skills, knowledge, experience and characteristics of the Board and identifying any special requirements for the vacancy (i.e. independence status in the case of an independent non-executive Director)
- Prepare a description of the role and capabilities required for the particular vacancy
- Identify a list of candidates through personal contacts/recommendations by Board members, senior management, business partners or investors
- Arrange interview(s) with each candidate for the Nomination Committee to evaluate whether he or she meets the criteria adopted by the Nomination Committee for nomination of directors
- Conduct verification on the information provided by the candidate
- Convene a Nomination Committee meeting to discuss and vote on which candidate(s) to nominate to the Board
- Make recommendations to the Board on the candidate(s) for directorship and/or for senior management
- Convene a Board Meeting to discuss and vote on which candidate(s) to appoint to the Board

Criteria for Nomination of Directors

1 Common Criteria for all Directors

The factors which would be used as a reference by the Nomination Committee in assessing the suitability of a proposed candidate to be a Director include, inter alia:

- Character and integrity
- Professional qualifications, skills and knowledge
- Willingness to devote adequate time to discharge duties as a Board member and other directorships and significant commitments
- Relevant experience, including experience at the strategy/policy setting level, high level managerial experience in a complex organization, industry experience and familiarity with the products and processes used by the Company
- Significant business or public experience relevant and beneficial to the Board and the Company

BOARD COMMITTEES (CONTINUED)

Criteria for Nomination of Directors (Continued)

2 Criteria applicable to non-executive Directors/INEDs

The factors which would be used as a reference by the Nomination Committee in assessing the suitability of a proposed candidate to be a non-executive Director or INED include, inter alia:

- Willingness and ability to make a sufficient time commitment to the affairs of the Company in order to effectively perform the duties of a director, including attendance at and active participation in the Board and committee meetings
- Accomplishments of the candidate in his/her field
- Outstanding professional and personal reputation
- The candidate's ability to meet the independence criteria for director established in the Listing Rules

The nominated candidate(s) shall not assume that he/she has been proposed by the Board to stand for election at the general meeting of the Company until a circular to the Shareholders is issued.

In order to provide information of the candidate(s) nominated by the Board to stand for election at a general meeting of the Company, the Company will issue a circular to the Shareholders stating the candidate' s name, resume (including qualifications and relevant experience), proposed remuneration and other information required in accordance with the applicable laws, rules and regulations.

The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance and sees increasing diversity at the Board level as an essential element in supporting its sustainable development. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board and also the needs of the Board without focusing on a single diversity aspect.

The following shall be lodged at the head office of the Company at 21 Tuas South Street 7, Singapore 637111 or at the registered office of the Company at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands:

- a notice in writing by the shareholder(s) indicating the intention to propose a person for election as a Director; and
- a notice in writing by the person proposed by the shareholder(s) for election as a Director indicating his/her willingness to be elected.

The period for lodgment of such notices will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices may be given will be at least seven days.

BOARD COMMITTEES (CONTINUED)

Board Diversity Policy

The Company has adopted a board diversity policy, which sets out the approach to achieve sustainable and balanced development of the Company. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, length of service and any other factors that the Board may consider relevant and applicable from time to time. Selection of candidates will be based on the nomination policy of the Company. The ultimate decision is based on the merit and contribution that the selected candidates will bring to the Board, having due regard for the benefits of diversity on the Board and also the needs of the Board without focusing on a single diversity aspect only.

The Nomination Committee is delegated by the Board to review the Board Diversity Policy on a regular basis, make recommendations on measurable objectives for achieving diversity of the Board as appropriate and monitor the progress on achieving the objectives. The Nomination Committee has also adopted specific procedures for nomination and appointment of director to the Board.

Remuneration Committee

The Remuneration Committee consists of two executive Directors, being Mr. Tan Chee Beng and Ms. Tang Ling Ling, and three independent non-executive Directors, being Mr. Leung Yau Wan John (Committee Chairman), Mr. Wee Chorng Kien and Mr. Leung Kee Wai.

The terms of reference of the Remuneration Committee is available on the websites of the Company and the Stock Exchange.

The principal duties of the Remuneration Committee include the following:

(a) making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management;

(b) assessing the performance of executive directors and approving the terms of executive directors' service contracts; and

(c) reviewing and approving the management's remuneration proposals with reference to corporate goals and objectives resolved by the Board from time to time.

BOARD COMMITTEES (CONTINUED)

Remuneration Committee (Continued)

According to the terms of reference of the Remuneration committee, the members of the Remuneration Committee should meet at least once a year. The Company held one meeting during FY2024. The composition of the Remuneration Committee and attendance of the members of the Remuneration Committee at the remuneration committee meetings are set out below:

Members of the Remuneration Committee	Attendance/ Number of Meetings
Mr. Leung Yau Wan John	1
Mr. Tan Chee Beng	1
Ms. Tang Ling Ling	1
Mr. Wee Chorng Kien	1
Mr. Leung Kee Wai	1

The major work performed by the Remuneration for FY2024 is summarized below:

- reviewed the 2024 performance/discretionary bonus to the executive Directors and/or senior management;
- determined the remuneration packages of all executive Directors and senior management, according to each individual director's performance including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment and make recommendations to the Board on the remuneration of non-executive Directors; and
- reviewed the remuneration packages for the executive Directors, senior management and other employees of the Group for the year commencing from 1 January 2025 with reference to the time and efforts involved in discharging their duties and the prevailing market conditions.

Pursuant to code provision E.1.5 of the CG Code, the remuneration of the members of the senior management by band for FY2024 was within the following band:

	Number of Individuals
S$0–S$1,000,000	2

Further particulars in relation to Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in Notes 8(c) and 9(a) respectively to the consolidated financial statements.

AUDITOR'S REMUNERATION

The remuneration paid to the external auditor of the Company, McMillan Woods (Hong Kong) CPA Limited, in respect of audit services provided to the Group during FY2024 was analysed below:

Services Category	Fees paid/ payable S$
Audit Services	
— Statutory audit	136,428

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing, with support from the accounting department, the consolidated financial statements for FY2024, which give a true and fair view of the state of affairs of the Group. In preparing the consolidated financial statements for FY2024, the requirements of the International Financial Reporting Standards and the applicable disclosure requirements of the Listing Rules and the Companies Ordinance were complied with.

The financial statements were prepared on a going concern basis. The Directors, having made appropriate enquiries, are of the view that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate for the Group to adopt the going concern basis for preparing the financial statements. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The reporting responsibilities of the Company's external auditor, McMillan Woods (Hong Kong) CPA Limited, are set out in the Independent Auditor's Report on pages 48 to 53.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board acknowledges its duty to monitor the risk management and internal control systems of the Group on an ongoing basis and review their effectiveness.

The Group has established a risk management policy which sets out the process of identification, evaluation and management of the principal risks affecting the business at three levels.

Each division of the Group is required to set up appropriate risk management strategies based on the risks identified, propose risk mitigation plans and its implementation. Any material deficiencies or risks identified are reported by the manager of the relevant department to the internal audit department for further investigation, internal control review and enhancement and supervision.

The second level involves the active role of the internal audit department, which is responsible for overseeing the Group's risk management and internal control activities. The internal audit department supervises the individual divisions to ensure principal risks are properly managed and identify and document new or emerging risks. Any new or imminent risks identified are escalated by the internal audit department to the Audit Committee, who in turn makes recommendations to the Board.

Finally, the highest level involves decision-making by the Board, who is responsible for reviewing and approving the risk mitigation procedures recommended and the effectiveness and adequacy of the Group's risk management and internal control systems. The relevant personnel at these three levels frequently communicate to ensure accurate information is shared between all parties.

During FY2024, the internal audit department has examined key issues in relation to the accounting practices and all material controls and provided its findings and recommendations for improvement to the Audit Committee. The Board, as supported by the Audit Committee, as well as the individual divisions and internal audit department, reviewed the risk management and internal control systems, including the financial, operational and compliance controls, during FY2023, and considered that such systems are effective and adequate.

The review covered the documentation, testing and assessment of the effectiveness of the procedures, systems and controls established by the Group including various operational cycles of the Group such as the revenue and receipts, purchases and payments, project management, fixed assets and capital expenditure management, financial reporting and industrial safety and environmental protection, as well as the corporate governance practice of the Group. Based on the review and procedures conducted and the review by the Audit Committee and the review report of the internal audit department of the Company, the Board were of the view that the Group's risk management and internal control systems were effective and adequate for the financial year ended 31 December 2024. However, it should be noted such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Group acknowledges its responsibilities under the provisions of Part XIVA of SFO and the Listing Rules relating to the disclosure of inside information to the public. Any inside information and any information, which may potentially constitute inside information is promptly identified, assessed and escalated to the Board for its determination on the need for disclosure. Inside information and other information which are required to be disclosed pursuant to the Listing Rules will be announced on the respective websites of the Stock Exchange and the Company.

The Company has adopted the Model Code to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Other employees of the Group who are likely to be in possession of inside information of the Company are also subject to the dealing restrictions. The Company has set restrictions for its Directors and relevant employees of the Group from dealing in the securities of the Company during "closed periods" and "prohibited periods" and from the unauthorized use of confidential or inside information for the advantage of oneself or others.

COMPANY SECRETARY

Mr. Wong Chi Wai was appointed as company secretary on 23 April 2021. The primary corporate contact person in the Company with whom Mr. Wong Chi Wai has been contacting in respect of company secretarial matters is Ms. Tang Ling Ling, the executive Director of the Company.

SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the shareholders and the Company. An annual general meeting of the Company is expected to be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting ("**EGM**"). Shareholders are encouraged to participate in EGMs or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings.

The Company values communication with the shareholders. Effective and timely dissemination of information to shareholders and the investment community shall be ensured at all times. To safeguard shareholder interests and rights, a separate resolution should be proposed for each substantially separate issue at general meetings, including but not limited to the election of individual Director. In accordance with Listing Rules' requirement, all resolutions put forward at general meetings shall be voted on by poll and poll results shall be posted on the websites of the Company and of the Stock Exchange after each general meeting.

SHAREHOLDERS' RIGHTS (CONTINUED)

Convening an Extraordinary General Meeting and Putting Forward Proposals at General Meetings

Pursuant to article 64 of the Articles, EGMs shall be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the Company Secretary by mail to 12/F., Ruttonjee House, Ruttonjee Centre, 11 Duddell Street, Central, Hong Kong for the purpose of requiring an EGM to be called by the Board for the transaction of any business specified in such requisition.

The requisition must clearly state the name of the requisitionist(s) concerned, his/her/their shareholding the Company, the reason(s) to convene an EGM and the agenda of the EGM, including the details of the business proposed to be transacted at the EGM. The requisition must be signed by the requisitionist(s) concerned together with a deposit of a sum of money reasonably sufficient to meet the Company's expenses for the said purposes.

Such requisition shall be made in writing to the Board or the Company Secretary for the purpose of requiring an EGM to be called by the Board for the transaction of any business specified in such requisition.

Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Shareholders who propose new resolutions at the general meetings can also follow the above procedures.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board of the Company, shareholders may send written enquiries to the Company, contact details of which are provided below. The Company will not normally deal with verbal or anonymous enquiries. Shareholders and the investment community may at any time submit a request for information on the Company to the extent such information is public available.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address:	21 Tuas South Street 7 Singapore 637111 (marked for the attention of the Board of Directors or the Company Secretary)
Email:	info@bsm.com.sg
Enquiry line	+65 6288 1280

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

COMMUNICATION WITH THE SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

The Company has established a range of communication channels between itself and its shareholders, investors and other stakeholders. These include the annual general meeting, general meeting, the annual report, interim report and quarterly reports (if any) , notices, announcements and circulars that are available on the Stock Exchanges website (www.hkex.com.hk) and the Company's website (http://www.bsm.com.sg/).

The general meetings of the Company provide a forum for communication between the Board and the shareholders. The Chairman of the Board as well as chairmen of the Nomination Committee, Remuneration Committee and Audit Committee or, in their absence, other members of the respective committees are available to answer questions at shareholder meetings.

The AGM of the Company will be held on 30 May 2025. The notice of AGM will be sent to shareholders at least 20 clear business days before the AGM.

McMillanWoods
Professionalism at the forefront

To the Shareholders of Beng Soon Machinery Holdings Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Beng Soon Machinery Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 54 to 110, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Hong Kong Institute of Certified Public Accountants' Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key audit matter identified in our audit is related to revenue recognition of demolition service projects.

KEY AUDIT MATTER (CONTINUED)

Key Audit Matter	How our audit addressed the key audit matter

Revenue recognition of demolition services projects

Refer to Notes 2.3.7, 4(a), 4(b) and 6 to the consolidated financial statements.

We focused on auditing the recognition of revenue from the demolition service projects because it involves a high degree of estimation uncertainty in relation to the following:

(a) Transaction price of demolition service projects

Demolition service projects of the Group included variable considerations in the form of (i) expected proceeds from disposal of salvage materials removed from the demolition sites to third party salvage materials buyers and (ii) expected earth disposal proceeds from earth providers for depositing earth at demolition sites for landfilling purpose.

In connection with the two types of aforesaid variable considerations, management makes significant judgement when estimating the quantities of salvage materials to be disposed, the earth to be deposited at the sites and the expected price.

Our procedures performed in relation to management's judgement on recognition of revenue from demolition service projects included:

We obtained an understanding of the management's internal control and assessment process of determining the transaction price and progress measurement for revenue recognition of the demolition service projects and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud.

We obtained an understanding of key internal control on the revenue recognition process with particular focus on, but not limited to, controls over cost budgeting and periodic review of estimated total contract costs and contract sum.

We also selected a number of demolition service projects on a sample basis and performed the audit procedures below, including:

- Inspected the signed contracts and correspondence with the customers and subcontractors to obtain audit evidence on the contract sum and terms, claims with customers and sub-contractors;

- Tested the actual contract costs incurred during the reporting period by tracing to supporting documents;

KEY AUDIT MATTER (CONTINUED)

Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition of demolition services projects (Continued)	
(b) Measurement on progress Project progress is determined based on proportion of actual costs of work performed to date as compared to total budgeted costs of demolition, in which management makes significant judgement when estimating the costs to be incurred for the project, including depreciation of machinery and equipment, labour costs, sub-contractor charges and other consumables. Due to the significant management judgements and estimates involved in revenue recognition and audit risk to address, we considered this as a key audit matter.	• Assessed the effectiveness of management's estimation process on the total budgeted costs of demolition by comparing estimates of cost to be incurred with completed projects of similar nature, understanding with project teams about the basis of allocation of budgeted costs; • Assessed the progress against contractual timeline for delays and the need for provision for liquidated damages; • Discussed with management and the respective project teams and conducted site visits for major sites in progress to understand the progress of the projects; • Assessed the effectiveness of management's estimation process on the estimated variable considerations by comparing estimates of prior period projects' variation considerations with actual sales transactions for both price and quantities of salvage materials and landfilling; • Tested samples of subsequent sales from disposal of salvage materials and landfilling by tracing to invoices to salvage material buyers and earth providers to assess the reasonableness of management's estimation of the variable considerations; and • Tested the project progress based on the actual costs of work performed to date and the total budgeted costs, and recalculated the revenue recognised based on the project progress and latest estimated total proceeds of the project.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are 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 the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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. We report our opinion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 the directors.

- Conclude on the appropriateness of the directors' 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

We communicate with the Audit Committee 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 Audit Committee 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.

From the matter communicated with the Audit Committee, we determine the matter that was of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matter. We describe this matter 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.

McMillan Woods (Hong Kong) CPA Limited
Certified Public Accountants

Sham Tsz Leung Desmond
Audit Engagement Director
Practising Certificate Number: P08234

24/F., Siu On Centre,
188 Lockhart Road,
Wan Chai,
Hong Kong
28 March 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 S$	2023 S$
Revenue	6	**33,483,486**	29,352,207
Cost of sales and services rendered		**(22,851,650)**	(20,112,021)
Gross profit		**10,631,836**	9,240,186
Other income	7	**348,010**	475,985
Other gains — net	7	**370,051**	606,143
Allowance for expected credit losses ("ECL") of trade receivables		**(159,431)**	(112,883)
Selling and distribution expenses		**(279,433)**	(248,790)
Administrative expenses		**(9,827,356)**	(9,383,965)
Profit from operations		**1,083,677**	576,676
Finance costs	8	**(304,526)**	(251,770)
Profit before tax	9	**779,151**	324,906
Income tax expense	11	**(430,908)**	(300,613)
Profit for the year		**348,243**	24,293
Other comprehensive income/(loss), net tax			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising from translation on foreign operations		**(12,007)**	19,778
Realisation of exchange difference upon deregistration of subsidiaries		**(39,181)**	(20,359)
		(51,188)	(581)
Total comprehensive income for the year		**297,055**	23,712
Profit/(loss) for the year attributable to:			
Owners of the Company		**348,243**	24,683
Non-controlling interests		**–**	(390)
		348,243	24,293
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		**297,055**	24,102
Non-controlling interests		**–**	(390)
		297,055	23,712
Earnings per share (expressed in S$ cent)			
Basic and diluted	12	**0.03**	0.00

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	Notes	2024 S$	2023 S$
Assets			
Non-current assets			
Property, plant and equipment	14	**12,397,091**	14,544,205
Right-of-use assets	22	**10,030,649**	8,057,716
Investment property	15	**1,876,800**	1,920,960
Financial asset at fair value through profit or loss	16	**187,766**	176,285
		24,492,306	24,699,166
Current assets			
Contract related assets and costs	6	**13,064,006**	9,103,965
Deposits paid to customers	6	**53,576**	64,508
Trade receivables	18	**4,349,959**	4,249,504
Deposits, prepayments and other receivables	19	**245,794**	73,609
Cash and cash equivalents	20	**14,061,636**	15,110,312
		31,774,971	28,601,898
Total assets		**56,267,277**	53,301,064
Equity attributable to owners of the Company			
Share capital	24	**1,742,159**	1,742,159
Other reserves		**21,638,650**	21,689,838
Retained profits		**17,002,720**	16,654,477
		40,383,529	40,086,474
Non-controlling interests		**–**	8,601
Total equity		**40,383,529**	40,095,075

At 31 December 2024

	Notes	2024 S$	2023 S$
Liabilities			
Non-current liabilities			
Lease liabilities	22	**9,618,934**	8,025,019
Deferred tax liabilities	23	**817,693**	928,584
		10,436,627	8,953,603
Current liabilities			
Trade and other payables	21	**3,243,108**	3,182,271
Current tax liabilities		**541,799**	–
Lease liabilities	22	**1,662,214**	1,070,115
		5,447,121	4,252,386
Total liabilities		**15,883,748**	13,205,989
Total equity and liabilities		**56,267,277**	53,301,064

Approved by the Board of Directors on 28 March 2025 and signed on its behalf of:

Tan Chee Beng
Director

Tang Ling Ling
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Attributable to owners of the Company					
	Share capital	Other reserves (Note)	Currency translation reserve	Retained profits	Non-controlling interests	Total
	S$	S$	S$	S$	S$	S$
At 1 January 2023	1,742,159	21,853,646	(163,227)	16,629,794	(193,674)	39,868,698
Profit/(loss) for the year	–	–	–	24,683	(390)	24,293
Comprehensive income/(loss):						
Exchange difference arising from translation on foreign operations	–	–	19,778	–	–	19,778
Realisation of exchange difference upon deregistration of subsidiaries	–	–	(20,359)	–	–	(20,359)
	–	–	(581)	24,683	(390)	23,712
Release of non-controlling interests upon deregistration of a subsidiary	–	–	–	–	202,665	202,665
At 31 December 2023	1,742,159	21,853,646	(163,808)	16,654,477	8,601	40,095,075
At 1 January 2024	**1,742,159**	**21,853,646**	**(163,808)**	**16,654,477**	**8,601**	**40,095,075**
Profit for the year	**–**	**–**	**–**	**348,243**	**–**	**348,243**
Comprehensive income/(loss):						
Exchange difference arising from translation on foreign operations	**–**	**–**	**(62,699)**	**–**	**–**	**(62,699)**
Realisation of exchange difference upon deregistration of subsidiaries	**–**	**–**	**11,511**	**–**	**–**	**11,511**
	–	**–**	**(51,188)**	**348,243**	**–**	**297,055**
Release of non-controlling interests upon deregistration of subsidiaries	**–**	**–**	**–**	**–**	**(8,601)**	**(8,601)**
At 31 December 2024	**1,742,159**	**21,853,646**	**(214,996)**	**17,002,720**	**–**	**40,383,529**

* These reserve amounts comprise the consolidated reserves of S$21,638,650 (2023: S$21,689,838) in the consolidated statement of financial position.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Notes	2024 S$	2023 S$
Cash generated from operations	27	**460,891**	108,543
Interest received		**292,300**	412,456
Tax refunded from carry-back relief		**–**	17,237
Net cash generated from operating activities		**753,191**	538,236
Cash flows from investing activities			
Cash outflow upon deregistration of subsidiaries	27(d)	**–**	(134)
Purchases of property, plant and equipment		**(247,906)**	(872,823)
Payment for right-of-use assets	27(c)	**(197,992)**	(540,543)
Proceeds from disposal of property, plant and equipment		**277,500**	409,842
Proceeds from disposal of right-of-use assets	27(b)	**–**	260,000
Net cash used in investing activities		**(168,398)**	(743,658)
Cash flows from financing activities			
Repayments of borrowings	27(a)	**–**	(682,574)
Payment for principal elements of lease	27(a)	**(1,330,522)**	(804,596)
Interest paid	8	**(304,526)**	(251,770)
Net cash used in financing activities		**(1,635,048)**	(1,738,940)
Net decrease in cash and cash equivalents		**(1,050,255)**	(1,944,362)
Cash and cash equivalents at beginning of the year		**15,110,312**	17,057,563
Effects of currency translation on cash and cash equivalents		**1,579**	(2,889)
Cash and cash equivalents at end of the year	20	**14,061,636**	15,110,312

For the year ended 31 December 2024

1 GENERAL INFORMATION

Beng Soon Machinery Holdings Limited (the "Company") was incorporated in the Cayman Islands on 6 April 2018 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands and listed (the "Listing") on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 8 November 2019 (the "Listing Date"). The address of the Company's registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of the business is 21 Tuas South Street 7 Singapore 637111.

The Company is an investment holding company. The Company and its subsidiaries (together, the "Group") are principally engaged in the provision of demolition services, sale of inventories and leasing of machinery in Singapore.

2.1 BASIS OF PREPARATION

The Group's consolidated financial statements have been prepared in accordance with all applicable IFRS Accounting Standards which include International Financial Reporting Standards ("IFRS"), International Accounting Standards ("IASs") and Interpretations promulgated by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance (Cap 622). These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). Material accounting policy information adopted by the Group are disclosed in Note 2.3.

2.2 ADOPTION OF NEW AND REVISED TO IFRS ACCOUNTING STANDARDS

(a) Application of new and amendments to IFRS Accounting Standards

The Group has applied the following new and amendments to IFRS Accounting Standards issued by the IASB for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the new and amendments to IFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

For the year ended 31 December 2024

2.2 ADOPTION OF NEW AND REVISED TO IFRS ACCOUNTING STANDARDS (CONTINUED)

(b) New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not applied any new and amendments to IFRS Accounting Standards that have been issued but are not yet effective for the financial year beginning 1 January 2024. The new and amendment IFRS Accounting Standards include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to IAS 21 and IFRS 1 — Lack of Exchangeability	1 January 2025
IFRS S1 — General Requirements for Disclosure of Sustainability — related Financial Information	1 August 2025
IFRS S2 — Climate-related Disclosures	1 August 2025
Amendments to IFRS 9 and IFRS 7 — Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 9 and IFRS 7 — Contracts Referencing nature — Reporting Entity	1 January 2026
Annual Improvements to IFRS Accounting Standards — Volume 11	1 January 2026
IFRS 18 — Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to IFRS 10 and IAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The directors of the Company are in the process of making an assessment of what the impacts of these new standards, amendments to standards and interpretation are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the new and amendments to IFRS Accounting Standards mentioned below:

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of financial statements", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, IFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in IFRS 18 relate to (i) the structure of the statement of profit or loss, (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures), and (iii) enhanced requirements for aggregation and disaggregation of information.

The directors of the Company are currently assessing the impact of applying IFRS 18 on the presentation and the disclosures of the consolidated financial statements.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

These consolidated financial statements have been prepared on the historical cost convention and going concern basis unless the financial asset at fair value through profit or loss mentioned in the accounting policies below.

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

2.3.1 Consolidation

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

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group.

The Group recognises any non-controlling interests in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by IFRS Accounting Standards.

Intra-group 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 of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

When the Group ceases to have control, it derecognises the assets and liabilities of that subsidiary, and any related non-controlling interested and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS Accounting Standards.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (the "CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors who make strategic decisions.

2.3.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Singapore dollar ("S$"), which is the functional currency of the principal operating subsidiaries of the Group and Group's presentation currency. The functional currency of the Company is Hong Kong dollar ("HK$").

(b) Transaction and balances in each entity's financial statements

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end-exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are recognised in the profit or loss, within finance costs. All other foreign exchange gains and losses are recognised in the profit or loss on a net basis within other gains — net.

(c) Translation on consolidation

The results and financial position of all foreign operations (none of which has the currency of hyperinflationary economy) that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

— Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

— Income and expenses are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

— All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.4 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

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

	Useful lives
Building	20 years
Plant and machinery	10 years
Motor vehicles	5 years
Office equipment, furniture and fittings	5 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss under "other gains — net".

2.3.5 Investment property

Investment property which is property held to earn rentals and/or for capital appreciation is measured initially at cost including transaction costs, and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful life of 50 years. Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at the end of each reporting period as a change in estimates.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.6 Government grants

Government grants are recognised at their fair value when there is reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same periods in which the expenses are recognised.

2.3.7 Revenue recognition

(i) Demolition services

The Group provides demolition services to customers who are project owners. Demolition services include (i) demolition; (ii) site clearance of salvage materials resulting from demolition; and (iii) landfilling of demolition sites.

Revenue is recognised over time as the project owners simultaneously receives and consumes the benefits provided by the Group as the demolition services are performed. The measure of demolition progress is determined based on the proportion of costs incurred to-date to the estimated total costs for each service.

Costs incurred in providing demolition services include setup and mobilisation cost that are recognised as assets under "contract related assets and costs" in Note 6(b) when they are expected to be recovered and its amortisation within cost of sales and services rendered. Otherwise, such costs are recognised as an expense immediately.

Estimates of revenue from demolition services (arising from estimation of proceeds from disposal of salvage materials and proceeds from earth providers for depositing earth), costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Transaction price of a demolition services project includes net fixed amount received or receivable directly from the project owners and variable considerations in the form of proceeds from (i) disposal of salvage materials removed from the demolition sites to third party salvage materials buyers; and (ii) earth providers for depositing earth at demolition sites for landfilling purpose on behalf of project owners. Accumulated experience and recent market prices are used to estimate the variable consideration to the extent that it is highly probable that a significant reversal will not occur, using the expected value method, to be included in the transaction price.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.7 Revenue recognition (Continued)

(i) Demolition services (Continued)

Consideration payable to project owners are accounted for as reduction of transaction price above unless the payment is in exchange for a distinct good or service that the project owner transfers to the Group. Certain contracts require the Group to pay an upfront payment to the project owner at the inception of the contract and that is recognised under contract related assets and costs.

If the value of the services rendered by the Group exceed the net payments received, a contract asset is recognised. If the payments exceed the value of the services rendered, a contract liability is recognised.

Trade receivables and retention are recognised for amounts billed to project owners for services and salvage materials buyers and earth providers. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

(ii) Sale of inventories

The Group sells inventories of machinery and equipment. Sales are recognised when control of the products has transferred to the customers, being when the products are delivered to the customers, and there is no unfulfilled obligation that could affect the customers' acceptance of the product. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the Group has objective evidence that all criteria for acceptance have been satisfied.

A trade receivable is recognised when the products are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

(iii) Leasing income

Leasing income from operating leases of machinery and investment property are recognised on a straight-line basis over the terms of the respective leases.

(iv) Interest income

Interest income is recognised in other income using the effective interest rate method.

(v) Service income

Revenue from providing services is recognised when the services are rendered.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.8 Investments in subsidiaries

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment.

Impairment testing of the investments in subsidiaries is required upon receiving dividends received from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.3.9 Impairment of non-financial assets

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.3.10 Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value either through other comprehensive income or through profit or loss, and

- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group currently only has a keyman insurance contract, a debt instrument which is classified as fair value through profit or loss.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.10 Financial assets (Continued)

Measurement

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

Debt instruments held at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Debt instruments are presented as "trade receivables", "deposits and other receivables" and "cash and cash equivalents" on the consolidated statement of financial position.

Financial asset at fair value through profit or loss

The Group acquired a keyman insurance contract. The insurance contract is initially recognised at the amount of the premium paid and subsequently carried at fair value at the end of each reporting period, with changes in fair value recognised in profit or loss.

Changes in the fair value of financial asset at fair value through profit or loss are recognised in "other gains — net" as applicable.

Impairment on financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and debt investment at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1(b) details how the Group determines whether there has been a significant increase in credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial assets.

For trade receivables and contract assets, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets. The provision matrix is determined based on historical observed default rates over the expected life of the trade receivables and contract assets with similar credit risk characteristics and is adjusted for forward-looking estimates. At each reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment on deposits, other receivables and cash and cash equivalents are measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.10 Financial assets (Continued)

Recognition and derecognition

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

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

On disposal of a debt instrument and financial assets at fair value through profit or loss, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

2.3.11 Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include cash, which comprises of cash on hand, cash at bank and unpledged fixed deposit at bank, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash. For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

2.3.12 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.3.13 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.14 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at each end of the reporting period date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by each end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.15 Employee benefits

(a) Pension obligations

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. No forfeited contributions were available to the Group to reduce the existing level of contributions and the Group does not have any defined benefit plans.

(b) Bonus plans

The expected costs of bonus payment are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans are measured at the amounts expected to be paid when they are settled.

(c) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to each end of the reporting period.

Employee entitlements to sick leave and maternity or paternity leave are not recognised until the time of leave.

2.3.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to anyone item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required, or the amount of obligation cannot be measured reliably.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.17 Leases

(a) Lessor

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the underlying assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

(b) Lessee

Leases are recognised as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments, where applicable:

(i) fixed payments (including in-substance fixed payments), less any lease incentives receivable;

(ii) variable lease payment that are based on an index or a rate;

(iii) amounts expected to be payable by the lessee under residual value guarantees;

(iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and

(v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Group's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3.17 Leases (Continued)

(b) Lessee (Continued)

Right-of-use assets are measured at costs comprising the following, where applicable:

(i) the amount of the initial measurement of lease liability;

(ii) any lease payments made at or before the commencement date less any lease incentives received;

(iii) any initial direct costs; and

(iv) reinstatement costs.

Depreciation of right-of-use asset is calculated using straight line method as follow:

Land	Over the lease term
Office equipment	Over the lease term
Plant and machinery	10 years
Motor vehicles	5 years

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

2.3.18 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.3.19 Borrowing costs

Borrowing costs are expensed in the period in which they are incurred.

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, credit risk, interest rate risk, liquidity risk and price risk. The Group's overall risk management procedures focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the Group's financial performance.

(a) Foreign exchange risk

The Group operates in Singapore and most of its income and expenditures are denominated in S$, being the functional currency of the Company. The Group has exposure to foreign exchange risk as a result of cash and cash equivalents, trade receivables, deposits and other receivables and trade and other payables denominated in the United States dollar ("USD"), HK$ and Renminbi ("RMB").

No sensitivity analysis has been performed on the Group's financial assets and liabilities denominated in USD, HK$ and RMB as the directors of the Company are of the opinion that they are not material to the Group.

(b) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The credit risk of the Group's financial assets, which mainly comprise bank balances, trade receivables, deposits and other receivables and contract assets, arises from potential default of the counterparties, with a maximum exposure equal to the carrying amounts of these instruments.

(i) Credit risk of bank balances

To manage this risk arising from bank balances, they are mainly placed with banks with high credit rating. There has been no recent history of default in relation to these financial institutions. The expected credit loss is close to zero.

(ii) Credit risk of trade receivables and contract assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Credit risk of trade receivables and contract assets (Continued)

The expected loss rates are grouped based on shared credit risk characteristics and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the relevant industry GDP in which it provides services in to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 31 December 2024 and 2023 was determined as follows for both trade receivables and contract assets:

At 31 December 2024	Current S$	1–30 days past due S$	31–60 days past due S$	61–90 days past due S$	More than 90 days past due S$	Total S$
Gross carrying amount — trade receivables	3,582,642	372,667	492,915	61,166	383,117	4,892,507
Gross carrying amount — contract assets	7,964,006	–	–	–	–	7,964,006
Loss allowance	–	41,085	98,265	20,081	383,117	542,548
Expected loss rate	0%	11%	20%	33%	100%	

At 31 December 2023	Current S$	1–30 days past due S$	31–60 days past due S$	61–90 days past due S$	More than 90 days past due S$	Total S$
Gross carrying amount — trade receivables	4,031,726	182,462	34,160	1,156	383,117	4,632,621
Gross carrying amount — contract assets	9,103,965	–	–	–	–	9,103,965
Loss allowance	–	–	–	–	383,117	383,117
Expected loss rate	0%*	0%	0%	0%	100%	

* The Group consider the expected credit loss are not material.

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(iii) Credit risk of other receivables

Other receivables at the end of the financial year were mainly deposits. The directors of the Company consider the probability of default upon initial recognition of asset and whether there has been significant increase in credit risk on an ongoing basis. To assess whether there is a significant increase in credit risk the Group compares risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial economic conditions that are expected to cause a significant change to the third party's ability to meet its obligations;

- actual or expected significant changes in the operating results of the third party; and

- significant changes in the expected performance and behavior of the third party, including changes in the payment status of the third party.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment/repayable demanded.

A default on a financial asset is when the counterparty fails to make contractual payments/repayable demanded within 90 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categories a loan or receivable for write off when a debtor fails to make contractual payments/repayable demanded greater than 120 days past due. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Based on historical experience, majority of the other receivables were settled shortly upon maturity, hence the expected credit loss is immaterial.

The Group reviews regularly the recoverable amount of each individual receivable to ensure that adequate impairment losses are made for irrecoverable amounts. Over the term of the financial assets, the Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of debtors and adjusts for forward-looking macroeconomic data.

No significant changes to estimation techniques or assumptions were made during the financial year.

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(c) Interest rate risk

The Group's interest rate risk arises primarily from bank balances placed with creditworthy licensed banks at variable rates which exposes the Group to cash flow interest rate risk.

The Group manages its exposure to interest rate risk by maintaining borrowings and bank deposits at a suitable level.

Sensitivity analysis on cash flow interest rate risk has not been presented as the reasonably possible changes in market interest rate will not have significant impact on the Group's consolidated financial statements.

(d) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its current obligations when they fall due. The Group measures and monitors its liquidity through the maintenance of prudent ratios regarding the liquidity structure of the overall assets, liabilities, loans and commitments of the Group. The Group also maintains a conservative level of liquid assets to ensure the availability of sufficient cash flows to meet any unexpected and material cash requirements in the course of ordinary business.

During the year ended 31 December 2024, the Group complied with all externally imposed loan covenant requirements to which it was subjected to (2023: same).

For the year ended 31 December 2024

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(d) Liquidity risk (Continued)

The table below analyses the Group's contractual maturity for its financial liabilities. The amounts disclosed in the table have been drawn up with reference to the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	On demand or within 1 year S$	Between 1 and 2 years S$	Between 2 and 5 years S$	Over 5 years S$	Total contractual undiscounted cashflow S$	Carrying amounts S$
As at 31 December 2024						
— Trade and other payables (excluding statutory liabilities)	**2,704,127**	**-**	**-**	**-**	**2,704,127**	**2,704,127**
— Lease liabilities	**1,960,636**	**1,512,074**	**3,991,683**	**5,306,965**	**12,771,358**	**11,281,148**
	4,664,763	**1,512,074**	**3,991,683**	**5,306,965**	**15,475,485**	**13,985,275**
As at 31 December 2023						
— Trade and other payables (excluding statutory liabilities)	3,158,021	–	–	–	3,158,021	3,158,021
— Lease liabilities	1,309,968	1,025,458	2,273,078	5,993,952	10,602,456	9,095,134
	4,467,989	1,025,458	2,273,078	5,993,952	13,760,477	12,253,155

For the year ended 31 December 2024

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT (CONTINUED)

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

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

The externally imposed capital requirements for the Group are to (i) in order to maintain its listing on the Stock Exchange it has to have a public float of least 25% of the Shares; and (ii) meet financial covenants attached to the borrowings. Breaches in meeting the financial covenants would permit the bank to immediately cancel, reduce or vary the banking facilities or to demand immediate repayment. There have been no breaches in the financial covenants of borrowings for the years ended 31 December 2024 and 2023.

The Group monitors capital on the basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and lease liabilities less cash and cash equivalents. Total capital is calculated as "Equity" as shown in the consolidated statement of financial position plus net cash, where applicable.

	2024 **S$**	2023 S$
Lease liabilities (Note 22)	**11,281,148**	9,095,134
Less: Cash and cash equivalents (Note 20)	**(14,061,636)**	(15,110,312)
Net cash	**(2,780,488)**	(6,015,178)
Total equity	**40,383,529**	40,086,474
Total capital	**37,603,041**	34,071,296
Gearing ratio	**N/A**	N/A

3.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value by level of inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

For the year ended 31 December 2024

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (Continued)

	Level 1 S$	Level 2 S$	Level 3 S$
At 31 December 2023			
Assets			
Financial asset at fair value through profit or loss			
— Keyman insurance contract	–	–	176,285
At 31 December 2024			
Assets			
Financial asset at fair value through profit or loss			
— Keyman insurance contract	**–**	**–**	**187,766**

There were no transfers among Levels 1, 2 and 3 during the years ended 31 December 2024 and 2023.

The following table presents the changes in Level 3 instruments:

	2024 S$	2023 S$
Financial asset at fair value through profit or loss		
At 1 January	**176,285**	178,355
Currency exchange differences	**5,752**	(8,045)
Fair value gains recognised in consolidated profit or loss (Note 7)	**5,729**	5,975
At 31 December	**187,766**	176,285

The fair value of the keyman insurance contract purchased for a key management personnel of the Group is determined based on the cash surrender value, which is primarily based on the performance of the underlying investment portfolio in accordance with the keyman insurance contract which is not an observable input. Management estimates the fair value based on the latest policy quarterly statement of the keyman insurance contract provided by the insurance company. The fair value gain recognised in profit or loss is mainly attributable to the change in unrealised gains or losses relating to keyman insurance contract held as at 31 December 2024 and 2023.

The unobservable input is the cash surrender value quoted by the insurance company according to the keyman insurance contract. When the cash surrender value is higher, the fair value of the keyman insurance contract will be higher.

The carrying amounts of the Group's financial assets, including trade receivables, contract assets, deposits and other receivables, and cash and cash equivalents, and financial liabilities, including trade and other payables, approximate their fair values.

For the year ended 31 December 2024

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Estimation of transaction prices for demolition service projects

The Group's management estimates the transaction price of each demolition service project based on the management budgets prepared for the demolition service revenue. Transaction price included variable considerations in the form of expected proceeds from disposal of salvage and other materials removed from the demolition sites to third party salvage materials buyers, and expected proceeds from earth disposal from earth providers for depositing earth at demolition sites for landfilling purpose. Accumulated experience and recent market prices are used to estimate the variable consideration. Management conducts periodic review on the management budgets by reviewing the actual amounts earned. Items that are subjected to significant variances that will impact the estimated transaction price of the projects include the changes in estimations of actual salvage materials available for sale, actual price of salvage materials upon sale, and actual earth disposal handling quantity and price sold.

(b) Measure of progress of demolition service projects

The Group measures its progress and recognises its revenue according to the proportion of actual cost of work performed to date as compared to total budgeted costs of demolition. Due to the nature of the activity undertaken in these projects, the date at which the project activity is entered into and the date when the activity is completed may fall into different accounting periods. Budgeted costs which mainly comprise depreciation of plant and machinery, labour costs, sub-contracting charges and consumables are estimated by management. Management conducts periodic review on the management budgets by reviewing the actual amounts incurred. Items that are subjected to significant variances that will impact the budgeted costs, and hence the measurement of progress, include the changes in estimations of costs to be incurred for depreciation of plant and machinery, labour costs, sub-contracting charges and consumables.

(c) Allowances for trade and other receivables and contract assets

The loss allowances for trade and other receivables and contract assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of financial year. Details are disclosed in the tables in Note 3.

As at 31 December 2024, the carrying amount of trade receivables, contract assets and other receivables are S$4,349,959 (2023: S$4,249,504), S$13,064,006 (2023: S$9,103,965) and S$3,238 (2023:S$11,810), respectively. The carrying amounts are arrived after deduction of allowance for impairment of S$542,548 (2023: S$383,117), nil (2023:nil) and nil (2023:nil) respectively.

For the year ended 31 December 2024

5 SEGMENT INFORMATION

The CODM has been identified as the executive directors of the Group who reviews the Group's internal reporting in order to assess performance and allocate resources.

The CODM assesses the performance based on a measure of profit after income tax and considers all businesses to be included in a single operating segment.

The Group is principally engaged in the provision of demolition services and leasing of machinery in Singapore. Information reported to CODM, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

Majority of the Group's activities are carried out in Singapore and majority of the Group's assets and liabilities are located in Singapore. Accordingly, there is no analysis by geographical basis.

Revenue are all derived from external project owners in Singapore. During the year ended 31 December 2024, there were 4 project owners (2023: 3 project owners), which individually contributed over 10% of the Group's total revenue. The revenue generated from the demolishing sites from each of these project owners during the financial year are summarise below:

	2024 **S$**	2023 S$
Customer 1	**9,634,258**	N/A
Customer 2	**6,834,041**	N/A
Customer 3	**5,065,503**	N/A
Customer 4	**3,992,697**	N/A
Customer 5	**N/A**	4,952,018
Customer 6	**N/A**	4,469,807
Customer 7	**N/A**	3,977,818

The above represents revenue generated from the demolition sites of relevant project owners in which proceeds are received from project owners as net contract sum, salvage materials buyers from disposal of salvage materials and earth providers from handling earth disposal to the demolition sites.

In terms of proceeds from salvage materials buyers, proceeds from 2 salvage materials buyers (2023: 2 salvage materials buyers) contributed over 10% of the Group's revenue during the year ended 31 December 2024. The proceeds received/receivable from these salvage material buyers are summarised below:

	2024 **S$**	2023 S$
Salvage material buyer 1	**10,915,869**	10,463,320
Salvage material buyer 2	**4,181,530**	6,109,124

For the year ended 31 December 2024

6 REVENUE

	2024 S$	2023 S$
Revenue from contracts with customers		
Revenue recognised from provision of demolition services	**31,591,125**	29,106,039
Others (Note (a)(ii))	**1,892,361**	246,168
Total revenue	**33,483,486**	29,352,207

(a) Disaggregation of revenue

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

	Provision of demolition services (Note (i)) S$	Others (Note (ii)) S$	Total S$
Year ended 31 December 2024			
Timing of revenue recognition			
At a point in time	**–**	**1,675,753**	**1,675,753**
Over time	**31,591,125**	**–**	**31,591,125**
Total	**31,591,125**	**1,675,753**	**33,266,878**
Year ended 31 December 2023			
Timing of revenue recognition			
At a point in time	–	30,335	30,335
Over time	29,106,039	–	29,106,039
Total	29,106,039	30,335	29,136,374

Notes:

(i) Revenue from provision of demolition services were derived from undertaking demolition projects which include (i) the net payment directly from the project owners; (ii) the proceeds from disposal of salvage materials removed from the demolition sites to third party salvage materials buyers; and (iii) earth disposal proceeds from earth providers for depositing earth at demolition sites for landfilling purpose.

(ii) Except for leasing of machinery amounting to S$216,608 (2023: S$215,833), other revenue mainly comprises of other service income for services rendered for provision of labour and equipment and other miscellaneous works, like repairment and maintenance which is within scope of IFRS 15.

6 REVENUE (CONTINUED)

(b) Contract related assets and costs

The Group has recognised the following revenue-related contract related assets and costs:

	2024 S$	2023 S$
Contract assets — demolition projects (Note (i))	7,964,006	9,103,965
Contract costs — demolition projects	5,100,000	–
	13,064,006	9,103,965

(i) Significant changes in contract assets

Due to the fewer ongoing projects activities as of 31 December 2024 as compared to 2023, the amount of contract assets decreased as of 31 December 2024.

(ii) Unsatisfied long-term contracts

As at 31 December 2024 and 2023, as permitted by IFRS 15, transaction price allocated to unsatisfied contracts with original expected duration of one year or less is not disclosed.

(c) Deposits paid to customers

	2024 S$	2023 S$
Deposits paid to customers for tenders or secured contracts	53,576	64,508

Deposits are amortised to profit and loss as reduction of revenue simultaneously with the transfer to the customer of the demolition service to which the deposits relate.

For the year ended 31 December 2024

7 OTHER INCOME AND OTHER GAINS — NET

	2024 S$	2023 S$
Other income:		
Interest income	**292,300**	412,456
Government grants (Note)	**7,710**	35,529
Rental income from investment property	**48,000**	28,000
Total other income	**348,010**	475,985
Other gains/(losses) — net:		
Gain on deregistration of subsidiaries (Note 27(d))	**124,666**	207,156
Gain on disposals of property, plant and equipment	**230,405**	362,312
Gain on disposals of right-of-use assets	**–**	47,133
Currency exchange gains/(losses) — net	**9,251**	(16,433)
Fair value gain on financial asset at fair value through profit or loss	**5,729**	5,975
Total other gains — net	**370,051**	606,143

Note:

Government grants mainly comprised the following subsidies granted to the Group by the Singapore government authorities:

	2024 S$	2023 S$
CPF Transition Offset	**3,956**	–
Senior Employment Credit	**956**	–
Jobs Growth Incentive	**–**	5,850
Productivity Solutions Grant	**–**	20,861
Others	**2,798**	8,818
	7,710	35,529

The Group do not have unfulfilled conditions and other contingencies attaching to the government grants.

For the year ended 31 December 2024

8 FINANCE COSTS

	2024 S$	2023 S$
Interest expenses on:		
— Lease liabilities	**304,526**	248,192
— Bank borrowings	**–**	3,578
	304,526	251,770

9 PROFIT BEFORE TAX

The Group's profit before tax is stated after charging the followings:

	2024 S$	2023 S$
Employee benefits expenses, including directors' emoluments (Note)	**10,814,259**	10,547,838
Depreciation (Notes 14, 15 and 22)	**4,133,680**	4,224,694
Auditor's remuneration		
— Audit services	**136,428**	119,282
Expenses relating to short-term leases	**662,438**	714,275
Allowance for ECLs of trade receivables	**159,431**	112,883

Note:

	2024 S$	2023 S$
Wages, salaries, bonuses and other benefits	**10,362,345**	10,130,497
Pension costs — defined contribution plans	**451,914**	417,341
	10,814,259	10,547,838

	2024 S$	2023 S$
Amount included in:		
Cost of sales and services rendered	**3,575,955**	3,393,788
Administrative expenses	**7,238,304**	7,154,050
	10,814,259	10,547,838

The Group contributes to defined contribution retirement plans which are available for eligible employees in Singapore.

9 PROFIT BEFORE TAX (CONTINUED)

Note: (Continued)

The Group's companies in Singapore participate in the Central Provident Fund Scheme (the "CPF Scheme") which is registered under Central Provident Fund Act in Singapore for all qualifying employees in Singapore. The Group contributes to the CPF Scheme based on certain percentages of relevant monthly salaries of employees, subject to a certain ceiling, as stipulated by the relevant regulations. The Group has no further payment obligation once the contributions have been paid. The Group's contributions to the CPF Scheme vest fully and immediately with the employees.

During the years ended 31 December 2024 and 2023, the Group had no forfeited contributions under the CPF Scheme and which may be used by the Group to reduce the existing level of contributions. There were also no forfeited contributions available at 31 December 2024 and 2023 under the CPF Scheme which may be used by the Group to reduce the contribution payable in future years.

Five highest paid individuals

The five individuals whose remuneration were the highest in the Group include the 3 directors (2023: 3 directors) for the year ended 31 December 2024, whose remuneration are reflected in the analysis presented in Note 10 below.

The remuneration paid to the remaining 2 individuals (2023: 2 individuals) for the year ended 31 December 2024 is as follows:

	2024 S$	2023 S$
Wages, salaries and other benefits	406,900	432,230
Discretionary bonuses*	440,000	680,000
Pension costs — defined contribution plans	25,330	26,322
	872,230	1,138,552

* The basis of the bonus given to is based on Group's and individual performance.

The emoluments of the remaining 2 individuals (2023: 2 individuals) for the year ended 31 December 2024, fell within the following bands:

	2024	2023
Emoluments band (in HK$)		
HK$1,500,001-HK$2,000,000	1	–
HK$3,000,001-HK$3,500,000	1	2

No incentive payment for joining the Group or compensation for loss of office was paid or payable to any for the five highest paid individuals during the years ended 31 December 2024 and 2023.

For the year ended 31 December 2024

10 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of the directors of the Group paid and payable by the Group for the financial year are set out below:

For the year ended 31 December 2024:

Name	Fee S$	Salaries S$	Discretionary bonuses* S$	Allowances S$	Employer's contribution to pension scheme S$	Total S$
Executive directors:						
Mr. Tan	30,993	427,000	500,000	198,672	9,180	1,165,845
Ms. Tang	30,993	279,500	450,000	59,602	17,340	837,435
Mr. Alvin Tan	30,993	147,500	220,000	59,602	17,340	475,435
Mr. Cheung Kam Fai	18,935	–	–	6,457	–	25,392
Mr. Ngan Kin Fung	30,993	–	–	3,874	–	34,867
Independent non-executive directors:						
Mr. Leung Yau Wan John	41,096	–	–	8,562	–	49,658
Mr. Leung Kee Wai	30,993	–	–	6,457	–	37,450
Mr. Wee Chorng Kien	30,993	–	–	6,457	–	37,450
	245,989	854,000	1,170,000	349,683	43,860	2,663,532

10 BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(a) Directors' emoluments (Continued)

For the year ended 31 December 2023:

Name	Fee	Salaries	Discretionary bonuses*	Allowances	Employer's contribution to pension scheme	Total
	S$	S$	S$	S$	S$	S$
Executive directors:						
Mr. Tan	31,046	434,000	500,000	199,013	8,774	1,172,833
Ms. Tang	31,046	342,770	430,000	59,704	17,544	881,064
Mr. Alvin Tan	31,046	174,385	200,000	59,704	17,544	482,679
Mr. Cheung Kam Fai	31,046	–	–	6,468	–	37,514
Mr. Ngan Kin Fung	31,046	–	–	3,881	–	34,927
Independent non-executive directors:						
Mr. Leung Yau Wan John	41,166	–	–	8,576	–	49,742
Mr. Leung Kee Wai	31,046	–	–	6,468	–	37,514
Mr. Wee Chorng Kien	31,046	–	–	6,468	–	37,514
	258,488	951,155	1,130,000	350,282	43,862	2,733,787

* Certain executive directors to the Group are entitle to bonus payments, which are determined based on Group's and individual performance.

The remuneration shown above represents remuneration received from the Group by these directors in their capacity as directors (fee portion) and employees (other portion) to the Group and no directors waived any emolument during the years ended 31 December 2024 and 2023. No director fees were paid to other individuals in their capacity as directors of the Company or the Operating Company and no emoluments were paid by the Company or the Operating Company to the directors as an inducement to join the Company, or as compensation for loss of office during the years ended 31 December 2024 and 2023.

(b) Directors' retirement benefits

No retirement benefits were paid to or receivable by the directors in respect of their services as directors in respect of the Company during the years ended 31 December 2024 and 2023.

10 BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the years ended 31 December 2024 and 2023.

(d) Consideration provided to third parties for making available directors' services

The Group did not pay consideration to any third parties for making available directors' services during the years ended 31 December 2024 and 2023.

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There are no loans and other dealing arrangements in favour of directors, or controlled bodies corporate by and connected entities with such directors during the years ended 31 December 2024 and 2023.

(f) Directors' material interests in transactions, arrangements or contracts

Save for disclosed in the note 26 to the consolidated financial statements, no significant arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company and other director's connected party had a material interest, whether directly to indirectly, subsisted at the end of the financial year (2023: nil).

11 INCOME TAX EXPENSE

Singapore corporate tax expense has been provided for at the rate of 17% (2023: 17%) on the estimated assessable profit for the year ended 31 December 2024 (2023: no provision for Singapore tax expense have been made in the financial statements since the Group has sufficient tax losses brought forward to set off for the year).

No provision for Hong Kong Profits Tax is required as the Group has no assessable profits for the years ended 31 December 2024 and 2023.

The amount of income tax expense charged to the consolidated statement of profit or loss represents:

	2024 **S$**	2023 S$
Current tax — Singapore		
Provision for the year	**541,799**	–
Tax refunded from carry-back relief	**–**	(17,237)
Deferred tax — Singapore (Note 23)	**(110,891)**	317,850
Income tax expense	**430,908**	300,613

The reconciliation between the income tax expense and the profit before tax multiplied by the Singapore income tax rate as follows:

	2024 **S$**	2023 S$
Profit before tax	**779,151**	324,906
Tax calculated at a tax rate of 17% (2023: 17%)	**132,456**	55,234
Expenses not deductible for tax purposes	**136,935**	159,015
Income not subject to tax	**(61,533)**	(73,699)
Tax effect on temporary difference not recognised	**240,475**	177,300
Tax exemption	**(17,425)**	–
Tax refunded from carry-back relief	**–**	(17,237)
Income tax expense	**430,908**	300,613

For the year ended 31 December 2024

12 EARNINGS PER SHARE

The basic earnings per share is calculated on the profit attributable to owners of the Company by the weighted average number of shares in issue.

	2024	2023
Profit attributable to owners of the Company (S$)	**348,243**	24,683
Weighted average number of shares in issue	**1,000,000,000**	1,000,000,000
Basic earnings per share (S$ cent)	**0.03**	0.00*

* Representing amount of S$ 0.002 cents

For the years ended 31 December 2024 and 2023, diluted earnings per share is equal to basic earnings per share as there was no dilutive potential share outstanding.

13 DIVIDENDS

No dividends had been paid or declared by the Company for the years ended 31 December 2024 and 2023.

For the year ended 31 December 2024

14 PROPERTY, PLANT AND EQUIPMENT

	Building S$	Plant and machinery S$	Motor vehicles S$	Office equipment, furniture and fittings S$	Total S$
At 1 January 2023					
Cost	8,418,077	42,864,846	2,437,254	220,478	53,940,655
Accumulated depreciation	(3,332,156)	(31,295,377)	(2,298,218)	(160,017)	(37,085,768)
Net book amount	5,085,921	11,569,469	139,036	60,461	16,854,887
Year ended 31 December 2023					
Opening net book amount	5,085,921	11,569,469	139,036	60,461	16,854,887
Additions	–	466,660	397,485	8,678	872,823
Transfer from right-of-use assets	–	192,200	–	–	192,200
Disposals	–	(47,530)	–	–	(47,530)
Depreciation	(420,904)	(2,770,734)	(117,851)	(18,686)	(3,328,175)
Closing net book amount	4,665,017	9,410,065	418,670	50,453	14,544,205
At 31 December 2023					
Cost	8,418,077	42,842,506	2,076,739	229,156	53,566,478
Accumulated depreciation	(3,753,060)	(33,432,441)	(1,658,069)	(178,703)	(39,022,273)
Net book amount	4,665,017	9,410,065	418,670	50,453	14,544,205
At 1 January 2024					
Cost	**8,418,077**	**42,842,506**	**2,076,739**	**229,156**	**53,566,478**
Accumulated depreciation	**(3,753,060)**	**(33,432,441)**	**(1,658,069)**	**(178,703)**	**(39,022,273)**
Net book amount	**4,665,017**	**9,410,065**	**418,670**	**50,453**	**14,544,205**
Year ended 31 December 2024					
Opening net book amount	**4,665,017**	**9,410,065**	**418,670**	**50,453**	**14,544,205**
Additions	**–**	**84,100**	**140,936**	**22,870**	**247,906**
Transfer from right-of-use assets	**–**	**114,125**	**252,266**	**–**	**366,391**
Disposals	**–**	**(47,095)**	**–**	**–**	**(47,095)**
Depreciation	**(420,904)**	**(2,140,759)**	**(135,035)**	**(17,618)**	**(2,714,316)**
Closing net book amount	**4,244,113**	**7,420,436**	**676,837**	**55,705**	**12,397,091**
At 31 December 2024					
Cost	**8,418,077**	**40,485,051**	**2,837,552**	**252,026**	**51,992,706**
Accumulated depreciation	**(4,173,964)**	**(33,064,615)**	**(2,160,715)**	**(196,321)**	**(39,595,615)**
Net book amount	**4,244,113**	**7,420,436**	**676,837**	**55,705**	**12,397,091**

For the year ended 31 December 2024

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation expense is presented in the consolidated profit or loss as follows:

	2024 S$	2023 S$
Cost of sales and services rendered	2,140,759	2,770,735
Administrative expenses	573,557	557,440
	2,714,316	3,328,175

As at 31 December 2024, the Group's building of S$4,244,113 (2023: S$4,665,017) was pledged to secured the bank facilities. Details refer to note 20 to the consolidated financial statements.

Leasing income amounting to S$216,608 (2023: S$215,833) relating to lease out the idle plant and machinery, for the year ended 31 December 2024, are included in revenue.

15 INVESTMENT PROPERTY

	2024 S$	2023 S$
Beginning and end of financial year	2,208,000	2,208,000
Accumulated depreciation		
Beginning of financial year	287,040	242,880
Depreciation charge	44,160	44,160
End of financial year	331,200	287,040
Net book amount	1,876,800	1,920,960
Fair values	2,550,000	2,550,000

Investment property relates to a medical facility unit located in Singapore with a lease term of over 50 years. It is intended for rental or capital appreciation.

Depreciation expense of S$44,160 (2023: S$44,160) for the year ended 31 December 2024 has been recorded in administrative expenses.

For the year ended 31 December 2024

15 INVESTMENT PROPERTY (CONTINUED)

Valuation techniques used to derive Level 3 fair values

Level 3 fair values of the investment property have been derived using the sales comparison approach. Sale prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is selling price per square meter ranged from S$45,000 to S$58,000 (2023: S$45,000 to S$58,000). A increase in the selling price per square meter used would result in increase in fair value.

Valuation process of the Group

The Group has engaged an independent professional valuer to determine the fair value of the investment property at the end of the financial year using the sales comparison approach. As at 31 December 2024, the fair value of the investment property was S$2,550,000 (2023: S$2,550,000). No impairment loss was recognised for the years ended 31 December 2024 and 2023.

Income and expenses charged to consolidated profit or loss during the year are as follow:

	2024 S$	2023 S$
Rental income (Note 7)	**48,000**	28,000
Direct operating expenses arising from investment property	**(18,112)**	(16,262)

The Group leased out the unit under operating lease for rental income monthly. The lease typically run for an initial period of one year (2023: one year).

For the year ended 31 December 2024

16 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 S$	2023 S$
Unlisted investment — Keyman insurance contract	**187,766**	176,285

The keyman insurance contract relates to an insurance policy insured for Mr. Alvin Tan, a director of the Company. The keyman insurance contract is denominated in USD.

The change in fair value of keyman insurance contract during the year is recorded in "other gains-net" in the consolidated statement of profit or loss (Note 7).

As at 31 December 2024 and 2023, the fair value of the keyman insurance contract was estimated by making reference to the cash surrender value set out in the keyman insurance contract.

The fair value estimation is set out in note 3.3 to the consolidated financial statements.

17 FINANCIAL INSTRUMENTS BY CATEGORY

The Group's financial instruments include the following:

	2024 S$	2023 S$
Financial assets:		
Financial asset at fair value through profit or loss	**187,766**	176,285
Financial assets at amortised cost:		
— Trade receivables	**4,349,959**	4,249,504
— Deposits and other receivables	**193,168**	69,466
— Bank balances	**14,056,636**	15,105,312
	18,787,529	19,600,567
Financial liabilities:		
Financial liabilities at amortised cost:		
— Trade and other payables (excluding statutory liabilities)	**2,704,127**	3,158,021

18 TRADE RECEIVABLES

	2024 S$	2023 S$
Trade receivables from third parties	**4,452,676**	3,575,060
Less: allowance for ECLs of trade receivables	**(542,548)**	(383,117)
	3,910,128	3,191,943
Retentions	**439,831**	1,057,561
	4,349,959	4,249,504

The Group normally grants credit terms of 30 days. The Group does not hold any collateral as security.

The aging analysis of the trade receivables, based on invoice date, net of allowance, are as follows:

	2024 S$	2023 S$
Below 30 days	**3,142,811**	2,974,165
31–60 days	**331,582**	182,462
61–90 days	**394,650**	34,160
91–120 days	**41,085**	1,156
	3,910,128	3,191,943

For the year ended 31 December 2024

18 TRADE RECEIVABLES (CONTINUED)

Movements in the provision for ECLs of the trade receivables are as follows:

	2024 S$	2023 S$
At 1 January	**383,117**	270,234
Provision for ECLs of trade receivables recognised during the year	**159,431**	112,883
At 31 December	**542,548**	383,117

The debtors are primarily reputable project owners and salvage material buyers and with long history of business relationship. Management considers the credit risk is not high. The Group maintains frequent communications with the counterparties. Management has closely monitored the credit qualities and the collectability of these receivables and consider that the expected credit risks of them are minimal in view of the history of cooperation with them, taking into account the current and forward-looking information. The details of impairment assessment on trade receivables refer to note 3.1(b) to the consolidated financial statements.

19 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2024 S$	2023 S$
Deposits paid to third parties	**90,930**	57,656
Staff loans	**3,200**	8,391
Prepayments	**151,626**	4,143
Other receivables	**38**	3,419
	245,794	73,609

20 CASH AND CASH EQUIVALENTS

	2024 S$	2023 S$
Cash at banks	**2,056,636**	3,105,312
Cash on hand	**5,000**	5,000
Unpledged fixed deposits at banks	**12,000,000**	12,000,000
	14,061,636	15,110,312

The carrying amounts of cash and cash equivalents are denominated in the following currencies:

	2024 S$	2023 S$
S$	**13,976,155**	14,871,729
USD	**79,354**	133,261
HK$	**6,127**	105,322
	14,061,636	15,110,312

Fixed deposits are placed with licensed banks and mature in 1 week to 1 month (2023: 1 to 3 months). The interest rate for fixed deposits is at 2.7% to 4.1% per annum (2023: 2.4% to 4.2% per annum).

As at 31 December 2024, the Group had aggregate banking and other facilities of approximately S$6,900,000 (2023: S$5,000,000). There were undrawn facilities of approximately S$5,338,000 (2023: S$5,000,000) at the year ended.

For the year ended 31 December 2024

21 TRADE AND OTHER PAYABLES

	2024 **S$**	2023 S$
Trade payables	**1,874,765**	2,231,873
Accrued expenses	**829,362**	855,850
Other payables	**538,981**	94,548
	3,243,108	3,182,271

The aging analysis of the trade payables, based on invoice date, is as follows:

	2024 **S$**	2023 S$
Up to 30 days	**1,159,905**	1,361,649
31–60 days	**564,361**	769,021
61–90 days	**131,113**	96,307
91–120 days	**19,386**	4,896
	1,874,765	2,231,873

The average credit period is on 60 days.

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	2024 **S$**	2023 S$
S$	**3,192,705**	3,031,685
HK$	**50,403**	71,690
RMB	**–**	78,896
	3,243,108	3,182,271

For the year ended 31 December 2024

22 LEASES

(a) Amounts recognised in the consolidated statement of financial position

	2024 S$	2023 S$
The net carrying amounts of:		
Right-of-use assets		
Land	**7,917,619**	5,981,958
Office equipment	**6,056**	8,019
Plant and machinery	**1,045,704**	602,354
Motor vehicles	**1,061,270**	1,465,385
	10,030,649	8,057,716
Lease liabilities		
Current	**1,662,214**	1,070,115
Non-current	**9,618,934**	8,025,019
	11,281,148	9,095,134

During the year ended 31 December 2024, the right-of-use assets with net carrying amounts of S$366,391 (2023: S$192,200) transferred to property, plant and equipment.

The weighted average incremental borrowing rates applied to lease liabilities range from 2.70% to 4.61% (2023: from 1.2% to 3.28%).

(b) Amounts recognised in the consolidated profit or loss

	2024 S$	2023 S$
Depreciation charge of right-of-use assets:		
Land	**850,074**	501,857
Office equipment	**1,964**	2,962
Plant and machinery	**93,525**	63,204
Motor vehicles	**429,641**	284,336
	1,375,204	852,359
Depreciation charge included in cost of sales and services rendered	**231,632**	63,204
Depreciation charge included in administrative expenses	**1,143,572**	789,155
	1,375,204	852,359
Interest expense (included in finance costs)	**304,526**	248,192
Expenses relating to short-term leases (included in cost of sales and services rendered)	**662,438**	714,275

For the year ended 31 December 2024

22 LEASES (CONTINUED)

(b) Amounts recognised in the consolidated profit or loss (Continued)

The total cash outflow for leases in 2024 was S$2,297,486 (2023: S$1,767,063).

The Group leases land, various office equipment, plant and machinery and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

23 DEFERRED TAX

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

The Group has unused tax losses of Nil (2023: S$966,000) at the end of the reporting period which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses and capital allowances have no expiry date.

The movements on the deferred income tax (assets) and liabilities are as follows:

	Accelerated tax depreciation	Provisions	Decelerated tax depreciation	Tax losses	Total
	S$	S$	S$	S$	S$
At 1 January 2023	1,812,505	(86,843)	(350,868)	(764,060)	610,734
Charged/(credited) to consolidated profit or loss	(296,504)	25,674	(11,047)	599,727	317,850
At 31 December 2023 and 1 January 2024	1,516,001	(61,169)	(361,915)	(164,333)	928,584
Charged/(credited) to consolidated profit or loss	(174,500)	(50,135)	(50,589)	164,333	(110,891)
At 31 December 2024	**1,341,501**	**(111,304)**	**(412,504)**	**–**	**817,693**

For the year ended 31 December 2024

24 SHARE CAPITAL

The movements of the share capital are as follow:

	Number of shares	Share capital
		HK$
Authorised:		
Ordinary shares at HK$0.01 each		
As at 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	10,000,000,000	100,000,000

	Number of shares	Share capital
		S$
Issued and fully paid:		
Ordinary share at HK$0.01 each		
As at 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	1,000,000,000	1,742,159

25 OTHER RESERVES

	Other reserves attributable to owners of the Company		
	Share Premium (Note (b))	Other (Note (a))	Total
	S$	S$	S$
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	19,853,646	2,000,000	21,853,646

Notes:

(a) Other reserves mainly represented the paid-in capital of the subsidiaries acquired.

(b) The share premium account may be applied by the Company subject to the provisions, if any, of its memorandum and articles of association, in such manner as the Company may from time to time determine including paying distributions or dividends to members, paying up unissued shares of the Company to be issued to members as fully paid bonus shares and etc.

26 RELATED PARTIES TRANSACTIONS

For the purposes of the consolidated financial statements, parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

The directors are of the view that the following individuals, aside from those related parties mentioned elsewhere, were related parties that had transactions or balances with the Group:

Name	Relationship with the Group
Ms. Tan	Daughter of one of the Executive Director
Ms. Tan	Daughter of one of the Executive Director
Ms. Lee Peck Kim	Spouse of one of the Executive Director
Ms. Germaine Angkasa	Spouse of one of the Executive Director

(a) Key management compensation

Key management includes executive and non-executive directors and the key management of the Group. The compensation paid or payable to key management for employee services is shown below:

	2024 **S$**	2023 S$
Salaries, allowances and bonuses	**3,177,435**	3,419,639
Pension costs — defined contribution plans	**87,162**	83,716
	3,264,597	3,503,355

For the year ended 31 December 2024

26 RELATED PARTIES TRANSACTIONS (CONTINUED)

(b) Transaction with other related parties

	2024 S$	2023 S$
Salaries, allowances and bonuses	**1,052,800**	1,124,353
Pension costs — defined contribution plans	**61,353**	62,849
	1,114,153	1,187,202

27 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

	2024 S$	2023 S$
Cash flows from operating activities		
Profit before income tax	**779,151**	324,906
Adjustments for		
— Depreciation of property, plant and equipment, right-of-use assets and investment property	**4,133,680**	4,224,694
— Allowance for ECLs of trade receivables	**159,431**	112,883
— Gain on disposals of property, plant and equipment	**(230,405)**	(362,312)
— Gain on disposals of right-of-use assets (Note (b))	**–**	(47,133)
— Fair value gain on financial asset at fair value through profit or loss	**(5,729)**	(5,975)
— Gain on deregistration of subsidiaries (Note (d))	**(124,666)**	(207,156)
— Interest income	**(292,300)**	(412,456)
— Interest expense	**304,526**	251,770
— Unrealised (gains)/losses on foreign exchange	**(70,030)**	30,712
Operating cash flows before working capital changes	**4,653,658**	3,909,933
Changes in working capital:		
— Contract related assets and costs	**1,139,959**	(2,369,256)
— Deposits paid to customers	**(5,089,068)**	(57,957)
— Trade receivables	**(259,886)**	(1,625,058)
— Deposits, prepayments and other receivables	**(172,185)**	162,313
— Trade and other payables	**188,413**	88,568
Cash generated from operations	**460,891**	108,543

27 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(a) Reconciliation of liabilities arising from financing activities:

	1 January 2023 S$	Principal and interest cash flow S$	Interest expense S$	Non-cash changes: Acquisition of plant and machinery S$	31 December 2023 S$
Year ended 31 December 2023					
Bank borrowings	682,574	(686,152)	3,578	–	–
Lease liabilities (Note 22)	9,108,510	(1,052,788)	248,192	791,220	9,095,134

	1 January 2024 S$	Principal and interest cash flow S$	Interest expense S$	Non-cash changes: Acquisition of plant and machinery S$	31 December 2024 S$
Year ended 31 December 2024					
Lease liabilities (Note 22)	**9,095,134**	**(1,635,048)**	**304,526**	**3,516,536**	**11,281,148**

For the year ended 31 December 2024

27 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) In the consolidated statement of cash flows, proceeds from disposals of right-of-use assets comprise:

	2024 S$	2023 S$
Net book amount of disposed right-of-use assets (Note 22)	–	212,867
Gain on disposals of right-of-use assets (Note 7)	–	47,133
Consideration from disposals of right-of-use assets	–	260,000
Total cash proceeds from disposals of right-of-use assets	–	260,000

(c) In the consolidated statement of cash flows, purchases of right-of-use assets comprise:

	2024 S$	2023 S$
Additions of right-of-use assets	3,714,528	1,331,763
Less: Additions under leases	(3,516,536)	(791,220)
Total cash used to purchase right-of-use assets	197,992	540,543

For the year ended 31 December 2024

27 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(d) Deregistration of subsidiaries

During the year ended 31 December 2024, Beyond Elite Investments Limited and YOLO Holdings Limited, which were inactive subsidiaries of the Group, were deregistered.

Net liabilities at the date of deregistration were as follows:

	S$
Other payables	(127,576)
Non-controlling interests	(8,601)
Realisation of currency translation reserve	11,511
Gain on deregistration of subsidiaries	(124,666)
Net cash outflow of cash and cash equivalents	–

During the year ended 31 December 2023, 廣州悠樂未來科技有限公司, which was an inactive subsidiary of the Group, was deregistered.

Net liabilities at the date of deregistration were as follows:

	S$
Intangible assets	22,889
Cash and cash equivalents	134
Prepayments and tax receivables	4,677
Other payables	(417,162)
	(389,462)
Non-controlling interests	202,665
Realisation of currency translation reserve	(20,359)
Gain on deregistration of a subsidiary	(207,156)

	S$
Net cash outflow of cash and cash equivalents	(134)

For the year ended 31 December 2024

28 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY

	Notes	2024 S$	2023 S$
Assets			
Non-current assets			
Investments in subsidiaries		**30,195,455**	30,209,459
Current assets			
Prepayments		**–**	506
Amounts due from subsidiaries		**9,320,396**	9,895,415
Cash and cash equivalents		**6,127**	102,989
		9,326,523	9,998,910
Total assets		**39,521,978**	40,208,369
Equity attributable to owners of the Company			
Share capital	24	**1,742,159**	1,742,159
Other reserves		**46,643,741**	46,643,741
Accumulated losses		**(11,486,508)**	(10,748,065)
Total equity		**36,899,392**	37,637,835
Liabilities			
Current liabilities			
Amounts due to subsidiaries		**2,574,810**	2,501,379
Other payables		**47,776**	69,155
Total liabilities		**2,622,586**	2,570,534
Total equity and liabilities		**39,521,978**	40,208,369

Approved by the Board of Directors on 28 March 2025 and signed on its behalf of:

Tan Chee Beng Director	**Tang Ling Ling** Director

For the year ended 31 December 2024

28 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY (CONTINUED)

	Share premium	Other reserves (Note)	Accumulated losses	Total
	S$	S$	S$	S$
At 1 January 2023	16,448,439	30,195,302	(8,870,050)	37,773,691
Loss and total comprehensive loss for the year	–	–	(1,878,015)	(1,878,015)
At 31 December 2023	16,448,439	30,195,302	(10,748,065)	35,895,676
At 1 January 2024	**16,448,439**	**30,195,302**	**(10,748,065)**	**35,895,676**
Loss and total comprehensive loss for the year	**–**	**–**	**(738,443)**	**(738,443)**
At 31 December 2024	**16,448,439**	**30,195,302**	**(11,486,508)**	**35,157,233**

* These reserve amounts comprise the consolidated reserves of S$46,643,741 (2023: S$46,643,741) in the statement of financial position.

Note: Other reserves mainly represented the contribution of investment in subsidiaries.

For the year ended 31 December 2024

29 SUBSIDIARIES

The Company has direct or indirect interests in the following subsidiaries:

Name of companies	Principal activities	Country of operation/ incorporation	Date of incorporation	Issued and paid registered capital	2024 %	2023 %	Note
Directly held							
Five Elements Investment Holdings Limited	Investment holding	British Virgin Islands	10 April 2018	US$100	100	100	
Beyond Elite Investments Limited	Investment holding	British Virgin Islands	5 July 2019	US$10,000	–	100	(b)
Indirectly held							
T&B Holding Limited	Investment holding	Hong Kong	2 January 2018	HK$15,001,000	100	100	
Beng Soon Machinery Services (Singapore) Pte Ltd	Provision of demolition services, sale of inventories and leasing of machinery	Singapore	8 January 1993	S$2,000,000	100	100	
Sky Express Asia Limited	Trading of minerals and ore	Hong Kong	1 November 2019	HK$1	–	100	
YOLO Holdings Limited	Investment holding	Hong Kong	1 September 2020	HK$100,000	–	51	(b)

Notes:

(a) All companies comprising the Group have adopted 31 December as their financial year end date.

(b) The entities were deregistered during the year ended 31 December 2024.

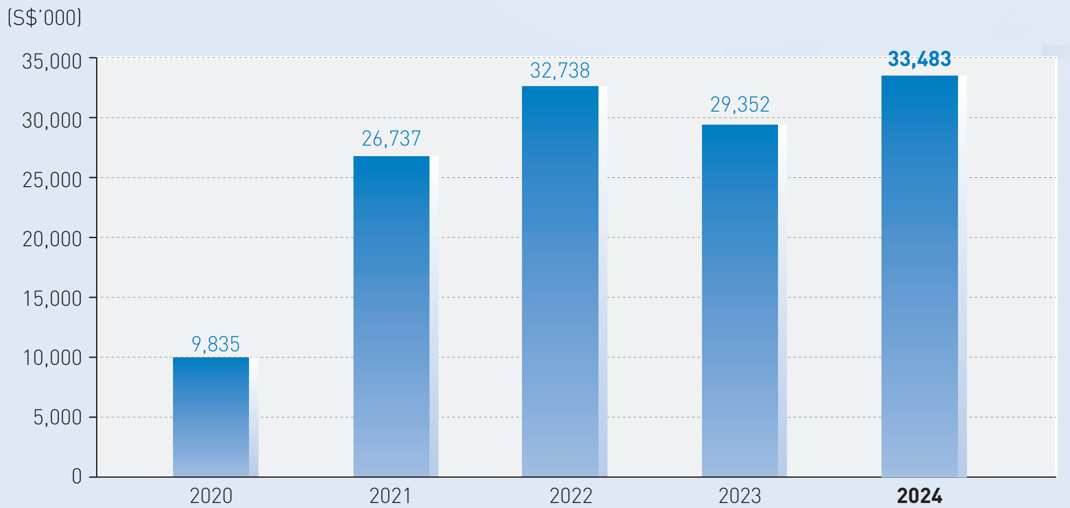
30 PERFORMANCE AND SECURITY BONDS

The Group had performance bonds for guarantees for completion of projects issued by banks and insurance companies amounting to S$3,559,071 (2023: S$1,839,450) as at 31 December 2024.

The Group had security bonds made under section 12 of Employment of Foreign Manpower (Work Passes) Regulations amounting to S$305,000 (2023: S$290,000) as at 31 December 2024.

FINANCIAL SUMMARY

REVENUE



The table below sets out the breakdown of the Group's total revenue by source for the periods indicated:

	2024		2023		2022		2021		2020	
	Revenue S$'000	**% of Total Revenue %**	Revenue S$'000	% of Total Revenue %	Revenue S$'000	% of Total Revenue %	Revenue S$'000	% of Total Revenue %	Revenue S$'000	% of Total Revenue %
Contract revenue	**31,591**	**94.35**	29,106	99.16	32,439	99.09	26,075	97.52	9,596	97.5
— Net contract sum	**12,725**	**38.00**	6,843	23.31	4,008	12.24	8,308	31.07	(941)	-9.57
— Proceeds from disposal of salvage materials	**18,395**	**54.94**	21,846	74.43	28,010	85.57	17,079	63.88	9,595	97.6
— Earth depositing proceeds	**471**	**1.41**	417	1.42	421	1.28	688	2.57	942	9.58
Others [Note]	**1,892**	**5.65**	246	0.84	299	0.91	662	2.48	239	2.50
Total	**33,483**	**100**	29,352	100	32,738	100	26,737	100	9,835	100

Note: Other revenue are principally income derived from transportation income and leasing and sale of machinery to third parties.

A summary of the results, and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited consolidated financial statements is set out below:

	2024 S$'000	2023 S$'000	2022 S$'000	2021 S$'000	2020 S$'000
Revenue	**33,483**	29,352	32,738	26,737	9,835
Cost of sales and services rendered	**(22,852)**	(20,112)	(23,243)	(19,668)	(16,320)
Gross profit/(loss)	**10,631**	9,240	9,495	7,069	(6,485)
Other income	**348**	476	316	564	1,688
Other gains — net	**370**	606	440	255	200
Administrative expenses	**(9,827)**	(9,384)	(8,649)	(7,363)	(8,841)
Selling and distribution expenses	**(279)**	(249)	(193)	(209)	(307)
Finance costs	**(305)**	(252)	(278)	(284)	(328)
Allowance for ECLs of trade receivables	**(159)**	(113)	–	–	(5)
Profit/(loss) before tax	**779**	324	1,131	32	(14,078)
Income tax (expense)/credit	**(431)**	(301)	(611)	–	2,043
Profit/(loss) for the year	**348**	23	520	32	(12,035)
Total assets	**56,267**	53,301	53,781	54,372	53,117
Total liabilities	**15,884**	13,206	13,913	15,059	13,856
Total equity	**40,383**	40,095	39,868	39,313	39,261