鵬高控股集團
Pengo Holdings Group Limited
香港聯交所主板股份代碼：1865

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1865)

2025 ANNUAL REPORT

CONTENTS

CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Ms. Feng Jiamin *(Chairman)*
Mr. Michael Shi Guan Wah
(Chief Executive Officer)
Mr. Liu Jianfu
(appointed on 19 November 2024)
Ms. Zhao Jianhong
(appointed on 21 February 2025)
Mr. Leung Yiu Cho
(appointed on 19 November 2024)
Mr. Fong Hang Fai
Mr. Law Wai Yip
(appointed on 24 April 2024)
Ms. Liao Qinghua
(resigned on 19 November 2024)
Ms. Katsaya Wiriyachart
(resigned on 19 November 2024)
Mr. Lok Ka Ho
(resigned on 24 April 2024)

NON-EXECUTIVE DIRECTOR

Mr. Dong Changzhou
(appointed on 21 February 2025)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Shek Jun Chong
Mr. Qiu Yue
Mr. Wu Kai Tang
Ms. Tam Wing Yan
(appointed on 26 July 2024)
Mr. Lui Kwun Yuen
(resigned on 26 July 2024)

AUDIT COMMITTEE

Mr. Wu Kai Tang *(Chairman)*
Mr. Shek Jun Chong
Mr. Qiu Yue

REMUNERATION COMMITTEE

Mr. Shek Jun Chong *(Chairman)*
Mr. Qiu Yue
Ms. Tam Wing Yan
(appointed on 26 July 2024)
Mr. Lui Kwun Yuen
(resigned on 26 July 2024)

NOMINATION COMMITTEE

Mr. Wu Kai Tang *(Chairman)*
Ms. Feng Jiamin
Mr. Shek Jun Chong
Mr. Qiu Yue

COMPANY SECRETARY

Mr. Lee Lap Keung

AUTHORISED REPRESENTATIVES

Ms. Feng Jiamin
Mr. Lee Lap Keung

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 39, 10/F, Block D,
Mai Tak Industrial Building,
221 Wai Yip Street, Kwun Tong,
Kowloon, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

38 Senoko Road
Singapore 758110

INDEPENDENT AUDITOR

Confucius International CPA Limited
Public Interest Entity Auditor
registered in accordance with the
Financial Reporting Council Ordinance
(Chapter 588 of the Laws of Hong Kong)

PRINCIPAL BANKER

DBS Bank Ltd
12 Marina Boulevard
Level 43, DBS Asia Central @ Marina Bay
Financial Centre Tower 3
Singapore 018982

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33/F.
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

COMPANY WEBSITE

www.trendzon1865.com

STOCK CODE

1865

FIVE YEARS FINANCIAL SUMMARY

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

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Year ended 31 March				
	2025	2024	2023	2022	2021
	S$'000	*S$'000*	*S$'000*	*S$'000*	*S$'000*
			(Re-presented)		
Revenue	**59,072**	59,115	59,750	59,099	43,450
Cost of sales	**(49,668)**	(51,122)	(52,684)	(49,238)	(33,470)
Gross profit	**9,404**	7,993	7,066	9,861	9,980
(Loss)/profit before tax	**(12,698)**	(10,481)	(1,105)	1,846	4,054
Total comprehensive (expense)/ income for the year attributable to owners of the Company	**(11,753)**	(13,352)	(2,777)	725	3,253

ASSETS AND LIABILITIES

	As at 31 March				
	2025	2024	2023	2022	2021
	S$'000	*S$'000*	*S$'000*	*S$'000*	*S$'000*
Total assets	**128,373**	112,131	120,353	103,132	73,936
Total liabilities	**45,957**	42,272	64,205	61,964	33,493
Total equity	**82,416**	69,859	56,148	41,168	40,443

Note 1: The summary above does not form part of the audited financial statements.

Dear Shareholders,

On behalf of the board (the "**Board**") of directors (the "**Directors**") of Pengo Holdings Group Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**"), it is my pleasure to present to the shareholders of the Company (the "**Shareholders**") the annual report of the Group for the year ended 31 March 2025 ("**FY2025**").

PERFORMANCE REVIEW

In FY2025, the Group maintained a steady development and laid a solid foundation for future growth despite a challenging period. During this period, the Group recorded a total revenue of approximately S$59.1 million, remains stable as compared to the revenue of approximately S$59.1 million for the year ended 31 March 2024 ("**FY2024**"). The revenue from gas pipeline projects and water pipeline projects decreased from approximately S$20.0 million and approximately S$38.3 million for FY2024 respectively, to approximately S$19.9 million and approximately S$30.2 million for FY2025 respectively. On the other hand, the revenue from construction and engineering services, attributable to the Group's business in the People's Republic of China ("**PRC**"), increased from approximately S$0.7 million for FY2024 to approximately S$8.9 million for FY2025. As such, the total amount of revenue for FY2024 and FY2025 remains steady. The Group's total gross profits increased by approximately S$1.4 million from approximately S$8.0 million in FY2024 to approximately S$9.4 million in FY2025. Gross profit margin increased by approximately 2.4% from approximately 13.5% in FY2024 to approximately 15.9% in FY2025. The increase was primarily due to the increase in revenue contributed by construction and engineering services with higher profit margin.

Over the past year, the Group has enhanced the diversification of its revenue structure and market competitiveness by continuously expanding its business layout. In FY2025, the income from the Group's construction and engineering services in the PRC further strengthened its overall income structure, demonstrating the Group's robust potential in diversified operations and innovation.

LOOKING AHEAD

Looking ahead to future challenges and opportunities, Pengo Holdings Group enters a new phase of development with utmost confidence. Looking forward, the Group remains committed to enhancing its market position within construction industry in the PRC, fostering the clustering and growth of high-tech industries. At the same time, the Group will continue to keep a close watch on the global economic trend and market situations, optimize resource allocation to achieve synergies. The Board is exploring new business opportunities worldwide and identifying markets with growth potential to facilitate our ongoing expansion and steady growth.

The Board is proactively exploring new business opportunities in different geographical locations in the world in order to identify markets with growth potential, so as to diversify the business development of the Group. The Board is of the opinion that the development of potential business represents a good opportunity for increasing the sources of revenue of the Group. The Group is well-positioned for the challenges and competition ahead, to carry out research to prepare for the development of different business and new business opportunities. This enables the Group to enrich the Group business portfolio and create a sustainable business development model to strive to deliver satisfactory return to the Shareholders.

APPRECIATION

In retrospect, we have gleaned lessons from challenges, continually refining and enhancing our capabilities. The Group is well-prepared to embrace future challenges and opportunities. Through steadfast strategic planning and exceptional execution, the Group aims to achieve higher performance in the new financial year and embrace an even brighter future. On behalf of the Board, I would like to express my sincerest gratitude to our valued customers, subcontractors, business partners, and Shareholders for their persistent support, while also expressing my appreciation to the management team and employees for their valuable contribution to the development of the Group. Let us unite and together write a new and brilliant chapter for Pengo Holdings Group Limited.

Feng Jiamin
Chairman

Hong Kong, 27 June 2025

BUSINESS REVIEW

During FY2025, growth in global economy remained stable yet underwhelming. The high level of inflation rates together with the escalating war in Ukraine since early 2022 severely disrupted the global supply chain and caused the prices of materials and energy to soar. The labour costs also increased due to limited supply of manpower. In the year 2024, inflation rate declined steadily. Enterprises should enhance their core competitiveness and strengthen their abilities to operate steadily in such challenging business environment and to face forthcoming uncertainties. The Board of the Company will continue to closely monitor factors that would significantly affect the infrastructural pipeline market in Singapore, the construction market in the PRC and the operations of the Group all over the globe.

The Group recorded a total revenue of approximately S$59.1 million in FY2025, which remains stable as compared to the total revenue of FY2024. The revenue from gas pipeline projects and water pipeline projects were decreased from approximately S$20.0 million and approximately S$38.3 million for FY2024 respectively, to approximately S$19.9 million and approximately S$30.2 million for FY2025 respectively. On the other hand, the revenue from construction and engineering services increased from approximately S$0.7 million for FY2024 to approximately S$8.9 million for FY2025. As such, the total amount of revenue for FY2024 and FY2025 remains steady. During FY2025, the Group has been awarded three new gas projects and two new water projects with an aggregate contract sum of approximately S$6.8 million, all were commenced in FY2025.

The major business strategies of the Group remained unchanged for FY2025. Since the listing of the Company, the management has continuously consolidated and strengthened the reputation of the Group through submission of tenders to keep its presence in the market. Leveraging its listing status, the Group's core business continued to earn good reputation and provided the Group with sound track record for potential business opportunities. Subsequent to FY2025, the Group has secured new projects, together with the ongoing projects on hand, its revenue could be sustained for the next financial year.

Despite challenging operating conditions in the year ahead, the Group believes that it is positioned on the right track for sustainable development. Looking forward, the Group will continue to focus on strengthening the market position in the construction industry in the PRC. The Group will continue to keep a close watch on the global economic trend and market situations to capture business opportunities in turn to achieve synergies and better operating results.

The Board is proactively exploring new business opportunities in different geographical locations in the world in order to identify markets with growth potential, so as to diversify the business development of the Group. The Board is of the opinion that the development of potential business represents a good opportunity for increasing the sources of revenue of the Group. The Group is well-positioned for the challenges and competition ahead, to carry out research to prepare for the development of different business and new business opportunities. This enables the Group to enrich the Group business portfolio and create a sustainable business development model to striving to deliver satisfactory return to the Shareholders.

ONGOING PROJECTS

As at 31 March 2025, the Group had four ongoing gas pipeline projects and seven ongoing water pipeline projects with an aggregated contract sum of approximately S$88.1 million, of which approximately S$75.4 million has been recognised as revenue as at 31 March 2025 (FY2024: two gas pipeline projects and nine water pipeline projects, with an aggregate contract sum of S$122.5 million). The remaining balance will be recognised as the Group's revenue in subsequent periods in accordance with IFRS 15.

The management considered that all ongoing projects were on schedule and none of which is expected to cause the Group to indemnify the third parties and incur any contingent liabilities as at 31 March 2025.

FINANCIAL REVIEW

Revenue

Revenue from construction contracts and engineering services

The following table sets out the breakdown of the Group's revenue from construction contracts and engineering services, the number of projects/contracts performed and the percentage contribution to total revenue for FY2025 and FY2024.

	For the year ended 31 March					
	2025			2024		
	Number of projects/ contracts performed	Revenue *(S$'000)*	Percentage of revenue *(%)*	Number of projects/ contracts performed	Revenue *(S$'000)*	Percentage of revenue *(%)*
Gas pipeline	6	19,939	33.7	4	20,022	33.9
Water pipeline	12	30,220	51.2	10	38,332	64.8
Cable	–	–	–	1	5	0.0
	18	50,159	84.9	15	58,359	98.7
Trading of building materials		37	0.1		18	0.1
Construction and engineering services income		8,876	15.0		738	1.2
Total		59,072	100.0		59,115	100.0

Revenue of the Group remains stable and amount to approximately S$59.1 million in both FY2025 and FY2024 mainly due to the following:

(i) Decrease in revenue from gas pipeline projects by approximately S$0.1 million;

(ii) Decrease in revenue from water pipeline projects by approximately S$8.1 million; and

(iii) Increase in revenue derived from construction and engineering services by approximately S$8.2 million.

The revenue from the gas pipeline projects were comparable between FY2025 and FY2024.

The decrease in revenue from the water pipeline projects by approximately S$8.1 million in FY2025 as compared with FY2024 was due to the combined effect of decrease in revenue from new water projects relating to district cooling system of approximately S$6.6 million, decrease in revenue from water projects relating to the supply and laying of watermains of approximately S$6.1 million and increase in revenue from water projects relating to engineering, procurement, construction and commissioning of pipe reticulation works of approximately S$4.6 million.

The general decrease in revenue derived from pipeline projects was mainly attributable to the decrease in contract sum of projects being awarded to the Group due to the competitive business environment in the construction industry in Singapore.

During FY2025, the Group was actively expanding its business in relation to construction and engineering services. Therefore, the revenue thereof increased by approximately S$8.2 million.

Cost of Sales

Cost of sales of the Group decreased by approximately S$1.4 million or 2.8% from approximately S$51.1 million in FY2024 to approximately S$49.7 million in FY2025 which was mainly due to the decrease in revenue derived from the pipeline projects.

Gross Profit and Gross Profit Margin

The Group's total gross profits increased by approximately S$1.4 million from approximately S$8.0 million in FY2024 to approximately S$9.4 million in FY2025. Gross profit margin increased by approximately 2.4% from approximately 13.5% in FY2024 to approximately 15.9% in FY2025. The increase was primarily due to the increase in revenue contributed by construction and engineering services with higher profit margin.

Other Income

Other income increased by approximately S$0.9 million from approximately S$2.6 million in FY2024 to approximately S$3.5 million in FY2025. It was mainly attributable to the increase in agency income of approximately S$0.3 million and increase in miscellaneous income in relation to repair work and scrap sales.

Other Losses, net

Other losses recognised during FY2025 mainly comprise of loss on disposal of a joint venture and gain on disposal of subsidiaries.

Recognition of allowance for expected credit losses

The Group recorded the allowance for expected credit losses amounting to approximately S$137,000 in FY2025 (FY2024: approximately S$407,000), which was mainly recognised on the balance under the contract assets, trade and other receivables and the loan receivables in FY2025.

Administrative Expenses

The Group recorded administrative expenses amounting to approximately S$23.4 million in FY2025 (FY2024: approximately S$18.7 million). The increase was mainly attributable to the increase in general operating expenses in relation to the expansion of business regarding construction and engineering services during FY2025.

Finance Costs

Finance costs of the Group decreased by approximately S$0.5 million or approximately 33.2% to approximately S$1.2 million in FY2025 (FY2024: approximately S$1.7 million). The decrease was mainly contributed by the decrease in average borrowings in FY2025 as compared to FY2024.

Impairment of goodwill

Regarding the Group's goodwill arising from business acquisition, impairment loss of approximately S$98,000 was recognised in FY2025 (FY2024: approximately S$65,000).

Gain for the year from discontinued operation

The gain for the year attributable to discontinued operation for FY2025 amounted to approximately S$83,000 million (FY2024: loss of approximately S$1.6 million).

Loss for the Year

Due to the above, a loss of approximately S$13.1 million was recorded in FY2025 as compared to the loss of approximately S$12.3 million recorded in FY2024.

Property, Plant and Equipment

Property, plant and equipment slightly decreased by approximately S$1.1 million, mainly due to the depreciation charged during FY2025, partially offset by the addition of property, plant and equipment during the same period.

Trade and Other Receivables

The Group's trade and other receivables increased by approximately S$26.5 million from approximately S$23.1 million as at 31 March 2024 to approximately S$49.6 million as at 31 March 2025. The increase was mainly attributable to the increase in trade receivables of approximately S$9.8 million, increase in prepayments of approximately S$23.3 million, partially offset by decrease in deposits and other receivables of approximately S$6.7 million.

Loan Receivables

As at 31 March 2025, loan receivables amounted to approximately S$7.9 million, comprised of (i) loan to shareholder of a joint venture of the Group of approximately S$3.1 million (interest-free); (ii) loans to other individual third parties of approximately S$4.6 million (fixed interest rates of 6% per annum); (iii) loan interest receivables of approximately S$0.3 million; less (iv) allowance for expected credit loss of approximately S$0.1 million. All the loan receivables were with original maturity of one year or less. All the loan receivables were unsecured.

The Group has actively explored investment opportunities to diversify the business portfolio and broaden its revenue stream, and as such the Group has established the money lending business. The loans to other individual third parties were granted with the main purpose to earn interest income and contribute return to the Group. For loan to the shareholder of a joint venture of the Group, the directors of the Company are of the view that it would be able to streamlining the process of project development, facilitate the strategic cooperation between the parties, as well as the operation of the joint venture by providing sufficient fund to its shareholder.

Trade and Other Payables

Trade and other payables increased by approximately S$10.0 million from approximately S$12.7 million as at 31 March 2024 to approximately S$22.7 million as at 31 March 2025.

Borrowings

Borrowings decreased by approximately S$3.6 million from approximately S$23.2 million as at 31 March 2024 to approximately S$19.6 million as at 31 March 2025. The decrease was mainly attributable to the repayment of bonds and bank and other borrowings during FY2025.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2025, the Group maintained a healthy liquidity position. As at 31 March 2025, the Group had net current assets of approximately S$60.0 million (31 March 2024: net current assets of approximately S$55.3 million), net assets of approximately S$82.4 million (31 March 2024: net assets of approximately S$69.9 million) and bank balances and cash of approximately S$4.4 million (31 March 2024: approximately S$1.4 million). The Group's gearing ratio (calculating by total interest-bearing debt over total equity) as at 31 March 2025 was approximately 27%, decrease of approximately 11% from approximately 38% as at 31 March 2024. The decrease in gearing ratio was mainly attributable to the decrease in borrowings as well as the equity fund raising activity completed during FY2025.

CAPITAL STRUCTURE

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to shareholders through the optimisation debt and equity balance. The Group's overall strategy remained unchanged from prior year.

The capital structure of the Group consists of net debts (including lease liabilities, hire purchase liabilities, bonds, bank and other borrowings, net of cash and cash equivalents) and equity attributable to owners of the Company (comprising issued share capital, share premium, reserves and retained earnings).

The management reviews the capital structure from time to time. As a part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

Management regularly monitors compliance with the financial covenants imposed by financial institutions for the facilities granted to the Group. As at the end of the reporting period, the Group is in compliance with externally imposed financial covenants requirements.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2025, the Group had a total of 501 employees (31 March 2024: 481 employees). The Group's remuneration policies are in line with the prevailing market practice and are determined on the basis of performance, qualification and experience of individual employee. The Group recognises the importance of a good relationship with its employees. The remuneration payable to its employees includes salaries, bonus and allowances.

USE OF LISTING PROCEEDS

The total net proceeds raised from the Listing (the "**Net Proceeds**") received by the Company, after deducting related listing expenses, were approximately HK$90.2 million (approximately S$15.7 million). Please refer to the prospectus of the Company dated 14 March 2019 (the "**Prospectus**") for more details.

On 17 January 2023, the Board has resolved and approved to change the use of the unutilised Net Proceeds of approximately S$4.9 million. Based on the economic development, the available tenders, the ongoing and potential projects and the overall cost versus benefit, the Board considered that the purchase of two pipe jacking machines will not be beneficial to the Group. The Group plans to carry out addition and alteration works to the foreign worker dormitory in conformity to the regulatory requirement announced on 17 September 2021 by the Ministry of Manpower of Singapore. Without any addition and alteration works to our existing dormitory, the number of workers allowed to stay in the dormitory will be revised downwards on the next license renewal and the Group will be required to seek other alternative such as third-party dormitory to house the excess workers. Moreover, the rental rate for third party dormitory in the market has also risen significantly post-COVID pandemic and engaging them will give rise to additional costs such as rental, transportation and other related costs. Hence, the Board estimated that approximately S$2.0 million would be allocated for the proposed addition and alteration works on the foreign worker dormitory. The remaining unutilised Net Proceeds of approximately S$2.9 million would be used as working capital and other general corporate purposes such as repayment of loans, hire purchase and other operational expenses. Please refer to the announcement of the Company dated 17 January 2023 for further details.

On 12 October 2023, the Board has resolved and approved to further change the use of the unutilised Net Proceeds of approximately S$2.0 million. Despite the reasons disclosed above and in the annual report of the Company for the year ended 31 March 2023, based on the current economic development, the Board considered the number of foreign workers that the Group hires may fluctuate or reduce, hence it is not cost efficient and beneficial to the Group to carry out addition and alteration works at this juncture. If the addition and alteration works were to be carried out, our existing dormitory would not be available for use and the Group would face additional operational inconveniences and inefficiency as the Group would need to relocate all its foreign workers to third party dormitory operators at which the location may be unfavourable in terms of distance. The Group may incur more costs to maintain the dormitory as well as to comply with any new rules and regulations as may be imposed by the Singapore Government in future. Hence, the Board has decided to reallocate the remaining unutilised Net Proceeds of approximately S$2.0 million towards supporting the current operations of the Group, which may include, short term dormitory lease based on project duration, engaging sub-contractors as per project requirement, repayment of loans, and other operational expenses. Please refer to the announcement of the Company dated 12 October 2023 for further details.

As at 31 March 2024, all the Net Proceeds were fully utilised as intended.

USE OF 2022 SUBSCRIPTION PROCEEDS

On 16 May 2022, the Company entered into two subscription agreements with two subscribers, pursuant to which the Company has agreed to allot and issue and the two subscribers have conditionally agreed to subscribe for an aggregate of 184,000,000 new shares at the subscription price of HK$0.475 per subscription share on the terms and subject to the conditions set out in the subscription agreements (the "**2022 Subscriptions**"). The gross proceeds of the 2022 Subscriptions were HK$87.4 million and the net proceeds from the 2022 Subscriptions were approximately HK$87.0 million. The 2022 Subscriptions were completed in June 2022. Please refer to the announcements of the Company dated 16 May 2022, 23 May 2022, 6 June 2022, 13 June 2022 and 20 June 2022 for further details.

Set out below are details of the allocation of the net proceeds, the utilised and unutilised amounts of net proceeds in relation to the 2022 Subscriptions as at 31 March 2025:

	Use of net proceeds	Planned use of net proceeds *HK$'000*	Utilised up to 31 March 2024 *HK$'000*	Utilised in FY2025 *HK$'000*	Total remaining net proceeds available as at 31 March 2025 *HK$'000*	Expected timeline for utilising the remaining net proceeds *(Note 1)*
(a)	Development of the Group's joint venture businesses:					
	– The expansion of smart parking businesses of Trendzon Zhilian (Shenzhen) Technology Company Limited* (卓航智聯(深圳)科技有限公司), namely the construction and maintenance costs of the smart carparks, located in 24 towns in Guizhou Province, PRC, including (i) procurement of construction materials and (ii) precision parking and vehicle identification software and hardware procurement, development and maintenance	6,000 11,000	(6,000) –	– –	– 11,000	N/A Before 30 September 2025
(b)	Future investment funds:					
	– Reserved funds as capital for the development of placing and underwriting business of Wealth Link	12,000	(12,000)	–	–	N/A
	– Reserved funds as loan principals for the money lending business of All Good Finance Limited, a wholly-owned subsidiary of the Company and licenced to conduct money lending business in Hong Kong	12,000	(12,000)	–	–	N/A
(c)	General working capital and settlement of liabilities of the Group:					
	– Repayment of the unsecured unlisted bonds which will be due in August 2022 in the principal amount of RMB40,000,000	42,000	(42,000)	–	–	N/A
	– General working capital including salaries, rental payments, professional fees, office overheads and other day-to-day operation payments for the operation of the Group's Hong Kong and PRC businesses	4,000	(4,000)	–	–	N/A
		87,000	(76,000)	–	11,000	

The net proceeds from the 2022 Subscriptions were used and expected to be used according to the intentions previously disclosed in the aforesaid announcements of the Company.

Note 1: The expected timeline for utilising the remaining proceeds is based on the best estimation of the future market conditions made by the Group. It will be subjected to change based on current and future development of market conditions.

USE OF 2023 SUBSCRIPTION PROCEEDS

On 1 June 2023, the Company entered into five separate subscription agreements with each of the five subscribers respectively, pursuant to which the Company has agreed to allot and issue and the five subscribers have conditionally agreed to subscribe for an aggregate of 220,800,000 new shares of the Company at the subscription price of HK$0.43 per subscription share on the terms and subject to the conditions set out in the subscription agreements (the "**2023 Subscriptions**"). The gross proceeds of the 2023 Subscriptions were approximately HK$94.9 million and the net proceeds from the 2023 Subscriptions were approximately HK$94.6 million. The 2023 Subscriptions were completed in July 2023. Please refer to the announcements of the Company dated 1 June 2023 and 10 July 2023 for more details.

As at 31 March 2024, the net proceeds from the 2023 Subscriptions were fully utilised according to the intentions previously disclosed in the aforesaid announcements of the Company.

USE OF RIGHTS ISSUE PROCEEDS

On 19 July 2024, the Board announced a proposal of share consolidation (the "**Share Consolidation**") of which every ten (10) issued and unissued Shares of HK$0.01 each into one (1) consolidated Share of HK$0.1 each. The Board also proposed to change the board lot size for trading on the Stock Exchange from 4,000 Shares to 12,000 consolidated Shares upon the Share Consolidation becoming effective.

On 19 July 2024, the Board proposes, subject to, among other things, the Share Consolidation becoming effective, to conduct the rights issue (the "**Rights Issue**") on the basis of four (4) rights Shares for every one (1) consolidated Share held on the record date for the determination of the entitlements under the Rights Issue, at the subscription price (the "**Subscription Price**") of HK$0.18 per Rights Share. In addition, the Company entered into a placing agreement with a placing agent, pursuant to which the placing agent had agreed to procure independent placee(s), on a best effort basis, to subscribe for the unsubscribed rights shares and the unsold rights shares of non-qualifying Shareholders, at a placing price not less than the Subscription Price (the "**Placing**").

On 5 September 2024, among others, the Share Consolidation, the Rights Issue and the Placing were duly passed as ordinary resolutions of the Company at the extraordinary general meeting.

On 10 September 2024, the Share Consolidation had become effective. The authorised share capital of the Company became HK$100,000,000 divided into 1,000,000,000 consolidated Shares of HK$0.1 each, of which 141,680,000 consolidated Shares (which were fully paid or credited as fully paid) were in issue.

On 9 October 2024, the Board announced that the total number of rights Shares offered under the Rights Issue was 566,720,000, and a total of five valid applications and acceptances under the provisional allotment letters had been received for a total of 89,109,539 rights Shares

On 23 October 2024, the Board announced that the remaining 477,610,461 unsubscribed rights Shares were fully placed to 32 placees at the placing price of HK$0.18 per rights Share. The gross proceeds raised from the Rights Issue are approximately HK$102.0 million and the net proceeds from the Rights Issue after deducting the relevant expenses are approximately HK$100.2 million.

On 24 October 2024, 566,720,000 Shares were allotted and issued by the Company pursuant to the Rights Issue.

Please refer to the announcements of the Company dated 19 July 2024, 5 September 2024, 6 September 2024, 9 October 2024, 14 October 2024 and 23 October 2024, the circular of the Company dated 20 August 2024 and the prospectus of the Company dated 23 September 2024 for further details.

Set out below are details of the allocation of the net proceeds, the utilised and unutilised amounts of net proceeds in relation to the Rights Issue as at 31 March 2025:

Use of net proceeds		Planned use of net proceeds *HK$'000*	Utilised in FY2025 *HK$'000*	Total remaining net proceeds available as at 31 March 2025 *HK$'000*	Expected timeline for utilising the remaining net proceeds
(a)	The startup costs of phase three of the Trendzon Diandian Science and Technology Innovation City's Industrial Park in the PRC	50,200	(50,200)	–	N/A
(b)	Repayment of loans	45,200	(45,200)	–	N/A
(c)	Replenish the general working capital of the Group	4,800	(4,800)	–	N/A
		100,200	(100,200)	–	

As at 31 March 2025, the net proceeds from the Rights Issue were fully utilised according to the intentions previously disclosed in the aforesaid announcements, circular and prospectus of the Company.

MATERIAL ACQUISITION, DISPOSAL OF SUBSIDIARIES AND SIGNIFICANT INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

On 4 March 2025, the Penggao Green New Energy (Guangzhou) Co., Ltd.* (鵬高綠能新能源(廣州)有限公司) (“**Penggao GNE**”), an indirect wholly-owned subsidiary of the Company, entered into an acquisition agreement with Mr. Zhang Xinye (“**Mr. Zhang**”) and Mr. Zheng Zijian (“**Mr. Zheng**”), both are independent third parties of the Group, pursuant to which Penggao GNE has conditionally agreed to acquire, and Mr. Zhang and Mr. Zheng have conditionally agreed to sell, the 100% equity interest of Zhongshan Wuguishan Construction Engineering Co., Ltd.* (中山市五桂山建築工程有限公司) (“**Zhongshan Wuguishan**”), at the consideration of RMB2,200,000. Upon completion, Penggao GNE would own 100% equity interest of Zhongshan Wuguishan, and Zhongshan Wuguishan would become an indirect wholly-owned subsidiary of the Company, and the financial results of Zhongshan Wuguishan would be consolidated into the financial statements of the Company.

Zhongshan Wuguishan is a company incorporated in the PRC with limited liability with principal business including planning, construction, steel structure engineering, deep foundation support, electrical and plumbing installations, earthwork and interior decoration. Guided by the principle of “Century-long Planning, Quality First”, the Target Company highly emphasises scientific management and strict project quality control with a focus on tapping potential and reducing consumption. Currently, Zhongshan Wuguishan mainly engages in engineering, procurement, construction and fire protection projects for corporate customers in the PRC. Through the acquisition of Zhongshan Wuguishan, the Company would be able to leverage its general construction, steel structure engineering and foundation construction licenses (including but not limited to, Grade II General Contracting of Construction Engineering* (建築工程施工總承包貳級), Grade II Professional Contracting of Steel Structure Engineering* (鋼結構工程專業承包貳級), and Grade II Professional Contracting of Foundation Construction Projects* (地基基礎工程專業承包貳級) of the Zhongshan Wuguishan) to broaden the Group’s construction business portfolio, while also capitalising on other potential construction opportunities in the PRC. By integrating the infrastructural construction business of Zhongshan Wuguishan, the Group would be able to provide a wider range of construction and engineering services to potential customers, as well to achieve cost advantages and thus increase its competitiveness in making project tenders. Acquisition of Zhongshan Wuguishan was completed on 19 March 2025.

* *For identification purpose only*

Please refer to the announcements of the Company dated 4 March 2025 and 19 March 2025 for further details.

Zhongshan Wuguishan contributed approximately S$3.0 million to the Group's revenue and approximately S$0.3 million profit to the Group for the period between the date of acquisition and the end of the reporting period.

Save as disclosed above, the Group had no other material acquisition and disposal of subsidiaries and significant investments in associates and joint ventures during the reporting period.

INVESTMENTS HELD

Save as disclosed above, as at 31 March 2024 and 2025, the Group did not hold any significant investments.

FOREIGN EXCHANGE EXPOSURE

The Group has operations in Singapore, Hong Kong, and the PRC. The Group transacts mainly in Singapore Dollar ("**S$**") and Renminbi ("**RMB**"), which are the functional currencies of the Group. Foreign exchange risk arises when a group entity has transactions denominated in currencies other than its own functional currency.

The income and expenses, assets and liabilities of the Company and its subsidiaries which denominated in currencies other than the functional currency are converted into S$ for financial reporting purpose. Fluctuations in exchange rates may have an impact on the Group's financial position and results. The Group monitors the exposure to fluctuations in exchange rates and takes appropriate measures to mitigate and manage the risk on a timely and effective manner. The Group did not engage in any derivative activities and did not commit to any financial instruments to hedge its statement of financial position exposure to fluctuations in exchange rates as at 31 March 2025.

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus, maintained a healthy liquidity position throughout FY2025. The finance department of the Group is responsible for treasury management functions, which include, amongst others, researching and sourcing investment options for further consideration by the management and the Board, and monitoring the investments on a continuous basis.

CHARGES ON ASSETS

As at 31 March 2025, the carrying amount of properties pledged for bank borrowings was S$14,300,000 (2024: approximately S$14,250,000).

CONTINGENT LIABILITIES

As at 31 March 2025, the Group had no significant contingent liabilities.

EVENTS AFTER THE REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in note 41 to the consolidated financial statements of this report.

DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Ms. Feng Jiamin (馮嘉敏女士) ("Ms. Feng"), aged 40, was appointed as a non-executive Director on 27 September 2019 and was re-designated as an executive Director on 21 September 2020. Ms. Feng has been appointed as a Joint Chairman of the Board together with Mr. Michael Shi on 30 October 2020 and was redesignated as the Chairman of the Board after the resignation of Mr. Michael Shi as a Joint Chairman of the Board on 29 October 2021. Ms. Feng has also been appointed as a member of the nomination committee of the Board on 29 October 2021. Ms. Feng is responsible for overseeing the Group's operations and implementation of the Company's business strategies. She graduated from the University of California, Irvine in 2010 with a Master's degree in Business Administration.

In 2008, she served as an assistant to the chief operating officer for China Region of Pacific Asia Media, participated in the coordination for the organization of Fortune Forum (財富論壇) in China (e.g. Tianjin, Guangzhou), and assisted in the coordination and administration for the first World Mind Sports Games. Ms. Feng later worked as a representative in China Region for Global Strategy Group (環球策略集團) and was engaged in the preparation of "Sino-Singapore Tianjin Eco-city" project. Ms. Feng was appointed as vice chairman of supply security and president of China Baosha Group* in 2013, responsible for offshore supply platform project development. Later she served as chief operating officer of China Baosha Group* and was involved in large-scale urban comprehensive development such as Jing Kai Meng Du* in Zhengzhou, the coordination of Zhangjiakou super-large photovoltaic power generation project, and the planning for and operation of industrial parks, ecological parks, forestry and other forms of business. Ms. Feng has extensive experience in public relations and investor relations. Ms. Feng has been an executive director of China Bozza Development Holdings Limited (formerly known as China Agroforestry Low-Carbon Holdings Limited), a company listed on the Main Board of the Stock Exchange (Stock Code: 1069), from 20 August 2019 to 2 November 2020.

Mr. Michael Shi Guan Wah (徐源華先生) ("Mr. Michael Shi"), aged 63, is a co-founder of the Group and has been a director of HSC Pipeline Engineering Pte. Ltd. since January 1993. He was appointed as a Director in July 2018 and was re-designated as the Chairman, chief executive officer and an executive Director in August 2018. On 30 October 2020, Mr. Michael Shi was appointed as a Joint Chairman of the Board together with Ms. Feng Jiamin and then resigned as a Joint Chairman on 29 October 2021. From 26 February 2019 to 29 October 2021, he was a member of the nomination committee of the Board. Mr. Michael Shi has been our Group's managing director since January 1993 and is responsible for leading the Group's business development and overseeing all aspects of the business, including corporate operations, project execution and financial performance.

Mr. Michael Shi has over 31 years of experience in the construction industry. He had attended secondary education in Singapore until October 1978, then he participated in his family business engaging in the building construction business, where he gained exposure to the construction industry. He also formed Jet Equipment, a partnership engaging in installation of industrial machinery and equipment and mechanical engineering works from July 1991 until August 1992.

* *For identification purpose only*

Throughout the years, Mr. Michael Shi has attended a number of professional training courses to enhance his skills and knowledge in handling advanced machinery and systems and has obtained relevant licences and certificates. In December 1992, he completed the Gas Service Workers Course organised by the Public Utilities Board. He has become a licensed gas service worker since 1993 and was granted a lifetime Gas Service Worker Licence by the Energy Market Authority of Singapore in February 2015. In July 1995, he obtained the Skill Evaluation Certificate for attaining the required standard in the Practical Test in Construction Plant Operation (Excavator Loader) conducted by the Building and Construction Authority, and he then became a registered excavator operator recognised by SP PowerGrid Ltd in 1996. In October 1995, he completed the Underground Services Detection course organised by the Singapore Power Training Institute. He also completed the basic training for Durafuse PE electrofusion system for gas distribution organised by Glynwed Pipe Systems (Asia) Pte Ltd in June 1997 and July 1998, respectively. In July 2002, he completed the 'on-site' course of instruction on Hy-Ram Fully Automatic butt-fusion Equipment organised by CPP Global Products Pte Ltd. He also completed the training on the WIDOS 4800 CNC 3.0 Welding Machine organised by WIDOS Technology (Asia Pacific) Pte Ltd.

Mr. Michael Shi is the elder brother of Mr. Shi Guan Lee and the father of Mr. Shi Hong Sheng, both of whom are members of the senior management of the Group.

Mr. Liu Jianfu（劉建甫先生）("Mr. Liu"), aged 59, has over 20 years of experience in mobile housing industry. Mr. Liu began his career at the Hunan Agricultural Bureau in 1987, where he introduced an innovative "Company + Farmers" farming model that achieved annual sales of 30 million yuan. In 2001, he embarked on an entrepreneurial journey, founding DELEX Group in 2004. Under his leadership, DELEX has grown to become one of the China's largest mobile housing rental and sales enterprise, culminating in its listing on the National Equities Exchange and Quotations (NEEQ) in 2017.

Mr. Liu is a prominent entrepreneur and investor, widely recognized for his contributions to the mobile housing industry and his strategic involvement in the China stock market. With a career spanning several decades, Mr. Liu has demonstrated a keen ability to identify and capitalize on emerging market trends.

Ms. Zhao Jianhong（趙建紅女士）("Ms. Zhao"), aged 58, from Zhongshan, Guangdong, obtained her Master of Economic Management degree from the Guangdong Academy of Social Sciences in October 2002 and has nearly over 30 years of experience in finance and corporate management, with strong leadership and management abilities. She worked in major financial institutions and renowned enterprises, making significant contributions to the Group's industrial park investment and integrated operations projects, as well as advancing the development of new industrial ecosystem projects. She is currently serving as the Vice Chairman of the Zhongshan Federation of Industry and Commerce and the Executive President of the Zhongshan Science and Technology Finance Innovation Promotion Association.

Mr. Leung Yiu Cho（梁耀祖先生）("Mr. Leung"), aged 46, has been appointed as an executive Director of the Company with effect from 19 November 2024. Mr. Leung has extensive experience in strategic financial planning, structuring capital reorganization and transactions, tax planning and financial analysis in listed companies and licensed corporations. Prior to joining the Group, he was the assistant financial controller of Ta Yang Group Holdings Limited (Stock Code: 1991), a company listed on the Main Board of the Stock Exchange (the "**Main Board**") from 2006 to 2007, the chief financial officer and board secretary of Highland Asset Management Corporation from 2012 to 2013, an executive director and the vice investment principal of Artini Holdings Limited (Stock Code: 789), a company listed on the Main Board, from 2013 to 2019, and an independent nonexecutive director and the chairman of the audit committee of Grace Life-tech Holdings Limited (Stock Code: 2112), a company listed on the Main Board, from 2017 to 2020 and since 11 March 2022. He was an independent non-executive director, the chairman of the audit committee and a member of the strategic committee of Wuxi Sunlit Science and Technology Company Limited (Stock Code: 1289), a company listed on the Main Board, since 18 June 2021. He was also appointed as an independent non-executive director, the chairman of the audit committee and a member of the remuneration committee, nomination committee and risk management committee of Shanghai XNG Holdings Limited (Stock Code: 3666), a company listed on the Main Board, since 20 October 2023. He was an independent non-executive director and the chairman of the audit committee of Zhongshi Minan Holdings Limited (Stock Code: 8283), a company listed on the GEM of the Stock Exchange, from 21 October 2016 to 30 June 2022. He has been appointed as chief financial officer, company secretary and authorised representative of Renco Holdings Group Limited (Stock Code: 2323), a company listed on the Main Board, since 2 October 2024. He was the chief financial officer, company secretary and authorised representative of Xinhua News Media Holdings Limited (Stock Code: 309), a company listed on the Main Board, from 2 July 2021 to 5 August 2021. He was the company secretary and authorised representative of China Dredging Environment Protection Holdings Limited (Stock Code: 871), a company listed on the Main Board, from 29 December 2021 to 11 August 2023. He was the company secretary and authorised representative of Universal Star (Holdings) Limited (Stock Code: 2346, whose shares were delisted from the Main Board with effect from 26 January 2024), from 13 July 2021 to 29 January 2024.

Mr. Leung obtained a master's degree in Corporate Finance from The Hong Kong Polytechnic University in December 2006. He was admitted as a member of the Associate of Chartered Certified Accountants in March 2014.

Mr. Fong Hang Fai（方恒輝先生）("Mr. Fong"), aged 37, was appointed as an executive Director on 30 November 2021. Mr. Fong is an expert in Information Technology ("**IT**"). He has various experiences in IT projects. He currently serves as an IT Infrastructure Manager of Fwone Science & Technology Hong Kong Company Limited.

Mr. Law Wai Yip（羅偉業先生）("Mr. Law"), aged 39, has been appointed as an executive Director on 24 April 2024. Mr. Law has over 8 years of experience in logistics, management, business development and strategic planning. Mr. Law was employed by an international logistic company where he was responsible for managing day-to-day air freight and sea freight operation and familiar with bonded warehouse operation, supply chain management, human resources matters and financial investments. Mr. Law's extensive experience can contribute towards the business of the Group including the further development of the Trendzon Diandian Science and Technology Innovation City's Industrial Park.

Independent Non-Executive Directors

Mr. Dong Changzhou（董常舟先生）("Mr. Dong"), aged 59, graduated his Bachelor of Economic degree from the Liaoning University in July 1992. He has over 25 years of experience in investments, mergers and acquisition and initial public offering projects, which can contribute towards the business of the Group including renewable energy projects, such as photovoltaic power. He currently serves as the Chairman of Zhongtian Yintai Energy Investment Co., Ltd.* (中天銀泰能源投資有限公司). At the same time, Mr. Dong currently holds several social positions, including a senior member of Chinese Association of Artificial Intelligence and the deputy director of the Emergency Logistics Committee of China Federation of Logistics & Purchasing. With his professional competence and leadership, Mr. Dong has made important contributions to the development of various fields, and will contribute to the steady progress of the Group.

Ms. Tam Wing Yan (譚詠欣) ("Ms. Tam"), aged 42, was appointed as an independent non-executive Director, and a member of the remuneration committee of the Board on 26 July 2024. She has over 5 years of experience in risk management, financial and strategic planning. She currently serves as an Financial Planning Officer of Manulife International Ltd. Besides, she also has over 10 years of experience in sales, marketing, business development, inventory control and project management, which can contribute towards the business of the Group including the further development of the Trendzon Diandian Science and Technology Innovation City's Industrial Park.

Mr. Shek Jun Chong (石峻松先生) ("Mr. Shek"), aged 52, was appointed as an independent non-executive Director, and a member of the audit committee, the nomination committee and the remuneration committee of the Board on 11 November 2020 and was re-designated as the chairman of the Remuneration Committee on 30 November 2021. He has over 20 years of experience in general business management. Mr. Shek worked in Guangzhou Fourth Construction Engineering Company* (廣州市第四建築工程公司) and was sent to Hong Kong in 1993 to participate in the real estate development of Mainland China, including major projects such as Gold Arch Residence, a premium residential development on Ersha Island, Guangzhou. During that period, he also participated in the preliminary land consolidation and primary development as well as investment attraction of Guangzhou Bio-island, a national-level key construction project in China. In 1995, he worked for Tuoyi Company* (拓益公司), a company directly affiliated to the municipal authorities of Guangzhou, where he served as a delegated representative in the Hong Kong and Macau districts and was responsible for the coordination and liaison between large central enterprises and state-owned enterprises and the Hong Kong and Macau counterparts. Mr. Shek was later appointed into the Yuexiu District Committee of the Chinese People's Political Consultative Conference in February 2013 and became a member of the committee's Hong Kong and Macau Section. Since 1998, he acts as the deputy managing director of Zhongqiu Advertising Co., Ltd.* (中球廣告有限公司), which mainly operates the advertising resources for the road signs along the Guangzhou-Shenzhen Highway, Shenzhen-Shantou Highway and other intra-provincial highways. Mr. Shek also founded Shenzhen Maidite Medical Technology Co., Ltd.* (邁地特醫療科技有限公司) in 2015, which is mainly engaged in the research and development and production of medical devices for intrapleural and intraperitoneal hyperthermic cancer treatment.

Mr. Shek has invested in various companies in partnership and is responsible for the planning and operation of business development. He has been involved in various fields, including research and development of medical devices, commercial properties and catering and entertainment. He has also held positions for the community, serving as an appointed member (Hong Kong and Macau) of the 14th and 15th session of Yuexiu District of Guangzhou Committee of the Chinese People's Political Consultative Conference.

* *For identification purpose only*

Mr. Qiu Yue (邱越先生) ("Mr. Qiu"), aged 56, was appointed as an independent non-executive Director, and a member of the audit committee, the nomination committee and the remuneration committee of the Board on 11 November 2020. He has over 21 years of experience in general business management.

Mr. Qiu obtained his bachelor's degree in Chinese Language from Sun Yat-sen University in Guangzhou in 1991. He worked as a sports journalist for the Guangzhou Daily Newspaper and the Football Newspaper, and established Guangzhou Wavecom Advertising and Communication Limited ("**Guangzhou Wavecom**") (formerly known as Guangzhou Television Promotion Company* (廣州電視推廣公司)) in August 1992 to engage in media advertising related business. Following the acquisition of Guangzhou Wavecom in 2008 by Asian Capital Resources (Holdings) Limited ("**ACR**") (Stock Code: 8025), a company whose shares are listed on GEM of the Stock Exchange, he was an executive director of ACR from October 2008 to June 2019 and was mainly responsible for external investments, mergers and acquisitions and restructuring in a wide range of industries including engineering, real estate, the Internet, etc. Mr. Qiu also established Guangzhou Zhongmao Advertising Co., Ltd* (廣州中懋廣告有限公司) ("**Zhongmao Advertising**") in 2008, which is mainly engaged in the business of national radio advertising and audio content management. In 2014, after Zhongmao Advertising was merged with Guangdong Advertising Group Co., Ltd. (Stock Code: 002400), a company whose shares are listed on the Shenzhen Stock Exchange, and became its subsidiary, Mr. Qiu worked as the general manager until January 2018. Since 2017, he has been the vice president of risk control of Eternity Fuel Gas (Group) Limited and is currently a director of Guangdong Green Assets Operation Management Co., Ltd* (廣東省綠色資產運營管理有限公司).

Mr. Wu Kai Tang (胡啟騰先生) ("Mr. Wu"), aged 39, obtained his Bachelor of Arts degree in Accountancy from the Hong Kong Polytechnic University in 2007. Mr. Wu is currently the sole proprietor at Messrs. Wu Kai Tang Certified Public Accountant (Practising), a firm of certified public accountants and established by Mr. Wu on 1 March 2015 in Hong Kong, and has been an independent non-executive director of China Ever Grand Financial Leasing Group Co., Ltd, a company listed on the Main Board of the Stock Exchange (Stock Code: 379), since 31 August 2023. Mr. Wu has over 15 years' experience in accounting and finance. Prior to establishing Messrs. Wu Kai Tang Certified Public Accountant (Practising), Mr. Wu gained experience from working at finance and accounting departments of various companies in Hong Kong, including listed companies. Mr. Wu also has over 6 years of accounting and auditing experience, which he gained from international accounting firms.

Senior Management

Mr. Shi Guan Lee (徐源利先生), aged 60, is a co-founder of the Group and has been a director of HSC Pipeline Engineering Pte. Ltd. since January 1993. He was appointed as a Director in July 2018, re- designated as an executive Director in August 2018 and subsequently resigned as an executive Director in September 2020. Mr. Shi Guan Lee has been the Group's operations director since January 1993 and is responsible for overseeing the Singapore subsidiary's operating performance and monitoring project planning and execution.

Mr. Shi Guan Lee has over 31 years of experience in the construction industry. He had attended secondary education in Singapore until October 1979, then he participated in his family business engaging in building construction business and in March 1990, he formed ABBA Electrical & Plumbing Works which was engaged in electric works, plumbing, non-electric heating and air conditioning.

* *For identification purpose only*

He has attended a number of professional training courses to sharpen his skills and knowledge in operations. In October 1995, he completed the Underground Services Detection Course organised by the Singapore Power Training Institute. Besides, he completed the basic training for Durafuse PE electrofusion system for gas distribution organised by Glynwed Pipe Systems (Asia) Pte Ltd in March 1998, the Building Construction Safety Supervisors Course organised by the Occupational Safety and Health (Training & Promotion) Centre in September 2001, the 'on-site' course of instruction on Hy-Ram Fully Automatic butt-fusion Equipment organised by CPP Global Products Pte Ltd in July 2002, training for epros DrainLiner – Renovation System in accordance with DIBT (German Institute For Construction Engineering) organised by Pipe Seals Gateshead Ltd (Certified Consultant for Rehabilitation of Sewer System) in February 2010 and training on the WIDOS 4800 CNC 3.0 Welding Machine organised by WIDOS Technology (Asia Pacific) Pte Ltd. In November 2015, he was granted the Certificate of Competency in Hydraulic Excavator Operation by the Building and Construction Authority. Currently, he has also been a registered excavator operator recognised by SP PowerGrid Ltd since 1996.

Mr. Shi Guan Lee is the younger brother of Mr. Michael Shi Guan Wah, an executive Director, and the uncle of Mr. Shi Hong Sheng, a member of the senior management of the Group.

Mr. Shi Hong Sheng (Xu Hongsheng) (徐鴻勝先生), aged 38, was appointed as a Director in July 2018, re-designated as an executive Director in August 2018 and appointed as a member of the remuneration committee on 26 February 2019. In November 2020, he resigned as an executive Director and a member of the remuneration committee. He has been a director of HSC Pipeline Engineering Pte. Ltd. since April 2018. Mr. Shi Hong Sheng is responsible for overseeing the Singapore subsidiary's operations and maintaining relationships with customers and suppliers.

Mr. Shi Hong Sheng has over 13 years of experience in the construction industry. Mr. Shi Hong Sheng obtained a degree of Bachelor of Engineering (Mechanical Engineering (Honours)) from the National University of Singapore in June 2011 and a Specialist Diploma in Construction Productivity at the Building and Construction Authority in November 2016. Mr. Shi Hong Sheng joined the Group as a project manager in April 2011. Between December 2017 and March 2018, he was also a director of Skye Marine Pte. Ltd., which was engaged in engineering design and consultancy activities.

Mr. Shi Hong Sheng also attended a number of professional training courses. He attended the Building Construction Supervisors Safety Course organised by Absolute Kinetics Consultancy Pte Ltd in April 2011, the Confined Space Safety Assessor Course organised by Association of Process Industry in June 2011, the Work-at-Height Course for Supervisors organised by QMT Industrial & Safety Pte Ltd in April 2013, Construction Safety Course for Project Managers organised by Avanta Global Pte Ltd in October 2014, the course in relation to detect and locate underground power cables organised by SP Training and Consultancy Company Pte. Ltd. in December 2011, the course in relation to Earth Control Measures (ECM) For Construction Site Personnel organised by The Institute of Engineers, Singapore in February 2016 and the course in relation to Pavement Construction & Maintenance organised by the Building and Construction Authority in July 2014. Mr. Shi Hong Sheng has also obtained a Certificate in Workplace Safety and Health and an Advanced Certificate in Workplace Safety and Health granted by Singapore Workforce Development Agency in November 2012 and October 2013, respectively. Furthermore, he is a registered Earthworks Supervisor recognised by Singapore Institute of Power & Gas.

Mr. Shi Hong Sheng is the son of Mr. Michael Shi Guan Wah, an executive Director, and the nephew of Mr. Shi Guan Lee, a member of the senior management of the Group.

The Board is pleased to present this report together with the audited consolidated financial statements of the Group (the "**Consolidated Financial Statements**") for FY2025.

The Company was incorporated in the Cayman Islands with limited liability on 17 July 2018 and its shares were listed on the Main Board of the Stock Exchange on 27 March 2019.

The comparative figures in this section are re-presented to reflect the reclassification between continuing operations and a discontinued operation of the Group.

PRINCIPAL PLACE OF BUSINESS

The head office and principal place of business of the Company in Hong Kong is located at Suite Room 39, 10/F, Block D, Mai Tak Industrial Building, 21 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong. The principal place of business in Singapore is 38 Senoko Road, Singapore 758110.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and the Group is principally engaged in (i) the provision of infrastructural pipeline construction and related engineering services mainly for gas, water, telecommunications and power industries services; (ii) provision of construction and engineering services; and (iii) trading of building materials. The revenue was principally derived from pipeline construction works for gas and water installation and construction and engineering services in FY2025. Details of the principal activities of the principal subsidiaries of the Company are set out in Note 18 to the Consolidated Financial Statements.

RESULT/BUSINESS REVIEW

The result of the Group for FY2025 and financial position of the Group as at 31 March 2025 are set out in the section headed "Consolidated Statement of Profit or Loss and Other Comprehensive Income" and "Consolidated Statement of Financial Position" on page 83 and 86 in this annual report.

A review of the Group's business for FY2025, which includes a description of the principal risks and uncertainties facing the Group, an analysis using financial key performance indicators of the Group's business, particulars of important events affecting the Group, an indication of likely future developments in the Group's business, and discussion on the Company's environmental policies and performance and the relationships with its stakeholders, can be found in the sections headed "Statement of Chairman", "Management Discussion and Analysis" and "Corporate Governance Report" of this annual report. The review forms part of this directors' report.

COMPLIANCE WITH LAWS AND REGULATIONS

Sufficient resources and training have been allocated and provided to ensure the on-going compliance with applicable laws and regulations.

The Group is principally engaged in the provision of construction and engineering services in Singapore and the PRC and is thus subject to the rules and regulations implemented by the Energy Market Authority of Singapore and the Public Utilities Board, which regulate activities of contractors, as well as the laws in the PRC. The Company confirmed that save as disclosed below, the Group had obtained all the registrations and certifications required for its business and operations in Singapore and the PRC, and had complied with the applicable laws and regulations in Singapore and the PRC in all material respects during FY2025.

RELATIONSHIP WITH KEY PARTIES

The success of the Group also depends on the support from key parties which comprise customers, suppliers and employees.

Customers

The Group's customers mainly include (i) Singapore Government agencies; (ii) private companies in Singapore; and (iii) private companies in the PRC. Open tenders put up by Singapore Government agencies are posted on GeBIZ while tenders for private organisations are mainly by invitation.

During FY2025, revenue derived from the Group's top five customers accounted for approximately 78.0% (FY2024: 88.6%) of the total revenue.

Suppliers and subcontractors

The Group maintains good working relationships with its subcontractors and suppliers and do not foresee any material difficulties in sourcing for services and materials in the future. Its project team will hold regular meetings with its suppliers and subcontractors to discuss progress, quality and issues (if any) encountered or anticipated in a project.

Employees

The Group regards its employees as one of its most important and valuable assets. The Group strives to reward and recognise employees who demonstrate outstanding performance by providing a competitive remuneration package, appropriate incentives, and to promote career development and progression by appropriate training and providing opportunities within the Group for career advancement.

The Group also places great importance in establishing a safe and healthy work environment for its employees. To ensure the quality of its services, the Group has established a set of Quality, Safety, Health and Environmental ("**QSHE**") policies and have committed to high safety standard and environmental impact control. The Group has been continuously accredited with safety certifications such as ISO 9001:2015, ISO 14001:2015, OHSAS 45001:2018 and bizSAFE STAR certifications for its building and construction services, a testament to the systems and procedures that the Group has in place to deliver high quality services and that conform to Singapore's EHS regulations.

PRINCIPAL RISKS AND UNCERTAINTIES

The business operations and results of the Group may be affected by various factors, some of which are external causes and some are inherent to the business. The Board is aware that the Group is exposed to various risks and the principal risks and uncertainties are summarised below:

1. Customer concentration risk

For FY2025, the Group's top five customers accounted for approximately 78.0% of its total revenue (FY2024: 88.6%) and any significant decrease in projects secured from any one of them or any change in their creditworthiness may affect its business, operations and financial results. The Group has not entered into any long-term agreements with its top five customers. There is no assurance that these top five customers will continue to use its services at fees acceptable to the Group. If any of the Group's top five customers were to terminate their business relationship with it entirely, there can be no assurance that the Group would be engaged by other customers to replace any such loss. In addition, if any of the Group's customers fail to settle its invoice in accordance with the agreed credit terms, the Group's working capital position may be adversely affected. Allowance for expected credit losses may also be required for receivables, which will have an adverse effect on its profitability. If there is a change in its customers' creditworthiness, its results of operations would be materially and adversely affected.

2. Non-recurring nature of projects

The Group's contracts are awarded on a project basis and its revenue is not recurring in nature. The Group cannot guarantee that the Group will continue to secure new projects from its customers after the completion of the existing projects. Any failure to do so could materially and adversely affect its financial performance.

3. Difficulties in recruiting and retaining skilled staff and/or foreign workers

There is high labour demand within the infrastructural pipeline and building and construction industry in Singapore and it is increasingly hard to employ skilled and licensed foreign workers due to the tightened policies on the employment of foreign workers and the labour shortage in Singapore. Any changes in the policies of the foreign workers' countries of origin may also affect the supply of foreign workers and cause disruptions to its operations, resulting in a delay for the completion of its projects.

In addition, the Group may also face difficulties in retaining skilled staff and/or foreign workers due to unforeseen fluctuations in labour costs. The Group may need to take into consideration such salary trends when recruiting or retaining skilled local talents and/or foreign workers as the Group would want to offer more competitive remuneration packages in order to attract higher skilled labour which may result in increased operating expenses thereby affecting its financial performance.

SHARE CAPITAL

As at 31 March 2025, 736,736,000 shares of the Company were in issue. Details of the movement in share capital during FY2025 are set out in Note 32 to the Consolidated Financial Statements.

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Group and the Company during FY2025 are set out in the Consolidated Statement of Changes in Equity on page 87 and Note 36 to the Consolidated Financial Statements respectively.

As at 31 March 2025, distributable reserve available for distribution to the owners of the Company is approximately S$11.3 million, which represents the aggregate of share premium and capital reserves of approximately S$82.4 million, net of accumulated losses of approximately S$71.1 million (FY2024: approximately S$54.0 million).

DIVIDEND

The Board resolved not to recommend the payment of a final dividend for FY2025 (FY2024: Nil).

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S SECURITIES

During FY2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during FY2025 are set out in Note 19 to the Consolidated Financial Statements.

PRE-EMPTIVE RIGHTS

There is no provision for the pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

EQUITY-LINKED AGREEMENTS

Other than the Amended Share Option Scheme of the Company (as defined below) and the placing agreement dated 19 July 2024 disclosed under heading "Use of Rights Issue Proceeds" as set out in the Management Discussion and Analysis, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during FY2025 or subsisted at the end of FY2025.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief or exemption available to the Shareholders by reason of their holding of the Company's securities.

CORPORATE GOVERNANCE

Details of the Group's corporate governance practices can be found in the Corporate Governance Report contained on pages 43 to 58 in this report.

ANNUAL GENERAL MEETING ("AGM")

The AGM will be held on Thursday, 21 August 2025 and the notice convening such meeting will be published and despatched to the Shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 18 August 2025 to Thursday, 21 August 2025 (both days inclusive), during which period no transfers of shares of the Company will be registered. The record date will be Thursday, 21 August 2025 and to determine the entitlement to attend and vote at the AGM of the Company, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrars in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Friday, 15 August 2025.

MAJOR CUSTOMERS, SUPPLIERS AND SUBCONTRACTORS

The percentages of purchases, subcontracting costs and revenue for FY2025 contributed by the Group's major suppliers, subcontractors and customers to the Group's total costs and revenue are as follows:

Purchases

– the largest supplier	3.3%
– five largest suppliers in aggregate	8.7%

Subcontracting costs

– the largest subcontractor	14.4%
– five largest subcontractors in aggregate	21.0%

Revenue

– the largest customer	32.3%
– five largest customers in aggregate	78.0%

During FY2025, none of the Directors, their respective close associates or any shareholders of the Company (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had any interest in any of the Group's five largest customers or suppliers or subcontractors.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors of the Company who held office during FY2025 were:

Executive Directors

Ms. Feng Jiamin (Chairman)
Mr. Michael Shi Guan Wah (Chief Executive Officer)
Mr. Liu Jianfu (appointed on 19 November 2024)
Ms. Zhao Jianhong (appointed on 21 February 2025)
Mr. Leung Yiu Cho (appointed on 19 November 2024)
Mr. Fong Hang Fai
Mr. Law Wai Yip (appointed on 24 April 2024)
Ms. Katsaya Wiriyachart (resigned on 19 November 2024)
Ms. Liao Qinghua (resigned on 19 November 2024)
Mr. Lok Ka Ho (resigned on 24 April 2024)

Independent non-executive Directors

Mr. Shek Jun Chong
Mr. Qiu Yue
Mr. Lui Kwun Yuen (resigned on 26 July 2024)
Mr. Wu Kai Tang
Ms. Tam Wing Yan (appointed on 26 July 2024)

Each of the executive Directors has entered into a service contract with the Company for a term of three years. All such service contracts are continuous until terminated by either party giving to the other not less than three months' notice in writing, or by payment of three months' salary in lieu of such notice.

Each of the independent non-executive Directors is appointed for a term of one year unless terminated by one month's notice in writing.

All Directors are subject to retirement by rotation and re-election at annual general meetings, and will continue thereafter until terminated in accordance with the Articles of Association.

Article 83(3) of Company's Articles of Association provides that any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Shareholders after his/her appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Article 84 of Company's Articles of Association provides that one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one third) shall retire from office by rotation at each AGM, provided that every Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he/she retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer themselves for re-election.

In accordance with article 83(3) of the Articles of Association, Mr. Liu Jianfu, Ms. Zhao Jianhong. Mr. Leung Yiu Cho and Mr. Dong Changzhou shall retire from office as Directors and being eligible, have offered themselves for re-election as Directors at the forthcoming AGM.

In accordance with article 84 of the Articles of Association, Mr. Michael Shi Guan Wah, Mr. Qiu Yue, and Mr. Law Wai Yip shall retire from office as Directors and being eligible, have offered themselves for re-election as Directors at the forthcoming AGM.

Apart from the foregoing, no Director proposed for re-election at the AGM has a service contract/letter of appointment which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

CONFIRMATION ON INDEPENDENCE

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. Accordingly, the Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Group are disclosed in the section headed "Biographical Details of Directors and Senior Management" on pages 19 to 24 of this annual report.

EMOLUMENT POLICY

As at the date of this report, the Group had a total of 501 employees (FY2024: 481 employees). The Group's emolument policy is in line with the prevailing market practice and are determined on the basis of performance, qualification and experience of individual employee. The Group recognises the importance of a good relationship with its employees. The remuneration payable to its employees includes salaries, bonus and allowances.

The emolument policy for the general staff of the Group is set up by the management of the Group on the basis of their merits, qualifications and competence.

A remuneration committee was set up by the Board to develop the Group's emolument policy and structure for remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

DIRECTORS' EMOLUMENTS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

The Directors' emoluments are subject to the Shareholders' approval at annual general meeting of the Company. Other emoluments are determined by the Board with reference to the recommendations by remuneration committee of the Company, directors' duties, responsibilities and performance and the results of the Group.

Details of the Directors' emoluments and five highest paid individuals are set out in Note 13 to the Consolidated Financial Statements of this annual report.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Company's Articles of Association, every Director or other officers of the Company shall be entitled to be indemnified and secured harmless out of the assets and profits of the Company against any liability, action, proceeding, claim, demand, costs, damages or expenses, including legal expenses as a result of any act or failure to act in carrying out his/her functions.

Such permitted indemnity provision (within the meaning in Section 469 of the Companies Ordinance) is currently in force and was in force during FY2025. In addition, the Company has taken out and maintained Directors' and officers' liability insurance during FY2025, which provides appropriate cover for the directors and officers of the Group.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

Save for the service contract/letter of appointment with the Directors, no other transactions, arrangements or contracts that is significant 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 an entity connected with a Director had, directly or indirectly, a material interest subsisted at the end of FY2025 or at any time during FY2025.

DIRECTORS' INTEREST IN COMPETING BUSINESS

Up to the date of this annual report, none of the directors, the substantial shareholders or the management shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete, either directly or indirectly, with the business of the Group or has any other conflict of interests with the Group.

SHARE OPTION SCHEME

The share option scheme of the Company (the "**Share Option Scheme**") has been conditionally adopted on 26 February 2019. The Company has amended the Share Option Scheme on 13 December 2022 (the "**Amended Share Option Scheme**") to align with the amendments to Chapter 17 of the Listing Rules relating to share option schemes which has came into effect on 1 January 2023. Details of the Amended Share Option Scheme are set out below.

Purpose	The purpose of the Share Option Scheme is to give the Eligible Persons (as defined in the following paragraph) an opportunity to have a personal stake in the Company and help motivate them to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such Eligible Persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.
Who may join	The Board may, at its absolute discretion, offer share options ("**Options**") to subscribe for such number of Shares in accordance with the terms set out in the Share Option Scheme to Directors and employees of any member of the Group (including persons who are granted Options under this scheme as an inducement to enter into employment contracts with any member of the Group) ("**Eligible Persons**"). The eligibility of the Eligible Persons will be determined by the Board based on the their potential and/or actual contribution to the business and development of the Group.
Maximum number of shares available for issue	The maximum number of Shares which may be issued in respect of all options or awards to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issue as at the Listing Date (the "**Scheme Mandate Limit**"). Options lapsed in accordance with the terms of this scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all Options or awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

The Company may seek approval by the Shareholders in general meeting for refreshing the Scheme Mandate Limit under this scheme after three years from the date of Shareholders' approval for the last refreshment (or the adoption of this scheme).

Any refreshment within any three year period must be approved by Shareholders of the Company subject to the following provisions:

(i) any controlling Shareholders and their associates (or if there is no controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and

(ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules or such other provisions as required under Rule 17.03(C) of the Listing Rules.

The requirements under paragraphs (i) and (ii) above do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share.

The total number of Shares which may be issued in respect of all Options or awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit. The Company must send a circular to the Shareholders containing the number of Options that were already granted under the existing Scheme Mandate Limit, and the reason for the refreshment.

The Company may seek separate approval by the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided the Options in excess of the limit are granted only to Eligible Persons specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified Eligible Persons who may be granted such Options, the number and terms of the Options to be granted to each Eligible Persons, and the purpose of granting Options to the specified Eligible Persons with an explanation as to how the terms of the Options serve such purpose. The number and terms of Options to be granted to such Eligible Persons must be fixed before Shareholders' approval. In respect of any Options to be granted, the date of the board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the exercise price under the Listing Rules.

On 4 May 2022, 92,000,000 Options have been granted under the Share Option Scheme and therefore the existing Scheme Mandate Limit was fully utilized. The Company has on 13 December 2022 refreshed the Scheme Mandate Limit and therefore, the maximum number of shares which may be issued upon exercise of all options to be granted under the Amended Share Option Scheme is 110,400,000 shares, being 10% of the Shares as at the date of extraordinary general meeting.

On 15 June 2023, the Company has granted Options to subscribe for 110,400,000 shares to twelve employees of the Group at the exercise price of HK$0.43 per share. The Options are valid for 3 years from 15 June 2023 and the vesting period for Options are one year from the date of grant. As a result, there were no available unissued shares under the mandate limit of the Amended Share Option Scheme as at the date of this annual report.

Maximum entitlement of each Eligible Person	Where any grant of Options to an Eligible Person would result in the Shares issued and to be issued in respect of all Options granted to such person (excluding any Options lapsed in accordance with the terms of this scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares of the Company in issue, such grant must be separately approved by Shareholders of the Company in general meeting with such Eligible Person and his/her close associates (or associates if the Eligible Person is a connected person) abstaining from voting. The Company must send a circular to the Shareholders. The circular must disclose the identity of the Eligible Person, the number and terms of the Options to be granted (and those previously granted to such Eligible Person in the 12-month period), the purpose of granting Options to the Eligible Person and an explanation as to how the terms of the Options serve such purpose. The number and terms of the Options to be granted to such Eligible Person must be fixed before Shareholders' approval. In respect of any Options to be granted, the date of the board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under the Listing Rules.
Offer and grant of options	Subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within 10 years from the adoption date to offer the grant of an Option to any Eligible Person as the Board may in its absolute discretion select to subscribe at the exercise price for such number of Shares as the Board may (subject to the terms of the Share Option Scheme) determine (provided the same shall be a board lot for dealing in the Shares on the Stock Exchange or an integral multiple thereof).
Minimum holding period, vesting and performance target	The vesting period for Options shall not be less than 12 months. Options granted to Employee Participants may be subject to a shorter vesting period under the following circumstances:

(a) grants of Options with performance-based vesting conditions as determined by the Board, in lieu of time-based vesting criteria;

(b) grants of Options with a mixed or accelerated vesting schedule such as where the awards may vest evenly over a period of 12 months; and

(c) grants of Options with a total vesting and holding period of more than 12 months.

Subject as aforesaid and other provisions of the Listing Rules, the Board may in its absolute discretion when offering the grant of an Option impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the Share Option Scheme as the Board may think fit (to be stated in the letter containing the offer of the grant of the Option) including (without prejudice to the generality of the foregoing) the achievement of any performance targets by the Company and/or the grantee before the right to exercise the Option in respect of any of the Shares shall vest provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the Share Option Scheme. If any performance targets are imposed, the Board may assess such performance targets against key performance indicators for the Group, its subsidiaries, operating units, projects, geographical divisions or individuals, which may include cash flow; earnings; earnings per share; market value added or economic value added; profits; return on assets; return on equity; return on investment; sales; revenue; Share price; total Shareholder return; and such other goals as the Board may determine from time to time.

Amount payable for options and offer period

An offer of the grant of an Option shall remain open for acceptance by the Eligible Person concerned for a period of 21 days from the offer date provided that no such grant of an Option may be accepted after the expiry of the effective period of the Share Option Scheme. An Option shall be deemed to have been granted and accepted by the Eligible Person and to have taken effect when the duplicate offer letter comprising acceptance of the offer of the Option duly signed by the grantee together with a remittance in favour of the Company of HK$1.00 by way of consideration for the grant thereof is received by the Company on or before the date upon which an offer of an Option must be accepted by the relevant Eligible Person, being a date no later than 21 days after the offer date (the "**Acceptance Date**"). Such remittance shall in no circumstances be refundable.

	Any offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in respect of board lots for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer letter comprising acceptance of the offer of the Option. To the extent that the offer of the grant of an Option is not accepted by the Acceptance Date, it will be deemed to have been irrevocably declined.
Exercise Price	The exercise price in respect of any particular Option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Option (and shall be stated in the letter containing the offer of the grant of the Option) but the exercise price shall not be less than whichever is the highest of: (a) the nominal value of a Share; (b) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the offer date, which must be a business day; and (c) the average closing price of a Share as stated in the Stock Exchange's daily quotations sheets for the 5 Business Days (as defined in the Listing Rules) immediately preceding the offer date.
Lift of Share Option Scheme	Subject to the terms of this Share Option Scheme, the scheme shall be valid and effective for a period of 10 years from the date on which it becomes unconditional, after which no further options will be granted or offered but the provisions of the Share Option Scheme shall remain in force and effect in all other respects. All Options granted prior to such expiry and not then exercised shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme.

On 15 June 2023, the Company had granted a total of 110,400,000 share options to twelve employees of the Group (the "**Grantees**") under the share option scheme adopted by the Company on 26 February 2019 as amended on 13 December 2022, to subscribe for a total of 110,400,000 ordinary shares of the Company (the **"Share(s)**") subject to the acceptance of the Grantees. The fair value of the share options granted to the employees in aggregate of the Company was approximately S$5.1 million. The fair value of the share options granted on 15 June 2023 was determined at the date of grant using the binominal model. The binomial lattice model is a generally accepted method of valuing options. The significant assumptions used in the calculation of the values of the share options were risk-free rate of interest, dividend yield, volatility and early exercise multiple. The measurement date used in the valuation calculations was the date on which the share options were granted.

Grant date share price	HK$0.43
Exercise price	HK$0.43
Expected volatility	153.18%
Expected life	3 years
Expected dividend yield	0.00%
Risk-free interest rate	3.68%

No share option was available for grant under the Share Option Scheme and the Amended Share Option Scheme as at 1 April 2024 and 31 March 2025. There was no service provider sublimit under the Share Option Scheme and the Amended Share Option Scheme. As at the date of this annual report, the total number of shares of the Company available for issue for the Options granted under the Amended Share Option Scheme was 11,525,275 shares, representing approximately 1.56% of the issued shares of the Company. As at the date of this annual report, the Company has no Share available for issue under the Share Option Scheme. The number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during FY2025 divided by weighted average number of Shares in issue for FY2025 is nil.

The following table discloses the details of the Company's share options under the Amended Share Option Scheme and the movements during the year ended 31 March 2025:

					Number of share options					
Grantees	Date of grant	Vesting period	Exercise price per share (HK$)	Exercise period	Outstanding as at 1 April 2024	Granted during the period	Exercised during the period	Cancelled /Lapsed during the period	Adjusted during the period	Outstanding as at 31 March 2025
Employees in aggregate *(Note 1)*	15 June 2023	15 June 2023-14 June 2024 *(Note 2)*	4.119 *(Note 3)*	15 June 2024-14 June 2026	110,400,000	–	–	–	(98,874,725) *(Note 5)*	11,525,275
Total:					110,400,000	–	–	–	(98,874,725)	11,525,275

Notes:

1. The share options were granted to twelve employees of the Group on 15 June 2023.

2. During FY2025, all the 110,400,000 share options outstanding as at 1 April 2024 were vested with exercise price of HK$0.43. The weighted average closing price of the Shares before the dates on which the share options were vested was HK$0.264.

3. The closing price of the Shares immediately before the date of grant was HK$0.43 per Share. The exercise price was adjusted to HK $4.119 as a result of the completion of the Rights Issue, details please refer to the Company's announcement dated 23 October 2024.

4. No performance target is required to be met before exercise of the share options.

5. As a result of the Share Consolidation and the completion of the Rights Issue, the total number of Shares which may be issued upon exercise of all outstanding Options under the Amended Share Option Scheme has been adjusted to 11,525,275 Shares pursuant to the terms of the Amended Share Option Scheme. (as detailed in the Company's announcement dated 5 September 2024, the Company's circular dated 20 August 2024 and the Company's announcement dated 23 October 2024)

Rights to Acquire Shares or Debentures

Apart from the aforesaid Share Option Scheme, at no time during FY2025 was the Company or any associated corporation a party to any arrangement to enable the Directors or chief executive of the Company or their respective associates (as defined in the Listing Rules) to acquire benefits by means of the acquisition of shares in, or debentures of, or had exercise any such rights in the Company or any other body corporate.

DISCLOSURE OF INFORMATION ON DIRECTORS

With effect from 24 April 2024, Mr. Law Wai Yip has been appointed as an executive director and Mr. Lo Ka Ho resigned as an executive director due to his intention to concentrate on other business commitments.

With effect from 26 July 2024, Ms. Tam Wing Yan has been appointed as an independent non-executive director and the member of the remuneration committee of the Board and Mr. Lui Kwun Yuen resigned as an independent non-executive director due to his intention to concentrate on other business commitments.

With effect from 19 November 2024, Mr. Liu Jianfu and Mr. Leung Yiu Cho have been appointed as executive directors and Ms. Katsaya Wiriyachart and Ms. Liao Qinghua resigned as executive directors due to their intention to concentrate on other business commitments.

With effect from 21 February 2025, Ms. Zhao Jianhong and Mr. Dong Changzhou have been appointed as an executive director and a non-executive director respectively.

Save as disclosed above, the Company is not aware of any change in the Directors' information that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2025, none of the Directors and chief executive of the Company had or was deemed to have any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**") that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix C3 of the Listing Rules.

SUBSTANTIAL SHAREHOLDER'S INTERESTS AND/OR SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2025, the following persons/entities (not being the Directors or chief executive of the Company) have an interest or a short position in the Shares or the underlying Shares which were disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, were as follows:

Long Position in the Ordinary Shares and underlying Shares of the Company

Name of Substantial Shareholders	Capacity/Nature	No. of Shares held	% of the Company's issued Shares
Liu Jianfu *(Note 1)*	Beneficial Owner	81,984,000	11.13%

Notes:

(1) Mr. Liu Jianfu is an executive Director.

Save as disclosed above, as at 31 March 2025, the Directors were not aware of any persons (not being Directors or chief executives of the Company) who had interest or short position in the Shares or underlying Shares which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken by the Group are set out in Note 35 to the Consolidated Financial Statements. Those related party transactions did not constitute "continuing connected transactions" under Chapter 14A of the Listing Rules.

RETIREMENT BENEFITS SCHEME

The Group participates in the Central Provident Fund scheme ("**CPF scheme**"), which is a defined contribution pension scheme in Singapore.

Pursuant to the Central Provident Fund Act, an employer is obliged to make CPF contributions for all employees who are Singapore citizens or permanent residents who are employed in Singapore under a contract of service (save for employees who are employed as a master, a seaman or an apprentice in any vessel, subject to an exception for owners who have not been exempted from the relevant provisions of the Central Provident Fund Act).

CPF contributions are required for both ordinary wages and additional wages (subject to an ordinary wage ceiling and a yearly additional wage ceiling) of employees at the applicable prescribed rates which are dependent on, among others, the amount of monthly wages and the age of the employee. An employer must pay both the employer's and employee's share of the monthly CPF contribution. However, an employer can recover the employee's share of CPF contributions from their wages when the contributions are paid for that month. The CPF scheme is a comprehensive social security system that enables working Singapore citizens and permanent residents to set aside funds for retirement.

The Group also operates a Mandatory Provident Fund retirement benefit scheme ("**MPF scheme**") for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of the relevant payroll costs capped at HK$1,500 per month to MPF scheme, in which the contribution is matched by employees.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the government of PRC. The subsidiaries in the PRC are required to contribute a certain percentage of the payroll cost to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The total cost charged to profit or loss amount to approximately S$768,000 for the FY2025, representing contributions paid to the retirement benefits scheme by the Group. As at 31 March 2025, all contribution that was due had been paid.

Save as aforesaid, the Group did not participate in any other pension schemes during FY2025.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the latest practicable date prior to the issue of this annual report, there was sufficient public float in the Company's issued shares as required under the Listing Rules of at least 25% of the Company's total number of issued shares which was held by public.

AUDITOR

PricewaterhouseCoopers was engaged as the auditor of the Company from 18 September 2018 to 18 September 2020. Baker Tilly TFW LLP ("**Baker Tilly**") was engaged as the auditor of the Company with effect from 18 September 2020 to fill the casual vacancy following the retirement of PricewaterhouseCoopers. Baker Tilly resigned as the auditor of the Company on 21 April 2021 and Linksfield CPA Limited was appointed as the auditor of the Company with effect from 21 April 2021. On 26 May 2022, Linksfield CPA Limited resigned as auditor of the Company and McMillan Woods (Hong Kong) CPA Limited ("**McMillan Woods**") was appointed by the Board as the auditor of the Company to fill the casual vacancy as arising. McMillan Woods resigned as the auditor of the Company on 22 January 2024 and Elite Partners CPA Limited ("**Elite Partners**") was appointed as the auditor of the Company with effect from 22 January 2024 to fill the casual vacancy following the resignation of McMillan Wood.

Pursuant to the announcement of the Company dated 29 November 2024, the Company undertook a change of its auditors from Elite Partners to Confucius International CPA Limited with immediate effect on the same date.

The consolidated financial statements of the Group for the year ended 31 March 2025 were audited by Confucius International CPA Limited who will retire at the conclusion of the AGM and, being eligible, will offer itself for re-appointment.

Confucius International CPA Limited shall hold office until the conclusion of the next AGM pursuant to the Articles of Association. A resolution to re-appoint Confucius International CPA Limited as the auditor of the Company will be proposed for approval by the Shareholders at the forthcoming AGM.

By order of the Board
Pengo Holdings Group Limited

Feng Jiamin
Chairman

Hong Kong, 27 June 2025

The Board is pleased to present this corporate governance report in the annual report of the Company for FY2025.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to achieve and maintain high standards of corporate governance to safeguard the interests of the shareholders and to enhance its corporate value and accountability. The Directors recognize the importance of incorporating elements of good corporate governance in the management structures, internal control and risk management procedures of the Group so as to achieve effective accountability. The Company adopted all the code provisions of the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") in Appendix C1 of Listing Rules on the Stock Exchange as its own code on corporate governance practices.

The Company had complied with the code provisions in the CG Code during the year ended 31 March 2025.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code. Set out below is detailed discussion of the corporate governance practices adopted and observed by the Company for FY2025.

GROUP CULTURE

Meaning of the Company's Name

"Peng" (「鵬」): It takes the meaning of "soaring beyond limits, like the roc in flight "and "brilliant prospects", symbolizing breaking geographical limits and bridging international capital with the opportunities of the Greater Bay Area.

"Gao" (「高」): It symbolizes "aspiring to greatness" and "visionary foresight", reflecting the pursuit of technological excellence, industrial-financial integration depth and quality growth.

Logo Design Interpretation-Brand Perspective

The logo features the outer circle and inner square design elements.

- The outer circle symbolizes inclusiveness, openness and a global vision, while also conveying the concept of an infinite loop and continuous renewal.
- The inner square represents stability, steadfastness, and principle, implying that the Group will maintain steady progress amid rapid development. The green lightning echoes elements such as new energy and technology, and overlaps with the pinyin initial "P" of "Pengo", emphasizing enterprise's unwavering commitment to environmental protection and sustainable development.

In terms of color matching, the logo employs a color palette of blue and green tones.

- Blue represents technology, innovation and future, and simultaneously conveys a sense of stability and trustworthiness, which helps to enhance corporate brand image and credibility.
- Green represents environmental protection, ecology and sustainable development. It not only highlights the Company's environmental protection concept but also demonstrates our aspirational vision for renewable energy.

Logo Design Interpretation – Feng Shui Perspective

Take blue and green, water is blue and wind is green.

- Hexagram 48: The Well Hexagram –Water over Wind Supreme Auspicious: A long-abandoned well revives with fresh springs, quenching thirst, earning praise, as fortune takes wing. When destiny flows with nature's own strings, joy follows as naturally as water brings. The outer circle symbolizes fluidity and stability, evoking a sense of security and auspicious protection.
- Wind represents our Company, which is capable of both interception and evasion, wielding great power with tough stance. It can be soft or hard.
- To shield or embrace, to enable others' success and to take the supporting role to contribute selflessly.
- Both parties are passive, powerful, easy-going and maintain stable relationship. However, a well needs tender care to yield sweet water. We must take the initiative to maintain relationships with our customers so as to ensure that the wellspring grows ever richer and sweeter.

THE BOARD

Responsibilities

The Board is responsible for the overall leadership of the Group, oversees the Group's strategic decisions and monitors business and performance. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company's affairs, the Board has established three Board committees including the audit committee (the "**Audit Committee**"), the remuneration committee (the "**Remuneration Committee**") and the nomination committee (the "**Nomination Committee**") (together, the "**Board Committees**"). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and the Shareholders at all times.

The Company has arranged appropriate liability insurance to indemnify the Directors for their liabilities arising from corporate activities. The insurance coverage will be reviewed on an annual basis.

Board Composition

The Board currently comprises seven executive Directors, namely Ms. Feng Jiamin (Chairman), Mr. Michael Shi Guan Wah (Chief Executive Officer), Mr. Liu Jianfu, Ms. Zhao Jianhong, Mr. Leung Yiu Cho, Mr. Law Wai Yip and Mr. Fong Hang Fai, one non-executive Director, namely Mr. Dong Changzhou and four independent non-executive Directors, namely Mr. Shek Jun Chong, Mr. Qiu Yue, Ms. Tam Wing Yan and Mr. Wu Kai Tang.

The biographies of the Directors are set out under the section headed "Directors and Senior Management" of this annual report.

Relationships between the Directors are set out under the section headed "Directors and Senior Management" of this annual report.

During FY2025, the Board met the requirements of Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise and Rule 3.10A of the Listing Rules relating to the appointment of independent non-executive Directors representing at least one-third of the Board.

Under Rule 3.10A of the Listing Rules, issuers are required to appoint independent non-executive Directors representing at least one-third of the Board. As disclosed in this annual report, the Company has four independent non-executive Directors currently representing more than one-third of the Board and therefore the Company has complied with Rule 3.10A of the Listing Rules.

The Company has adopted a board diversity policy, a summary of which is set out under "Board Committees – Nomination Committee" below.

The Company has received written annual confirmation from each independent non-executive Director of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines as set out in the Listing Rules.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee.

In regard to the CG Code provision requiring Directors to disclose to the issuer the number and nature of offices held in public companies or organizations and other significant commitments, as well as their identity and an indication of the time involved, all the Directors have agreed to disclose their commitments and any change to the Company in a timely manner.

Continuous Professional Development

During FY2025, the participation by each Director in the continuous professional development (the "**CPD**") was recorded as follows:

The executive Directors, Ms. Feng Jiamin, Mr. Michael Shi Guan Wah, Mr. Liu Jianfu, Ms. Zhao Jianhong, Mr. Leung Yiu Cho, Mr. Law Wai Yip and Mr. Fong Hang Fai, and the non-executive director, Mr. Dong Changzhou participated in CPD activities by ways of attending trainings and reading materials which are relevant to the Company's business or to directors' duties and responsibilities.

The independent non-executive Directors, Mr. Shek Jun Chong, Ms. Tam Wing Yan, Mr. Qiu Yue and Mr. Wu Kai Tang participated in CPD by way of attending training and reading materials which are relevant to the Company's business or to directors' duties and responsibilities.

Mr. Law Wai Yip has on 23 April 2024 obtained the legal advice referred to in Rule 3.09D of the Listing Rules and has confirmed that he understood his obligations as a director of the Company.

Ms. Tam Wing Yan has on 25 July 2024 obtained the legal advice referred to in Rule 3.09D of the Listing Rules and has confirmed that she understood her obligations as a director of the Company.

Mr. Liu Jianfu and Mr. Leung Yiu Cho have on 18 November 2024 obtained the legal advice referred to in Rule 3.09D of the Listing Rules and have confirmed that their understood their obligations as directors of the Company.

Ms. Zhao Jianhong and Mr. Dong Changzhou have on 21 February 2025 and 20 February 2025 respectively obtained the legal advice referred to in Rule 3.09D of the Listing Rules and have confirmed that their understood their obligations as directors of the Company.

Chairman and Chief Executive Officer

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and performed by different individuals. Under the current organizational structure of the Company, Ms. Feng Jiamin is the Chairman of the Board and Mr. Michael Shi Guan Wah is the Chief Executive Officer which satisfied the code provision C.2.1 of the CG Code.

Appointment and Re-Election of Directors

Mr. Michael Shi Guan Wah, entered into a service contract with the Company for a period of three years commencing from 26 February 2025. Ms. Feng Jiamin is re-designated from non-executive Director to executive Director and entered into a service contract with the Company for a period of three years commencing from 21 September 2023. Mr. Liu Jianfu and Mr. Leung Yiu Cho, have been appointed as executive Directors from 19 November 2024 and entered into a service contract with the Company for an initial fixed term of three years commencing from 19 November 2024. Ms. Zhao Jianhong, has been appointed as an executive Director from 21 February 2025 and entered into a service contract with the Company for an initial fixed term of one year commencing from 21 February 2025. Mr. Dong Changzhou, has been appointed as a non-executive Director from 21 February 2025 and entered into a service contract with the Company for an initial fixed term of one year commencing from 21 February 2025. Mr. Fong Hang Fai, has been appointed as an executive Director from 30 November 2021 and has not entered into any written service contract with the Company will be subject to retirement and re-election at the annual general meetings. Subsequently, Mr. Fong entered into a service contract with the Company for an initial fixed term of three years commencing from 1 April 2023. Mr. Law Wai Yip, has been appointed as an executive Director from 24 April 2024 and entered into a service contract with the Company for an initial fixed term of three years commencing from 24 April 2024.

Ms. Tam Wing Yan has been appointed as an independent non-executive Director on 26 July 2024. Ms. Tam Wing Yan has entered into a letter of appointment with the Company for an initial fixed term of one year commencing from 26 July 2024.

Mr. Wu Kai Tang has been appointed as an independent non-executive Director on 5 September 2023. Mr. Wu Kai Tang has entered into a letter of appointment with the Company for an initial fixed term of one year commencing from 5 September 2023.

Mr. Shek Jun Chong and Mr. Qiu Yue, have been appointed as independent non-executive Directors on 11 November 2020, each of Mr. Shek Jun Chong and Mr. Qiu Yue has entered into a letter of appointment with the Company for a term of one year commencing on 11 November 2022, which may be terminated by not less than one month' notice in writing by either party on the other.

None of the Directors has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

In accordance with the articles of association of the Company, all Directors are subject to retirement by rotation at least once every three years and any new Director appointed to fill a causal vacancy shall submit himself/herself for election by the Shareholders at the first annual general meeting of the Company after appointment and new Directors appointed as an addition to the Board shall submit himself/herself for re-election by shareholders at the next following annual general meeting of the Company after appointment.

The procedures and process of appointment, re-election and removal of Directors are set out in the articles of association of the Company. The Nomination Committee is responsible for reviewing the Board composition, and monitoring the appointment, re-election and succession planning of Directors.

Board Meetings and General Meetings

The Company adopted the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than fourteen days are given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For other Board and committee meetings, reasonable notice is generally given. The agenda and accompanying Board papers are despatched to the Directors or committee members at least three days before the meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meetings. When Directors or committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the Chairman prior to the meeting.

Minutes of the Board meetings and committee meetings are recorded in sufficient detail including the matters considered by the Board and the committees and the decisions reached, and any concerns raised by the Directors. Draft minutes of each Board meeting and committee meeting are sent to the Directors for consideration within a reasonable time after the date on which the meeting was held. The minutes of the Board meetings are open for inspection by Directors.

The Chairman also held a meeting with the independent non-executive Directors without presence of the executive Directors during FY2025.

During FY2025, twelve board meetings and three general meetings were held and the attendance of the individual Directors at these meetings is set out in the table below:

Directors	Attendance/ Eligible to attend Board Meeting(s)	Attendance/ Eligible to attend General Meeting(s)
Ms. Feng Jiamin	12/12	3/3
Mr. Michael Shi Guan Wah	12/12	3/3
Mr. Liu Jianfu	7/7	0/1
Ms. Zhao Jianhong	3/3	1/1
Mr. Leung Yiu Cho	6/7	1/1
Mr. Lok Ka Ho	0/1	0/0
Ms. Katsaya Wiriyachart	5/5	2/2
Ms. Liao Qinghua	5/5	2/2
Mr. Law Wai Yip	10/11	2/3
Mr. Fong Hang Fai	12/12	3/3
Mr. Dong Changzhou	2/3	1/1
Mr. Shek Jun Chong	12/12	3/3
Mr. Qiu Yue	11/12	2/3
Mr. Lui Kwun Yuen	4/4	0/0
Mr. Wu Kai Tang	12/12	3/3
Ms. Tam Wing Yan	7/8	3/3

Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry with all the Directors and each of the Directors has confirmed that he has complied with the Model Code during FY2025.

The Company has also adopted its own code of conduct regarding employees' securities transactions on terms no less exacting than the standards set out in the Model Code for compliance by its relevant employees who are likely to be in possession of inside information of the Company in respect of their dealings in the Company's securities.

Delegation by the Board

The Board reserves for its decision on all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and consult with the Company's senior management independently.

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

Corporate Governance Function

The Board recognizes that corporate governance should be the collective responsibility of Directors and their corporate governance duties include:

(i) to develop, review and implement the Company's policy and practices on corporate governance;

(ii) to review and monitor the training and continuous professional development of Directors and senior management;

(iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(iv) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;

(v) to review the Company's compliance with the CG Code and disclosure in the corporate governance report; and

(vi) to develop, review and monitor the implementation of the Shareholders' communication policy to ensure its effectiveness, and where appropriate to enhance Shareholders' relationship with the Company.

During FY2025, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

BOARD COMMITTEES

Nomination Committee

The Nomination Committee consists of four members, namely, Mr. Wu Kai Tang, Ms. Feng Jiamin, Mr. Shek Jun Chong and Mr. Qiu Yue, Mr. Wu Kai Tang is the chairman of the Nomination Committee, and except Ms. Feng Jiamin, an executive Director, the rest of them are independent non-executive Directors.

The principal duties of the Nomination Committee include the followings:

- to review the structure, size and composition of the Board and make recommendations regarding any proposed changes;
- to identify individuals suitably qualified as potential Board members;
- to make recommendations to the Board on the selection of individuals nominated for directorships;
- to assess the independence of independent non-executive Directors; and
- to make recommendations to the Board on the appointment or reappointment of Directors and succession planning of Directors, in particular the Chairman and the chief executive.

The Nomination Committee assesses the candidate or incumbent on criteria such as integrity, experience, skill and ability to commit time and effort to carry out the duties and responsibilities. The recommendations of the Nomination Committee will then be put to the Board for decision. Their written terms of reference are available on the websites of the Stock Exchange and the Company.

The Company has adopted a board independence policy to ensure independent views are available to the board. Under the policy, the Nomination Committee shall put emphasis on whether the composition of executive and non-executive Directors (including independent non-executive Directors) is balanced and shall ensure that there is a strong independent element on the Board. All Directors (including the independent non-executive Directors) are given opportunities to include matters in the agenda for regular Board meetings. Upon a reasonable request of any Director, the Board shall resolve to provide separate independent professional advice, at the Company's expenses.

During FY2025, five meetings of the Nomination Committee was held and the attendance record of the Nomination Committee members is set out in the table below:

Directors	Attended/ Eligible to attend
Mr. Shek Jun Chong	5/5
Mr. Qiu Yue	5/5
Ms. Feng Jiamin	5/5
Mr. Wu Kai Tang	5/5

The Nomination Committee reviewed the Board structure, assessed the independence of independent non-executive Directors and considered the re-appointment of the retiring Directors.

Nomination Policy

The Company adopted a nomination policy (the "**Nomination Policy**"). A summary of this policy is disclosed as below.

1. *Purpose*

To ensure that Board members have the skills, experiences and diverse perspectives needed by the Company's business.

2. *Selection Principle*

The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate:

(1) The Company's development strategy needs;

(2) Reputation for integrity;

(3) Achievements and experiences in the Company's major business;

(4) Time devotion and the representation of relevant beneficial parties;

(5) Diversity in all its aspects, including but not limited to gender, age (has to be aged 18 or older), cultural and educational background, professional experiences, skills, knowledge and management experiences;

(6) Directorship in other public companies and corporate governance structures of those companies, etc; and

(7) Independence (for independent non-executive Directors).

These factors are for references only and excluded to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

3. *Nomination Procedure*

3.1 The secretary of the Nomination Committee shall call a meeting of the Nomination Committee and invites nominated candidates from Board members if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members.

3.2 For filling a casual vacancy, the Nomination Committee shall propose candidate(s) for the Board's consideration and approval. For proposing candidate(s) to stand for election at a general meeting of the Company, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.

3.3 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.

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

3.5 For independent non-executive Director, in addition to the information listed in clause 3.4 above, the followings should also be specified in the Shareholders' circular:

(1) Process used to identify the individual, reason why the Board considers that individual should be elected, and reason why the Board considers that individual is independent;

(2) If the nominated independent non-executive Director will serve as a director for the seventh (or more) public listed companies, the reason why the Board believes this individual can still devote enough time to fulfil his/her Director's responsibilities;

(3) Views and perspectives, skills and experiences that individual can bring to the Board;

(4) How will this individual promote diversity of the Board; and

(5) Other contents that applicable laws, regulations, listing rules and regulatory bodies required.

4. Responsibility

The ultimate responsibility for selecting and appointing Directors is shared by all Directors of the Company.

5. Monitoring and Reviewing

5.1 The Nomination Committee is responsible for reviewing composition of the Board and succession plan of the Board and conducting a review annually.

5.2 The Nomination Committee should regularly monitor and review formal procedures for the Nomination Policy to ensure that the Nomination Policy is tailored to the needs of the Company and reflects current regulatory requirement and good governance practices.

Board Diversity Policy

The Company adopted the board diversity policy with measurable objectives. The Nomination Committee evaluates the balance and blend of skills, experience and diversity of perspectives of the Board. Selection of candidates is based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge, and industry experience. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Board has reviewed such measurable objectives to ensure their appropriateness and ascertain the progress made towards.

The Nomination Committee will review the policy from time to time as appropriate to ensure that the policy is effectively executed. The Nomination Committee will discuss any or necessary amendments and submit to the Board regarding the proposed amendments for their approval.

All members of the Board have made contribution to their respective areas. The Directors have a balanced mix of experiences and industry background, including but not limited to experiences in construction, finance, banking and consulting, and legal industries. The independent non-executive Directors who have different industry backgrounds, represent more than one third of the Board.

The Board currently has one female Director, and as such has achieved gender diversity in respect of the Board. We will continue to strive to enhance female representation over time as and when suitable candidates are identified and achieve and appropriate balance of gender diversity with reference to the shareholders' expectation and international and local recommended best practices. The Nomination Committee shall review the diversity and composition of the Board at least annually taking into account the Group's business model and needs and shall monitor the implementation of the Board Diversity Policy and, if appropriate, make recommendations on proposed changes to the Board. We will also ensure that there is gender diversity when recruiting staff at mid to senior level and we are committed to provide career development opportunities for female staff so that we will have a pipeline of female senior management and potential successors to the Board in near future.

As at 31 March 2025, the gender ratio in the workforce (including senior management) of the Company of female and male are 7% and 93%. The female gender ratio in the workforce is relatively low in general in the industry which the Group operates.

Remuneration Committee

The Remuneration Committee consists of three members, namely Mr. Shek Jun Chong, Mr. Qiu Yue and Ms. Tam Wing Yan. Mr. Shek Jun Chong is the chairman of the Remuneration Committee, all of them are independent non-executive Directors.

The primary duties of the Remuneration Committee include making recommendations on the policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; determining terms of specific remuneration package of Directors and senior management; and reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by Directors from time to time and dealing with the matters relating to share option schemes of the Company. Their written terms of reference are available on the websites of the Stock Exchange and the Company.

During FY2025, five meetings of the Remuneration Committee was held and the attendance record of the Remuneration Committee members is set out in the table below:

Directors	Attended/ Eligible to attend
Mr. Shek Jung Chong	5/5
Mr. Qiu Yue	5/5
Mr. Lui Kwun Yuen (resigned on 26 July 2024)	3/3
Ms. Tam Wing Yan (appointed on 26 July 2024)	2/2

The Remuneration Committee discussed and reviewed the remuneration policy for Directors and senior management of the Company, and made recommendations to the Board on the remuneration packages of individual executive Directors and senior management, also the remuneration package of newly appointed/re-designated Directors.

Details of the remuneration paid to the senior management of the Group by band, whose biographies are set out on pages 19 to 24 of this annual report, for the year are set out below:

Remuneration band (S$'000)	Number of individuals
S$301 to S$400	1
S$601 to S$700	1

Audit Committee

The Audit Committee currently comprises three independent non-executive Directors, namely, Mr. Wu Kai Tang, Mr. Shek Jun Chong and Mr. Qiu Yue. Mr. Wu Kai Tang is the chairman of the Audit Committee.

The primary duties of the Audit Committee are to assist the Board in providing an independent review of the effectiveness of the Group's financial reporting process, internal control and risk management system, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board. Their written terms of reference are available on the websites of the Stock Exchange and the Company.

During FY2025, three meetings of the Audit Committee were held and the attendance record of the Audit Committee members is set out in the table below:

Directors	Attended/ Eligible to attend
Mr. Shek Jung Chong	3/3
Mr. Qiu Yue	3/3
Mr. Wu Kai Tang	3/3

The Audit Committee reviewed the financial reporting system, compliance procedures, internal control (including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting functions), internal control and risk management systems and processes and the appointment and resignation of the external auditor. The Board had not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of external auditor.

They also reviewed interim/final results of the Company and its subsidiaries for the fiscal year as well as the report prepared by the external auditor relating to accounting issues and major findings in course of audit. There are proper arrangements for employees, in confidence, to raise concerns about possible improprieties in financial reporting, internal control and other matters.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the financial statements for the year ended 31 March 2025 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows.

The management has provided to the Board such explanation and information as necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are provided to the Board for approval. The Company provides all members of the Board with monthly updates on Company's performance, positions and prospects.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

The statement by the auditor of the Company regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the Independent Auditor's Report on pages 77 to 82 of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is the responsibility of the Board for maintaining an adequate risk management and internal control systems to safeguard the investments of the Shareholders and assets of the Company and reviewing the effectiveness of such systems on an annual basis. Risk management and internal control 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.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

The Company has developed and adopted various risk management procedures and guidelines with defined authority for implementation by key business processes and office functions, including project management, sales and leasing, financial reporting, human resources and information technology.

All divisions/departments conducted internal control assessment regularly to identify risks that potentially impact the business of the Group and various aspects including key operational and financial processes, regulatory compliance and information security. Self-evaluation has been conducted annually to confirm that control policies are properly complied with by each division/department.

The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems during FY2025.

The Group has outsourced its internal audit function, which is responsible for performing independent review of the adequacy and effectiveness of the risk management and internal control systems. The internal audit function 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 management report and the internal audit findings, reviewed the risk management and internal control systems, including the financial, operational and compliance controls, during FY2025, and considered that such systems are effective and adequate. The annual review also covered the financial reporting and internal audit function and staff qualifications, experiences and relevant resources.

Inside Information

The Group has adopted and implemented its own disclosure policy aiming to provide a general guide to the Directors and senior management of the Company in handling of confidential information and/or monitoring of information disclosure pursuant to Rules 13.09 and 13.10 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The disclosure policy provides the procedures and internal controls for the handling and dissemination of inside information by publication of the announcement to the websites of the Stock Exchange and the Company on a timely basis to enable the public to access the latest information of the Group, unless such information falls within the safe harbours of the SFO. The management has notified all employees to comply with the disclosure policy. Briefing and training on the implementation of the policy have been provided to Directors and senior management of the Group.

AUDITOR AND THEIR REMUNERATION

The report of the auditor of the Company about their reporting responsibilities on the Group's financial statements for FY2025 is set out in the section "Independent Auditor's Report" of this report. During FY2025, remuneration paid and payable to the auditor of the Group are approximately S$173,000 for annual audit fee.

COMPANY SECRETARY

Mr. Lee Lap Keung is the company secretary of the Company. All Directors have access to the advices and services of the company secretary on corporate governance and board practices and matters.

He has attended not less than 15 hours training as per the requirement under Rule 3.29 of the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognizes the importance of timely and non-selective disclosure of information, which will enable Shareholders and investors to make informed investment decisions.

The annual general meeting of the Company provides opportunity for Shareholders to communicate directly with the Directors. The Chairman of the Company, and the chairmen of the Board Committees of the Company will attend the annual general meeting to answer Shareholders' questions. The external auditor of the Company will also attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

To promote effective communication, the Company adopts a Shareholders' communication policy which aims at establishing a two-way relationship, communicating between the Company and its Shareholders and maintaining a website at www.trendzon1865.com, where up-to-date information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access.

The Board has reviewed the Shareholders' communication policy and its effectiveness and is of the view that the existing Shareholders' communication policy is appropriate to the Company and has been duly and effectively implemented.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution will be proposed for each issue at Shareholder's meetings, including the election of individual Directors.

All resolutions put forward at Shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Stock Exchange and the Company in a timely manner after each Shareholder meeting.

Procedures for Convening an Extraordinary General Meeting ("EGM") and Putting Forward Proposals at EGM

Pursuant to article 58 of the Articles of Association, the Board may, whenever it thinks fit, convene an EGM.

Any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (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.

The requisition must state clearly the name of the requisitionists, their shareholding in the Company, the reason(s) to convene an EGM, the agenda proposed to be included and the details of the business(es) proposed to be transacted in the EGM and signed by the requisitionist(s).

Enquiries to the Board

Shareholders who intend to put forward their enquiries about the Company to the Board could send their enquiries to the principal place of business of the Company in Hong Kong at Room 39, 10/F, Block D, Mai Tak Industrial Building, 221 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong (email address: admin@trendzon.org).

Dividend Policy

The Company has adopted a dividend policy pursuant to code provision F.1.1 of the CG Code, pursuant to which the Company may declare dividends recommended by the Board to the shareholders.

The declaration of dividends is subject to the discretion of the Board, and the dividend payout shall be based on the Group's actual and expected financial performance, retained earnings and distributable reserves of the Company and members of the Group, economic conditions and other internal or external factors which may have an impact on the business or financial performance and position of the Group, business strategies of the Group (including future cash commitments and investment needs to sustain the long-term growth aspect of the business), current future operations, liquidity position and capital requirements of the Group, statutory and regulatory restrictions and any other factors that the Board deems appropriate.

The declaration and payment of dividend by the Company is subject to the approval of the shareholders of the Company and requirements of the relevant law and articles of association of the Company.

CHANGE IN CONSTITUTIONAL DOCUMENTS

For FY2025, there is no significant change in constitutional documents of the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

REPORTING SCOPE AND BOUNDARY

This Environmental, Social, and Governance (the "**ESG**") report, which outlines the ESG performance of Pengo Holdings Group Limited. This report is prepared in accordance with the Appendix 2 – ESG Reporting Code of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited with the "Comply or Explain" provisions.

This ESG report covers the environmental and social performance of all our business operations in infrastructural pipeline construction and related engineering services in Singapore and in the trading of building materials in Hong Kong from 1 April 2024 to 31 March 2025 (the "**Reporting Period**"), unless otherwise stated.

The basis of reporting principles – materiality, quantitative, balance and consistency:

Materiality	The Group determines material ESG issues by stakeholder engagement and materiality assessment.
Quantitative	Information is presented with quantitative measure, whenever feasible, including information on the standards, methodologies, assumptions used and provision of comparative data.
Balance	Provides an unbiased picture of the Group's performance and avoids any selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.
Consistency	The Report will use consistent methodologies for meaningful comparisons in the past years unless improvements in methodology are identified.

ESG GOVERNANCE

The Group is dedicated to enhancing shareholder value while maintaining transparency and open communication with its shareholders. To support this commitment, we have established an ESG Task Force, which includes members from senior management and the risk management team. This Task Force oversees the ESG efforts of various departments, including project management, finance, contracts, and human resources.

The ESG Task Force is responsible for reviewing the Group's ESG objectives, challenges, targets, and progress, ensuring alignment with the Group's strategic direction. It supervises the implementation and tracking of sustainability data across different teams.

The Board of Directors holds ultimate responsibility for the Group's ESG strategy and reporting. They continuously engage stakeholders, identify material topics, and approve the ESG factors identified by the Task Force.

In addition, the Group upholds high standards of business ethics and invests in sustainable practices. It is committed to improving the quality of communities and the environment while providing long-term returns to its shareholders.

BOARD STATEMENT

The Board plays a crucial role in overseeing the Group's ESG issues. During the reporting period, the Board, management, and the ESG working team dedicated significant time to evaluating the impacts of ESG-related risks on operations and formulating relevant policies to address these risks. This oversight ensures that management and the ESG working team have the necessary tools and resources to effectively manage ESG matters.

The Board is responsible for monitoring the Group's ESG strategies and reporting, ensuring compliance with Board requirements. Additionally, it oversees the Group's adherence to ESG-related laws and regulations set by external regulatory bodies, such as The Stock Exchange of Hong Kong Limited ("**HKEX**"). Regular Board meetings are held to track progress, targets, and goals related to ESG performance.

Management and the ESG working team are primarily responsible for reviewing and supervising the ESG processes and risk management of the Group. ESG governance matters and related issues are discussed during these regular meetings throughout the reporting period.

The Board has identified potential and material issues affecting both the business and its stakeholders. As key stakeholders in the company, Board members actively participate in the materiality assessment, providing constructive feedback on the significance of ESG issues.

STAKEHOLDERS ENGAGEMENT AND MATERIALITY MATRIX

The Group values our stakeholders and their feedback in regard to our businesses and ESG aspects. With the goal of strengthening the sustainability approach and performance of the Group, we put effort into maintaining close communication with our key stakeholders, including but not limited to government and regulatory authorities, shareholders, employees, customers, suppliers, and the general public. We take stakeholders' expectations into consideration when formulating our business and ESG strategies by utilising diversified engagement methods and communication channels, as shown below:

Stakeholders	**Concerns and expectation**	**Communication channels**
Government and regulatory agencies	• Compliance with laws and regulations	• Announcements and other regulatory reports
Shareholders and investors	• Business strategy and performance • Corporate governance • Corporate transparency and reputation	• Annual general meetings and other shareholders' meetings • Information disclosed on the HKEX website and corporate website

Stakeholders	Concerns and expectation	Communication channels
Employees	• Rights and benefits • Remuneration and compensation • Career development • Occupational safety and health • Working environment	• Trainings, seminars and briefing sessions • Performance evaluation • Internal meetings • Employees' handbook
Customers and business partners	• Quality of works and services • Protection of customer rights • Pricing • Lead time	• Corporate website • E-mail and telephone • Suggestion box
Suppliers and sub-contractors	• Supplier management • Customer services	• Performance assessment • Meetings • Site visits
Public	• Social welfare • Involvement in communities	• Industry events • Charitable donations and voluntary activities

Materiality Assessment

To foster effective communication and gather constructive feedback, the Group maintains ongoing dialogue with shareholders, employees, and customers through general meetings, regular performance reviews, collect customer feedback and interview sessions.

The feedback is considered essential in the decision-making process, influencing daily operations and informing strategies for business performance improvement and future development.

During the Reporting Period, the Group specifically engaged internal stakeholders, including the Board, senior management, and frontline staff, to provide input on ESG material issues critical to the Group's sustainable development. In the stakeholder engagement process, selected stakeholders were asked to evaluate a list of ESG topics based on their relevance and importance to the Group's business continuity and growth.

Importance to the Group

Importance to Stakeholders	Low	Moderate	High
High	• Anti-discrimination • Protecting labour rights	• Staff training and promotion opportunity • Staff compensation and welfare policies	• Product/service quality • Customers' satisfaction • Anti-corruption • Data protection • Occupational health and workplace safety
Moderate		• Use of resources • Non-hazardous wastes produced	• Operational compliance • Suppliers' management • Air and greenhouse gas emissions
Low	• Community investment	• Preventive measures for child and forced labour	• Use of raw materials • Hazardous wastes produced

STAKEHOLDERS' FEEDBACK

The Group welcomes stakeholders' feedback on our environmental, social and governance approach and performance. Please give your suggestions or share your views with us via email at admin.pengo@outlook.com.

ENVIRONMENTAL

The Group strives to continually improve its sustainability practices and reduce its overall emissions and impacts on the environment. Currently, the Group does not aware of any significant environmental risks impacting its business, strategies, or financial performance. Nonetheless, it recognizes that electricity and water usage, along with waste generation, significantly affect natural resource consumption and pose risks to public health and the environment.

To address these concerns, the Group has actively promoted and implemented electricity and water-saving initiatives in the workplace. Waste management practices were conducted in compliance with the Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong), the Environmental Public Health Act (Chapter 95, Section 113) of Singapore, and the Group's internal guidelines during the reporting period.

Emissions

Air and greenhouse emissions

The Group's primary sources of air pollutants and GHG emissions are fuels consumed by Group-owned vehicles and electricity consumption at offices. The Group utilised motor vehicles fuelled by gasoline for daily site visits between the project work sites. The combustion of gasoline in these vehicles resulted in the emission of air pollutants, including nitrogen oxides (NO_x), sulphur oxides (SO_x), and respiratory suspended particles (PM).

The Group aware that GHG are generated and other indirect emission (scope 3) from the petrol and diesel consumption of vehicles (Scope 1), purchased electricity (Scope 2). Hence, the Group has adopted the various measures to mitigate the direct GHG emissions from petrol and diesel consumption in its operations.

Emissions	Unit	FY 2025	FY 2024
Air pollutants			
NO_x	Kg	**5,556.1**	5,030.1
SO_x	kg	**156.4**	142.2
PM	Kg	**562.7**	511.5
GHG			
Scope 1	tCO_2e	**2,362.8**	1,724.5
Scope 2	tCO_2e	**69.3**	76.3
Scope 3	tCO_2e	**1.8**	1.1
Total GHG emissions	tCO_2e	**2,433.9**	1,801.9
GHG emission intensity	tCO_2e/million SGD revenue	**41.2**	30.5

Dust management

Dust is a main concern of the Group due to its operations regarding the construction of pipelines. To control and monitor the dust generated from its operations, the Group has a section on "Site Dust Control" in its QSHE Management Programme. To target and cater to dust problems at sites, the following guidelines have been established:

- Concreted or paved areas for site access to reduce generation of airborne dust;
- Provided water sprays to dampen dust generated during works; and
- Covered and secured all loads on vehicles before leaving the site.

Consequently, the Group is not aware of any significant issues regarding dust discharge.

Hazardous and non-hazardous Waste

The Group's operations primarily focus on pipeline project work, which does not generate hazardous waste. Consequently, our efforts are directed towards reducing non-hazardous waste and minimizing oil consumption. Although no hazardous waste was produced during the reporting period, the Group has established guidelines for the management and disposal of hazardous materials. Any hazardous and chemical waste generated is temporarily stored in a designated area, clearly labeled to indicate potential hazards. A qualified chemical waste collector is engaged to handle the disposal of such waste in compliance with relevant environmental regulations.

Non-hazardous waste, mainly construction debris from project sites, is managed through a series of initiatives aimed at minimizing environmental impact. The Group has implemented separate refuse management systems for organic and construction waste at project sites. Industrial waste is transported back to the Group's headquarters for disposal by certified vendors.

To promote effective waste separation at the source, disposal bins for different waste streams are readily available. Procedures have been established to reduce both construction and office waste, including arrangements for recycling office materials. Additionally, the Group encourages employee participation in waste management and waste generation reduction through the following measures:

- Utilizing duplex printing and photocopying whenever possible;
- Employing electronic media for communication;
- Digitizing site documents; and
- Recycling one-sided printed paper.

The Group also promotes best practices among staff and subcontractors, encouraging the segregation of paper packaging for disposal into designated recycling bins. During the reporting period, 362.5 kg (2024: 275 kg) of paper with the intensity of 6.1 kg/million SGD revenue (2024: 4.65 kg/million SGD revenue) was consumed for daily office operations, including document printing and packaging of deliverables.

Furthermore, the Group arranges professional and technical training courses for staff to enhance their skills, thereby improving operational efficiency and indirectly contributing to waste reduction. Our ongoing digitalization efforts facilitate a transition away from conventional manual filing and record-keeping, further supporting our commitment to sustainable waste management.

Use of Resource

The Group is committed to minimise environmental impacts in its operations by identifying and adopting appropriate measures in its operations. These measures ensure the efficient utilization of resources such as paper, electricity, and water, while minimizing environmental impact.

Fuel

Fuel consumption is a significant aspect of our operations, representing a major use of natural resources. The Group recognizes the environmental impact associated with fuel usage and is committed to implementing strategies that promote sustainable practices.

To address fuel consumption effectively, we focus on several key areas:

1. **Efficient Vehicle Operation:** We ensure that all vehicles are operated in a manner that minimizes fuel consumption. This includes turning off engines during idle periods, which not only conserves fuel but also reduces emissions.

2. **Sourcing Energy-Efficient Machinery:** When the need arises for new machinery or motor vehicles, the Company prioritizes sourcing Euro VI emission petrol and diesel vehicles. These vehicles are designed to operate more efficiently, resulting in lower fuel consumption and reduced harmful emissions. Machinery which is outdated or inefficient will be scrapped and replaced to optimize resource use.

3. **Regulatory Compliance:** We adhere to all regulatory requirements, including obtaining certification for our vehicles under Section 90 of the "Road Traffic Act." This ensures that our fleet meets the necessary environmental and safety standards.

4. **Regular Maintenance:** We conduct routine maintenance on our vehicles to ensure optimal performance. Well-maintained engines operate more efficiently, leading to better fuel economy and reduced operational costs.

By implementing these measures, the Group aims to minimize our reliance on natural resources, reduce our carbon footprint, and contribute to a more sustainable future.

Electricity

The Group believes that reducing energy use could be mutually beneficial to the environment and the Group by reducing operating costs and creating long-term value for its stakeholders. Electricity in our office is our major source of energy consumption. Several measures have been or will be adopted to reduce its energy consumption:

– Monthly monitoring of the usage of electricity, water and other materials is implemented;

– Investigation of unexpected high consumption to find out the root cause;

– Switching off unnecessary lightings and idle electrical appliances; and

– Purchasing and using led lighting and energy efficient office equipment.

Water conservation

The Group's water consumption primarily supports cleaning and sanitation at our headquarters. To promote responsible water use, we have established procedures for water conservation and implemented a monitoring system to oversee water consumption at our facilities. Given the nature of our business, we do not face challenges in sourcing water that meets our operational needs.

We encourage all employees to adopt water-saving habits and have enhanced our promotional efforts by posting reminders and providing guidance on reasonable water use. The following measures have been implemented to increase water efficiency:

– Utilised recycled water for vehicle washing, cleaning of drains and dirty boot;

– Use of water recycling equipment that are of chemical type or membrane type; and

– Use of water efficient fittings and rainwater collected from water tanks for toilet flushing, vehicles and compound area washing related activities.

Packaging materials

The Group's business did not involve any use of packaging materials; hence no data nor information is being presented in this report.

Target and Performance

The Group has established a target for total energy consumption, set at 10,500 MWh for the reporting period. We monitor our progress towards this target closely and achieved it during the reporting period. This target will be reviewed in 2026 to ensure continuous improvement. During the reporting period, the energy consumption by type in total of the Group are showed as below:

Natural resources	Unit	FY 2025	FY 2024
Energy consumption			
Electricity	MWh	168.2	157.4
Fuel	MWh	9,148.8	6,374.9
Total energy consumption	MWh	9,317.0	6,532.3
Energy consumption intensity	MWh/million of SGD revenue	157.7	110.5
Water Note	M^3	14,979	28,144
Water consumption intensity	M^3/million of SGD revenue	253.6	476.1

Note: Only water consumption of the Group's Singapore operation is included as water consumption of its Hong Kong operation is managed by the office's building management office and respective data is not available.

Environmental and Natural Resources

Aside from electricity consumption in office operations and fuel consumption from motor vehicles, the Group's activities have minimal demand on the use of natural resources. However, we acknowledge potential negative environmental effects, such as noise pollution. To address this, we have included a "Site Noise Control" section in our QSHE Management Programme to mitigate disturbances to the community and environment.

To further reduce our environmental impact, we are committed to conserving natural resources and promoting effective environmental management. We regularly assess the environmental risks associated with our operations, adopt preventive measures to minimize potential risks, and ensure compliance with relevant laws and regulations.

Environmentally Friendly Construction Methods

We strive to protect the environment and promote sustainable practices during the construction phase of our projects. Sustainability is integrated into our procurement and working processes, and we prioritize the use of environmentally friendly or green-labelled products on site. To raise awareness among staff, we display environmental posters on various notice boards.

Recognizing the potential environmental and health issues that may arise from pests at project work sites, we implement proactive vector control measures. This includes deploying an in-house team to perform regular oiling and engaging professional pest control services.

Our commitment to creating a safe, high-quality, sustainable, and environmentally friendly built environment has been recognized by the Building and Construction Authority (BCA), which awarded us the BCA Green and Gracious Builder Award.

Noise Controls

We have implemented the following measures to control noise emissions at sites:

- Installed noise barriers at areas of concern to reduce noise transmission; and
- Installed noise monitoring meter(s) both on and off site to monitor where it is reasonable and practicable.

Climate

Climate change represents one of the major challenges faced by society in recent decades. Extreme weather events, such as typhoons and floods, can cause significant damage to buildings and disrupt the daily operations of businesses. Various components of society, including businesses, are actively responding to this issue and promoting a sustainable culture to mitigate the impacts of climate change.

The Group is committed to establishing climate resilience in the face of climate change. The Group have assessed and evaluated the potential climate physical and transitional risks to understand the climate risks that we may face and the effects on the Group's business.

Risk	Time Horizon	Risk description	Mitigation measures
Physical risk			
Acute	Short term	Increased severity and frequency of extreme weather affects daily operations and may cause damage to raw materials. It reduces revenue and increases maintenance costs	The Group has set up specific work arrangements and measures for potential environmental disasters, following relevant laws and regulations, to prevent chaotic situations and ensure safety.
Chronic	Medium to long term	Rising temperatures increase energy use and equipment maintenance cost.	To reduce the risk of supply chain disruptions, the Group regularly reviews its list of approved suppliers to ensure alternate sources are available if extreme weather affects the supply chain. We provide sufficient rest time, water, and shaded areas at project work sites to protect workers from heatwaves.

Risk	Time Horizon	Risk description	Mitigation measures
Transition risk			
Technology	Medium to long term	Increased operation cost from the substitution of existing equipment and services.	The Group will continue to invest in updated technologies and practices to reduce operational costs and GHG emissions.
Legal and policy	Long term	Increased operation cost from increased GHG emission pricing.	The Group will continue monitoring market and regulatory updates to ensure ongoing compliance.
Market	Long term	Reduced demand for services from the shift of customer and market preference.	The Group will continually assess market trends and adapt its services to meet changing customer preferences.
Reputation	Long term	Potential damage to reputation due to non-compliance with regulations or negative publicity.	The Group will maintain transparent communication with stakeholders and uphold high ethical standards to protect its reputation.

SOCIAL

Employment and Labour Practices

As a responsible corporation, the Group highly values its employees and is committed to providing a decent and healthy workplace. The Group welcomes individuals of all age ranges to join, as long as they are eager to learn and participate. The Group has formulated and implemented comprehensive employment policies to ensure the rights of our employees.

Recruitment and promotion

The Group attracts talent through fair, flexible and transparent recruitment strategy. The recruitment process includes the application submission, position description, collection of job applications, interviews, selection, approval, and job offers. Recruitment of individuals are based on their suitability for the position and potential to fulfill the Group's current and future needs.

Internal promotion and job opportunities are offered to existing employees and selection is based work capability, attitude, and quality of work of the employees on a point scoring system. Employees are encouraged to discuss their goals in job advancement and career development.

Compensations, benefits and welfare

The Group offers competitive remuneration to attract and retain talented staff members. Remuneration packages are reviewed periodically to ensure consistency with the employment market. Employees' working hours, rest periods, benefits, and welfare, including social insurance, mandatory provident fund and labour pension, are provided in accordance with regional employment or labour laws and regulations. The Group also regularly reviews employees' salary together with business growth and market price, the pay is generally above market average.

leave periods are granted in accordance with the relevant employment laws, and leaves are in accordance with the provision of the "Employment Act". The Group did not note any cases of material non-compliance in relation to employment during the reporting period.

Equal opportunities, diversity and anti-discrimination

The Group endeavours to provide a fair workplace for employees and follow the principles of equality and non-discrimination. Recruitment, remuneration, promotion, and benefits are required to be handled based on objective assessment, equal opportunity and non-discrimination regardless of gender, race, age, or other measures of diversity.

The Group also strives to ensure that complaints, grievances and concerns, including whistleblowing, are dealt with promptly and confidentially. The Group has zero tolerance on sexual harassment or abuse in the workplace of any form.

Staff Statistics

The Group had a total number of 501 (2024: 481) employees as of 31 March 2025. The details of our staff composition and staff turnover rate are as followed.

	Staff distribution	**Staff turnover rate**
Employment Type		
Full time	99.8%	21%
Part time	0.2%	100%
Age Group		
19-30	41.4%	20%
31-45	46.9%	23%
46-60	6.4%	4%
61 or above	5.3%	20%
Gender		
Male	89.3%	21%
Female	10.7%	13%

	Staff distribution	Staff turnover rate
Location		
Mainland China and Hong Kong	26.5%	7.1%
Singapore	10.8%	12.8%
Malaysia	9.2%	9.3%
India	49.5%	23.8%
Burmese	2.8%	35.7%
Thailand	0.8%	–
Others	0.4%	–

Health and Safety

The Group is dedicated to providing and maintaining a safe and healthy working environment for our employees, subcontractors, and suppliers. To this end, we have established a Quality, Safety, Health, and Environmental (QSHE) Management System Operation Procedure in accordance with relevant Singapore standards for safety and health management. This procedure is reviewed at least once a year or whenever there is a change in responsible personnel.

The Operation Procedure outlines clear guidelines for project management regarding health and safety commitments. It includes the responsibilities of subcontractors to provide adequate resources and equipment at job sites. Additionally, we have implemented various occupational health programs to protect workers from health hazards associated with the construction industry, such as noise, dust, toxic gases, and vapours. These programs include:

- Hearing Conservation Programme
- Respiratory Protection Programme
- Hand Protection Programme
- Personal Eye Protection Programme

The Group is also certified with bizSafe Star Level, accredited by the Workplace Safety and Health Council in Singapore. We will continue to invest resources and efforts to enhance our safety management practices, aiming to reduce risks to employee health and safety.

The statistics of lost days due to work injury and work-related fatalities are stated as below:

	FY2025	FY2024	FY2023
Work related fatality	0	0	0
Work injury cases	0	0	0
Lost days due to work injury	0	0	0

Development and Training

As providers of construction services, we recognize the various hazards inherent in the environment that may cause serious work injuries, such as falls from heights or working near heavy machinery. To mitigate these risks, the Group adheres to strict safety regulations and protocols, provides proper training and protective equipment to workers, and conducts regular safety inspections.

The Group conducts regular safety inspections to ensure operations minimize risks to employees and workers. These inspections are performed by various levels of management, and immediate follow-up actions are taken when necessary. We emphasize to our employees the importance of strict compliance with safety requirements to prevent accidents for themselves and others on our projects. Additionally, subcontractors are required to adhere to all relevant laws, regulations, and safety standards set by government authorities.

Mass Toolbox Meetings and Weekly Toolbox Meetings are held regularly to educate all workers about health hazards, safe work practices, and the proper use of personal protective equipment. The worksite management also implements Safety and Health Management System (SHMS) promotional programs to inform workers about health hazards and corresponding control measures.

In addition to mandatory induction training, internal training for employees generally covers the following categories:

- Work safety
- Fire safety
- Occupational health
- Environmental protection
- Standard work procedures
- ISO 9001 Quality Management System
- ISO 14001 Environmental Management System

These trainings aim to enhance employees' knowledge, competency, productivity, and effectiveness in their roles, as well as their understanding of relevant laws, policies, procedures, and emergency responses related to hazardous waste, fire, and leakage. Management-level employees are required to attend both internal corporate management skill courses and external safety training provided by the State Administration of Work Safety.

The Group encourages employees to participate in external training courses for excavation, heavy lifting and hoisting machinery operation, Class III boiler operation, welder certification, electrician permits, and on-site health and safety certification. We are committed to investing in the training and further education of our employees through on-the-job training and external courses supported by the Group. Training needs are assessed by the Heads of Department, who coordinate course arrangements with employees.

During the Reporting Period, the Group provided training hours to its staff as below:

	Total training hours
By Gender	
Male	8,454
Female	1,012
By Employee Category	
Senior management	43
Management	503
General staff	7,908

Labour Standard

The Group strictly complies with local laws and adheres to the regulations set forth by the International Labour Organisation (ILO) Convention and the Ministry of Manpower in Singapore. We do not employ children below the legal working age. Additionally, no employee will be forced to work against their will, nor will they be subjected to intimidation, corporal punishment, or any form of coercion related to their employment.

The Human Resources and Administration Department conducts recruitment in accordance with all employment requirements specific to each region where the Group operates. Personal data is collected during the recruitment process to assist in selecting suitable candidates. The department ensures compliance by verifying original identification cards upon recruitment. In cases of violation, actions will be taken based on the circumstances involved.

The Group sources candidates through legal and legitimate channels, such as JobStreet for local applicants and licensed employment agencies for foreign workers. Each applicant's resume is reviewed to confirm they meet the appropriate legal age before scheduling interviews, thereby eliminating any possibility of employing underage individuals.

Without exception, during the Reporting Period, the Group complied the relevant laws and regulations regarding child labour and forced labour, including but not limited to the following.

Hong Kong
- Employment Ordinance
- Minimum Wage Ordinance
- Provisions on the Prohibition of Using Child Labour

Singapore
- Employment Act
- Employment (Children and Young Persons) Regulations

Supply Chain Management

The Group views its relationships with suppliers and subcontractors as essential partnerships vital for securing long-term prosperity. Quality control procedures are implemented throughout the supply chain, from the procurement of raw materials to the completion of construction projects.

To ensure high standards, the Group has established guidelines for product quality and conducts a vendor performance assessment and monitoring system. This structured evaluation reviews suppliers and subcontractors regularly based on several criteria, including:

- Product quality
- Ability to meet contractual requirements
- Previous project references
- Delivery capability

Both positive and negative review results are discussed with suppliers and subcontractors. Those with unsatisfactory performance may be removed from the approved list.

Environmental and social risk management is a key consideration in the Supplier Initial Assessment Report. The Group assesses suppliers' certified management systems, such as ISO 9000, ISO/TS 16949, ISO 14000, OHSAS 18000, ISO 22000, and ISO/IEC 17025, among others. Additional factors, including quality, environmental considerations, and occupational health and safety issues, are also included in our evaluations.

When selecting new suppliers or subcontractors, the Group evaluates not only the product or service quality, on-time delivery, financial stability, past performance, and reputation but also the potential adverse environmental impacts and risks to staff safety and health, such as, occupational health and safety practices, emissions and pollutants generated, noise and waste management. The Group prefers to partner with suppliers or subcontractors who are recognized for their environmental and social responsibility. Those with known violations in environmental protection or occupational health and safety regulations are given lower priority.

To promote fair competition during the tendering process, the Group has developed a tendering manual. We prohibit discrimination among vendors and strictly monitor for any form of business bribery. Employees with any conflict of interest regarding suppliers and sub-contractors are excluded from related business activities.

During the Reporting Period, the Group has 183 suppliers. In order to minimise carbon footprint caused by transportation, over 97% of our suppliers are from Singapore, while 2% of our suppliers are from Malaysia.

Product Responsibility

Quality Assurance

To ensure the maintenance of service quality, the Group has implemented a quality policy that complies with international standards and is certified with ISO 9001 quality management. We are dedicated to delivering quality products and services that meet the needs of our customers and stakeholders by continually improving the effectiveness of our quality management system.

Training sessions are arranged for our project management teams to ensure their understanding of and compliance with our quality standards. Project managers conduct regular inspections to monitor project progress, ensuring adherence to plans and standards while preventing significant issues. All parties involved meet to review safety, environmental, scheduling, design, and site coordination matters. If any work is found to be below standard or not aligned with operating procedures, the project manager coordinates rectification efforts with subcontractors.

Customer satisfaction

In our commitment to sustainability and responsibility, our project managers maintain close contact with our customers and sub-contractors. We actively engage with customers to show our dedication to customer satisfaction. To gather feedback, the Group utilizes a customer visit report where customers can evaluate our performance in quality of services and workmanship, site planning and controls, responsiveness to instructions, progress, disturbance made to public and defect liability period.

Additional recommendations and comments from clients are also recorded. We collect industrial information, customer feedback, product information requests, customer inquiries, and competitor actions to determine and review customer requirements. This data informs service or product development, ensuring customer satisfaction. If customers express dissatisfaction, further investigations and reviews are conducted.

The Group has established procedures for handling customer feedback and complaints professionally. Upon receiving any product or service-related inquiries or complaints, immediate reviews are initiated. Customer satisfaction is evaluated after complaints are resolved.

In our commitment to sustainability and responsibility, project managers maintain close communication with customers and subcontractors, actively engaging to demonstrate our dedication to customer satisfaction. We continuously strive to enhance our products and services based on insights gathered from our valued customers.

The Group would continuously strive to enhance our products and services based on the insights gathered from our valued customers. The Group did not receive any complaints about our services during the Reporting Period. Due to our business nature, recall procedures for safety and health reasons are not applicable to us.

Customer Data Protection

The Group respects the values and rights associated with customers' information assets and strictly adheres to their information security management systems and standards. To provide high-quality services, we are committed to enhancing the protection of customer privacy.

We take all necessary measures to ensure that confidential information, including personal data of employees, customers, subcontractors, and suppliers, is stored securely. Access to tender documents, service contracts, applicable licenses, and employees' personal information is restricted to authorized personnel only.

Additionally, the Group complies with the Personal Data Protection Act of Singapore and the Personal Data (Privacy) Ordinance in Hong Kong. Employees are instructed not to retain or disclose any confidential information regarding the Group's business or other sensitive data to third parties, nor to collect unnecessary information from customers, suppliers, or subcontractors. During the Reporting Period, the Group did not identify any instances of non-compliance with laws and regulations mentioned above.

Our IT systems are equipped with firewalls, anti-virus, and anti-spam solutions to prevent the leakage of confidential information, and these systems are continually upgraded. We also review our data management practices and provide relevant training to our employees regularly.

Intellectual properties, marketing and labelling

As the Group's operational process does not involve advertising and labelling practices, the information relating to advertising and labelling is considered as non-material to the Group. However, the Group attaches great importance to the protection of intellectual property rights. In order to ensure only safe genuine computer software and system are installed, any unauthorized installation of software is prohibited. The Group also protects its intellectual property rights by the use and registration of domain names.

To the Directors' knowledge, there are no significant ramifications with respect to advertising and labelling in our operations. The Group would continually observe the business climate to identify any noteworthy risks in this regard.

Anti-corruption

The Group has zero toleration on any corruptions, frauds and all other behaviours violating work ethics. It values and upholds integrity, honesty and fairness in the way it conducts businesses. The Group has formulated related policies on the control and prevention of bribery, extortion, fraud and money laundering between shareholders and related parties in each business operation and trade activity. During the reporting period, the Group did not note any material non-compliance with the relevant laws and regulations of bribery, extortion, fraud and money laundering, including but not limited to the "Prevention of Corruption Act" of Singapore and the Prevention of Bribery Ordinance of Hong Kong.

As spelt out in the Employee Handbook, employees should declare potential conflict of interest to their supervisor or Human Resources Department and abide by the Code of Ethics for employees. Basic standards of expected conducts for all employees are clearly set out in the Anti-Fraud, Anti-Money Laundering Policy. The definition of "Fraud", "Money laundering", "Terrorism Financing" and "Employees" are clearly stated in the above policy. Such policy will be reviewed at least bi-annually and revised as needed. The Director is responsible for the administration, revision, interpretation and application of this policy.

All employees should be alert for occurrences of fraud and be aware that unusual transactions or behaviours could be indications of fraud. Employees will be subjected to disciplinary actions, including immediate dismissal and reporting to relevant governance authorities, if they are found being engaged in fraudulent activities, depending on the situation.

An assessment of the risk of money laundering in the Group's operations will be conducted by the Managing Director annually. Due diligence will be conducted by the responsible departments before the acceptance of business counterparties. For any indicators of suspicious activities, the Finance Manager will report to the Audit Committee immediately.

Whistleblowing Mechanism

The Group is committed to achieving and maintaining the highest standards of openness, integrity, and accountability. To support this commitment, we have established a reporting procedure that encourages employees to promptly report any suspicious or fraudulent activities. Employees can report concerns to their Head of Department or, if that is not feasible, directly to the Director, while maintaining anonymity.

The Director is responsible for responding to all reports of suspected fraud and overseeing thorough investigations with the utmost confidentiality. Investigators are granted free and unrestricted access to all relevant company records and have the authority to examine, copy, and/or remove any portion of the contents from files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent from individuals who may use or have custody of these items.

It is important to note that investigations into malpractice may require identifying the source of information, and a statement from the reporting individual may be needed as part of the evidence. All details of the investigation must be kept confidential to prevent any mistaken accusations and to avoid alerting the suspected individuals. Findings will only be shared with those who have a legitimate need to know.

All employees are required to read the Employee Handbook, which includes the "Anti-Corruption Policy." The Handbook is readily available for reference.

COMMUNITY INVOLVEMENT

The Group recognizes the importance of being a socially responsible corporate citizen and is committed to helping those in need and contributing to the growth and development of the communities where we operate. We will continue to strike a balance between operational development, environmental protection, and community investment, upholding our commitment to being a socially responsible corporate citizen.

PAN-CHINA
天健國際會計師事務所有限公司
Confucius International CPA Limited
Certified Public Accountants

香港灣仔莊士敦道181號大有大廈501-08室
Rooms 1501-08,15th Floor, Tai Yau Building,
181 Johnston Road, Wanchai, Hong Kong
電話 Tel: (852) 3103 6980
傳真 Fax: (852) 3104 0170
電郵 Email：info@pccpa.hk
官網 Web：www.pccpa.hk

TO THE SHAREHOLDERS OF PENGO HOLDINGS GROUP LIMITED (FORMERLY KNOWN AS TRENDZON HOLDINGS GROUP LIMITED)
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Pengo Holdings Group Limited (formerly known as Trendzon Holdings Group Limited) (the "**Company**") and its subsidiaries (the "**Group**") set out on pages 85 to 188, which comprise the consolidated statement of financial position as at 31 March 2025, 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.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards ("**IFRSs**") issued by the International Accounting Standards Board (the "**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 Hong Kong Standards on Auditing ("**HKSAs**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). 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 HKICPA's 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 MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were 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 these matters.

Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition for construction contract	
Refer to Note 4.16, Note 5(a) and Note 9 to the consolidated financial statements The Group's revenue from construction contracts is recognised over the period of the contract. For the year ended 31 March 2025, the revenue recognised from construction contracts amounted to approximately S$59,035,000. The revenue was recognised using the 5-step approach under IFRS 15 by identifying the contract with customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations in the contract; and recognising revenue as the entity satisfies a performance obligation over time.	We performed the following procedures in relation to management's estimates of transaction price and contract costs in respect of the revenue recognition: – We obtained understanding and performed evaluation and validation of the relevant controls in place over preparation of and revisions to the estimated transaction price and total costs for the construction contracts and the recording of actual costs incurred for each contract; – We selected, on a sample basis, construction contracts to test the total contract value to the contracts, variation orders (if any) and/or other forms of agreements and correspondences; – We selected, on a sample basis, construction contracts to assess the appropriateness of the significant cost components, based on our understanding on the nature of each project and the components that make up the total estimated construction cost for each project, referencing to actual costs incurred on completed contracts of a similar nature. We also checked supporting documents such as quotations and contracts with suppliers for the estimated cost;

Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition from construction contracts (Continued)	
At the inception of the contract, management determines the transaction price taking into account the variable consideration based on the contract terms. As the contract progresses, management regularly reviews and revises the estimates of transaction price and total contract costs if circumstances change, such as variations in contract work and claims. The changes in estimated transaction price and/or total estimated contract costs result in adjustments to the extent of progress towards completion, revenue recognised and provision for foreseeable losses in the period when the circumstances that give rise to the revision becomes known by management. We identified the recognition of revenue from construction contracts as a key audit matter as it involves significant estimations and judgement by management on the estimation of transaction price and total contract costs.	– We tested the actual costs incurred, such as material and subcontractors costs, on a sample basis, to underlying documents, such as the suppliers’ invoices and timesheet summary for labour costs, and also checked the calculation of allocation of overheads, such as labour costs and depreciation, to each contract. We also tested subsequent payments made after year end and unpaid invoices in respect of the projects to assess whether management appropriately accounted for the actual costs incurred up to year end; – We performed comparisons between the percentage of completion and the percentage of progress billings on selected contracts for any significant deficiencies; – We checked the progress billings to invoices issued; and – We obtained understanding from the above testing, assess whether provision for foreseeable losses on construction contracts made by management was appropriate.

OTHER MATTER

The consolidated financial statement of the Group for the year ended 31 March 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 28 June 2024.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all of the information included in the annual report other than 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 are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by IASB 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 HKSAs 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 HKSAs, we exercise professional judgement and maintain professional skepticism 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.

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

– 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 group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Confucius International CPA Limited
Certified Public Accountants

Chan Wai Nam, William
Practising Certificate Number: P05957

Hong Kong, 27 June 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31 March 2025

	Notes	2025 S$'000	2024 S$'000
Continuing operations			
Revenue	9	59,072	59,115
Cost of sales		(49,668)	(51,122)
Gross profit		9,404	7,993
Other income	10	3,467	2,576
Other (losses)/gains, net	11	(253)	(67)
Allowance for expected credit losses		(137)	(407)
Administrative expenses		(23,436)	(18,683)
Loss from operations		(10,955)	(8,588)
Finance costs	14	(1,154)	(1,727)
Share of losses of joint ventures	23	(491)	(101)
Impairment loss on goodwill		(98)	(65)
Loss before tax	12	(12,698)	(10,481)
Income tax expense	15	(438)	(171)
Loss for the year from continuing operations		(13,136)	(10,652)
Discontinued operation			
Gain/(loss) for the year from discontinued operation		83	(1,624)
Loss for the year		(13,053)	(12,276)
Other comprehensive income/(expenses)			
Item that will not be reclassified subsequently to profit or loss:			
Surplus on revaluation of leasehold properties		531	708
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive expense of joint ventures		(82)	(190)
Exchange differences on translating foreign operations		691	(1,876)
Other comprehensive income/(expenses) for the year, net of tax		1,140	(1,358)
Total comprehensive expense for the year		(11,913)	(13,634)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 March 2025

	Note	2025 S$'000	2024 S$'000
Loss for the year attributable to:			
Owners of the Company		**(12,893)**	(11,987)
Non-controlling interests		**(160)**	(289)
		(13,053)	(12,276)
Loss for year attributable to owners of the Company arising from:			
– Continuing operations		**(12,976)**	(10,437)
– Discontinued operation		**83**	(1,550)
		(12,893)	(11,987)
Total comprehensive income/(expenses) for the year attributable to:			
Owners of the Company		**(11,753)**	(13,352)
Non-controlling interests		**(160)**	(282)
		(11,913)	(13,634)
Total comprehensive expense for the year attributable to owners of the Company arising from:			
– Continuing operations		**(11,769)**	(11,814)
– Discontinued operation		**16**	(1,538)
		(11,753)	(13,352)
Loss per share	16		(Restated)
From continuing and discontinued operations			
Basic and diluted (Singapore cents)		**(3.02)**	(8.97)
From continuing operations			
Basic and diluted (Singapore cents)		**(3.04)**	(7.81)
From discontinued operation			
Basic and diluted (Singapore cents)		**0.02**	(1.16)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	2025 S$'000	2024 S$'000
Non-current assets			
Property, plant and equipment	19	16,145	17,191
Right-of-use assets	20	2,291	3,282
Goodwill	21	–	–
Intangible assets	22	65	–
Investments in joint ventures	23(a)	9,017	9,906
		27,518	30,379
Current assets			
Trade and other receivables	24	49,607	23,086
Loan receivables	25	7,948	10,461
Amounts due from joint ventures	23(b)	18,647	18,802
Contract assets	26	16,062	20,651
Pledged bank deposits	27(b)	4,196	4,001
Cash and cash equivalents	27(a)	4,395	1,439
		100,855	78,440
Assets of disposal group classified as held for sale	39	–	3,312
		100,855	81,752
Current liabilities			
Trade and other payables	28	22,676	12,748
Contract liabilities	26	270	658
Borrowings	30	17,045	10,457
Lease liabilities	29	109	519
Current tax liabilities		782	347
		40,882	24,729
Liabilities directly associated with disposal group classified as held for sale	39	–	1,717
		40,882	26,446
Net current assets		59,973	55,306
Total assets less current liabilities		87,491	85,685

Consolidated Statement of Financial Position

As at 31 March 2025

	Notes	2025 S$'000	2024 S$'000
Non-current liabilities			
Borrowings	*30*	2,566	12,769
Lease liabilities	*29*	2,395	2,855
Deferred tax liabilities	*31*	114	202
		5,075	15,826
Net assets		82,416	69,859
Capital and reserves			
Share capital	*32*	12,558	2,444
Reserves		63,174	67,242
Equity attributable to owners of the Company		75,732	69,686
Non-controlling interests		6,684	173
Total equity		82,416	69,859

Approved by the board of directors on 27 June 2025 and are signed on its behalf by:

Ms. Feng Jiamin
Director

Mr. Michael Shi Guan Wah
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 March 2025

	Attributable to owners of the Company										
	Share capital	Share premium (Note (i))	Share option reserve (Note (ii))	Merger reserve (Note (iii))	Revaluation reserve (Note (iv))	Exchange reserve (Note (v))	Other reserve (Note (vi))	Retained profits/ (Accumulated losses)	Total	Non-controlling interests	Total
	S$'000	*S$'000*	*S$'000*	*S$'000*	*S$'000*	*S$'000*	*S$'000*	*S$'000*	*S$'000*	*S$'000*	*S$'000*
As at 1 April 2023	1,907	31,913	2,372	1,500	433	(1,448)	–	19,179	55,856	292	56,148
Loss for the year	–	–	–	–	–	–	–	(11,987)	(11,987)	(289)	(12,276)
Other comprehensive income/(expenses) for the year	–	–	–	–	708	(2,073)	–	–	(1,365)	7	(1,358)
Total comprehensive expenses for the year	–	–	–	–	708	(2,073)	–	(11,987)	(13,352)	(282)	(13,634)
Acquisition of a subsidiary *(Note 34(a)(i))*	–	–	–	–	–	–	–	–	–	298	298
Acquisition of further interest in a subsidiary	–	–	–	–	–	–	479	–	479	(135)	344
Share options granted *(Note 32)*	–	–	5,148	–	–	–	–	–	5,148	–	5,148
Issue of new shares upon exercise of share options *(Note 32(a))*	158	7,632	(2,372)	–	–	–	–	–	5,418	–	5,418
Issue of new shares on subscription of shares *(Note 32(b))*	379	15,758	–	–	–	–	–	–	16,137	–	16,137
Change in equity for the year	537	23,390	2,776	–	–	–	479	–	27,182	163	27,345
As at 31 March 2024 and 1 April 2024	2,444	55,303	5,148	1,500	1,141	(3,521)	479	7,192	69,686	173	69,859
Loss for the year	–	–	–	–	–	–	–	(12,893)	(12,893)	(160)	(13,053)
Other comprehensive income for the year	–	–	–	–	531	609	–	–	1,140	–	1,140
Total comprehensive expenses for the year	–	–	–	–	531	609	–	(12,893)	(11,753)	(160)	(11,913)
Acquisition of a subsidiary *(Note 34(a)(ii))*	–	–	–	–	–	–	–	–	–	–	–
Disposal of subsidiaries *(Note 39)*	–	–	–	–	–	–	–	–	–	(83)	(83)
Change in ownership interest in subsidiaries without change of control *(Note 38)*	–	–	–	–	–	–	(504)	–	(504)	6,754	6,250
Rights issue *(Note 32(d))*	9,628	7,703	–	–	–	–	–	–	17,331	–	17,331
Issue of new shares on subscription of shares *(Note 32(c))*	486	486	–	–	–	–	–	–	972	–	972
Change in equity for the year	10,114	8,189	–	–	–	–	(504)	–	17,799	6,671	24,470
As at 31 March 2025	12,558	63,492	5,148	1,500	1,672	(2,912)	(25)	(5,701)	75,732	6,684	82,416

Notes:

(i) The share premium account records the excess of the total consideration over the par value of the shares issued by the Company, net of share issue expenses incurred.

(ii) The share option reserve represents the fair value of the actual or estimated number of the exercised share option granted to employees of the Group recognised in accordance with the accounting policy adopted for equity-settled share-based payments in Note 4.18 to the consolidated financial statements.

(iii) The merger reserve arose from the issue of the Company's shares in exchange for the shares of companies being acquired, and represents the difference between the nominal value of the shares issued by the Company in exchange for the value of the subsidiaries acquired.

(iv) Revaluation reserve arises on the revaluation of property, plant and equipment. Details refer to Note 4.6 to the consolidated financial statements.

(v) The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

(vi) Other reserve arises from the deemed acquisition on capital injection in a subsidiary and the fair value of the consideration paid arising from the changes in ownership interests in subsidiaries that do not result in a loss of control.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2025 S$'000	2024 S$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax		
From continuing operations	(12,698)	(10,481)
From discontinued operation	–	(1,624)
Adjustments for:		
Depreciation of property, plant and equipment	1,683	1,685
Depreciation of right-of-use assets	434	780
Amortisation of intangible assets	29	19
Gain on disposal of subsidiaries	(176)	(51)
Gain on termination of leases	(3)	(14)
Losses/gain on disposal of property, plant and equipment	28	(2)
Impairment loss on goodwill	98	918
Allowance for expected credit losses of trade receivables and contract assets	172	386
(Reversal)/allowance for expected credit losses of other and loan receivables and amounts due from joint ventures	(35)	107
Share of losses of joint ventures	491	101
Interest income	(146)	(114)
Finance costs	1,154	1,728
Equity-settled share-based payments	–	5,148
Provision for foreseeable losses on construction contracts	–	1,414
Operating loss before working capital changes	(8,969)	–
Decrease in contract assets	5,783	12,635
Increase in amounts due from joint ventures	–	(15,620)
Decrease in bank balances – trust and segregated accounts	–	5,049
Decrease in loan receivables	2,452	3,113
(Increase)/decrease in trade and other receivables	(23,544)	2,310
Decrease in contract liabilities	(658)	(3,964)
Increase/(decrease) in trade and other payables	7,399	(12,996)
Cash used in operations	(17,537)	(9,473)
Interest received	146	114
Income tax paid	(91)	(1,361)
Net cash used in operating activities	(17,482)	(10,720)

For the year ended 31 March 2025

	Notes	2025 S$'000	2024 S$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(218)**	(571)
Purchase of intangible asset		**(94)**	–
Proceeds from disposals of property, plant and equipment		**82**	2
Acquisition of a subsidiary	*34(a)*	**(16)**	(357)
Acquisition of a joint venture		**(36)**	–
Disposal of subsidiaries		**–**	(9)
Disposal of a joint venture		**409**	(12)
Increase in investment in a joint venture		**315**	(4,746)
Increase in pledged bank deposits		**(195)**	(1,398)
Net cash outflow on disposal of subsidiaries	*40*	**(545)**	–
Net cash used in investing activities		**(298)**	(7,091)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		**18,303**	16,137
Proceeds from issuance of shares pursuant to Share Options		**–**	5,418
Proceeds from issuance of bonds		**6,807**	–
Repayment of bonds		**(8,211)**	(976)
Interest paid for term loans		**(171)**	(190)
Interest paid for other borrowings		**(191)**	(595)
Interest paid for lease liabilities		**(165)**	(84)
Interest paid for bonds		**(627)**	(859)
Repayment of other borrowings		**(1,647)**	(3,291)
Other borrowings raised		**214**	257
Repayment of principal elements of lease payments		**(309)**	(755)
Proceeds from draw down of term loans		**343**	564
Repayment of term loans		**(2,536)**	(1,935)
Proceeds from disposal of ownership interest in a subsidiaries that do not result in a loss of control		**6,250**	–
Net cash generated from financing activities		**18,060**	13,691
NET DECREASE IN CASH AND CASH EQUIVALENTS		**280**	(4,120)
Effect of foreign exchange rate changes		**563**	3,081
Cash and cash equivalents at beginning of the year		**1,439**	3,710
Cash and bank balance from discontinued operation	*39*	**2,113**	(1,232)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	*27(a)*	**4,395**	1,439

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

1 CORPORATE INFORMATION

Trendzon Holdings Group Limited (the "**Company**") was incorporated on 17 July 2018 in the Cayman Islands as an exempted company with limited liability under the Companies Law (Cap 22, Law 3 of 1961 as consolidated and revised) (now known as the Companies Act (2021 Revision)) of the Cayman Islands. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 27 March 2019.

The Company's registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business in Singapore is 38 Senoko Road, Singapore 758110. The principal place of business in Hong Kong is Suite 2108, Prudential Tower, The Gateway, Harbour City, Hong Kong.

The Company is an investment holding company. The Group is principally engaged in infrastructural pipeline construction and related engineering services mainly for gas, water, telecommunications and power industries services, construction and engineering services and trading of building materials.

The audited consolidated financial statements are presented in thousands of units of Singapore dollars ("**S$'000**"), unless otherwise stated.

2 BASIS OF PREPARATION

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

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

3 APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

New and amendments to IFRS that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to IFRSs issued by the IASB for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2024 for the preparation of the consolidated financial statements:

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

The application of the above new and amendments to IFRSs in the current year 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.

In accordance with the guidance set out in the amendments, accounting policy information that is standardised information, or information that only duplicates or summarises the requirements of the IFRSs, is considered immaterial accounting policy information and is no longer disclosed in the notes to the consolidated financial statements so as not to obscure the material accounting policy information disclosed in the notes to the consolidated financial statements.

Amendments to IFRSs in issue but not yet effective

The Group has not early applied the following amendments to IFRSs that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standard – Volume 11[3]
Amendments to IAS 21	Lack of Exchangeability[2]
Amendments to IFRS 9 and IFRS 7	Contract Referencing Nature-dependent Electricity[3]
IFRS 18	Presentation and Disclosure in Financial Statements[4]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[4]

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2025.
[3] Effective for annual periods beginning on or after 1 January 2026.
[4] Effective for annual periods beginning on or after 1 January 2027.

The directors of the Company anticipate that the application of all the above amendments to IFRS will have no material impact on the consolidated financial statements in the foreseeable future.

4 MATERIAL ACCOUNTING POLICY INFORMATION

These consolidated financial statements have been prepared on the historical cost convention.

The preparation of financial statements in conformity with IFRS 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 5.

The material accounting policies applied in the preparation of these consolidated financial statements are set out below.

4.1 Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March.

4.2 Separate financial statements

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale). Cost includes direct attributable costs of investments. The results of subsidiaries are accounted for by the Company on the basis of dividend received or receivable.

4.3 Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred.

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Group.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the sum of the consideration transferred in a business combination to calculate the goodwill.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.3 Business combination and goodwill (Continued)

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("**CGUs**") or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

4.4 Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Relevant activities are activities that significantly affect the returns of the arrangement. When assessing joint control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

A joint arrangement is either a joint operation or a joint venture.

Investment in a joint venture is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the joint venture in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of the investment over the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is recorded as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.4 Joint arrangements (Continued)

The Group assesses whether there is an objective evidence that the interest in a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group's share of a joint venture's post-acquisition profits or losses and other comprehensive income is recognised in consolidated statement of profit or loss and other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of a joint venture that results in a loss of joint control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that joint venture and (ii) the Group's entire carrying amount of that joint venture (including goodwill) and any related accumulated foreign currency translation reserve. If an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

4.5 Foreign currency translation

(i) 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 dollars (SGD), which is the Company's functional and presentation currency.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.5 Foreign currency translation (Continued)

(ii) Transactions and balances in each entity's financial statements (Continued)

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(iii) Translation on consolidation

The results and financial position of all the Group entities 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 exchange reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the exchange reserve. When a foreign operation is sold, such exchange differences are reclassified to consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

4.6 Property, plant and equipment

Property, plant and equipment, other than leasehold properties, are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.6 Property, plant and equipment (Continued)

Leasehold properties held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Any revaluation increase arising on the revaluation of such leasehold properties are recognised in other comprehensive income and accumulated in revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such leasehold properties are recognised in profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Depreciation of revalued leasehold properties are recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained profits.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

– Leasehold improvements	over the shorter of remaining lease term or 5 years
– Leasehold properties	over the shorter of remaining lease term or 9 years
– Computer and device	3 to 10 years
– Furniture and office equipment	3 to 10 years
– Motor vehicles	3 to 10 years
– Plant and machinery	5 to 10 years

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.7 Intangible assets

(i) Computer software licenses

Acquired computer software licenses are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to consolidated statement of profit or loss using the straight-line method over their estimated useful lives of 3 years.

The amortisation period and amortisation method of intangible assets are reviewed at least at the end of each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

(ii) Trading rights

Trading rights confer eligibility on the Group to trade on the Stock Exchange. The trading rights have no foreseeable limit to the period over which the Group can use to generate cash flows. As a result, the trading rights are considered by the management of the Group as having indefinite useful lives because they are expected to contribute to net cash inflows indefinitely. The trading rights will not be amortised until its useful life is determined to be finite. They will be tested for impairment annually and whenever there is an indication that they may be impaired.

The useful life of the trading rights is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is account for on a prospective basis.

4.8 Leases

(i) The Group as a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.8 Leases (Continued)

(i) The Group as a lessee (Continued)

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the group entities, which does not have recent third-party financing, and
- makes adjustments specific to the lease, eg term, country, currency and security.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.8 Leases (Continued)

(i) The Group as a lessee (Continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

4.9 Contract assets and contract liabilities

Contract asset is recognised when the Group recognises revenue before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses ("**ECL**") in accordance with the policy set out in Note 4.23 and are reclassified to receivables when the right to the consideration has become unconditional.

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognizes the related revenue. In such cases, a corresponding receivable would also be recognised.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method.

4.10 Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.11 Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.11 Financial assets (Continued)

Debt investments

Debt investments held by the Group are classified into amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.

4.12 Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

4.13 Loan receivables

Loan receivables are carried at amortised cost using the effective interest method less allowance for credit loss (see Note 6c) except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such case, loan receivables are stated at cost less allowance for credit loss. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of reporting period. These are classified as non-current assets.

Interest income is recognised on an effective interest basis.

4.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flow. Cash and cash equivalents are assessed for ECL.

4.15 Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under IFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.15 Financial liabilities and equity instruments (Continued)

(i) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. 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 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.

(ii) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

4.16 Revenue and other income

(i) Revenue from contracts with customers within IFRS15

Revenue is measured at the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the Group's activities.

Revenue is recognised when or as the control of the good or service is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the good or service may be transferred over time or at a point in time.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.16 Revenue and other income (Continued)

(i) Revenue from contracts with customers within IFRS15 (Continued)

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service. Specific criteria where revenue is recognised with the 5-step approach under IFRS 15 are described below.

(a) Revenue from construction contract

Identifying the contracts with customer

The Group is a main contractor specialising in infrastructural pipeline construction and related engineering services mainly for gas, water, telecommunications and power industries in Singapore. A contract with a customer is classified by the Group as a construction contract when the contract relates to work on assets under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

The Group has primary responsibility to fulfilment of the contract due to the integration of construction works that the Group assumes primary responsibility for the quality management and completion, and has discretion in selecting subcontractors and discretion of the pricing for subcontractor.

Identifying the performance obligations in the contract

The Group has to identify the performance obligations in contract. A performance obligation is a promise in a contract to transfer a good or service to a customer. Generally, an infrastructural pipeline construction contract will provide a significant integration services including purchase of materials, arrangement of subcontractor and labour for the provision of construction services and the good and services within the contract will be highly dependent on or highly integrated with other goods or services. As such, different elements of a construction contract are accounted as a single performance obligation. The Group treated all of the construction contracts as a single performance obligation as the construction works are not capable of being distinct.

Determining the transaction price and allocating the transaction price to the performance obligations in the contract

When determining the transaction price at the inception of the contract, the Group takes into account the variable consideration based on the contract terms and considers factors such as whether there is any financing component. The Group considers whether the payment schedule is commensurate with the Group's performance and whether the delayed payment is for finance purpose. The Group assessed that there is no significant financing component in construction contracts as the payment schedule commensurates closely to Group's performance. Therefore, transaction price is not adjusted for any financing component.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.16 Revenue and other income (Continued)

(i) Revenue from contracts with customers within IFRS15 (Continued)

(a) Revenue from construction contract (Continued)

Recognising revenue as the entity satisfies a performance obligation over time

Under IFRS 15, revenue is recognised when, or as, performance obligations are satisfied through transfer of control of goods or services to a customer. A performance obligation is satisfied over time when at least one of the following three criteria is met: (1) the customer receives and consumes the benefits provided by the Group's performance as the Group performs; (2) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; (3) the Group's performance does not create an asset with alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. The Group recognises the revenue over time as the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

The Group recognised the revenue from the contract progressively over time using the input method, i.e. based on the proportion of the actual costs incurred relative to the estimated total costs.

The likelihood of the Group suffering contractual penalties or liquidated damages for late completion are taken into account in estimating contract transaction prices, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The contractual penalties, or liquidated damages and modification of contracts are treated as variable consideration under IFRS 15 and the amounts are included in revenue to the extent that it is highly probable that contract revenue will not reverse. The Group undertakes continuing reassessment for variable considerations.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised.

There is generally no material cost of obtaining contracts of the Group.

A contract asset is recognised when the amount of revenue recognised is more than the amount received but without unconditional right to receive payment (receivable). Contract assets are assessed for ECL model and are reclassified to receivables when the right to the consideration has become unconditional. A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. The Group recognises contract liabilities when the Group received consideration arising from initial deposit, progress and final payment were received or has right to receive such payments before the Group transfers a good or service to the customer. In such cases, a corresponding receivable would also be recognised. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.16 Revenue and other income (Continued)

(i) Revenue from contracts with customers within IFRS15 (Continued)

(a) Revenue from construction contract (Continued)

Recognising revenue as the entity satisfies a performance obligation over time (Continued)

Retention receivables are settled in accordance with the terms of the respective contracts. Retention receivables are classified as contract assets.

(b) Revenue from trading of building materials

Revenues are recognised when control of the goods has been transferred, being when the goods are delivered to the customers, the customers have full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the customers' acceptance of the goods. Delivery occurs when the goods have been shipped to the location specified by customer, the risks of obsolescence and loss have been transferred to the customers, and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. Revenue is shown net of value-added tax, returns, claims and discounts and after eliminating sales within the Group.

(c) Agency income

Revenues are recognised when the services have been rendered.

(ii) Interest income

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or financial assets at fair value through other comprehensive income (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.17 Employee benefits

(i) Employee leave entitlements

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

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

(ii) Pension obligations

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund (the "**CPF**") in Singapore and the Mandatory Provident Fund (the "**MPF**") retirement benefit scheme (the "**MPF Scheme**") in Hong Kong on a mandatory, contractual or voluntary basis. A defined contribution plan defines the benefits that the employee will receive at the time of retirement in which the Group makes contribution to meet the costs of benefits defined in the plan. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees. The Group has no further legal or constructive payment obligations once the contributions have been paid. Payments made to the CPF in Singapore and the MPF in Hong Kong which are a defined contribution retirement plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The employees of the Group's subsidiaries which operate in the People's Republic of China (the "**PRC**") are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

No forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) will be used by the Group to reduce the existing level of contributions under the CPF, the MPF and the central pension scheme operated by the local municipal government in the PRC.

(iii) Long service payment

The estimated amount of future benefit in respect of long service payment obligation is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from relevant employees.

(iv) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits, and when the Group recognises restructuring costs and involves the payment of termination benefits.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.18 Share-based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

Equity-settled share-based payments to employees are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

4.19 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4.20 Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

4.21 Taxation

Income tax represents the sum of the current tax and deferred tax.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.21 Taxation (Continued)

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, and interests in joint arrangements, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.22 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or that are not yet available for use are reviewed for impairment annually and whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

The carrying amounts of other non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the cash-generating unit.

4.23 Impairment of financial assets and contracts assets

The Group recognises a loss allowance for ECL on trade receivables, contract assets, deposits paid, other receivables, amounts due from joint ventures and loan receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables and contract assets. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.23 Impairment of financial assets and contracts assets (Continued)

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(a) the financial instrument has a low risk of default,

(b) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.23 Impairment of financial assets and contracts assets (Continued)

(i) Significant increase in credit risk (Continued)

(c) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.23 Impairment of financial assets and contracts assets (Continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

– significant financial difficulty of the issuer or the counterparty;

– a breach of contract, such as a default or past due event;

– the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;

– it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or

– the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.23 Impairment of financial assets and contracts assets (Continued)

(v) *Measurement and recognition of ECL* (Continued)

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

4.24 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

4.25 Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

5 CRITICAL JUDGEMENTS AND KEY ESTIMATES

In applying the Group's material accounting policy information, which are described in Note 4, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements.

(a) Revenue recognition of construction contracts relating to accounting for variation orders

During the course of business, the Group would make claims for additional work performed, which may arise either under specific circumstances provided for under the contracts, or due to variations made to the contract specifications by customers. Where the amounts of such claims have not been formally agreed at the end of the reporting period, the amount recoverable as estimated by management is included in the contract assets in determining the estimated recoverable amount.

(b) Significant increase in credit risk

As explained in Note 4.23, ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

(c) Joint control assessment

Although the Group holds 51% of the voting rights of Trendzon Park Project Investment and Dongguan Hongxinmei Automobile Trading Co., Ltd., the directors have determined that the Group has joint control over these investees as under the contractual agreement, unanimous consent is required from all parties to the agreement for all relevant activities.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

5 CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key sources of estimation uncertainty (Continued)

(a) Revenue recognition of construction contracts

As disclosed in Note 4.16 to the consolidated financial statements, revenue recognition on a construction contract is dependent on management's estimation of the total outcome of the construction contracts, as well as the work done to date. The management reviews and revises the estimates of contract revenue, contract costs, variation orders and provision for claims, prepared for each construction contract as the contract progresses. Budgeted construction costs are prepared by the management on the basis of quotations provided by contractors, suppliers or vendors involved and the experience of the management. In order to keep the budgets accurate and up-to-date, the management conducts periodic reviews on the budgets by comparing the budgeted amounts to the actual amounts incurred. When the final cost incurred by the Group is different from the amounts initially budgeted, such differences will impact revenue and the profit or loss recognised on the contracts. The provision for claims is determined on the basis of the delay in the number of workdays of the completion of the construction works which is highly subjective and is subject to negotiation with the customers. Management conducts periodic review of the provision amount. Significant judgement is required in estimating the contract revenue, contract costs, variation works and provision for claims which have an impact on the percentage of completion of contracts and profit or loss recognised.

During the year ended 31 March 2025, approximately S$59,035,000 (2024: S$59,097,000) of revenue from construction contracts and engineering services was recognised. At the end of the reporting period, the Group's contract assets and contract liabilities were amounted to approximately S$16,062,000 (2024: S$20,651,000) and S$270,000 (2024: S$658,000) respectively.

(b) Fair value of leasehold properties

For the purpose of measuring the Group's leasehold properties in Singapore at revaluation model, the Group appointed an independent professional valuer to assess the fair value of the leasehold properties. In determining the fair value, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation and inputs used are reflective of the current market conditions.

The carrying amount of the Group's leasehold properties as at 31 March 2025 was S$14,300,000 (2024: S$14,250,000).

5 CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key sources of estimation uncertainty (Continued)

(c) *Allowance for trade and other receivables, loan receivables, contract assets and amounts due from joint ventures*

The management of the Group estimates the amount of allowance for ECL on trade and other receivables, loan receivables, contract assets and amounts due from joint ventures based on the credit risk of these receivables. The amount of the allowance based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

As at 31 March 2025, the aggregated carrying amounts of trade and other receivables, loan receivables, contract assets and amounts due from joint ventures are S$92,264,000 (net of allowance for ECLs of approximately S$1,249,000) (2024: S$73,000,000 (net of allowance for ECLs of S$1,067,000)).

(d) *Impairment assessment of investments in joint ventures*

The Group determines whether investments in joint ventures are impaired by regularly review whether there are any indicators of impairment of the investment by reference to the requirements under IAS 28 (2011) "Investments in Associates and Joint Ventures" and IAS 36 "Impairment of Assets". For investment where impairment indicators exist, management estimated the recoverable amounts of the investment, being higher of fair value less costs of disposal and value in use. The value in use of the underlying business is determined based on the discounted cash flow projections. Calculation of fair values by asset-based approach and market approach requires valuation technique which used information generated by market transactions involving identical and comparable group of assets and liabilities to adjust the book value of joint venture's assets. Independent external valuers were also involved in the fair value and value in use assessments, where appropriate.

The carrying amount of the Group's investments in joint ventures as at 31 March 2025 was S$9,017,000 (2024: S$9,906,000). No impairment loss (2024: S$Nil) on investments in joint ventures was recognised in the consolidated financial statements as at 31 March 2025.

(e) *Valuation of PPA for acquisition of a subsidiary*

The acquisition of a subsidiary during the year ended 31 March 2025 was accounted for as a business combination, which required the Group to allocate the purchase price to the assets acquired, liabilities assumed, and identified intangible assets (if any), based on their estimated fair values at the date of acquisition. The fair values of the assets acquired, liabilities assumed and identified intangible assets (if any) were determined using the discounted cash flow approach and involved various key assumptions and estimates. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the fair values of the assets acquired, liabilities assumed and identified intangible assets. In aggregate, the fair value of total identifiable net assets amounted to approximately S$308,000 and was recognised in the consolidated statement of financial position as at the acquisition date.

6 FINANCIAL RISK MANAGEMENT

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

(a) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions, recognised assets or liabilities denominated in a currency that is not the functional currency of the relevant group entity. The Group operates in Singapore, Hong Kong, and the PRC. The majority of the transactions at each location are settled in the respective local currencies, namely Singapore dollar ("**SGD**"), Hong Kong dollar ("**HKD**"), and Renminbi ("**RMB**").

Management closely monitors foreign currency exchange exposure and will take measures to minimise the currency translation risk. The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposure. The Group has not used any hedging arrangement to hedge its foreign exchange risk exposure.

Sensitivity analysis

The Group is primarily exposed to changes in HK\$/S\$ and RMB/S\$ exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from HK\$ and RMB denominated financial instruments in group companies with S\$ as functional currency.

As at 31 March 2025

Net liabilities denominated in:	**Change in exchange rate** *+/– in %*	**Impact on pre-tax loss** *+/– S\$'000*
– RMB	**4%**	**822**
– HKD	**4%**	**165**

As at 31 March 2024

Net liabilities denominated in:	Change in exchange rate *+/– in %*	Impact on pre-tax loss *+/– S\$'000*
– RMB	4%	802
– HKD	4%	213

6 FINANCIAL RISK MANAGEMENT (Continued)

(b) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow.

The Group's interest-bearing assets and liabilities are loan receivables, cash at bank, pledged bank deposits, lease liabilities and borrowings.

In the opinion of the directors, the interest income derived from loan receivables and bank balance is insignificant and the Group's income and operating cash flows are substantially independent of changes in market interest rates. Accordingly, no sensitivity analysis is performed.

As at 31 March 2025 and 2024, pledged bank deposits, lease liabilities and borrowings bore fixed interest rates and therefore they are subject to insignificant cash flow interest rate risk. As a result, the Group is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Accordingly, no sensitivity analysis presented.

(c) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from contract assets, trade receivables, loan receivables, amounts due from joint ventures, pledged bank deposits, deposits and other receivables, trust and segregated accounts in bank and cash and cash equivalents. The Group's exposure to credit risk arising from cash and cash equivalents, trust and segregated accounts in bank and pledged bank deposits are limited because the counterparties are banks and financial institutions with high credit-rating assigned by international credit-rating agencies, for which the Group considers to have low credit risk.

The Group does not provide guarantees to external parties which would expose the Group to credit risk.

Credit exposure to an individual counter-party is restricted by credit limits that are approved by the directors based on on-going credit evaluation. The counter-party's payment profile and credit exposure are continuously monitored by the directors of the Group. The Group has assessed that there are minimal credit risk arising from its other receivables and amounts due from joint ventures.

All receivables and contract assets are written off and all relevant allowance for ECL are written back when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 12 months past due.

Allowance of all receivables are presented as net allowance within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

6 FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

(i) Trade receivables and contract assets

For trade receivables and contract assets, the Group is exposed to concentration of credit risk as at 31 March 2025 from the Group's top five customers accounted for 8% (2024: 53%) of the total trade receivables and contract assets balances. The major customers of the Group are reputable organisations which comprise mainly gas, water, telecommunications and power utility companies in the private sector and Singapore government agencies such as those governing water utility and catchment in the public sector. Management considers that the credit risk is limited in this regard.

The Group uses IFRS 9 simplified approach for measuring the ECLs, which use a lifetime expected loss allowance for all trade receivables and contract assets. To measure the ECLs, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the invoice date.

The expected loss rates are based on the payment profiles of sales over a period of 36 months (2024: 36 months) before 31 March 2025 and the corresponding historical credit losses experienced within this period. 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 GDP and the unemployment rate of the countries in which it renders services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

According to above mentioned consideration, the Group does not expect any significant default possibility and loss allowance of trade receivables and contract assets are minimal. As at 31 March 2025, the Group had provided an allowance for ECLs of trade receivables and contract assets of S$336,000 (2024: S$27,000) and S$409,000 (2024: S$352,000) respectively.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and contract assets as at 31 March 2025 and 2024:

As at 31 March 2025

Trade receivables from construction contracts and engineering services:	Non-credit impaired *S$'000*	Credit–impaired *S$'000*	Total *S$'000*
Gross carrying amount	13,751	1,328	15,079
Loss allowance	(10)	(326)	(336)
Net carrying amount	13,741	1,002	14,743
Expected loss rate	0.07%	24.55%	2.23%

6 FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

(i) ***Trade receivables and contract assets*** (Continued)

As at 31 March 2025 (Continued)

Trade receivables from trading of building materials:	**Non-credit impaired** ***S$'000***	**Credit–impaired** ***S$'000***	**Total** ***S$'000***
Gross carrying amount	–	–	–
Loss allowance	–	–	–
Net carrying amount	–	–	–
Expected loss rate	**Nil**	–	**Nil**

As at 31 March 2024

Trade receivables from construction contracts and engineering services:	Non-credit impaired *S$'000*	Credit–impaired *S$'000*	Total *S$'000*
Gross carrying amount	4,882	–	4,882
Loss allowance	(27)	–	(27)
Net carrying amount	4,855	–	4,855
Expected loss rate	0.55%	–	0.55%

Trade receivables from trading of building materials:	Non-credit impaired *S$'000*	Credit–impaired *S$'000*	Total *S$'000*
Gross carrying amount	18	–	18
Loss allowance	–	–	–
Net carrying amount	18	–	18
Expected loss rate	Nil	–	Nil

6 FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

(i) ***Trade receivables and contract assets*** (Continued)

As at 31 March 2025

Contract assets from construction contracts and engineering services:	**Non-credit impaired** ***S$'000***	**Credit–impaired** ***S$'000***	**Total** ***S$'000***
Gross carrying amount	**15,267**	**1,204**	**16,471**
Loss allowance	**(254)**	**(155)**	**(409)**
Net carrying amount	**15,013**	**1,049**	**16,062**
Expected loss rate	**1.66%**	**12.87%**	**2.48%**

As at 31 March 2024

Contract assets from construction contracts and engineering services:	Non-credit impaired *S$'000*	Credit–impaired *S$'000*	Total *S$'000*
Gross carrying amount	21,003	–	21,003
Loss allowance	(352)	–	(352)
Net carrying amount	20,651	–	20,651
Expected loss rate	1.68%	–	1.68%

6 FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

(i) Trade receivables and contract assets (Continued)

Movements of allowances for trade receivables and contract assets are as follows:

As at 31 March 2025

	Simplified approach
	Lifetime ECL
	S$'000
As at 1 April	379
Impairment losses recognised for the year	318
Acquisition of a subsidiary (Note 34(a)(ii))	48
Exchange alignment	–
As at 31 March	745

As at 31 March 2024

	Simplified approach
	Lifetime ECL
	S$'000
As at 1 April	90
Impairment losses recognised for the year	386
Acquisition of a subsidiary (Note 34(a)(i))	31
Transfer to assets of disposal group classified as held for sale (Note 39)	(155)
Exchange alignment	27
As at 31 March	379

(ii) Loan receivables

The Group adopted general approach for ECL of loan receivables. In order to minimise the credit risk of loan receivables, the management of the Group has delegated a team responsible for determination of credit limits, credit approval and other monitoring procedures to ensure that follow-up action is taken for the recoverable amount. In addition, the Group reviews the recoverable amount of each individual's loan receivables at the end of each reporting period to ensure that adequate allowance loss are made for irrecoverable amounts.

6 FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

(ii) Loan receivables (Continued)

As at 31 March 2024, based on past experience adjusted for factors that are specific to the general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions, the directors of the Company are of the opinion that the allowance for ECLs of approximately S$90,000 (2024: S$116,000) was provided for loan receivables as at 31 March 2025. The Group manages and analyses the credit risk for each of their new and existing clients before standard payment terms and conditions are offered. If there is no independent rating, the Group assesses the credit quality of the customer based on the customer's financial position, past experience and other factors. Individual risk limits are set based on the value of collaterals provided by customers and internal or external ratings in accordance with limits set by the directors. The utilisation of credit limits is regularly monitored.

The following table provides information about the Group's exposure to credit risk and ECLs for loan receivables as at 31 March 2025 and 2024:

As at 31 March 2025

Loan receivables:	**Stage 1** ***S$'000***	**Stage 2** ***S$'000***	**Stage 3** ***S$'000***	**Total** ***S$'000***
Gross carrying amount	**8,038**	**–**	**–**	**8,038**
Loss allowance	**(90)**	**–**	**–**	**(90)**
Net carrying amount	**7,948**	**–**	**–**	**7,948**
Expected loss rate	**1.12%**	**–**	**–**	**1.12%**

As at 31 March 2024

Loan receivables:	Stage 1 *S$'000*	Stage 2 *S$'000*	Stage 3 *S$'000*	Total *S$'000*
Gross carrying amount	10,002	575	–	10,577
Loss allowance	(105)	(11)	–	(116)
Net carrying amount	9,897	564	–	10,461
Expected loss rate	1.05%	1.91%	–	1.10%

6 FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

(iii) Deposits, other receivables and amounts due from joint ventures

The Group adopted general approach for ECL of other receivables, deposits and amounts due from joint ventures. The Group considered these financial assets have not significantly increased in credit risk from initial recognition. Thus, these financial assets are classified in stage one and only considered 12-month ECLs. Considering the history of default and forward-looking factor, the ECL is minimal. As at 31 March 2025, the Group had provided allowances for ECL of deposits and other receivables and amount due from joint ventures of approximately S$87,000 (2024: S$232,000) and approximately S$327,000 (2024: S$340,000).

ECL measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportive forward-looking information.

The following table provides information about the Group's exposure to credit risk and ECLs for deposits, other receivables and amounts due from joint ventures as at 31 March 2025 and 2024:

As at 31 March 2025

Deposits and other receivables:	**Stage 1** *S$'000*	**Stage 2** *S$'000*	**Stage 3** *S$'000*	**Total** *S$'000*
Gross carrying amount	**9,821**	**–**	**–**	**9,821**
Loss allowance	**(87)**	**–**	**–**	**(87)**
Net carrying amount	**9,734**	**–**	**–**	**9,734**
Expected loss rate	**0.89%**	**–**	**–**	**0.89%**

As at 31 March 2024

Deposits and other receivables:	Stage 1 *S$'000*	Stage 2 *S$'000*	Stage 3 *S$'000*	Total *S$'000*
Gross carrying amount	16,650	–	–	16,650
Loss allowance	(232)	–	–	(232)
Net carrying amount	16,418	–	–	16,418
Expected loss rate	1.39%	–	–	1.39%

6 FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

(iii) Deposits, other receivables and amounts due from joint ventures (Continued)

As at 31 March 2025

Amounts due from joint ventures:	**Stage 1** *S$'000*	**Stage 2** *S$'000*	**Stage 3** *S$'000*	**Total** *S$'000*
Gross carrying amount	**18,974**	**–**	**–**	**18,974**
Loss allowance	**(327)**	**–**	**–**	**(327)**
Net carrying amount	**18,647**	**–**	**–**	**18,647**
Expected loss rate	**1.72%**	**–**	**–**	**1.72%**

As at 31 March 2024

Amounts due from joint ventures:	Stage 1 *S$'000*	Stage 2 *S$'000*	Stage 3 *S$'000*	Total *S$'000*
Gross carrying amount	19,142	–	–	19,142
Loss allowance	(340)	–	–	(340)
Net carrying amount	18,802	–	–	18,802
Expected loss rate	1.78%	–	–	1.78%

6 FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

Movements of allowances for loan receivables and deposits, other receivables and amounts due from joint ventures, is as follows:

Loan receivables:	**General approach**			**Simplified approach**	
As at 31 March 2025	**12-month ECL** *S$'000*	**Lifetime ECL** *S$'000*	**Lifetime ECL credit impaired** *S$'000*	**Lifetime ECL** *S$'000*	**Total** *S$'000*
As at 1 April	**105**	**11**	**–**	**–**	**116**
Impairment losses recognised for the year	**(14)**	**(11)**	**–**	**–**	**(25)**
Exchange alignment	**(1)**	**–**	**–**	**–**	**(1)**
As at 31 March	**90**	**–**	**–**	**–**	**90**

Loan receivables:	General approach			Simplified approach	
As at 31 March 2024	12-month ECL *S$'000*	Lifetime ECL *S$'000*	Lifetime ECL credit impaired *S$'000*	Lifetime ECL *S$'000*	Total *S$'000*
As at 1 April	107	301	–	–	408
Impairment losses recognised for the year	(3)	(280)	–	–	(283)
Exchange alignment	1	(10)	–	–	(9)
As at 31 March	105	11	–	–	116

6 FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

Deposits and other receivables:	**General approach**
As at 31 March 2025	**12-month ECL**
	S$'000
As at 1 April	**232**
Impairment losses recognised for the year	**(146)**
Exchange alignment	**1**
As at 31 March	**87**

Deposits and other receivables:	General approach
As at 31 March 2024	12-month ECL
	S$'000
As at 1 April	181
Impairment losses recognised for the year	48
Exchange alignment	3
As at 31 March	232

6 FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

Amounts due from joint ventures:	General approach
As at 31 March 2025	**12-month ECL**
	S$'000
As at 1 April	**340**
Impairment losses recognised for the year	**(10)**
Exchange alignment	**(3)**
As at 31 March	**327**

Amounts due from joint ventures:	General approach
As at 31 March 2024	12-month ECL
	S$'000
As at 1 April	–
Impairment losses recognised for the year	342
Exchange alignment	(2)
As at 31 March	340

6 FINANCIAL RISK MANAGEMENT (Continued)

(d) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents which are generated from internal operations, funding from the group companies and having adequate amount of committed credit facilities.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated statement of financial position date to the contractual maturity date. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 March 2025	Less than 1 year S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000	Over 5 years S$'000	Total undiscounted cash flows S$'000	Total carrying amounts S$'000
Trade and other payables	22,676	–	–	–	22,676	22,676
Borrowings	15,907	3,747	111	198	19,963	19,611
Lease liabilities	182	260	390	2,827	3,659	2,504
	38,765	4,007	501	3,025	46,298	44,791

As at 31 March 2024	Less than 1 year S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000	Over 5 years S$'000	Total undiscounted cash flows S$'000	Total carrying amounts S$'000
Trade and other payables	12,748	–	–	–	12,748	12,748
Borrowings	9,219	11,789	433	3,482	24,923	23,226
Lease liabilities	577	203	375	2,972	4,127	3,374
	22,544	11,992	808	6,454	41,798	39,348

6 FINANCIAL RISK MANAGEMENT (Continued)

(e) Capital risk management

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

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

Gearing has a significant influence on the Group's capital structure and the Group monitors capital using a gearing ratio. The gearing ratio is calculated as total debt divided by equity attributable to owners of the Company. Total debt is calculated as the sum of borrowings and lease liabilities. The Group manages its gearing ratio by regularly monitoring its current and expected liquidity requirement and adjusting its the capital structure to reflect the change in economic conditions affecting the Group.

The gearing ratios as at 31 March 2025 and 2024 were as follows:

	2025	2024
	S$'000	*S$'000*
Total borrowings and lease liabilities	**22,115**	26,600
Equity attributable to owners of the Company	**75,732**	69,686
Gearing ratio	**29.20%**	38.17%

The gearing ratio decreased from 38.17% to 29.20% resulted from repayment in borrowings and placing of shares during the year.

A subsidiary of the Company has two loans related to two properties, respectively, that are subject to covenants. The covenants require the subsidiary to maintain a loan-to-value ratio for each loan and its related property below 60% and 80%, respectively, and to maintain a consolidated net worth of not less than S$14 million (2024: S$14 million). The loan-to-value ratio refers to the ratio of loan amount over the market value of leasehold properties. Net worth is defined as the sum of the subsidiary's paid-up capital and retained profits.

The directors of the Company confirmed that they had neither experienced any difficulties in obtaining or repaying the loan, nor breached any major covenant in this regard.

6 FINANCIAL RISK MANAGEMENT (Continued)

(f) Categories of financial instruments

	2025 S$'000	2024 S$'000
Financial assets		
Financial assets at amortised cost		
– Trade and other receivables (excluding prepayments)	**24,477**	21,290
– Loan receivables	**7,948**	10,461
– Amounts due from joint ventures	**18,647**	18,802
– Pledged bank deposits	**4,196**	4,001
– Cash and cash equivalents	**4,395**	1,439
	59,663	55,993
Financial liabilities		
Financial liabilities at amortised cost		
– Trade and other payables	**22,676**	12,748
– Borrowings	**19,611**	23,226
– Lease liabilities	**2,504**	3,374
	44,791	39,348

7 FAIR VALUE MEASUREMENTS

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The directors of the Group consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

7 FAIR VALUE MEASUREMENTS (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value at year end.

As at 31 March 2025	Fair value measurements using Level 1 S$'000	Level 2 S$'000	Level 3 S$'000
Recurring fair value measurements:			
Leasehold properties under property, plant and equipment	–	–	14,300

As at 31 March 2024	Fair value measurements using Level 1 S$'000	Level 2 S$'000	Level 3 S$'000
Recurring fair value measurements:			
Leasehold properties under property, plant and equipment	–	–	14,250

During the years ended 31 March 2025 and 2024, there was no significant transfer between Level 1, Level 2 and Level 3.

Fair value measurements using significant unobservable inputs (Level 3)

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including Level 3 fair value measurements. The financial controller reports directly to the board of directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the board of directors at least once a year.

For Level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

The following table presents the changes in Level 3 items for the years ended 31 March 2025 and 2024 for recurring fair value measurements:

	Leasehold properties S$'000
As at 1 April 2023	14,000
Depreciation	(458)
Surplus on revaluation recognised in other comprehensive income	708
As at 31 March 2024 and 1 April 2024	14,250
Depreciation	(481)
Surplus on revaluation recognised in other comprehensive income	531
As at 31 March 2025	14,300

7 FAIR VALUE MEASUREMENTS (Continued)

Fair value measurements using significant unobservable inputs (Level 3) (Continued)

The table below sets out information about significant inputs used at year end in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Description	Fair value *S$'000* 2025	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Property A	13,200	Direct comparison approach	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for location and conditions of the property, which ranged from S$112 to S$250 per sqft	The higher the market unit rate, the higher the fair value
Property B	1,100	Direct comparison approach	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for location and conditions of the property, which ranged from S$534 to S$766 per sqft	The higher the market unit rate, the higher the fair value

7 FAIR VALUE MEASUREMENTS (Continued)

Fair value measurements using significant unobservable inputs (Level 3) (Continued)

Description	Fair value *S$'000* 2024	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Property A	13,200	Direct comparison approach	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for location and conditions of the property, which ranged from S$107 to S$250 per sqft	The higher the market unit rate, the higher the fair value
Property B	1,050	Direct comparion approach	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for location and conditions of the property, which ranged from S$474 to S$674 per sqft	The higher the market unit rate, the higher the fair value

8 SEGMENT INFORMATION

The Company's executive directors monitor the operating results of its operating segment for the purpose of making decisions about resource allocation and performance assessment.

For the year ended 31 March 2025, the chief operating decision-maker has been identified as the executive directors of the Group. The executive directors consider the segment from a business perspective. The Group has three operating segments that qualify as reporting segment under IFRS 8 and the information that is regularly reviewed by the executive directors for the purposes of allocating resources and assessing performance of the operating segment. No operating segments have been aggregated in arriving at the reportable segments of the Group.

During the year ended 31 March 2024, one of the business segments namely, brokerage, placing and margin financing service segment, which was presented as a separate reportable segment of the Group in previous year, became a discontinued operation due to the classification of the relevant subsidiaries as a disposal group held for sale as at 31 March 2024 and the disposal of the relevant subsidiaries has been completed on 3 May 2024.

The Group's continuing operations comprise two reportable segments, which are: 1) construction contracts and engineering services and 2) trading of building materials. Prior year segment disclosures have been re-presented to conform with the current year's presentation of reportable segments in continuing operations. The segment information reported does not include any amounts for the discontinued operation.

8 SEGMENT INFORMATION (Continued)

The executive directors assess the performance based on a measure of loss before tax, and consider all businesses are included in the reportable segments of the Group.

Continuing operations:

	Segment revenue		Segment results	
	2025	2024	**2025**	2024
	S$'000	*S$'000*	***S$'000***	*S$'000*
Construction contracts and engineering services	**59,035**	59,097	**9,367**	7,975
Trading of building materials	**37**	18	**37**	18
Total segment	**59,072**	59,115	**9,404**	7,993
Other income			**3,467**	2,576
Other (losses)/gains, net			**(230)**	(67)
Allowance for expected credit losses ("**ECL**")			**(137)**	(407)
Impairment loss on goodwill			**(98)**	(65)
Share of losses of joint ventures			**(491)**	(101)
Administrative expenses			**(23,459)**	(18,683)
Finance costs			**(1,154)**	(1,727)
Loss before tax			**(12,698)**	(10,481)
Discontinued operation:				
Gain/(loss) for the year from discontinued operation			**83**	(1,624)

For the year ended 31 March 2025, there were three customers (2024: six) which individually contributed over 10% of the Group's total revenue. During the years ended 31 March 2025 and 2024, the revenue contributed from these customers were as follows:

	2025	2024
	S$'000	*S$'000*
Construction contracts segment		
Customer A	**19,085**	20,022
Customer B	**N/A**	9,286
Customer C	**9,337**	8,121
Customer D	**N/A**	7,643
Customer E	**N/A**	7,327
Customer F	**7,402**	6,163

* *Contributed under 10% of total revenue for the year ended 31 March 2024.*

As at 31 March 2025, the total non-current assets, approximately S$18,217,000 (2024: S$19,793,000), S$77,000 (2024: S$298,000) and S$9,224,000 (2024: S$10,288,000) were located in Singapore, Hong Kong and People's Republic of China (the "**PRC**") respectively.

9 REVENUE

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or services line for the year is as follows:

	2025 S$'000	2024 S$'000
Continuing operations		
Revenue from contracts with customers within the scope of IFRS 15:		
Revenue from construction contracts and engineering services		
Construction contracts relating to:		
– Gas infrastructures	19,939	20,022
– Water infrastructures	30,220	38,332
– Cable	–	5
– Construction and engineering services income	8,876	738
	59,035	59,097
Revenue from trading of building materials		
Building materials	37	18
Total	59,072	59,115

	2025 S$'000	2024 S$'000
Continuing operations		
Timing of revenue recognition		
Recognised overtime		
– Revenue from construction contracts and engineering services	59,035	59,097
Recognised at a point in time		
– Revenue from trading of building materials	37	18
	59,072	59,115

9 REVENUE (Continued)

(a) Disaggregation of revenue (Continued)

	For the year ended 31 March 2025		
	Revenue from construction contracts and engineering services *S$'000*	Revenue from trading of building materials *S$'000*	Total *S$'000*
Geographical markets:			
– Singapore	50,159	–	50,159
– PRC	8,876	37	8,913
	59,035	37	59,072

	For the year ended 31 March 2024		
	Revenue from construction contracts and engineering services *S$'000*	Revenue from trading of building materials *S$'000*	Total *S$'000*
Geographical markets:			
– Singapore	58,359	–	58,359
– PRC	738	18	756
	59,097	18	59,115

The Group provides infrastructural pipeline construction services. Such works are recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the Group performs. Revenue is recognised for these contract works using input method based on proportion of the actual costs incurred relative to the estimated total costs.

The Group's revenue recognition on a construction contract is dependent on management's estimation of the total outcome of the construction contracts, as well as the work done to date. The management reviews and revises the estimates of contract revenue, contract costs, variation orders and provision for claims, prepared for each construction contract as the contract progresses.

9 REVENUE (Continued)

(a) Disaggregation of revenue (Continued)

A contract asset is recognised when the amount of revenue recognised is more than the amount received but without unconditional right to receive payment (receivable). Contract assets are assessed for ECL model and are reclassified to receivables when the right to the consideration has become unconditional. A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognized if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. The Group recognises contract liabilities when the Group received consideration arising from initial deposit, progress and final payment were received or has right to receive such payments before the Group transfers a good or service to the customer. In such cases, a corresponding receivable would also be recognised. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Retention receivables are settled in accordance with the terms of the respective contracts. Retention receivables are classified as contract assets.

(b) Unsatisfied performance obligation

The following table shows unsatisfied performance obligations resulting from construction contracts and engineering services and when the Group expects to recognise as revenue:

	2025	2024
	S$'000	*S$'000*
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied:		
– Within 1 year after financial year	**13,098**	52,102
– Between 1 to 2 years after financial year	**5**	1,866
	13,103	53,968

Transaction price allocated to the remaining performance obligation for contracts with customers

The Group has applied the practical expedient in paragraph 121 of IFRS 15 to its contract revenue for construction work, engineering services and trading of building materials such that the Group does not disclose information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contract revenues that had an original expected duration of one year or less.

9 REVENUE (Continued)

(c) Trade receivables from contracts with customers

	2025 S$'000	2024 S$'000
Receivables from contracts with customers within the scope of IFRS 15, which are included in "trade and other receivables", before allowance for ECL		
– Construction contracts and engineering services	15,079	4,882
– Trading of building materials	–	18
	15,079	4,900

The amount of revenue recognised for the year ended 31 March 2025 that was included in the contract liabilities at the beginning of the reporting year was approximately S$658,000 (2024: S$2,052,000).

10 OTHER INCOME

	2025 S$'000	2024 S$'000
Continuing operations		
Interest income	146	114
Government grants *(Note (i))*	204	55
Loan interest income	340	252
Agency income *(Note (ii))*	1,104	778
Others	1,673	1,377
	3,467	2,576

Notes:

(i) During the year ended 31 March 2025, the Group recognised government grants of approximately S$204,000 (2024: S$55,000), which mainly represent the Foreign Worker Levy rebates and Jobs Growth Incentive provided by the Singapore government. The Group complied with all attached conditions and therefore such grants were recognised as other income during the year.

(ii) Agency income arose from recognition of income on a net basis as the Group was considered to be acting as agent, not principal, in the car trading transactions and are accounted for in accordance with IFRS 15.

11 OTHER (LOSSES)/GAINS, NET

	2025 S$'000	2024 S$'000
Continuing operations		
(Loss)/gain on disposal of property, plant, and equipment	**(28)**	2
Gain on disposal of subsidiaries	**176**	51
Gain on termination of lease	**3**	14
Foreign exchange gain/(loss), net	**5**	(152)
(Loss)/gain on disposal of a joint venture	**(409)**	18
	(253)	(67)

12 LOSS BEFORE TAX

Loss before tax is stated after charging the following:

	2025 S$'000	2024 S$'000
Material costs under construction operation (included in cost of sales)	**10,599**	11,869
Subcontracting costs (included in cost of sales)	**11,082**	11,217
Technical service fees (included in cost of sales)	**2,876**	4,853
Application fee to Land Transport Authority for close road permit (included in cost of sales)	**1,492**	1,133
Legal and professional fee	**2,336**	1,767
Auditor's remuneration		
– Audit services	**173**	140
Expenses relating to short-term lease	**4,613**	4,409
Depreciation of property, plant and equipment	**1,683**	1,617
Amortisation of intangible assets	**29**	19
Depreciation of right-of-use assets	**434**	721
Employee benefit costs, including directors' emoluments		
Wages and salaries	**17,297**	15,406
Equity-settled share-based payments	**–**	5,148
Employer's contribution to defined contribution plans	**768**	711
	18,065	21,265

13 DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

(a) Benefits and interest of directors

	2025 S$'000	2024 S$'000
Fees	63	55
Salaries, allowances and benefits in kind	582	619
Discretionary bonuses	560	560
Employer's contribution to defined contribution plans	11	11
	1,216	1,245

(i) Directors' emoluments

The directors' emoluments for the years ended 31 March 2025 and 2024 are set out below:

	Fees S$'000	Salaries, allowances, and benefits in kind S$'000	Employer's contribution to defined contribution plans S$'000	Discretionary bonuses S$'000	Total S$'000
For the year ended 31 March 2025					
Executive directors					
Mr. Michael Shi Guan Wah (Chief Executive Officer ("**CEO**"))	–	420	11	560	991
Ms. Feng Jiamin (Chairman)	–	103	–	–	103
Mr. Lok Ka Ho *(Note i)*	–	10	–	–	10
Mr. Fong Hang Fai	–	10	–	–	10
Ms. Liao Qinghua *(Note iii)*	–	6	–	–	6
Ms. Katsaya Wiriyachart *(Note iii)*	–	10	–	–	10
Mr. Law Wai Yip *(Note vii)*	–	10	–	–	10
Mr. Leung Yiu Cho *(Note viii)*	–	13	–	–	13
Non-executive director					
Mr. Dong Chang Zhou *(Note v)*	3	–	–	–	3
Independent non-executive directors					
Mr. Shek Jun Chong	10	–	–	–	10
Mr. Qiu Yue	10	–	–	–	10
Mr. Lui Kwun Yuen *(Note vi)*	3	–	–	–	3
Mr. Wu Kai Tang *(Note iv)*	30	–	–	–	30
Ms. Tam Wing Yan *(Note ix)*	7	–	–	–	7
	63	582	11	560	1,216

13 DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(a) Benefits and interest of directors (Continued)

(i) *Directors' emoluments* (Continued)

	Fees S$'000	Salaries, allowances, and benefits in kind S$'000	Employer's contribution to defined contribution plans S$'000	Discretionary bonuses S$'000	Total S$'000
For the year ended 31 March 2024					
Executive directors					
Mr. Michael Shi Guan Wah (Chief Executive Officer ("**CEO**"))	–	409	11	560	980
Ms. Feng Jiamin (Chairman)	–	180	–	–	180
Mr. Lok Ka Ho *(Note i)*	–	10	–	–	10
Mr. Fong Hang Fai	–	10	–	–	10
Ms. Liao Qinghua *(Note iii)*	–	7	–	–	7
Ms. Katsaya Wiriyachart *(Note iii)*	–	3	–	–	3
Independent non-executive directors					
Mr. Shek Jun Chong	10	–	–	–	10
Mr. Qiu Yue	10	–	–	–	10
Mr. Lui Kwun Yuen *(Note vi)*	10	–	–	–	10
Mr. Wong Kwong Fai *(Note ii)*	7	–	–	–	7
Mr. Wu Kai Tang *(Note iv)*	18	–	–	–	18
	55	619	11	560	1,245

Note i: Mr. Lok Ka Ho resigned as an executive director on 24 April 2024.

Note ii: Mr. Wong Kwong Fai resigned as an independent non-executive director on 5 September 2023.

Note iii: Ms. Katsaya Wiriyachart and Ms. Liao Qinghua were appointed as executive directors on 2 February 2024 and resigned as executive directors on 19 November 2024.

Note iv: Mr. Wu Kai Tang was appointed as an independent non-executive director on 5 September 2023.

Note v: Mr. Dong Chang Zhou was appointed as non-executive director on 21 February 2025.

Note vi: Mr. Lui Kwun Yuen resigned as independent non-executive director on 26 July 2024.

Note vii: Mr. Law Wai Yip was appointed as executive director on 24 April 2024.

Note viii: Mr. Leung Yiu Cho was appointed as executive director on 19 November 2024.

Note ix: Ms. Tam Wing Yan was appointed as independent non-executive director on 26 July 2024.

13 DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(a) Benefits and interest of directors (Continued)

(i) Directors' emoluments (Continued)

There was no arrangement under which a director has waived or agreed to waive any emolument during the years ended 31 March 2025 and 2024.

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

The remuneration shown above represents remuneration received from the Group by these directors in their capacity as employees to the Company or Operating Subsidiaries and no directors waived or agreed to waive any emolument during each of the years ended 31 March 2025 and 2024.

(ii) Directors' retirement and termination benefits

No retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiaries undertaking during the years ended 31 March 2025 and 2024.

No payment was made to the directors as compensation for early termination of the appointment during the years ended 31 March 2025 and 2024.

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

No payment was made to any former employers of the directors for making available the services of them as a director of the Company during the years ended 31 March 2025 and 2024.

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

Save as disclosed in Note 35(a), there were no other loans, quasi-loans and other dealings in favour of the directors, controlled bodies corporate by and connected entities with such directors during the years ended 31 March 2025 and 2024.

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

Save as disclosed in the Note 35(a), no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the years ended 31 March 2025 and 2024.

13 DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

(Continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include one (2024: two) directors, whose emolument was reflected in the analysis presented in Note 13(a) during the year ended 31 March 2025. The emoluments paid/payable to the remaining include four (2024: three) individuals are as follows:

	2025	2024
	S$'000	*S$'000*
Wages and salaries	**707**	599
Discretionary bonuses	**607**	654
Employer's contribution to defined contribution plans	**62**	47
	1,376	1,300

The emoluments fell within the following bands:

	Number of individuals	
	2025	2024
Emolument band		
HK$0 to HK$1,000,000	**1**	–
HK$1,500,001 to HK$2,000,000	**1**	1
HK$2,500,001 to HK$3,000,000	**1**	1
HK$3,000,001 to HK$3,500,000	**1**	1
	4	3

No directors or any of the five highest paid individuals received any emoluments from the Group as an inducement to join or upon joining the Group or compensation for loss of office (2024: Nil).

14 FINANCE COSTS

	2025 S$'000	2024 S$'000
Continuing operations		
Interests on:		
Lease liabilities	165	83
Term loan	171	190
Other borrowings	191	595
Bonds	627	859
	1,154	1,727

15 INCOME TAX EXPENSE

Tax for the group company incorporated in Singapore has been provided at the applicable Singapore statutory Corporate Income Tax rate of 17% (2024: 17%) on the estimated assessable profit during the financial year. Companies within the Group that are incorporated in the Cayman Islands and the British Virgin Islands ("**BVI**") are not subject to any income tax. Under the two-tiered Profits Tax regime, the applicable tax rates for a qualified group company incorporated in Hong Kong is 8.25% (2024: 8.25%) on the first HK$2,000,000 of assessable profit and 16.5% (2024: 16.5%) on the remaining assessable profit. The applicable tax rate for those non-qualified group companies incorporated in Hong Kong is 16.5% (2024: 16.5%). The applicable tax rate for group companies incorporated in the PRC is 25% (2024: 25%).

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

	2025 S$'000	2024 S$'000
Continuing operations		
Current tax		
Singapore Corporate Income Tax		
Current year	153	119
(Over)/under provision in prior years	(28)	120
	125	239
PRC Profits Tax		
Current year	401	–
Hong Kong Profits Tax		
Current year	–	–
	526	239
Deferred tax *(Note 31)*	(88)	(68)
	438	171

15 INCOME TAX EXPENSE (Continued)

The tax on the loss before tax from continuing operations differs from the theoretical amount that would arise using the Singapore standard rate of income tax is as follows:

	2025 S$'000	2024 S$'000
Loss before tax from continuing operations	**(12,698)**	(10,481)
Calculated at a taxation rate of 17% (2024: 17%)	**(2,159)**	(1,782)
Tax effect of different tax rate in other jurisdictions	**170**	85
Tax effect of share of losses of joint ventures	**153**	17
Tax effect of utilisation of tax losses not previously recognised	**(110)**	(147)
Income not subject to tax	**29**	(37)
Expense not deductible	**(54)**	537
Tax effect of tax losses not recognised	**2,454**	1,326
Partial tax exemption *(Note i)*	**(17)**	(17)
Under/(over) provision in prior years	**(28)**	120
Others	**–**	69
	438	171

Notes:

(i) Partial tax exemption relates to tax exemption of 75% on the first S$10,000 of normal chargeable income and a further 50% of tax exemption on the next S$190,000 of normal chargeable income since the financial year ended 31 March 2020.

(ii) At the end of the reporting period, the Group has unrecognised tax losses of 14,528,000 (2024: S$15,210,000 (re-presented)) that are available to offset against future taxable profits. Included in the unrecognised tax losses of 8,507,000 (2024: S$10,607,000) were derived from the PRC that will expire in five years from 2025 to 2028 and the remaining tax losses of 6,021,000 (2024: S$4,603,000 (re-presented)) can be carried forward indefinitely.

16 LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2025	2024
	S$'000	*S$'000*
Loss		
Loss attributable to owners of the Company for the purpose of calculating basic loss per share		
– Continuing operations	**(12,976)**	(10,437)
– Discontinued operation	**83**	(1,550)
Continuing and discontinued operations	**(12,893)**	(11,987)
	'000	*'000*
Number of share		
		(Restated)
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	**427,100**	133,611
		(Restated)
Basic loss per share *(Singapore cents)*		
– Continuing operations	**(3.04)**	(7.81)
– Discontinued operation	**0.02**	(1.16)
Continuing and discontinued operations	**(3.02)**	(8.97)

No adjustment has been made to the basic loss per share for the years ended 31 March 2025 and 2024 as the outstanding share options which were potential ordinary shares of the Company did not have dilutive effect.

17 DIVIDENDS

The directors have resolved not to declare any dividend for the year ended 31 March 2025 (2024: Nil).

18 SUBSIDIARIES

Details of the principal subsidiaries of the Company as at 31 March 2025 and 2024 are as follows. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of subsidiaries	Place and date of incorporation/ operation	Particulars of share capital	Equity interest attributable to the Group 2025	Equity interest attributable to the Group 2024	Principal activities
Directly held by the Company:					
Integral Virtue Limited	BVI, 10 July 2018	1 share of US$1 each	78%	100%	Investment holding
Pioneer Galaxy Holdings Limited	BVI, 12 August 2020	10,000 shares of US$1 each	100%	100%	Investment holding
Jumbo Harvest Group Limited	BVI, 3 March 2021	1 share of US$1 each	–	100%	Dormant
Trendzon Investment Group Limited	BVI, 28 March 2022	100 shares of US$1 each	100%	100%	Investment holding
Trendzon Universe Group Limited	BVI, 28 March 2022	100 shares of US$1 each	100%	100%	Investment holding
Indirectly held by the Company:					
HSC Pipeline Engineering Pte. Ltd.	Singapore, 13 January 1993	1,500,000 shares of S$1 each	100%	100%	Infrastructural pipeline construction and related engineering services
Trendzon (Hong Kong) International Holding Co Ltd	Hong Kong, 25 January 2019	10,000 shares, totalling HK$10,000	100%	100%	Trading of building materials
All Good Finance Limited	Hong Kong, 16 June 2020	1 share, totalling HK$1	100%	100%	Money lending
Trendzon (Guangzhou) Construction Investment Company Limited#	The PRC, 18 June 2021	Registered share capital of RMB10,000,000; Paid up: Nil	100%	100%	Engineering management & development consultants
Trendzon (Guangzhou) Industrial Park Investment Development Company Limited#	The PRC, 18 June 2021	Registered share capital of RMB10,000,000; Paid up: Nil	100%	100%	Investment holding
Zhejiang Taiding Construction Co., Ltd.	The PRC, 29 January 2021	Registered share capital of RMB51,958,800; Paid up: RMB6,042,800	51%	51%	Engineering services
Zhongshan Wuguishan Construction Engineering Co., Ltd.#	The PRC, 24 January 1987	Registered share capital of RMB200,000,000; Paid up: RMB60,000,000	100%	–	Infrastructural water and electricity pipeline construction and related engineering services

Recognised as a wholly-foreign owned enterprise in the PRC.

19 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements S$'000	Leasehold properties held for own use carried at fair value S$'000	Computer and device S$'000	Furniture and office equipment S$'000	Motor vehicles S$'000	Plant and machinery S$'000	Total S$'000
Cost or valuation							
As at 1 April 2023	2,214	14,000	10	220	1,930	7,505	25,879
– Additions	160	–	9	79	293	30	571
– Acquisition of a subsidiary	21	–	20	–	192	–	233
– Disposals	–	–	–	–	–	(6)	(6)
– Deprecation eliminated on revaluation against cost	–	(458)	–	–	–	–	(458)
– Surplus on revaluation	–	708	–	–	–	–	708
– Transfer to assets of disposal group classified as held for sale *(Note 39)*	(233)	–	–	–	–	–	(233)
– Exchange alignment	5	–	1	1	1	–	8
As at 31 March 2024 and 1 April 2024	2,167	14,250	40	300	2,416	7,529	26,702
– Additions	125	–	6	19	–	68	218
– Acquisition of a subsidiary	–	–	–	–	–	–	–
– Disposals	–	–	–	–	(234)	–	(234)
– Deprecation eliminated on revaluation against cost	–	(481)	–	–	–	–	(481)
– Surplus on revaluation	–	531	–	–	–	–	531
– Exchange alignment	(1)	–	1	–	(3)	–	(3)
As at 31 March 2025	**2,291**	**14,300**	**47**	**319**	**2,179**	**7,597**	**26,733**
Accumulated depreciation							
As at 1 April 2023	548	–	2	140	1,408	6,262	8,360
– Provided for the year	518	458	12	40	166	491	1,685
– Disposals	–	–	–	–	–	(6)	(6)
– Write back on revaluation	–	(458)	–	–	–	–	(458)
– Transfer to assets of disposal group classified as held for sale *(Note 39)*	(73)	–	–	–	–	–	(73)
– Exchange alignment	2	–	–	2	(1)	–	3
As at 31 March 2024 and 1 April 2024	995	–	14	182	1,573	6,747	9,511
– Provided for the year	440	481	18	28	216	500	1,683
– Disposals	–	–	–	–	(124)	–	(124)
– Write back on revaluation	–	(481)	–	–	–	–	(481)
– Exchange alignment	–	–	–	–	(1)	–	(1)
As at 31 March 2025	**1,435**	**–**	**32**	**210**	**1,664**	**7,247**	**10,588**
Net carrying amount							
As at 31 March 2025	**856**	**14,300**	**15**	**109**	**515**	**350**	**16,145**
As at 31 March 2024	1,172	14,250	26	118	843	782	17,191

19 PROPERTY, PLANT AND EQUIPMENT (Continued)

The analysis of the cost or valuation of the above assets at the end of the reporting period is as follows:

As at 31 March 2025

	Leasehold improvements S$'000	Leasehold properties held for own use carried at fair value S$'000	Computer and device S$'000	Furniture and office equipment S$'000	Motor vehicles S$'000	Plant and machinery S$'000	Total S$'000
At cost	2,291	–	47	319	2,179	7,597	12,433
At valuation	–	14,300	–	–	–	–	14,300
	2,291	14,300	47	319	2,179	7,597	26,733

As at 31 March 2024

	Leasehold improvements S$'000	Leasehold properties held for own use carried at fair value S$'000	Computer and device S$'000	Furniture and office equipment S$'000	Motor vehicles S$'000	Plant and machinery S$'000	Total S$'000
At cost	2,167	–	40	300	2,416	7,529	12,452
At valuation	–	14,250	–	–	–	–	14,250
	2,167	14,250	40	300	2,416	7,529	26,702

During the year ended 31 March 2025, the Group's leasehold properties located in Singapore mainly consists of factory units and workers' dormitory under medium lease within 46 and 27 years (2024: 47 and 28 years) respectively.

The Group's leasehold properties were revalued as at 31 March 2025 and 2024 on the open market value basis by reference to market evidence of recent transactions for similar properties by Savills Valuation and Professional Services (S) Pte Ltd, an independent firm of chartered surveyors.

The carrying amount of the Group's leasehold properties would be approximately S$13,769,000 (2024: S$13,542,000) had they been stated at cost less accumulated depreciation and impairment losses.

Leasehold properties with carrying amount of S$14,300,000 (2024: S$14,250,000) were pledged to the bank for term loans. Details are set out in Note 30(i).

20 RIGHT-OF-USE ASSETS

	Leasehold land *S$'000*	Offices *S$'000*	Motor vehicles *S$'000*	Housing *S$'000*	Total *S$'000*
As at 1 April 2023	2,723	1,033	307	–	4,063
Additions	141	–	565	190	896
Depreciation	(93)	(216)	(399)	(72)	(780)
Termination of lease	–	(789)	(81)	–	(870)
Transfer to assets of disposal group classified as held for sale *(Note 39)*	–	(5)	–	–	(5)
Exchange alignment	–	(23)	–	1	(22)
As at 31 March 2024 and 1 April 2024	2,771	–	392	119	3,282
Depreciation	(92)	–	(342)	–	(434)
Termination of lease	–	–	–	(119)	(119)
Modification	(438)	–	–	–	(438)
As at 31 March 2025	2,241	–	50	–	2,291

Lease liabilities of approximately S$2,504,000 (2024: S$3,374,000) are recognised with related right-of-use assets of approximately S$2,291,000 (2024: S$3,282,000) as at 31 March 2025. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

	2025 ***S$'000***	2024 *S$'000*
Depreciation expenses on right-of-use assets	**434**	780
Interest expense on lease liabilities (included in finance costs)	**165**	83
Expenses relating to short-term leases* (included in cost of sales and administrative expenses)	**4,613**	4,409

* represented rental interest, rent and rates

Details of total cash outflow for leases is set out in Note 34(c).

For both years, the Group leases various leasehold land, offices, motor vehicles and housing for its operations. Lease contracts are entered into for fixed term of 2 to 32 years (2024: 2 to 32 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

In addition, the Group reassesses whether it is reasonably certain to exercise an extension option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee. During the years ended 31 March 2025 and 2024, there was no such triggering event.

21 GOODWILL

	Wealth Link S$'000	Wuguishan (Note 1) S$'000	Zhejiang Taiding (Note 2) S$'000	Total S$'000
Cost				
As at 1 April 2023	920	–	–	920
Addition	–	–	63	63
Exchange realignment	–	–	2	2
Transfer to assets of disposal group classified as held for sale	(920)	–	–	(920)
As at 31 March 2024 and 1 April 2024	–	–	65	65
Addition	–	98	–	98
As at 31 March 2025	**–**	**98**	**65**	**163**
Accumulated impairment				
As at 1 April 2023	–	–	–	–
Impairment loss for the year	853	–	65	918
Transfer to assets of disposal group classified as held for sale	(853)	–	–	(853)
As at 31 March 2024 and 1 April 2024	–	–	65	65
Impairment loss for the year	–	98	–	98
As at 31 March 2025	**–**	**98**	**65**	**163**
Carrying values				
As at 31 March 2025	**–**	**–**	**–**	**–**
As at 31 March 2024	–	–	–	–

Note 1:

The goodwill has been allocated to one cash generating unit ("CGU") representing the new acquired subsidiary 中山五桂山建築工程有限公司 ("Wuguishan"), which is engaged in infrastructures construction business which amount to S$98,000. Goodwill arising on acquisition of Wuguishan was impaired at the date of acquisition.

21 GOODWILL (Continued)

Note 2:

On 11 July 2023, the Group acquired 51% equity interests in Zhejiang Taiding Construction Co., Ltd.* (浙江台鼎建設有限公司) ("**Zhejiang Taiding**"), which principal activities are construction enterprise integrating planning, design, construction and procurement in the PRC. The consideration of the acquisition was RMB5,100,000 (equivalent to approximately S$936,000), to be satisfied by cash in three tranches, for which the first tranche amounted to be RMB2,040,000 (equivalent to approximately S$374,000), while the remaining two tranches are subject to the financial performances of Zhejiang Taiding for the financial years ended 31 December 2023 and 2024.

The Group engaged Peak Vision Appraisals Limited, an independent valuer to perform a purchase price allocation analysis of Zhejiang Taiding. The projected revenue does not meet the threshold of guaranteed revenue for both financial years ended 31 December 2023 and 2024, while also incurring losses for both financial years ended 31 December 2023 and 2024, hence the Group determines that there are no contingent considerations. The excess of the consideration transferred over the acquisition date-fair values of the identifiable assets acquired and the liabilities assumed amounted to approximately S$63,000 and was recognised as goodwill. The goodwill is allocated to the CGU of Zhejiang Taiding ("**Zhejiang Taiding CGU**").

The Group also engaged Peak Vision Appraisals Limited to determine the fair values of identifiable assets and liabilities of Zhejiang Taiding CGU at the date of completion of acquisition on 11 July 2023 and its recoverable amount as at 31 March 2024.

As at 31 March 2024, the Group assessed the recoverable amount of Zhejiang Taiding CGU with reference to a business valuation of Zhejiang Taiding based on value-in-use calculation using discounted cash flow method. The calculation used cash flow projection based on financial budgets covering a 5-year period with reference to the financial information of the selected Hong Kong listed comparable companies, whose principal businesses were comparable to that of Zhejiang Taiding. The annual revenue growth rate within the forecast period was 2% and the cash flows beyond the 5-year period were extrapolated using a 2% long-term growth rate. This growth rate was based on the relevant industry growth forecasts and did not exceed the average long-term growth rate for the relevant industry.

If the recoverable amount of the CGU is estimated to be less than its carrying amount, the carrying amount of the CGU is reduced to its recoverable amount. The impairment loss will be recognised in profit or loss.

The industry in which Zhejiang Taiding CGU operates has experienced increased competition and pricing pressures, leading to a downward revision of the Company's future revenue and profit projections for the acquired business. As at 31 March 2024, the recoverable amount of the Zhejiang Taiding CGU is approximately S$233,000 and the carrying amount of the Zhejiang Taiding CGU is approximately S$298,000. An impairment loss of approximately S$65,000 is recognised for the year ended 31 March 2024.

22 INTANGIBLE ASSETS

	Trading right in Stock Exchange *S$'000*	Computer software *S$'000*	Total *S$'000*
Cost			
As at 1 April 2023	84	169	253
Transfer to assets of disposal group classified as held for sale *(Note 39)*	(86)	–	(86)
Exchange alignment	2	–	2
As at 31 March 2024 and 1 April 2024	–	169	169
Addition	–	94	94
As at 31 March 2025	–	263	263
Accumulated amortisation			
As at 1 April 2023	–	150	150
Amortisation for the year	–	19	19
As at 31 March 2024 and 1 April 2024	–	169	169
Amortisation for the year	–	29	29
As at 31 March 2025	–	198	198
Carrying amount			
As at 31 March 2025	–	65	65
As at 31 March 2024	–	–	–

The computer software from a human resource management have finite useful life and are amortised on a straight-line basis over the terms of 3 years.

23 INVESTMENTS IN JOINT VENTURES AND AMOUNTS DUE FROM JOINT VENTURES

(a) Investments in joint ventures

	2025 S$'000	2024 S$'000
Unlisted investments:		
Share of net assets	9,017	9,906
Less: impairment loss	–	–
	9,017	9,906

Details of the Group's joint ventures as at 31 March 2025 and 2024 are as follows:

Name	Place of incorporation /registration /operation	Registered and paid up capital	Percentage of ownership interest/ voting power held by the Group 2025	2024	Principal activities
Trendzon Park Project Investment and Development (Zhongshan) Company Limited	The PRC/ Mainland China	RMB80,000,000 Paid: RMB29,750,000	51%	51%	– Real estate development and management
Trendzon Zhilian (Shenzhen) Technology Company Limited	The PRC/ Mainland China	RMB10,000,000 Paid: RMB Nil	–	51%	– Information technology service
Dongguan Hongxinmei Automobile Trading Co., Ltd.	The PRC/ Mainland China	RMB1,000,000 Paid: RMB Nil	51%	–	– Car trading agent

23 INVESTMENTS IN JOINT VENTURES AND AMOUNTS DUE FROM JOINT VENTURES (Continued)

(a) Investments in joint ventures (Continued)

The following tables show information on the joint ventures that are material to the Group. These joint ventures are accounted for in the consolidated financial statements using the equity method. The summarised financial information presented is based on the IFRS financial statements of the joint ventures.

	Trendzon Park Project Investment and Development (Zhongshan) Company Limited	
	2025	2024
	S$'000	*S$'000*
As at 31 March		
Non-current assets	**38**	60
Current assets	**26,453**	27,416
Non-current liabilities	**(244)**	(143)
Current liabilities	**(9,520)**	(9,605)
Net assets	**16,727**	17,728
Group's share of net assets	**8,531**	9,041
Cash and cash equivalents included in current assets	**1**	7
Current financial liabilities (excluding trade and other payables and provisions) included in current liabilities	**–**	–
Non-current financial liabilities (excluding trade and other payables and provisions) included in non-current liabilities	**(9,520)**	(9,605)
Year ended 31 March		
Revenue	**–**	–
Depreciation	**21**	21
Interest income	**–**	–
Interest expense	**–**	–
Income tax expense	**–**	–
Loss for the year	**(848)**	(167)
Other comprehensive expense	**(155)**	(344)
Total comprehensive expense for the year	**(1,003)**	(511)
Dividends received from joint ventures	**–**	–
The Group's share of loss for the year	**(432)**	(85)
The Group's share other comprehensive expense for the year	**(79)**	(176)

23 INVESTMENTS IN JOINT VENTURES AND AMOUNTS DUE FROM JOINT VENTURES (Continued)

(a) Investments in joint ventures (Continued)

The following table shows, in aggregate the Group's share of the amounts of all individually immaterial joint ventures that are accounted for using the equity method.

	2025 S$'000	2024 S$'000
As at 31 March:		
Carrying amounts of interests	**676**	501
Year ended 31 March:		
Loss for the year	**(116)**	(30)
Other comprehensive expense	**(7)**	(28)
Total comprehensive expenses for the year	**(123)**	(58)
The Group's share of loss for the year	**(59)**	(16)
The Group's share of other comprehensive expense for the year	**(3)**	(14)

As at 31 March 2025, the carrying amounts of investments in joint ventures and amounts due from joint ventures amounted to S$9,017,000 (2024: S$9,906,000) and S$18,647,000 (2024: S$18,802,000) respectively, and the aggregate of which representing approximately 21.55% (2024: 25.6%) of the Group's total assets.

The management assesses whether there is any indication that the investments in joint ventures may be impaired at each reporting period. The recoverable amounts of the investments in joint ventures are determined based on fair value less costs of disposal ("**FVLCD**"). The Group engaged Peak Vision Appraisals Limited, an independent valuer to determine the recoverable amounts of the investments in joint ventures as at 31 March 2025 and 2024.

Investments in Trendzon Park Project Investment and Development (Zhongzhan) Company Limited

In determining the FVLCD of the investments in Trendzon Park Project Investment and Development (Zhongshan) Company Limited ("**TPPID**") as at 31 March 2025 and 2024, the management has adopted the asset-based approach (Level 3 fair value measurements), which is focusing on the net asset value of these joint ventures determined based on the fair values of their total assets minus their total liabilities.

23 INVESTMENTS IN JOINT VENTURES AND AMOUNTS DUE FROM JOINT VENTURES (Continued)

(a) Investments in joint ventures (Continued)

Pursuant to the valuation report from the independent valuer, the recoverable amount of TPPID as at 31 March 2025 and 2024 exceeded its carrying value and thus there was no impairment in respect of the investment in TPPID as at 31 March 2025 and 2024.

The Group increased the capital injection in TPPID by S$4,746,000 in year ended 31 March 2024, which did not affect the Group's control, percentage of ownership interest, or voting power.

Investment in Trendzon Zhilian (Shenzhen) Technology Company Limited

As at 31 March 2024, the FVLCD of the investment in Trendzon Zhilian (Shenzhen) Technology Company Limited, the management has adopted the market approach (Level 3 fair value measurements), which is focusing on the fair value of assets through an analysis of recent sales or offerings of comparable assets. Pursuant to the valuation report from the valuer, the recoverable amount of this joint venture as at 31 March 2024 exceeded its carrying value and thus there was no impairment in respect of the investment in Trendzon Zhilian (Shenzhen) Technology Company Limited as at 31 March 2024.

Trendzon Zhilian (Shenzhen) Technology Company Limited was disposed on 15 November 2024.

The joint ventures had no contingent liabilities or capital commitments as at 31 March 2025 and 2024.

(b) Amounts due from joint ventures

The amounts due from joint ventures are unsecured, non-interest bearing and repayable on demand. The Group applies general approach to provide for ECL as prescribed by IFRS 9. The details of the loss allowance is set out in Note 6(c) to the consolidated financial statements.

24 TRADE AND OTHER RECEIVABLES

	Notes	2025 S$'000	2024 S$'000
Trade receivables from construction contracts and engineering services		15,079	4,882
Less: Allowance for ECL		(336)	(27)
	(a)	14,743	4,855
Trade receivables from trading of building materials		–	18
Less: Allowance for ECL		–	–
		–	18
Prepayments, deposits, and other receivables:			
– Prepayments	(b)	25,130	1,796
– Deposits		2,682	3,949
– Other receivables		7,139	12,700
Less: Allowance for ECL		(87)	(232)
		34,864	18,213
Total trade and other receivables	(c)	49,607	23,086

24 TRADE AND OTHER RECEIVABLES (Continued)

Notes:

(a) Trade receivables from construction contracts and engineering services, and trading of building materials:

The Group normally grants credit terms to its customers from construction contracts and engineering services, and trading of building materials ranging from 30 to 45 days. The ageing analysis of the trade receivables from construction contracts and engineering services, and trading of building materials, based on invoice date, net of allowance for ECL is as follows:

	2025 *S$'000*	2024 *S$'000*
Trade receivables from construction contracts and engineering services:		
1 to 30 days	13,734	4,358
31 to 60 days	6	80
61 to 90 days	3	303
Over 91 days	1,000	114
	14,743	4,855

	2025 *S$'000*	2024 *S$'000*
Trade receivables from trading of building materials:		
1 to 30 days	–	18

(b) As at 31 March 2025, the prepayments included of approximately S$15,000,000 paid to certain vendors for the payment in advance in respect of the phase three construction project of the Trendzon Diandian Science and Technology Innovation City's industrial Park in the PRC.

24 TRADE AND OTHER RECEIVABLES (Continued)

(c) The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	2025 S$'000	2024 S$'000
SGD	11,599	13,162
HKD	5,677	4,431
RMB	32,331	5,493
	49,607	23,086

(d) The details of the loss allowance is set out in Note 6(c) to the consolidated financial statements.

25 LOAN RECEIVABLES

	2025 S$'000	2024 S$'000
Loan receivables		
– Secured loans	–	–
– Unsecured loans	8,038	10,577
Less: Allowance for ECL	(90)	(116)
	7,948	10,461
Amount due within one year included under current assets	7,948	10,461

The loans provided to customers bore fixed interest rate at 6.00% per annum (2024: ranging from 6.00% to 14% per annum).

	2025 S$'000	2024 S$'000
Within 90 days	7,948	9,426
91 to 180 days	–	–
181 to 365 days	–	1,035
	7,948	10,461

The above ageing analysis is presented based on the period to the maturity dates of the loans.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approval and other monitoring procedures to ensure that follow-up action is taken for the recoverable amount of the loan receivables. In addition, the Group reviews the recoverable amount of each individual's loan receivables at the end of each reporting period to ensure that adequate allowance is made for irrecoverable amounts.

25 LOAN RECEIVABLES (Continued)

The Group manages and analyses the credit risk for each of their new and existing clients before standard payment terms and conditions are offered. If there is no independent rating, the Group assesses the credit quality of the customer based on the customer's financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the directors of the Company. The utilisation of credit limits is regularly monitored.

Loan receivables are repayable in accordance with the terms of the loan agreements and all loan receivables are recoverable within 1 year. In determining the ECL of the Group's loan receivables, the management assessed the expected losses individually by estimation based on general economic conditions of each debtors such as value of any pledged assets, financial position of the debtors and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Quantitative information related to allowance for ECL of loan receivables is detailed in Note 6(c) to the consolidated financial statements.

26 CONTRACT ASSETS/CONTRACT LIABILITIES

	2025 ***S$'000***	2024 *S$'000*
Contract assets		
Construction contracts and engineering services	**14,623**	18,840
Retention receivables	**1,848**	2,163
	16,471	21,003
Less: Allowance for ECL	**(409)**	(352)
	16,062	20,651
Contract liabilities	**270**	658

Contract assets

Contract assets primarily relate to the Group's conditional right to a consideration in exchange for a satisfied performance obligations at the reporting date in respect of construction contracts.

Retention receivables are unsecured, interest-free and recoverable at the end of the defects liability period which is based on individual contract basis and ranges from 1 to 2 years.

An allowance analysis in contract assets is performed at each reporting period using a provision matrix to measure the ECL. Quantitative information related to allowance for ECL of contract assets is detailed in Note 6(c) to the consolidated financial statements.

Contract liabilities

Contract liabilities relating to construction contracts are balances due to customers under construction services. These arise if a particular milestone payment exceeds the revenue recognised to date under the cost-to-cost method.

26 CONTRACT ASSETS/CONTRACT LIABILITIES (Continued)

Contract liabilities (Continued)

The significant contract asset balance is attributable to the excess on completion of site work, which is the main focus of the Group, as compared to claims processing. Furthermore, progress billings may be affected by the varying payment milestones specific to each project. Consequently, this gives rise to a gap between the recognised revenue and the actual billings, which is reflected as the contract assets.

27 CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS

(a) Cash and cash equivalents

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	2025 ***S$'000***	2024 *S$'000*
Cash at banks	**4,395**	1,439

The Group's cash and cash equivalents are denominated in the following currencies:

	2025 ***S$'000***	2024 *S$'000*
SGD	**2,311**	968
USD	**4**	2
HKD	**683**	180
RMB	**1,397**	289
	4,395	1,439

As at 31 March 2025, the cash and cash equivalent of the Group' subsidiaries in the PRC denominated in RMB amounted to approximately S$1,397,000 (2024: S$289,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations. The Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

(b) Pledged bank deposits

	2025 ***S$'000***	2024 *S$'000*
Fixed deposits denominated in SGD	**3,808**	3,605
Fixed deposits denominated in HKD	**388**	396
	4,196	4,001

Fixed deposits as at 31 March 2025 bore interest rates ranging from 0.9% to 3.30% (2024: 0.90% to 3.30%) per annum and were pledged to the banking facility of a subsidiary of the Group.

28 TRADE AND OTHER PAYABLES

	Note	2025 S$'000	2024 S$'000
Trade payables arising from construction contracts and engineering services			
Trade payables	(a)	**7,446**	4,700
Other payables:			
– Deposits received		**2,396**	32
– Provision for foreseeable losses on construction contracts		**–**	1,414
– Others		**9,912**	3,540
Accrued expenses		**2,415**	1,563
Accrued for trade related costs		**–**	685
Accrual for employee benefit expenses		**507**	814
		15,230	8,048
Total trade and other payables		**22,676**	12,748

28 TRADE AND OTHER PAYABLES (Continued)

Notes:

(a) Trade payables arising from construction contracts and engineering services, and trading of building materials:

The ageing analysis of the trade payables arising from construction contracts and engineering services, and trading of building materials, based on invoice date, is as follows:

	2025 *S$'000*	2024 *S$'000*
1 to 30 days	4,318	2,853
31 to 60 days	564	1,615
61 to 90 days	348	28
Over 91 days	2,216	204
	7,446	4,700

(b) The carrying amounts of trade and other payables approximate their fair values. The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	2025 *S$'000*	2024 *S$'000*
SGD	7,704	10,159
HKD	2,361	175
RMB	12,611	2,414
	22,676	12,748

29 LEASE LIABILITIES

	Minimum lease payments		Present value of minimum lease payments	
	2025	2024	**2025**	2024
	S$'000	*S$'000*	***S$'000***	*S$'000*
Within one year	**182**	577	**109**	519
More than one year, but not exceeding two years	**260**	203	**120**	156
More than two years, but not more than five years	**390**	375	**195**	246
More than five years	**2,827**	2,972	**2,080**	2,453
	3,659	4,127	**2,504**	3,374
Less: future finance charges	**(1,155)**	(753)	**N/A**	N/A
Present value of lease obligations	**2,504**	3,374	**2,504**	3,374
Less: Amount due for settlement within 12 months (shown under current liabilities)			**(109)**	(519)
Amount due for settlement after 12 months			**2,395**	2,855

The average lease term is 2 to 32 years (2024: 2 to 32 years). As at 31 March 2025, the average effective borrowing rate was approximately 1.60% to 3% (2024: approximately 1.60% to 7.96%).

30 BORROWINGS

	2025 S$'000	2024 S$'000
Bank borrowing – term loans *(Note (i))*	6,366	7,069
Bonds *(Note (ii))*	12,884	14,350
Other borrowings *(Note (iii))*	361	1,807
Total borrowings	19,611	23,226
Of which:		
– Current liabilities	17,045	10,457
– Non-current liabilities	2,566	12,769
	19,611	23,226

(i) Bank borrowing – term loans

As at 31 March, the Group's term loans were repayable as follows:

	2025 S$'000	2024 S$'000
Bank borrowings		
Non-current, secured		
– Repayable more than 1 year but not exceeding 2 years	504	1,417
– Repayable more than 2 years but not exceeding 5 years	1,650	1,757
– Repayable more than 5 years	197	771
Current, secured	2,351	3,945
– Repayable within 1 year	4,015	3,124
	6,366	7,069

The Group's term loans are denominated in SGD and RMB.

As at 31 March 2025 and 2024, the term loans were secured by leasehold properties and corporate guarantee from the Company.

For the year ended 31 March 2025, interest was charged ranging from 1.68% to 4.38% (2024: 1.68% to 4.38%) per annum.

30 BORROWINGS (Continued)

(ii) Bonds

As at 31 March, the issued bonds of the Group were repayable as follows:

	2025 S$'000	2024 S$'000
Non-current, secured		
– Repayable more than 1 year but not exceeding than 2 years	–	8,272
– Repayable more than 2 years but not exceeding than 5 years	–	–
	–	8,272
Current, secured		
– Repayable within 1 year	12,884	6,078
	12,884	14,350

The Group's bonds are denominated in the followings currencies:

	2025 S$'000	2024 S$'000
– HKD	12,884	6,078
– RMB	–	8,272
	12,884	14,350

For the year ended 31 March 2025, the bonds bore a fixed interest rate between 6% to 9% per annum (2024: 6% to 9%).

30 BORROWINGS (Continued)

(iii) Other borrowings

As at 31 March, the other borrowings of the Group were repayable as follows:

	2025 S$'000	2024 S$'000
Non-current, secured		
– Repayable more than 1 year but not exceeding than 2 years	215	552
Current, secured	215	552
– Repayable within 1 year	146	1,255
	361	1,807

The Group's other borrowings are denominated in RMB.

Other borrowings were unsecured and bore a fixed interest rate ranging from 3.2% to 10% per annum during the year ended 31 March 2025 (2024: 3.2% to 10%).

31 DEFERRED TAX LIABILITIES

	2025 S$'000	2024 S$'000
Deferred tax liabilities:		
– To be settled after one year	114	202

The movements in deferred tax liabilities in respect of accelerated tax depreciation during the year are as follows:

	2025 S$'000	2024 S$'000
As at 1 April	202	270
Credited to the consolidated statement of profit or loss	(88)	(68)
As at 31 March	114	202

32 SHARE CAPITAL

	Number of shares	Par value	Amount	Equivalent to
	'000	*HK$*	*HK$'000*	*S$'000*
Authorised:				
Ordinary shares				
As at 1 April 2023, 31 March 2024 and 1 April 2024	10,000,000	0.01	100,000	
Share consolidation *(Note c)*	(9,000,000)	–	–	
As at 31 March 2025	1,000,000	0.1	100,000	
Issued and fully paid:				
Ordinary shares				
As at 1 April 2023	1,104,000	0.01	11,040	1,907
Issue of shares upon exercise of share options *(Note a)*	92,000	0.01	920	158
Issue of shares under subscription of shares *(Note b)*	220,800	0.01	2,208	379
As at 31 March 2024 and 1 April 2024	1,416,800	0.01	14,168	2,444
Share consolidation *(Note c)*	(1,275,120)	–	–	–
Rights issue *(Note d)*	566,720	0.1	56,672	9,628
Subscriptions of shares *(Note e)*	28,336	0.1	2,833	486
As at 31 March 2025	736,736	0.1	73,673	12,558

The externally imposed capital requirements for the Group are: (i) in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares; and (ii) to meet financial covenants attached to the interest-bearing borrowings.

Notes:

(a) During the year ended 31 March 2024, 92,000,000 new shares were allotted and issued upon the exercise of share options by the eligible employees which were granted under the share option scheme adopted by the Company on 26 February 2019. The share options were granted on 4 May 2022 at the exercise price of HK$0.346 per share.

(b) On 1 June 2023, the Company entered into five separate subscription agreements with each of the five subscribers respectively, pursuant to which the Company has agreed to allot and issue and the five subscribers have conditionally agreed to subscribe for an aggregate of 220,800,000 new shares at the subscription price of HK$0.43 per subscription share on the terms and subject to the conditions set out in the subscription agreements. The subscriptions were completed on 10 July 2023.

(c) Pursuant to the extraordinary general meeting held on 5 September 2024, the shareholders approved the consolidation of the Company's share by 10 shares into 1 share. On 10 September 2024, the share consolidation had become effective. The authorised share capital of the Company became HK$100,000,000 divided into 1,000,000,000 consolidated Shares of HK$0.1 each, of which 141,680,000 consolidated shares (which were fully paid or credited as fully paid) were in issue.

32 SHARE CAPITAL (Continued)

Notes: (Continued)

(d) On 24 October 2024, the Company completed the rights issue on the basis of four rights shares for every one existing share (after the share consolidation became effective) held. 566,720,000 shares were allotted and issued and the net proceeds raised from the rights issue were approximately HK$100.2 million.

(e) On 25 February 2025, the Company completed to issue and allot 28,336,000 subscription shares at subscription price of HK$0.43 per share. The net proceeds from the subscriptions are approximately HK$5,617,000. The Company intends to utilise (i) HK$3.4 million, of the net proceeds for the repayment of liabilities of the Group, and (ii) HK$2.2 million, of the net proceeds for the replenishment of general working capital of the Group.

33 SHARE OPTION SCHEME

The Company has a share option scheme which was adopted on 26 February 2019 ("**Share Option Scheme**") whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options to subscribe for ordinary shares of the Company. The purpose of the Share Option Scheme is to give the eligible persons an opportunity to have a personal stake in the Company and help motivate them to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

The exercise price of options is the highest of: (i) the nominal value of the shares (if any); (ii) the closing price of the shares on the Stock Exchange on the date of grant; and (iii) the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant.

The amount payable by the grantee to the Company on acceptance of the offer shall be a non-refundable payment of HK$1.

33 SHARE OPTION SCHEME (Continued)

The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group shall not in aggregate exceed 10% of total number of shares in issue at the date of approval of the Share Option Scheme. The total number of shares issued and to be issued upon exercise of the options granted under the Share Option Scheme (including both exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the shares in issue for the time being ("**Individual Limit**"). Any further grant of options to a participant in excess of Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the shareholders' approval in the general meeting of the Company with such participant and his/her associates abstaining from voting.

The option may be accepted by a participant within 21 days from the day of the offer of grant of the option. There is no minimum period required under the Share Option Scheme for holding of an option before it can be exercised unless otherwise determined by the directors and stated in the offer for the grant options to a grantee.

The following table discloses the details of the Company's share options granted under the Share Option Scheme from the date of grant:

On 15 June 2023, the Company had granted a total of 110,400,000 share options to twelve employees of the Group (the "**Grantees**") under the share option scheme adopted by the Company on 26 February 2019 as amended on 13 December 2022, to subscribe for a total of 110,400,000 ordinary shares of the Company (the "**Share(s)**") subject to the acceptance of the Grantees. The fair value of the share options granted to the employees in aggregate of the Company was approximately S$5.1 million. The fair value of the share options granted on 15 June 2023 was determined at the date of grant using the binominal model. The binomial lattice model is a generally accepted method of valuing options. The significant assumptions used in the calculation of the values of the share options were risk-free rate of interest, dividend yield, volatility and early exercise multiple. The measurement date used in the valuation calculations was the date on which the share options were granted.

The fair value of share options were calculated using the Binomial Model. The inputs into the model were as follows:

	15 June 2023
Grant date share price	HK$0.43
Exercise price	HK$0.43
Expected volatility	153.18%
Expected life	3 years
Expected dividend yield	0.00%
Risk-free interest rate	3.68%

33 SHARE OPTION SCHEME (Continued)

No share option was available for grant under the Share Option Scheme and the Amended Share Option Scheme as at 1 April 2024 and 31 March 2025. There was no service provider sublimit under the Share Option Scheme and the Amended Share Option Scheme. As at 31 March 2025, the total number of shares of the Company available for issue for the options granted under the Amended Share Option Scheme was 11,525,275 shares, representing approximately 1.56% of the issued shares of the Company. The company has no share available for issue under the Share Option Scheme. The number of shares that may be issued in respect of options and awards granted under all schemes of the Company during for the year ended 31 March 2025 divided by weighted average number of Shares is nil.

The following table discloses the details of the Company's share options under the Amended Share Option Scheme and the movements during the year ended 31 March 2025:

					Number of share options					
Grantees	**Date of grant**	**Vesting period**	**Exercise price per share (HK$)**	**Exercise period**	**Outstanding as at 1 April 2023**	**Granted during the period**	**Exercised during the period**	**Cancelled during the period**	**Lapsed during the period**	**Outstanding as at 31 March 2024**
Employees in aggregate *(Note 1)*	15 June 2023	15 June 2023-14 June 2024	0.43 *(Note 2)*	15 June 2024-14 June 2026	110,400,000	–	–	–	–	110,400,000

					Number of share options					
Grantees	**Date of grant**	**Vesting period**	**Exercise price per share (HK$)**	**Exercise period**	**Outstanding as at 1 April 2024**	**Granted during the period**	**Exercised during the period**	**Cancelled/lapsed during the period**	**Adjusted during the period**	**Outstanding as at 31 March 2025**
Employees in aggregate *(Note 1)*	15 June 2023	15 June 2023-14 June 2024	4.119 *(Note 3)*	15 June 2024-14 June 2026	110,400,000	–	–	–	(98,874,725) *(Note 5)*	11,525,275
Total:					110,400,000	–	–	–	(98,874,725)	11,525,275

Notes:

1. The share options were granted to twelve employees of the Group on 15 June 2023.

2. The 110,400,000 share options outstanding as at 1 April 2024 were vested with exercise of HK$0.43. The weighted average closing price of shares before the dates on which the share options were vested at HK$0.264.

3. The closing price of the Shares immediately before the date of grant was HK$0.43 per Share. The exercise price was adjusted to HK$4.119 as a result of the share consolidation and completion of the rights Issue.

4. No performance target is required to be met before exercise of the share options.

5. As a result of the share consolidation and the completion of the rights issue, the total number of Shares which may be issued upon exercise of all outstanding share options under the Share Option Scheme has been adjusted to 11,525,275 consolidated shares pursuant to the terms of the Share Option Scheme.

34 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Acquisition of subsidiaries

(i) Acquisition of Zhejiang Taiding

On 11 July 2023, Trendzon Industrial Limited ("**TIL**"), an indirect wholly-owned subsidiary of the Company, entered into an acquisition agreement with Zhejiang Taiguang Construction Technology Co., Ltd.* (浙江台廣建築科技有限公司) ("**Zhejiang Taiguang**"), an independent third party of the Group, pursuant to which TIL has conditionally agreed to acquire, and Zhejiang Taiguang has conditionally agreed to sell 51% equity interest of Zhejiang Taiding Construction Co., Ltd.* (浙江台鼎建設有限公司) ("**Zhejiang Taiding**") (the "**Zhejiang Taiding Acquisition**"), a company incorporated in the PRC with limited liability. The total consideration for the Zhejiang Taiding Acquisition is RMB5.1 million (subject to adjustments), which should be satisfied by TIL to the Zhejiang Taiguang in three tranches. The adjustments to the total consideration and the payment manner should be made reference to the financial performance of Zhejiang Taiding in the financial years ending 31 December 2023 and 2024 as agreed in the conditional sale and purchase agreement dated 11 July 2023.

The Zhejiang Taiding Acquisition was completed on 11 July 2023.

With the view to diversify the Group's existing business portfolio and to broaden its source of income, the Board believes the Zhejiang Taiding Acquisition can enrich the Group's business by leveraging the construction licenses including Grade II General Contracting of Construction Engineering* (建築工程施工總承包貳級), Grade II Professional Contracting of Building Decoration and Decoration Engineering* (建築裝修裝飾工程專業承包貳級), and Grade III Professional Contracting of Special Project Structural Reinforcement* (特程工程(結構補強)專業承包貳級) of Taiding, and the prospect and network in the PRC. The Board is also of the view that integrating the infrastructural construction business of Taiding and the existing business of the Group can achieve synergies of the Group's business as a whole. Through the Zhejiang Taiding Acquisition, the Group will be able to leverage on the licenses to expand the business region of pipe construction engineering business and capture other possible construction opportunities, which in turn allow the Group and its shareholders to achieve sustainable economic returns. The Board considers that the Zhejiang Taiding Acquisition is in line with the Group's investment strategy, and, if materialised, would immediately bring in a new income stream to the Group and enable the Group to further strengthen its revenue and client base, which, in turn, will increase its shareholders' value and benefit the Group and its shareholders as a whole.

* *For identification purpose only*

34 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Acquisition of subsidiaries (Continued)

(i) Acquisition of Zhejiang Taiding (Continued)

The fair values of the identifiable assets and liabilities of Zhejiang Taiding acquired as at the date of acquisition are as follows:

Consideration	*S$'000*
Cash consideration	374
Net assets acquired	
Property, plant and equipment	233
Bank balances	17
Trade and other receivables	773
Contract assets	906
Trade and other payables	(538)
Borrowings	(809)
Tax recoverable	27
	609
Equity attributable to non-controlling interests	(298)
Goodwill arising on acquisition *(Note 21)*	63
	374
Net cash outflow arising on acquisition of a subsidiary	
Cash and cash equivalents acquired	17
Cash consideration paid	(374)
	(357)

In respect of the fair value of the trade and other receivables acquired, the gross contract amount of the trade and other receivables was approximately S$773,000.

None of these receivables had been impaired and expected to be uncollectible.

The goodwill arising on the acquisition of Zhejiang Taiding is attributable to the growth and profit potential as results of the Group participate in the new market and the anticipated future operating synergies from the combination. None of the goodwill recognised is expected to be deductible for income tax purposes.

34 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Acquisition of subsidiaries (Continued)

(i) Acquisition of Zhejiang Taiding (Continued)

Zhejiang Taiding contributed approximately S$738,000 and S$439,000 to the Group's revenue and the Group's loss for the year respectively for the period between the date of acquisition and the end of the reporting period.

If the acquisition had been completed on 1 April 2023, total Group revenue for the year would have been approximately S$59,397,000 and loss for the year would have been approximately S$10,649,000. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2023, nor is intended to be a projection of future results.

Based on the acquisition agreement, the total consideration for the acquisition shall be satisfied by the TIL to the Zhejiang Taiguang in three tranches as below:

The total consideration for the acquisition is RMB5.1 million (subject to adjustment) as follows:

1. 40% of the consideration (RMB2,040,000) will be paid within 30 days of completion.

2. 30% of the consideration (up to RMB1,530,000) will be paid on or before August 30, 2024, based on the following formula:

   – If the Zhejiang Taiding's FY2023 actual revenue and profit meet or exceed the guaranteed levels, the full 30% (RMB1,530,000) will be paid.

   – If the FY2023 actual revenue and profit are below the guaranteed levels, the payment will be reduced proportionally.

3. 30% of the consideration (up to RMB1,530,000) will be paid on or before August 30, 2025, based on a similar formula using the Zhejiang Taiding's FY2024 performance metrics.

The guaranteed revenue and profit levels for FY2023 are RMB22,000,000 and RMB2,500,000 respectively, and for FY2024 are RMB26,000,000 and RMB3,000,000 respectively.

34 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Acquisition of subsidiaries (Continued)

(i) Acquisition of Zhejiang Taiding (Continued)

Based on the acquisition agreement, the total consideration for the acquisition shall be satisfied by the TIL to the Zhejiang Taiguang in three tranches as mentioned above. However, as Zhejiang Taiding has been incurring operating losses since its incorporation, management believes that Zhejiang Taiding will not be able to meet the guaranteed revenue and profit levels for the financial years ended 31 December 2023 and ending 31 December 2024. Consequently, the fair value of these contingent consideration obligations as at the date of acquisition and as of 31 March 2024 are deemed to be minimal. Therefore, no contingent consideration has been recognised in the consolidated financial statements.

(ii) Acquisition of Wuguishan

On 19 March 2025, Penggao Green New Energy (Guangzhou) Co., Ltd. ("**Penggao**"), an indirect wholly-owned subsidiary of the Company, entered into an acquisition agreement with Mr. Zhang Xinye and Mr. Zheng Zijian） ("**Vendors**"), both a PRC citizen and an independent third party of the Group, pursuant to which Penggao has conditionally agreed to acquire, and Vendors has conditionally agreed to sell 100% equity interest of Zhongshan Wuguishan Construction Engineering (中山市五桂山建築工程有限公司) ("**Wuguishan**") (the "**Wuguishan Acquisition**"), a company incorporated in the PRC with limited liability. The total consideration for the Wuguishan Acquisition is RMB2,200,000 (approximately S$406,000), which should be satisfied by Penggao to the Vendors in two tranches.

The Wuguishan Acquisition was completed on 19 March 2025.

With the view to diversify the Group's existing business portfolio and to broaden its source of income, the Board believes the Wuguishan Acquisition can enrich the Group's business by leveraging the construction licenses including Grade II General Contracting of Construction Engineering* (建築工程施工總承包貳級), Grade II Professional Contracting of Steel Structure Engineering* (鋼結構工程專業承包貳級), and Grade II Professional Contracting of Foundation Construction Projects* (地基基礎工程專業承包貳級) of the Wuguishan, and the prospect and network in the PRC. The Board is also of the view that integrating the infrastructural construction business of the Wuguishan and the existing business of the Company can achieve synergies of the Group's business as a whole. Through the Wuguishan Acquisition, the Group will be able to leverage the licenses to expand its pipeline construction business areas, industrial park investment and integrated operation projects, while also capitalising on other potential construction opportunities, which in turn generate sustainable economic returns for the Company and its Shareholders. The Board considers that the Wuguishan Acquisition is in line with the Group's investment strategy, and, if materialised, would immediately bring in a new income stream to the Group and enable the Group to further strengthen its revenue and client base, which, in turn, will increase its shareholders' value and benefit the Company and its Shareholders as a whole. In view of the above, the Board is of the view that the terms of the Wuguishan Acquisition Agreement are fair and reasonable and are on normal commercial terms and in the interests of the Group and its Shareholders as a whole.

34 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Acquisition of subsidiaries (Continued)

(ii) Acquisition of Wuguishan (Continued)

The fair values of the identifiable assets and liabilities of Wuguishan acquired as at the date of acquisition are as follows:

Consideration	Wuguishan *S$'000*
Cash consideration	406
Net assets acquired	
Bank balances	390
Trade and other receivables	3,197
Contract assets	1,237
Trade and other payables	(1,013)
Contract liabilities	(2,052)
Borrowings	(1,496)
Tax recoverable	45
	308
Goodwill arising on acquisition *(Note 21)*	98
	406
Net cash outflow arising on acquisition of a subsidiary	
Cash and cash equivalents acquired	390
Cash consideration paid	(406)
	(16)

In respect of the fair value of the trade and other receivables acquired, the gross contract amount of the trade and other receivables was approximately S$3,237,000.

Impairment loss of approximately S$40,000 was recognised during the acquisition.

The goodwill arising on the acquisition of Wuguishan is attributable to the growth and profit potential as results of the Group participate in the new market and the anticipated future operating synergies from the combination. None of the goodwill recognised is expected to be deductible for income tax purposes.

Wuguishan contributed approximately S$2,998,000 and S$265,000 to the Group's revenue and the Group's gain for the year respectively for the period between the date of acquisition and the end of the reporting period.

34 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Acquisition of subsidiaries (Continued)

(ii) Acquisition of Wuguishan (Continued)

If the acquisition had been completed on 1 April 2024, total Group revenue for the year would have been approximately S$140,247,000 and loss for the year would have been approximately S$5,885,000. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2024, nor is intended to be a projection of future results.

(b) Reconciliation of liabilities arising from financing activities

	Term loans S$'000	Lease liabilities S$'000	Bonds S$'000	Other borrowings S$'000	Total S$'000
As at 1 April 2023	7,771	4,146	15,629	4,840	32,386
Additions	564	896	–	257	1,717
Arising from acquisition of a subsidiary (Note 34(a)(i))	660	–	–	149	809
Principal payment	(1,935)	(755)	(976)	(3,291)	(6,957)
Interest paid	(190)	(84)	(859)	(595)	(1,728)
Interest expenses	190	84	859	595	1,728
Transfer to liabilities directly associated with disposal group classified as held for sale (Note 39)	–	(5)	–	–	(5)
Non-cash movement	9	(908)	(303)	(148)	(1,350)
As at 31 March 2024 and 1 April 2024	7,069	3,374	14,350	1,807	26,600
Additions	**343**	**–**	**6,807**	**214**	**13,441**
Arising from acquisition of a subsidiary (Note 34(a)(ii))	**1,495**	**–**	**–**	**–**	**1,495**
Principal payment	**(2,536)**	**(309)**	**(8,211)**	**(1,647)**	**(18,780)**
Interest paid	**(171)**	**(165)**	**(627)**	**(191)**	**(1,154)**
Interest expenses	**171**	**165**	**627**	**191**	**1,154**
Non-cash movement	**(5)**	**(561)**	**(62)**	**(13)**	**(641)**
As at 31 March 2025	**6,366**	**2,504**	**12,884**	**361**	**22,115**

34 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(Continued)

(c) Total cash outflow for leases

Amounts included in the consolidated statement of cash flows for leases comprise the following:

	2025	2024
	S$'000	*S$'000*
Within operating cash flows	**4,613**	4,409
Within financing cash flows	**474**	839
Lease rental paid	**5,087**	5,248

35 RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

The directors of the Company are of the view that the following companies are related parties and their transactions and balances with the Group during the years ended 31 March 2025 and 2024 are as follows:

	2025	2024
	S$'000	*S$'000*
Technical service fee charged by related parties:		
– A+ Officers Security Pte Ltd	**3,830**	3,199
– ROA Services Pte Ltd	**253**	248

Mr. Michael Shi Guan Wah, an executive director and CEO of the Company, is interested in the aforesaid transactions to the extent that he is a director and a beneficial shareholder of A+ Officers Security Pte Ltd and ROA Services Pte Ltd.

(b) Key management personnel compensation

The executive directors of the Company are regarded as key management personnel. Details of the key management personnel compensation are disclosed in Note 13(a) to the consolidated financial statements.

36 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(a) Statement of financial position of the Company

	Note	2025 S$'000	2024 S$'000
Non-current asset			
Investments in subsidiaries		18,987	18,974
Current assets			
Prepayments, deposits and other receivables		8,159	4,741
Amounts due from subsidiaries		22,781	14,701
Cash and cash equivalents		12	54
		30,952	19,496
Current liabilities			
Other payables and accruals		3,682	2,587
Amounts due to subsidiaries		4,367	2,003
Borrowings		12,884	6,078
		20,933	10,668
Net current assets		10,019	8,828
Total assets less current liabilities		29,006	27,802
Net assets		29,006	27,802
Capital and reserves			
Share capital	*32*	12,558	2,444
Reserves		16,448	25,358
Total equity		29,006	27,802

Approved and authorised for issue by the board of directors on 27 June 2025 and signed on its behalf by:

Ms. Feng Jiamin
Director

Mr. Michael Shi Guan Wah
Director

36 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

(b) Share capital and reserve movement of the Company

	Share capital S$'000	Share premium S$'000	Share option reserve S$'000	Capital reserve S$'000	Accumulated losses S$'000	Total S$'000
As at 1 April 2023	1,907	31,913	2,372	18,893	(29,747)	25,338
Loss and total comprehensive expense for the year	–	–	–	–	(24,239)	(24,239)
Share options granted	–	–	5,148	–	–	5,148
Issue of new shares upon exercise of share options	158	7,632	(2,372)	–	–	5,418
Issue of new shares on subscription of shares	379	15,758	–	–	–	16,137
As at 31 March 2024 and 1 April 2024	2,444	55,303	5,148	18,893	(53,986)	27,802
Loss and total comprehensive expense for the year	–	–	–	–	(17,099)	(17,099)
Rights issue (Note 32(d))	9,628	7,703	–	–	–	17,331
Issue of new shares on subscription of shares (Note 32(e))	486	486	–	–	–	972
As at 31 March 2025	12,558	63,492	5,148	18,893	(71,085)	29,006

37 COMMITMENTS

Capital and lease commitments contracted for at the end of the reporting period but not yet incurred are as follows:

	2025	2024
	S$'000	*S$'000*
Capital contributions to joint ventures	**–**	8,576
Lease commitment	**295**	–

38 CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES THAT DO NOT RESULT IN A LOSS OF CONTROL

	2025	2024
	S$'000	*S$'000*
Net consideration	**6,250**	–
Disposal of interests in subsidiaries without loss of control	**(6,754)**	–
Difference recognised in equity	**(504)**	–

(a) Disposal of interests in subsidiaries without loss of control

On 19 April 2024, the Group disposed 22% of the equity interests out of 100% interest held in Integral Virtue Limited ("**IVL**") at consideration of S$6,250,000. The carrying amount of the non-controlling interests in IVL's net assets on the date of disposal was approximately S$6,754,000. The resulted in an increase in non-controlling interest of approximately S$6,754,000 and an increase in equity attributable to owners of the Company of approximately S$504,000.

39 DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

In 26 January 2024, the Group entered into an equity transfer agreement with an independent third party whereby the Group agreed to dispose of its entire issued share capital of Jumbo Harvest Group Limited ("**Jumbo Harvest**"), which is an investment holding company incorporated in the British Virgin Islands wholly owned by the Group, along with Jumbo Harvest's 96.13% equity interest in Wealth Link Securities Limited ("**Wealth Link**") ("**Jumbo Harvest Group**"). Wealth Link, a company incorporated in Hong Kong with limited liability, is principally engaged in the provision of securities brokerage, placing and underwriting services and margin financing services and comprised the whole "Brokerage, placing and margin financing services" reportable and operating segment of the Group. The transfer of the equity interest was completed on 3 May 2024. As at 31 March 2024, the directors of the Company were committed to the disposal plan for the sale of Jumbo Harvest Group and the sale of Jumbo Harvest Group was assessed to be highly probable. Accordingly, the assets and liabilities of Jumbo Harvest Group as at 31 March 2024 were classified as assets and liabilities of a disposal group held for sale and the results of Jumbo Harvest Group have been presented as loss from discontinued operation. The comparative figures in the consolidated statement of profit or loss and other comprehensive income have been restated to re-present the results of Jumbo Harvest Group in the year ended 31 March 2023 as loss from discontinued operation.

The major classes of assets and liabilities of Jumbo Harvest Group classified as held for sale as at 31 March 2024 were as follows:

	2024 *S$'000*
Property, plant and equipment	160
Goodwill	67
Intangible assets	86
Other deposits	35
Right-of-use assets	5
Trade and other receivables	750
Bank balances – trust and segregated accounts	977
Cash and cash equivalents	1,232
Total assets classified as held for sale	3,312
Trade and other payables	1,712
Lease liabilities	5
Total liabilities classified as held for sale	1,717

39 DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

Loss for the year from discontinued operation comprised:

	2025	2024
	S$'000	*S$'000*
Revenue	**–**	309
Other income	**–**	–
Allowance for ECL	**–**	(86)
Administrative expense	**(83)**	(993)
Finance costs	**–**	(1)
Impairment loss on goodwill recognised on measurement to fair value less costs to sell of disposal group	**–**	(853)
Loss before tax from discontinued operation	**(83)**	(1,624)
Income tax expense	**–**	–
Loss for the year from discontinued operation	**(83)**	(1,624)
Loss for the year from discontinued operation includes the following:		
Deprecation of property, plant and equipment	**–**	68
Deprecation of right-of-use assets	**–**	59
Employment benefit costs:		
Wages and salaries	**44**	448
Employee's contribution to defined contribution plans	**–**	16
Cash flows from discontinued operations:		
Net cash from operating activities	**83**	321
Net cash outflow from investing activities	**–**	(85)
Net cash outflow from financing activities	**–**	(61)

40 DISPOSAL OF SUBSIDIARIES

As at 31 March 2024, the Group disposed of all the interests in Inner Mongolia City Environment Protection Pipeline Engineering Limited ("**Inner Mongolia**") and Trendzon Catering Entertainment Limited ("**Trendzon Catering**"). These subsidiaries were dormant and investment holding.

The following table summarises the aggregate net assets and liabilities of the subsidiaries disposed of during the current period and the financial impacts are summarised as follows:

	Inner Mongolia S$'000	Trendzon Catering S$'000	Total S$'000
Current Assets			
Other receivable	2	–	2
Cash and cash equivalents	–	11	11
Current Liabilities			
Others payables & accruals	(1)	(16)	(17)
Net assets/(liabilities) disposed of	1	(5)	(4)
Less: translation reserve	–	(45)	(45)
	1	(50)	(49)
Gain on disposal of subsidiaries	1	50	51
	2	–	2
Total sales consideration:			
Cash consideration received	2	–	2
Analysis of cash and cash equivalents in respect of the disposal:			
Cash consideration	2	–	2
Less: Cash and cash equivalents disposed of	–	(11)	(11)
Net cash inflow/(outflow) on disposal of subsidiaries	2	(11)	(9)

40 DISPOSAL OF SUBSIDIARIES (Continued)

During the year ended 31 March 2025, the Group disposed of all the interests in Shanxi Aopu New Materials Technology Co., Ltd. ("**Aopu**"). Fujian Zhuohang Qiangxin Construction and Development Co., Ltd. ("**Qiangxin**"), Ao Xiong (Shenzhen) New Energy Technology Co., Ltd. ("**Ao Xiong**"), Zhuohang Fengsheng Culture Communication (Guangzhou) Co., Ltd. ("**Fengsheng**") Zhuohang Pipeline Engineering (Guangzhou) Co., Ltd. ("**Zhuohang**") Zefu Property Services (Guangzhou) Co., Ltd. ("**Zefu**") and Jumbo Harvest Group Ltd and it's subsidiary ("**Jumbo Harvest Group**"). These subsidiaries were dormant except for Jumbo Harvest Group which was investment holding and was recognised as discontinued operation and disposal Group classified as held for sale in prior year. (Note 39)

The following table summarises the aggregate net assets and liabilities of the subsidiaries disposed of during the current period and the financial impacts are summarised as follows:

	Aopu	Qiangxin	AoXiong	FengSheng	Zhuohang	Zefu	Jumbo Harvest Group	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Non-current assets								
Property, plant and equipment	–	–	–	–	–	–	158	158
Goodwill	–	–	–	–	–	–	67	67
Intangible assets	–	–	–	–	–	–	86	86
Other deposits	–	–	–	–	–	–	35	35
Current assets								
Trade and other receivables	–	1	–	–	–	–	183	184
Bank and cash balance	1	1	–	2	–	–	2,113	2,117
Current liabilities								
Trade and other payables	(1)	(20)	–	(170)	(47)	(27)	(961)	(1,226)
Other borrowings	–	–	–	–	–	(3)	–	(3)
Net assets/(liabilities) disposed of	–	(18)	–	(168)	(47)	(30)	1,681	1,418
Less: Translation reserve	–	–	–	(6)	(2)	(15)	–	(23)
	–	(18)	–	(174)	(49)	(45)	1,681	1,395
Total sales consideration:								
Cash consideration received	–	–	–	–	–	–	1,572	1,572
Gain/(loss) on disposal of subsidiaries	–	18	–	174	49	45	(109)	177
Analysis of cash and cash equivalents in respect of the disposal:								
Cash consideration	–	–	–	–	–	–	1,572	1,572
Less: Cash and cash equivalents disposed of	(1)	(1)	–	(2)	–	–	(2,113)	(2,117)
Net cash outflow on disposal of subsidiaries	(1)	(1)	–	(2)	–	–	(541)	(545)

41 EVENTS AFTER THE REPORTING PERIOD

On 14 April 2025, the Company and Mr. Tan Tze Loong, an independent third party, entered into a sale and purchase agreement to dispose 27% of equity interest in Integral Virtue Limited (“**IVL**”), a subsidiary of the Company, at the consideration of S$8.3 million (the “**Disposal**”). The Disposal was subsequently completed on 18 June 2025. Upon completion of the Disposal, IVL remained as a subsidiary of the Company and owned by the Company as to 51% of equity interest of IVL. Save as disclosed in above, the Directors are not aware of any subsequent event which had a material effect on the Group which have occurred since 31 March 2025.

On May 15, 2025, the Company’s indirect subsidiary, Penggao Green Energy (Guangzhou) Co., Ltd. (鵬高綠能新能源(廣州)有限公司), entered into a capital injection agreement with Zhong Ya Equity Investment Fund Management (Shenzhen) Co., Ltd. (中亞股權投資基金管理(深圳)有限公司), a limited liability company established in the People’s Republic of China (“**PRC**”) (“**Target Shareholder**”) and Xiexin Industrial Park Management (Guangdong) Co., Ltd.* (協鑫產業園管理(廣東)有限公司), a limited liability company established in the PRC (“**Target Company**”).

The Target Shareholder is owned by Mr. Zhouwen (周文), Mr. Ma Pengcheng (馬鵬程), and Jiaxin Real Estate (Shenzhen) Co., Ltd.* (佳鑫置業(深圳)有限公司) at 1%, 10% and 89% respectively. All of them are independent third parties.

Xiexin Damless Energy Storage Technology (Guangdong) Co., Ltd.* (協鑫無壩蓄能科技(廣東)有限公司) is a company established in the PRC with limited liability, and a wholly-owned subsidiary of the Target Company (“**Project Company**”). The Project Company had entered into an investment agreement with the Sihui Municipal People’s Government for the pumped storage power station project (the “**Project**”) on 10 December.

The Project is expected to require a minimum of six years for full completion, with its development structured into two principal phases to ensure efficient execution and systematic progress. The first phase will be initiated encompasses land preparation and infrastructure construction, involving a total estimated construction cost of approximately RMB400 million. The estimated timeline for first phase is 24 months. This phase will include the development of both above-ground and underground facilities. The aboveground structures will comprise a comprehensive multi-purpose building, a materials warehouse and maintenance workshop, an above-ground compressor station, and a security gatehouse, among other ancillary facilities. Additionally, this phase will involve the construction of a water storage pool with a total capacity of 140,000 cubic meters to support the Project’s operational requirements.

* *For identification purpose only*

41 EVENTS AFTER THE REPORTING PERIOD (Continued)

The second phase, which pertains to production facilities investment, installation, and subsequent operation, represents the core of the Project with an allocated equipment investment of approximately RMB1.4 billion. This estimated timeline for the second phase is 48 months. This phase shall commence upon the completion of the first phase and will be implemented in two to three sub-phases to ensure methodical deployment and operational readiness. Key components of this phase include the establishment of a 100MW/600MWh energy storage power station, alongside the production of energy storage equipment. Major equipment investments will encompass energy storage compressor units, pump units, Pelton turbines, air expansion power generation units, electrical busbars, air compressor units, pumped storage pumps and turbine units, and multi-stage air expansion power generation units. Further, the Project will utilize advanced engineered composite pressure vessels with varying pressure-bearing capacities, including high-pressure composite containers and hybrid water-gas composite tanks, as well as low-pressure water storage pools and other auxiliary workshops to ensure system integrity and operational efficiency.

Under this agreement, the Company will subscribe for RMB40 million (approximately HK$43.2 million) in the registered capital of the Target Company. Upon completion, the Group will hold 51% of the enlarged registered capital, giving the Group control over the Target Company and its projects.

Details please refer to the Company's announcements dated 15 May 2025 and 10 July 2025.