

BHCC HOLDING LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1552



2025

ANNUAL REPORT

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Corporate Information

EXECUTIVE DIRECTORS

Mr. Yang Xinping (*Chairman*)
Ms. Han Yuying

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chan Bee Leng
Mr. Kwong Choong Kuen (*Huang Zhongquan*)
Mr. Wang Lian

COMPANY SECRETARY

Ms. Chan So Fun
Solicitor, Hong Kong

AUTHORISED REPRESENTATIVES

Ms. Chan So Fun
Mr. Yang Xinping

AUDIT COMMITTEE

Ms. Chan Bee Leng (*Chairwoman*)
Mr. Kwong Choong Kuen (*Huang Zhongquan*)
Mr. Wang Lian

REMUNERATION COMMITTEE

Mr. Wang Lian (*Chairman*)
Ms. Chan Bee Leng
Ms. Han Yuying
Mr. Kwong Choong Kuen (*Huang Zhongquan*)

NOMINATION COMMITTEE

Mr. Kwong Choong Kuen (*Huang Zhongquan*) (*Chairman*)
Ms. Chan Bee Leng
Mr. Yang Xinping
Mr. Wang Lian

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS

No. 1 Tampines North Drive 3
#08-01
BHCC SPACE
Singapore 528499

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2502, 25/F
China Insurance Group Building
141 Des Voeux Road Central
Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F
148 Electric Road
North Point
Hong Kong

Corporate Information

AUDITORS

Deloitte & Touche LLP
Public Accountants and Chartered Accountants
6 Shenton Way
OUE Downtown 2
#33-00
Singapore 068809

PRINCIPAL BANKERS

DBS Bank Ltd
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

Maybank Singapore Limited
2 Battery Road
Maybank Tower
Singapore 049907

Oversea-Chinese Banking Corporation Limited
63 Chulia Street
OCBC Centre
Singapore 049513

COMPANY WEBSITE

www.bhcc.com.sg

STOCK CODE

1552

Chairman's Statement

TO OUR SHAREHOLDERS

On behalf of the Board (the "Board") of directors (the "Directors") of BHCC Holding Limited (the "Company", together with its subsidiaries, collectively the "Group"), I present the annual results of the Group for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024.

The Group's revenue for the year ended 31 December 2025 was approximately S\$202.3 million. Gross profit for the year was approximately S\$15.3 million. Profit before taxation was approximately S\$11.1 million.

In 2025, the Group was honoured to receive two distinguished industry recognitions in the area of Environment, Health and Safety ("EHS"), underscoring the strength of our safety culture and disciplined project execution.

Our design and build of new purpose-built dormitories for foreign workers at Jalan Tukang under the Ministry of Manpower was awarded the Safety and Health Award Recognition for Projects (SHARP) Award, a national accolade that recognises exemplary workplace safety and health performance and strong risk management systems. This achievement reflects our proactive approach to hazard identification, workforce training, and continuous safety improvement across all levels of our operations.

In addition, this project received the Jurong Town Council Construction Safety & Health Award, further affirming our adherence to stringent safety standards and our ability to deliver complex projects while maintaining a safe and healthy working environment.

These recognitions are a testament to the dedication of our teams, the robustness of our safety frameworks, and our unwavering belief that safety is integral to long-term value creation. We remain committed to embedding best-in-class EHS practices across all our projects and operations.

Chairman's Statement

I would like to take this opportunity to express my gratitude to all our shareholders, fellow members of the Board, the senior management and staff of all levels for their dedication and effort over the years. In addition, on behalf of the Board, I would also like to express our most sincere thanks to all our customers, suppliers and business partners for their continuous support.

Yang Xinping

Chairman and Executive Director

31 March 2026

Management Discussion and Analysis

BUSINESS REVIEW

During the financial year ended 31 December 2025, the Group was principally engaged in (i) the provision of building and construction works as a main contractor and as subcontractor in reinforcement concrete works undertaken on a selected basis; (ii) properties investment including the leasing of industrial properties in Singapore; and (iii) property development.

Building on its existing capabilities, the Group has expanded into the property development business since March 2024. Following the acquisition of a 45% equity interest in Tai Seng Food Point Development Pte. Ltd. (formerly known as Evermega Investment Holdings Pte. Ltd. (“Tai Seng Food Point”)), the Group has secured a strategic foothold in industrial property development at a prime location in Singapore.

During 2025, the Group remained active in participating in various land tenders with other market players for a variety of land uses in Singapore. The Group had also entered into a joint venture agreement with other market players in relation to the formation of a joint venture for the lease and development of a residential land parcel in Singapore, as disclosed in the Company’s announcement dated 24 January 2025. In order to grow the Group’s property development segment, the Group has been actively exploring public land tenders and joint venture projects for lands development of various uses, including residential, industrial and commercial projects in order to further expand and diversify its development properties portfolio.

Singapore’s construction industry demonstrated resilience and rebounded gradually in 2025. The Ministry of Trade and Industry of Singapore (“MTI”) revealed the Singapore economy expanded by 5.0% in 2025. Growth in the construction sector came in at 4.6% year-on-year in the fourth quarter, following the 5.6% growth in the third quarter. This was on account of expansions in both public and private sector construction output.

In line with this upward trend, the Group achieved a significant milestone by securing five new projects during 2024 and 2025 with an aggregate contract sum of approximately S\$1,204 million, reflecting the Group’s strong positioning in the construction sector.

The expansion into property development allows the Group to leverage its existing resources, capitalise on emerging opportunities in Singapore’s property market, and enhance revenue diversification. For further details on the commencement of this new business segment, please refer to the Company’s announcement dated 13 February 2025.

Management Discussion and Analysis

PROPERTY DEVELOPMENT

The Group's property development portfolio consists of one industrial property development in Singapore, namely Food Point @ Tai Seng, which is currently under redevelopment as a modern food processing facility for strata sale in the market. Pre-sale of the uncompleted units of Food Point @ Tai Seng was launched in mid-February 2025, marking a significant milestone of the Group's new property development segment, one of the Group's three core business segments, alongside the existing segments of building and construction works, and property investment. Segmental information of the property development segment was first reported in the unaudited consolidated results of the Company for the period.

Since the acquisition of Tai Seng Food Point, the Group has continued to search for new property development opportunities in the Singapore property market and has actively explored possible tenders with other market players for a variety of lands of different uses in Singapore. During the period, the Group has entered into a joint venture agreement with other market players in January 2025 for the lease and development of a residential land parcel situated at Dairy Farm Walk, Singapore. As the Group is interested in 10% of the joint venture, such stake is classified as an investment of the Group and is not reflected in the property development segment. Nonetheless, the joint venture represents the Group's second major real estate development project and its first involving residential land use, providing the Group with valuable experience and expertise in the newly established property development segment. Moving forward, the Group will continue to grow its property development segment and identify suitable property development opportunities from time to time.

Details of the Group's property development project are set out in the table below:

Project name and location	Site area (sq.m)	Type of development	Expected gross floor area upon completion of the redevelopment project (sq. ft)	Interest of the Group	Expected gross floor area attributable to the Group upon completion of the redevelopment project (sq.ft)	Status as at 31 Dec 2025	Expected financial year of completion
Food Point @ Tai Seng, 50 Playfair Road, Singapore	2,489.0	Industrial	93,770	45%	42,196.5	Under construction and pre-sale in process	2027

Management Discussion and Analysis

FINANCIAL REVIEW

The Group's revenue for the year was approximately S\$202.3 million, representing an increase of approximately 5.2% as compared with that of approximately S\$192.3 million for the previous year. The increase was mainly attributable to the commencement of several new projects in 2025, resulting in higher construction activity and greater revenue contributions as compared to the previous year. Revenue from building and construction works, the Group's major business segment, accounted for approximately 98.6% (2024: approximately 98.8%) or S\$199.5 million (2024: approximately S\$190.0 million) of the Group's total revenue. Revenue from property investment contributed approximately 1.4% (2024: approximately 1.2%) or S\$2.8 million (2024: approximately S\$2.3 million). No revenue was recognised for development properties during the year ended 31 December 2025 and 2024.

Total gross profit for the year amounted to approximately S\$15.3 million (2024: approximately S\$7.8 million). The profit was mainly attributable to higher profit margin as compared to that in the year ended 31 December 2024.

Other income increased by approximately S\$0.1 million or 8.2% from approximately S\$1.6 million to approximately S\$1.7 million for the year ended 31 December 2025. Such increase was mainly due to increase in government grant income.

The Group recorded a decrease in other gains and losses, decreasing from a gain of approximately S\$5.2 million for the year ended 31 December 2024 to a loss of approximately S\$0.8 million for the year ended 31 December 2025. This shift to a net loss was mainly attributable to the absence of a one-off gain from the disposal of the Group's investment properties in this year as compared with a gain recorded in 2024 (2024: approximately S\$4.8 million) and losses due to the modification of loan receivables. For details, please refer to note 4b in the consolidated financial statements.

For the year ended 31 December 2025, administrative expenses decreased to approximately S\$4.8 million, compared to approximately S\$4.9 million for the year ended 31 December 2024.

For the year ended 31 December 2025, the Group's finance costs decreased to approximately S\$0.3 million (2024: approximately S\$0.4 million) mainly due to a lower interest rate on bank borrowings.

The Group's income tax expense increased to approximately S\$2.4 million for the year ended 31 December 2025 from approximately S\$0.3 million for the year ended 31 December 2024 due to an increase in taxable profit.

As a result of the aforementioned, for the year ended 31 December 2025, profit attributable to owners of the Company amounted to approximately S\$8.7 million for the year ended 31 December 2025 (2024: approximately S\$9.0 million).

Given the above, the Board is of the view that the financial position of the Group remains sound as sufficient reserve and liquidity are maintained.

Management Discussion and Analysis

CONTINGENT LIABILITIES

As at 31 December 2025, Dairy Farm Walk JV Development Pte. Ltd has taken up a loan from the consortium of banks amounting to S\$436 million. The Group and one of the investors have provided a proportionate guarantee to the consortium of banks for 35% of the outstanding loans. In addition, the Group has also undertaken, on the joint and several basis, to procure the completion of the development property being developed by Dairy Farm Walk JV Development Pte. Ltd (2024: Nil).

Save as disclosed above, the Group had no other material contingent liabilities as at 31 December 2025.

CAPITAL COMMITMENTS

As at 31 December 2025, the Group had capital commitment of approximately S\$9.8 million (2024: approximately S\$9.8 million) in connection with the capital commitment to Tai Seng Food Point, an indirect non-wholly owned subsidiary.

As at 31 December 2025, the Group also had capital commitment of approximately S\$3.4 million (2024: Nil) in connection with the capital commitment to Dairy Farm Walk JV Development Pte. Ltd.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's receivable turnover days as at 31 December 2025 was 6 days (2024: 14 days). The Group is able to maintain its receivable turnover days as a significant portion of revenue was generated from customers in public sectors, who make payments promptly.

The Group's cash and bank balance as at 31 December 2025 amounted to approximately S\$76.3 million, representing a decrease of approximately S\$1.8 million as compared to approximately S\$78.1 million as at 31 December 2024.

As at 31 December 2025, the Group's indebtedness comprised bank borrowings of approximately S\$72.7 million (2024: approximately S\$77.2 million) and lease liabilities of approximately S\$0.2 million (2024: approximately S\$0.1 million). As at 31 December 2025, the gearing ratio (calculated by dividing total debts by total equity) of the Group was 1.01 times as compared to 1.21 times as at 31 December 2024.

EXPOSURE TO FOREIGN EXCHANGE RATE RISKS

The Group transacts mainly in Singapore dollars, which is the functional currency of all the Group's operating subsidiaries. However, the Group has certain bank balances denominated in United States dollars and Hong Kong dollars amounting to approximately S\$8.7 million (2024: approximately S\$9.1 million) which expose the Group to foreign currency risk. The Group manages the risk by closely monitoring the movements in foreign currency rates.

Management Discussion and Analysis

EMPLOYEES AND REMUNERATION POLICIES

The Group had 302 employees as at 31 December 2025 (as at 31 December 2024: 287 employees). The Group incurred staff costs of approximately S\$12.7 million for the year ended 31 December 2025, excluding the remuneration of the Directors (2024: approximately S\$12.2 million). Remuneration is determined by reference to prevailing market terms and in accordance with the job scope, responsibilities, and performance of each individual employee. The local employees are also entitled to discretionary bonus depending on their respective performance and the profitability of the Group. The foreign workers are typically employed on a one-year basis depending on the period of their work permits, and are subject to renewal based on their performance, and are remunerated according to their work skills.

The Company has adopted a share option scheme (the "Share Option Scheme") on 17 August 2017 pursuant to which the directors and employees of the Group are entitled to participate. Since the adoption of the Share Option Scheme, no option has been granted under the Share Option Scheme. Therefore, no option was exercised or cancelled or has lapsed during the year ended 31 December 2025 and there was no outstanding option as at 31 December 2025. As at 31 December 2025, a maximum of 80,000,000 shares of the Company, being 10% of the total number of shares of the Company in issue as at the listing date of the Company, may be issued upon exercise of all 80,000,000 share options available to be granted under the Share Option Scheme.

CHARGES OF ASSETS

As at 31 December 2025, charges of assets included (i) the carrying amount of leasehold land, leasehold property, investment properties, and development properties amounting to approximately S\$122.1 million (2024: approximately S\$109.3 million) that were pledged to banks to secure bank borrowings, (ii) the deposits of S\$2.8 million (2024: approximately S\$2.8 million) that were pledged to banks for a performance bond as at 31 December 2025, (iii) the Group's 10% shareholdings of the Dairy Farm Walk JV Development Pte. Ltd had been pledged to the consortium of banks as security for the banking facilities.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The table below sets out the significant investment held by the Group during the Period:

Investee company	Principal business	Equity interest attributable to the Group	Investment cost as at 31 Dec 2025	Fair value as at 31 Dec 2025	Unrealised gain/(loss) during the Period	Dividends received during the Period	Size relative to the Company's total assets as at 31 Dec 2025
Dairy Farm Walk JV Development Pte. Ltd.	Property development	10%	S\$16.6 million (Note)	S\$2.2 million (Note)	S\$1.8 million	-	6.7%

Note: Investment cost as at 31 December 2025 represents the capital contribution by BHCC Projects (as defined below) in the Dairy Farm JV (as defined below) in the aggregate amount of S\$16.6 million, comprising the subscription of share capital in the amount of S\$0.4 million and shareholders' loan in the amount of S\$16.2 million.

Management Discussion and Analysis

On 24 January 2025, BHCC Development (Projects) Pte Ltd. (“BHCC Projects”), an indirect wholly-owned subsidiary of the Company, entered into a joint venture agreement with SNC2 Realty Pte. Ltd., Apex Asia Alpha Investment Two Pte. Ltd., Soon Li Heng Civil Engineering Pte Ltd, and Kay Lim Realty Pte. Ltd., as joint venture partners, in relation to the formation of a special purpose company (the “Dairy Farm JV”) in Singapore for the lease and development of a residential land parcel situated at Dairy Farm Walk, Singapore, pursuant to which BHCC Projects acquired and/or subscribed for 10% of the issued shares of the Joint Venture and shall make capital contribution to the Dairy Farm JV in the maximum sum of S\$20 million. For more details, please refer to the announcement of the Company dated 24 January 2025. As at 31 December 2025, the Dairy Farm JV was formed and BHCC Projects has contributed S\$16.6 million towards its capital commitment.

PROSPECTS

The outlook of the construction industry in Singapore remains positive and is expected to stay resilient in 2026. According to the Building and Construction Authority (“BCA”), construction demand in Singapore is projected to range between S\$47 billion and S\$53 billion in 2026. Over the medium term, BCA expects construction demand to average between S\$39 billion and S\$46 billion per year from 2027 to 2030.

Notwithstanding the positive industry outlook, the global economic environment remains uncertain, shaped by persistent inflationary pressures, and ongoing geopolitical tensions, including conflicts in the Middle East and the prolonged Russia-Ukraine war. These developments have contributed to volatility in energy prices, supply chain disruptions and fluctuations in construction material costs, potentially affecting project costs and execution.

In response to the more challenging operating environment, the Group will continue to focus on its core building and construction business and leverage its track record to secure new projects, while maintaining prudent cost control and operational efficiency.

The Group’s expansion into property development and joint venture investments are expected to further diversify its revenue base and enhance long-term earnings visibility. Leveraging its experience in large-scale construction projects, the Group aims to strengthen its market position and capture additional opportunities within the industry.

In addition, the Group will continue to explore land acquisition and tender opportunities for residential, industrial and commercial developments, while maintaining a disciplined approach to risk management and capital allocation.

DIVIDEND

The Board takes into account, among other factors, the Group’s overall results of operation, financial position and capital requirements, in considering the declaration of dividends. The Board does not recommend the payment of a dividend for the year ended 31 December 2025 (2024: Nil).

CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company (“AGM”) will be held on Friday, 26 June 2026 at 10:00 a.m. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 23 June 2026 to Friday, 26 June 2026, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the AGM, unregistered holders of the Shares should ensure that all share transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on Monday, 22 June 2026.

Directors and Senior Management

EXECUTIVE DIRECTORS

Mr. Yang Xinping (“Mr. Yang”), aged 56, founder of the Company, was appointed as a Director on 21 February 2017 and re-designated as the chairman and executive Director on 31 March 2017. Mr. Yang is also a member of the nomination committee of the Company (the “Nomination Committee”) and a director of the subsidiaries of the Group. Mr. Yang is responsible for the Group’s overall management, strategic planning and business development. Mr. Yang is the spouse of Ms. Chao Jie, a member of the senior management of the Company.

Mr. Yang started his career as an engineer in the Ministry of Coal Industry Xi’an Design & Research Institute which was principally engaged in the provision of design and engineering services for the construction industry from July 1992 to October 1996. He then joined Kok Onn Construction Pte Ltd from October 1996 to July 1999 as project manager. Prior to founding the Group in November 2003, Mr. Yang also worked as the general manager in CGW Construction & Engineering Pte Ltd from November 1999 to July 2003 and was responsible for all daily business matters and management of different departments and construction projects.

Mr. Yang obtained a Bachelor’s Degree of Engineering from Xi’an Institute of Metallurgical Architecture, the People’s Republic of China (the “PRC”) in July 1992 and a Master’s Degree in Science (Civil Engineering) in July 2002 from The National University of Singapore. Mr. Yang has over 32 years of experience in the construction industry.

Ms. Han Yuying (“Ms. Han”), aged 61, was appointed as an executive Director on 31 March 2017. Ms. Han is also a member of the remuneration committee of the Company (the “Remuneration Committee”) and a director of the subsidiaries of the Group. Ms. Han joined the Group in November 2007 and is currently responsible for overseeing the tendering, contracts administration, purchasing departments, and providing guidance and management experience in contract negotiations. Ms. Han obtained a Bachelor’s Degree in Engineering from Hohai University, the PRC in July 1988. She has more than 36 years of experience in the construction industry.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chan Bee Leng (“Ms. Chan”), FCA (Singapore) and CPA (Australia), aged 56, was appointed as an independent non-executive Director on 17 August 2017. She is currently the chairwoman of the audit committee of the Company (the “Audit Committee”) and a member of the Nomination Committee and the Remuneration Committee. Ms. Chan holds a Bachelor’s Degree of Accountancy from Nanyang Technological University of Singapore and a Degree of Master of Business Administration (Executive) from the University of Hull (United Kingdom). She is a Fellow Chartered Accountant of Singapore and a member of the Institute of Certified Public Accountants of Australia (CPA Australia). Ms. Chan has more than 25 years of experience in group finance, tax, accounting, corporate finance and treasury.

Directors and Senior Management

Mr. Kwong Choong Kuen (Huang Zhongquan) (“Mr. Kwong”), aged 54, was appointed as an independent non-executive Director on 9 March 2020. He is currently the chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee. Mr. Kwong has over 25 years of experience in finance and accounting. Mr. Kwong graduated from the Nanyang Technological University, Singapore in June 1996 with a Bachelor of Accountancy. He was admitted as a member of Institute of Certified Public Accountants of Singapore in September 1999 and qualified as a Chartered Accountant of Singapore of the Institute of Singapore Chartered Accountants in July 2013. Mr. Kwong currently serves as the chief financial adviser with Universal Consultants Pte. Ltd. Mr. Kwong has been appointed as an independent non-executive director of Solis Holdings Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 2227), since 23 June 2021, an independent director of Orangecloud Technology Inc., a company listed on NASDAQ (NASDAQ stock symbol: ORKT), since 24 July 2024 and an independent non-executive director of Lincotrade & Associates Holdings Limited, a company whose shares are listed on the Singapore Exchange Securities Trading Limited (SGX: BFT), since 30 January 2024.

Mr. Wang Lian, (“Mr. Wang”), aged 56, obtained his Bachelor’s degree in Science (Civil Engineering) from Sichuan University, China in 1992 and his Master’s degree in Business Administration from Shanghai JiaoTong University cum Nanyang Technological University, Singapore in 2007. Mr. Wang has over 27 years of experience across different fields including civil engineering, construction, property management and property development. Mr. Wang is an entrepreneur and he founded a number of companies in Singapore. In 2022, Mr. Wang founded Unitedland Development Pte. Ltd., a property developer in Singapore, and has since held the position of managing director. Mr. Wang is the founder and currently the director of Smart Property Management (S) Pte. Ltd., a company engaging in property management in Singapore, a positions he has held since 2017. He is also the founder and currently the managing director of Smart Gateway Pte. Ltd., a company engaging in smart technology development in Singapore and positions he held since 2015, and the founder and currently the managing director of Fantasia Investment (S) Pte. Ltd., a company engaging in property development in Singapore and positions held since 2013. Prior to the above, Mr. Wang held various positions in Cak & FG Survey Pte. Ltd., one of the largest land survey firms in Singapore, he last held the positions of director and shareholder from 1997 to 2013.

Directors and Senior Management

SENIOR MANAGEMENT

Ms. Chao Jie (“Mrs. Yang”), aged 56, joined our Group as a quantity surveyor in May 2005. She is the spouse of Mr. Yang, the chairman and executive Director. As a quantity surveyor, she was responsible for project tender, progress claims, budget analysis and cost control. Subsequently, Mrs. Yang was promoted to administrative, accounting and human resources manager in July 2008. She is responsible for overseeing the administrative, accounting and human resources functions of the Group. Mrs. Yang graduated from Xi’an Highway Transportation University, the PRC, with a Bachelor’s Degree in Engineering in July 1993. Mrs. Yang also attended the workshop for CEO/Top Workshop for CEO/Top Management (bizSAFE Level 1) in 2013. Mrs. Yang has over 23 years of experience in the construction industry in Singapore.

Mr. Chua Choon Haw, Joseph (“Mr. Chua”), aged 52, joined our Group in December 2017 and was promoted to Operation Director in January 2023. He is responsible for overseeing project Quality, Environmental, Health and Safety (QEHS) performance. Mr. Chua graduated from Heriot-Watt University, United Kingdom with a Bachelor Degree in Construction Management in June 2009. Prior to that, Mr. Chua obtained a technician Diploma in Civil Engineering from Singapore Polytechnic in May 1994. Mr. Chua has over 29 years of experience in the construction industry in Singapore.

Mr. Yeo Ngian Tee (“Mr. Yeo”), aged 63, joined the Group as project manager in February 2010 and was responsible for the overall management of various projects. He was promoted to his current position as a senior project manager with the same role and responsibilities in November 2011. Mr. Yeo graduated from Heriot-Watt University, United Kingdom with a Bachelor Degree of Science in Construction Project Management in November 2012. Prior to that, Mr. Yeo obtained a technician Diploma in Civil Engineering from Singapore Polytechnic in May 1983. Mr. Yeo has over 18 years of experience in the construction industry in Singapore.

Ms. Zhang Zhiping (“Ms. Zhang”), aged 52, joined the Group as an accountant in April 2013. Ms. Zhang is responsible for financial, accounting, taxation, treasury and banking matters of the Group. Ms. Zhang graduated from Chinese People’s University, the PRC, with a Bachelor’s Degree in Economics (International Accounting) in July 1996. Ms. Zhang also obtained a Master’s Degree in Business Administration from the University of Poitiers in March 2000 under the Sino-French Government education cooperation project. Ms. Zhang has over 24 years of experience in the construction industry in Singapore.

COMPANY SECRETARY

Ms. Chan So Fun (“Ms. S.F. Chan”), aged 57, was appointed as the company secretary of the Company on 17 August 2017. Ms. S.F. Chan is currently a partner at the law firm KS Ng Law Office, specialising in corporate finance work including initial public offerings, mergers and acquisitions and restructuring. Ms. S.F. Chan is a practising solicitor and was admitted as a solicitor in Hong Kong in November 2007. She received a degree of Bachelor of Laws from the University of London in August 2004. She obtained a Master of Business Administration from The University of Hong Kong in December 1998 and she also obtained a degree of Bachelor of Social Science from The Chinese University of Hong Kong in December 1992.

Directors' Report

The Directors present the annual report and the audited consolidated financial statements of the Company for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and the principal activities of its subsidiaries are provision of building construction services and properties investment including the leasing of industrial properties in Singapore. There were no significant changes to the Group's principal activities for the year ended 31 December 2025.

RESULTS/BUSINESS REVIEW

The results of the Group for the year ended 31 December 2025 are set out in the section headed "Consolidated Statement of Profit or Loss and Other Comprehensive Income" on page 66 in this annual report. The business review of the Group for the year ended 31 December 2025 is set out in the section headed "Management Discussion and Analysis" on pages 6 to 11 in this annual report.

DIVIDENDS

The Board takes into account, among other factors, the Group's overall results of operation, financial position and capital requirements, in considering the declaration of dividends. The Board does not recommend the payment of a dividend for the year ended 31 December 2025 (2024: Nil).

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 December 2025 are set out in Note 25 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company (the "Articles"), or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders of the Company (the "Shareholders").

EQUITY-LINKED AGREEMENTS

The Company did not enter into any equity-linked agreement during the year ended 31 December 2025.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Directors' Report

PRINCIPAL RISKS AND UNCERTAINTIES

Set out below are the principal risks and uncertainties summarised as follows:

- (i) Changes in economic conditions may directly affect the property market and construction demand in Singapore. Moreover, the Group's building construction work business relies on successful tenders that determine the award of our projects contracts which are non-recurring in nature.
- (ii) The Group is exposed to financial risks including interest rate risk, currency risk, credit risk, liquidity risk and equity price risk in the normal course of its business.
- (iii) The Group has policies and procedures in place to ensure full compliance with the relevant laws and regulations that have a significant impact on the Group's business and operations. Management regularly reviews and assesses the impact of any recent changes and developments in applicable laws, rules and regulations, and seeks external advice when deemed necessary.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to Shareholders were as follows:

	As at 31 December	
	2025 S\$	2024 S\$
Share premium	14,176,517	14,176,517
Accumulated losses	(6,774,562)	(6,362,499)
	7,401,955	7,814,018

RESERVES AND DISTRIBUTABLE RESERVES

The Company did not have distributable reserves as at 31 December 2025, calculated under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as it has accumulated losses. However, the Company's share premium amount may be distributed as dividends provided that immediately following the date of which the dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the shares of the Company.

Directors' Report

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group follows the principle of behaving ethically and responsibly in its daily operations to fulfill its environmental and social responsibilities. We have an Integrated Management System (“IMS”) which comprises of (i) ISO 9001 (Quality Management System); (ii) ISO 45001 (Occupational Health & Safety Management System); (iii) ISO 14001 (Environmental Management System); and (iv) Green and Gracious Builder Scheme (GGBS) mandated by Singapore Building and Construction Authority for the provision of integrated building services works to promote environment protection and gracious practices during the construction phase of projects and to govern ESG-related aspects of our operations, the Group has taken steps in our GGBS programs to reduce pollution to the environment.

Further discussion on the Group’s ESG-related policies and performance is set out in the Company’s ESG Report which is included in this annual report.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance with such requirements and has compliance procedures in place to ensure adherence to applicable laws, rules and regulations in particular, those that have significant impact on the Group. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time. The Group’s operations are carried out in Singapore, while the Company itself was incorporated in Cayman Islands and listed on the Main Board of the Stock Exchange in Hong Kong. Our establishment and operations accordingly shall comply with relevant laws and regulations in Hong Kong, Cayman Islands and Singapore.

RELATIONSHIP WITH EMPLOYEES, CUSTOMERS, SUPPLIERS AND SUBCONTRACTORS

The Group treats every member of our employee as part of our big family, whether it is managerial, executive or rank-and-file employee positions and is committed to providing reasonable remunerations to all staff. To induce a sense of belonging in our Company, various team bonding events were organised annually for staff to interact with each other out of the workplace.

The Group maintains a good relationship with its customers by having a customer feedback channel with the aim of improving service quality.

The Group maintains a good relationship with its suppliers and subcontractors and conducts a fair and strict appraisal of its suppliers and subcontractors.

Directors' Report

DIRECTORS

The Directors of the Company during the financial year and up to the date of this annual report were:

Executive Directors:

- Mr. Yang Xinping
- Ms. Han Yuying

Independent Non-Executive Directors ("INEDs"):

- Ms. Chan Bee Leng
- Mr. Kwong Choong Kuen (Huang Zhongquan)
- Mr. Wang Lian

In accordance with Article 84 of the Articles, one-third of the Directors of the Company, will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming AGM, provided that every Director shall retire at least once every three years.

Accordingly, Mr. Yang Xinping, Ms. Chan Bee Leng and Mr. Kwong Choong Kuen (Huang Zhongquan) shall retire at the forthcoming AGM and being eligible, will offer themselves for re-election.

Biographical information of the directors of the Company and the senior management of the Group are set out on pages 12 to 14 of this annual report.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming AGM has an unexpired service contract with the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Articles and subject to the applicable laws and regulations, the Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices. Such permitted indemnity provision has been in force since 12 September 2017 (the "Listing Date") up to 31 December 2025. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group.

Directors' Report

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, the interests of the Directors and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

(a) Long positions in ordinary shares of the Company

Director	Number of Shares/Position	Percentage of shareholding	Capacity
Mr. Yang	409,050,000 (Note 1) Long position	51.13125%	Interest in controlled corporation
Ms. Han	136,350,000 (Note 2) Long position	17.04375%	Interest in controlled corporation

Notes:

1. These shares are held by Huada Developments Limited ("Huada Developments"). The issued share capital of Huada Developments is legally and beneficially owned as to 80% by Mr. Yang and 20% by his spouse, Ms. Chao Jie. Mr. Yang is deemed to be interested in the shares of the Company in which Huada Developments is interested under Part XV of the SFO.
2. These shares are held by Eagle Soar Global Limited ("Eagle Soar"). The entire issued share capital of Eagle Soar is legally and beneficially owned by Ms. Han. Ms. Han is deemed to be interested in the shares of the Company in which Eagle Soar is interested under Part XV of the SFO.

(b) Long positions in the shares of Huada Developments, an associated corporation

Director	Capacity/nature of interest	Number of shares in Huada Developments	Percentage of shareholding in Huada Development
Mr. Yang (Note)	Beneficial owner	80	80%

Note: The issued share capital of Huada Developments is legally and beneficially owned as to 80% by Mr. Yang and as to 20% by his spouse. Mr. Yang is deemed to be interested in (a) the shares in Huada Developments held by his spouse and (b) the shares of the Company in which Huada Developments is interested in under Part XV of the SFO.

Save as disclosed above, as at 31 December 2025, none of the Directors of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which will have 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 he/she is taken or deemed to have taken under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

Directors' Report

(c) Substantial shareholders' interest in the Company

As at 31 December 2025, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain Directors, the following Shareholders had notified the Company of relevant interests in the issued share capital of the Company.

Shareholder	Number of Shares/Position	Percentage of shareholding	Capacity
Huada Developments (Note 1)	409,050,000 Long position	51.13125%	Beneficial owner
Ms. Chao Jie (Note 2)	409,050,000 Long position	51.13125%	Interest of spouse
Eagle Soar (Note 3)	136,350,000 Long position	17.04375%	Beneficial owner
Mr. Liu Hai (Note 4)	136,350,000 Long position	17.04375%	Interest of spouse
Wai Tian Holdings Limited (Note 5)	54,600,000 Long position	6.825%	Beneficial owner
Mr. Zhan Lixiong ("Mr. Zhan") (Note 5)	54,600,000 Long position	6.825%	Interest in controlled corporation
Ms. Zheng Dan (Note 6)	54,600,000 Long position	6.825%	Interest of spouse

Notes:

1. The issued share capital of Huada Developments is legally and beneficially owned as to 80% by Mr. Yang and 20% by Ms. Chao Jie. Mr. Yang is deemed to be interested in the Shares in which Huada Developments is interested in under Part XV of the SFO.
2. Ms. Chao Jie is the spouse of Mr. Yang. She is deemed to be interested in the Shares in which Mr. Yang is interested in under Part XV of the SFO.
3. The entire issued share capital of Eagle Soar is legally and beneficially owned by Ms. Han. Ms. Han is deemed to be interested in the Shares in which Eagle Soar is interested in under Part XV of the SFO.
4. Mr. Liu Hai is the spouse of Ms. Han. He is deemed to be interested in the Shares in which Ms. Han is interested in under Part XV of the SFO.
5. The entire issued share capital of Wai Tian Holdings Limited is legally and beneficially owned by Mr. Zhan. Mr. Zhan is deemed to be interested in the Shares in which Wai Tian Holdings Limited is interested in under Part XV of the SFO.
6. Ms. Zheng Dan is the spouse of Mr. Zhan. Ms. Zheng Dan is deemed to be interested in the Shares in which Mr. Zhan is interested in under Part XV of the SFO.

Save as disclosed above, as at 31 December 2025, no other persons had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

SHARE OPTION SCHEME

The Company adopted a Share Option Scheme on 17 August 2017. The Share Option Scheme became effective on 12 September 2017 and its principal terms are summarised below:

(1) Purpose

The purpose of the Share Option Scheme is to provide an incentive or a reward to eligible persons for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any entity in which the Group holds any equity interest ("Invested Entity").

(2) Eligible participant(s)

"Eligible Participant(s)" refer to:

- (1) any employee (whether full-time or part-time) of the Group and any Invested Entity;
- (2) any director (including executive and independent non-executive directors) of the Group or any Invested Entity;
- (3) any supplier of goods or services to any member of the Group or any Invested Entity;
- (4) any customer of the Group or any Invested Entity;
- (5) any consultant, adviser, manager, officer or entity that provides research, development or other technological support to the Group or any Invested Entity; or
- (6) any person who, in the sole discretion of the Board, has contributed or may contribute to the Group or any Invested Entity eligible for options under the Share Option Scheme.

(3) Total number of Shares available for issue

A maximum of 80,000,000 Shares, being 10% of the total number of Shares in issue as at the Listing Date, may be issued upon exercise of all options to be granted under the Share Option Scheme.

The number of shares that may be issued in respect of options under the Share Option Scheme divided by the weighted average number of Shares in issue for the financial year ended 31 December 2025 is approximately 0.10.

Directors' Report

(4) Maximum entitlement of each eligible person

Unless approved by the Shareholders in general meeting and subject to the following paragraph, the maximum number of Shares issued and to be issued upon exercise of the options granted under the Share Option Scheme to any one person (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue from time to time.

Options granted to a substantial Shareholder or an INED or any of their respective associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")) in any 12-month period up to and including the date of such grant (a) representing in aggregate over 0.1% of the total number of Shares in issue; and (b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, must be approved by the Shareholders in general meeting in advance.

(5) Time of Vesting and Exercise of Options

Any option shall be vested on an option-holder immediately upon his acceptance of the offer of options provided that if any vesting schedule and/or conditions are specified in the offer of the option, such option shall only be vested on an option-holder according to such vesting schedule and/or upon the fulfilment of the vesting conditions (as the case may be). Any vested option which has not lapsed and which conditions have been satisfied or waived by the Board in its sole discretion may, unless the Board determines otherwise in its absolute discretion, be exercised at any time from the next business day after the offer of options has been accepted. Any option which remains unexercised shall lapse upon the expiry of the option period, which period shall be determined by the Board and shall not exceed ten years from the offer date of the option (the "Option Period").

An option shall be subject to such terms and conditions (if any) as may be determined by the Board and specified in the offer of the option, including any vesting schedule and/or conditions, any minimum period for which any option must be held before it can be exercised and/or any performance target which needs to be achieved by an option-holder before the option can be exercised. Any terms and conditions determined by the Board must not be contrary to the purpose of the Share Option Scheme and must be consistent with such guidelines (if any) as may be approved from time to time by the Shareholders.

No option may be exercised in circumstances where such exercise would, in the opinion of the Board, be in breach of a statutory or regulatory requirement.

(6) Restriction on the Time of Grant of Options

A grant of options may not be made after inside information has come to our knowledge until such inside information has been announced as required under the Listing Rules. In particular, no option may be granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to publish an announcement of the results for any year, or half year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement. The period during which no option may be granted will cover any period of delay in the publication of a results announcement.

(7) Payment on acceptance of the option

Participants of the Share Option Scheme are required to submit to the Company a duly signed offer letter within 21 days from the offer date together with a payment in favour of the Company of S\$1 as the consideration of the grant.

(8) Basis of determining the exercise price

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as determined by the Board, and shall be at least the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date (the "Offer Date"), which must be a trading day, on which the Board passes a resolution approving the making of an offer of grant of an option to an Eligible Person;
- (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the Offer Date; and
- (iii) the nominal value of a Share on the Offer Date.

(9) Remaining life

Subject to any prior termination by the Company in a general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years commencing on the date of adoption of the Share Option Scheme, after which period no further options shall be granted. All options granted and accepted and remaining unexercised immediately prior to the expiry of the Share Option Scheme shall continue to be valid and exercisable in accordance with the terms of the Share Option Scheme. As at the date of this annual report, the remaining life of the Share Option Scheme is approximately 1 year and 6 months.

Since the adoption of the Share Option Scheme, no option has been granted under the Share Option Scheme. Therefore, no option was exercised or cancelled or has lapsed during the year ended 31 December 2025 and there was no outstanding option as at 31 December 2025.

Directors' Report

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Apart from the related party transactions as disclosed in Note 28 to the consolidated financial statements, no transactions, arrangements and contracts of significance, to which the Company's holding company, fellow subsidiaries or subsidiaries 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 year.

MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

CONNECTED AND RELATED PARTY TRANSACTIONS

During the year ended 31 December 2025, certain transactions as set out in Note 28 to the consolidated financial statements constituted connected transactions as defined in Chapter 14A of the Listing Rules but are fully exempt from shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules. For details of related party transactions entered into by the Group during the year, please refer to Note 28 to the consolidated financial statements.

EMOLUMENT POLICY

The emolument policy for the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the executive Directors of the Company are determined by the Remuneration Committee and the emolument of the non-executive Directors of the Company are determined by the Board after considering the recommendations of the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted a Share Option Scheme as an incentive to directors and eligible employees. The Share Option Scheme became effective on 12 September 2017 and is valid for ten years.

RETIREMENT SCHEME

The Group participates in the Central Provident Fund in Singapore which is a defined contribution retirement plan, when employees have rendered service entitling them to the contributions. Save as the aforesaid, the Group did not participate in any other pension schemes during the year ended 31 December 2025. The Group's employer contributions vest fully with the employees when contributed into the Central Provident Fund.

During the years ended 31 December 2025 and 2024, the Group had no forfeited contributions under the above schemes and which may be used by the Group to reduce the existing level of contributions. There were also no forfeited contributions available at 31 December 2025 and 2024 under the above scheme which may be used by the Group to reduce the contribution payable in future years.

Directors' Report

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of sales and purchases for the year ended 31 December 2025 attributable to the Group's major customers and suppliers are as follow:

Sales

— the largest customer	65.2%
— five largest customers	98.6%

Purchases

— the largest supplier	33.5%
— five largest suppliers	69.0%

None of the Directors, their associates or any Shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major customers or suppliers noted above.

SUFFICIENCY OF PUBLIC FLOAT

Share Information

As at 31 December 2025, the number of issued Shares of the Company is 800,000,000 Shares. The Company has only one class of shares, where all the shares (100%) rank equally in all respects, including in relation to dividends, distributions and voting.

Sufficiency of Public Float

Throughout the year ended 31 December 2025, the Company was in compliance with the minimum public float requirement under Listing Rules by maintaining its public float at the level of at least 25% of its total issued shares. As at 31 December 2025, the Company's public float was 31.83% of its total issued shares.

Shareholding Ownership as at 31 December 2025 ^(Note 1)

(a) Shareholders who are not members of "the public" under the Listing Rules

Name of Shareholders	Number of ordinary shares held/ interested	Approximate percentage of the Company's total issued shares
Huada Developments Limited	409,050,000	51.13%
Eagle Soar Global Limited	136,350,000	17.04%

Note: This table is compiled based on the information disclosed in the Disclosure of Interests notices ("DI notices") filed under Part XV of the SFO and other relevant information received by the Company up to the date of this annual report and on the assumption that all such information disclosed in the DI notices or received by the Company is accurate and complete.

(b) Shareholders who are members of "the public" under the Listing Rules

So far as is known to the Directors, as at 31 December 2025, no such Shareholder was required to be notified to the Company and the Stock Exchange pursuant to Rule 13.32D(2)(c)(iii)(1) of the Listing Rules.

Directors' Report

CHARITABLE DONATIONS

During the year ended 31 December 2025, the Group has donated S\$24,370 to a charitable fund (2024: S\$50,000).

EVENTS AFTER THE REPORTING PERIOD

Discloseable and Connected Transaction in Relation to Payment of Tender Deposit

On 3 March 2026, BHCC Development (Project 2) Pte Ltd. ("BHCC Project 2"), an indirect wholly-owned subsidiary of the Company, together with Evermega Investment Holdings Pte Ltd, as joint tenderers (collectively, the "Tenderers"), jointly submitted a tender (the "Tender") to the Jurong Town Corporation (the "Tenderee") for the lease of a land parcel situated at Kaki Bukit Avenue 5, Singapore for industrial development. As required under the conditions of Tender, the Tender deposit (including the portion contributed by BHCC Project 2 ("BHCC Deposit") in the amount of S\$3,300,000), representing no less than 5% of the Tender Price has been paid to the Tenderee. The Tender was unsuccessful and the Tender Deposit, including the BHCC Deposit, has been refunded to the Tenderers. For details of the submission of the Tender and payment of BHCC Deposit, please refer to the announcement of the Company dated 3 March 2026.

Subsequent to the end of the reporting period, the global economic environment has been affected by ongoing geopolitical tensions and inflationary pressures, which have contributed to volatility in energy prices, supply chain disruptions and increase in construction material costs. Industry sources, including the Singapore Contractors Association Limited, have reported that prices of construction materials have increased by approximately 5% to 15% or more. These developments may have an impact on the Group's project costs and execution going forward. Management is closely monitoring the situation and will assess the potential implications on the Group's operations. Based on information currently available, these events do not require any adjustment to the financial statements for the financial year ended 31 December 2025.

Save as disclosed above, the Directors confirmed that there are no significant events after the reporting period.

AUDITOR

A resolution will be submitted to the AGM to re-appoint Messrs. Deloitte & Touche LLP as auditor of the Company. The Company has not changed its auditors in any of the preceding three years.

On behalf of the Board

Mr. Yang Xinping

Chairman and Executive Director

31 March 2026

Corporate Governance Report

The Company is committed to fulfilling its responsibilities to its Shareholders and protecting and enhancing Shareholders' value through good corporate governance.

The Directors recognise 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.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the Corporate Governance Code (the "CG Code") contained in Appendix C1 of the Listing Rules. Save for the deviation on Code Provision C.2.1 of the CG Code, the Company has complied with all applicable Code Provisions as set out in the CG Code during the year ended 31 December 2025. Please refer to the section headed "Chairman and Chief Executive Officer" of this Corporate Governance Report for details of the deviation.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as contained in Appendix C3 to the Listing Rules as its own code of conduct governing the securities transactions by the Directors. Following a specific enquiry made by the Company on each of the Directors, all Directors have confirmed that they had complied with the Model Code during the year ended 31 December 2025.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the year ended 31 December 2025, none of the Directors or the controlling shareholders of the Company nor their respective associates (as defined in the Listing Rules) had any interest in a business that competed or might compete with the business of the Group.

BOARD OF DIRECTORS

Responsibilities

The Board is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The Board sets the Group's values and standards and ensures that the requisite financial and human resources support is in place for the Group to achieve its objectives. The functions performed by the Board include but are not limited to formulating the Group's business plans and strategies, deciding all significant financial (including major capital expenditure) and operational issues, developing, monitoring and reviewing the Group's corporate governance practices and all other functions reserved to the Board under the Articles. The Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference. The Board may from time to time delegate certain functions to management of the Group if and when considered appropriate. The management is mainly responsible for the execution of the business plans, strategies and policies adopted by the Board and assigned to it from time to time.

The Directors have full access to information of the Group and are entitled to seek independent professional advice in appropriate circumstances at the Company's expense.

Corporate Governance Report

BOARD COMPOSITION

The Company is committed to holding the view that the Board should include a balanced composition of executive Directors and the INEDs so that there is a strong independent element on the Board, which can effectively exercise independent judgment.

As at the date of this annual report, the Board comprises the following five Directors, of which the INEDs in aggregate represent 60% of the Board members:

Executive Directors

Mr. Yang Xinping (*Chairman*)

Ms. Han Yuying

INEDs

Ms. Chan Bee Leng

Mr. Kwong Choong Kuen (Huang Zhongquan)

Mr. Wang Lian

The biographical details of each of the Directors are set out in the section headed “Directors and Senior Management” of this annual report.

The INEDs have brought in a wide range of business and financial expertise, experience and independent judgement to the Board. Through active participation in the Board meetings and serving on various Board committees, all INEDs will continue to make various contributions to the Company.

During the year ended 31 December 2025, the Company had three INEDs, representing 60% of the Board members, which has exceeded the requirement of the Listing Rules that the number of INEDs must represent at least one-third of the Board members, and met the requirement that at least one of the INEDs has appropriate professional qualifications or accounting or related financial management expertise.

The Company has received an annual confirmation of independence in writing from each of the INEDs pursuant to Rule 3.13 of the Listing Rules. Based on such confirmation, the Company considers that all the INEDs are independent.

Proper insurance coverage in respect of legal actions against the Directors has been arranged by the Company.

Corporate Governance Report

DIRECTORS' INDUCTION AND CONTINUING PROFESSIONAL DEVELOPMENT

Each of the Directors has received a formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure that he/she has a proper understanding of the Company's operations and business and is fully aware of the director's responsibilities under statute and common law, the Listing Rules, other legal and regulatory requirements and the Company's business and governance policies.

The Company will from time to time provide briefings to all Directors to develop and refresh their duties and responsibilities. All Directors are also encouraged to attend relevant training courses at the Company's expense and they have been requested to provide the Company with their training records. According to the training records maintained by the Company, the continuing professional development programmes received by each of the Directors during the year ended 31 December 2025 is summarised as follows:

Name of Directors	Type of trainings
Mr. Yang Xinping	A and B
Ms. Han Yuying	A and B
Ms. Chan Bee Leng	A and B
Mr. Kwong Choong Kuen (Huang Zhongquan)	A and B
Mr. Wang Lian	A and B

A: attending seminars/conferences/forums

B: reading newspapers, journals and updates relating to the economy, general business, corporate governance and directors' duties and responsibilities

All the Directors named above confirmed that they have complied with the Code Provision C.1.4 of the CG Code on Directors' continuous professional development during the year end 31 December 2025 by participating in appropriate continuous professional development activities, and reading materials relating to regulatory updates and handouts or reviewing the papers and circulars sent by the Company.

Corporate Governance Report

MEETINGS OF THE BOARD AND DIRECTORS' ATTENDANCE RECORDS

Code Provision C.5.1 of the CG Code stipulates that regular Board meetings should be held at least four times a year at approximately quarterly intervals. Notice of Board meeting should be given to the Directors at least 14 days in advance. For all other Board meetings, notice will be given in a reasonable time in advance. The Directors are allowed to include any matter in the agenda that is required for discussion and resolution at the meeting. To enable the Directors to be properly briefed on issues arising at each of the Board meetings and to make informed decisions, an agenda and the accompanying Board papers will be sent to all Directors at least three days before the intended date of the regular Board meeting, or such other period as agreed for other Board meetings. The company secretary (the "Company Secretary") of the Company is responsible for keeping all Board meetings' minutes. Draft and final versions of the minutes will be circulated to the Directors for comments and record respectively within a reasonable time after each meeting and the final version is open for the Directors' inspection.

The Board held one annual general meeting and four board meetings during the year ended 31 December 2025 to, amongst other matters, consider and approve the audited consolidated financial information of the Group for the year ended 31 December 2024 and the unaudited consolidated financial information of the Group for the six months ended 30 June 2025.

The Board held a meeting on 31 March 2026 and, amongst other matters, considered and approved the audited consolidated financial statements of the Group for the year ended 31 December 2025.

The attendance of each Director at the Board meetings and annual general meeting during the year ended 31 December 2025 is as follows:

Name of Directors	Board Meetings	Annual General Meeting
Mr. Yang Xinping	4/4	1/1
Ms. Han Yuying	4/4	1/1
Ms. Chan Bee Leng	3/4	1/1
Mr. Kwong Choong Kuen (Huang Zhongquan)	4/4	1/1
Mr. Wang Lian	4/4	1/1

Corporate Governance Report

BOARD DIVERSITY POLICY

During the year ended 31 December 2025, the Board has adopted a policy of the Board diversity and discussed all measurable objectives set for implementing the same.

The Company recognises and embraces the benefits of a diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge.

These policies set out the approach and measurable objectives to achieving diversity of the Board and the approach and procedures that the Board adopts in respect of the nomination and selection of Directors.

The Company currently has two female Directors, and the Board will endeavour to at least maintain female representation on the Board and take opportunities to increase the proportion of female members over time as and when suitable candidates are identified. As at 31 December 2025, as set out in the section headed "EMPLOYMENT AND LABOUR PRACTICES" in the Environmental, Social and Governance Report as contained in this annual report, among the 302 employees (including 4 senior management) of the Group, the percentages of male employees and female employees are 87.1% and 12.9%, respectively. The Board considers that the Group's workforce (including senior management) are diverse in terms of gender.

The Nomination Committee reviewed the structure, size, and diversity of the Board, to ensure that its composition complies with the Listing Rules and reflects an appropriate mix of skills, experience, and diversity that are relevant to the Company's strategy, governance, and business and contribute to the Board's effectiveness and efficiency. The Nomination Committee considered that an appropriate balance of diversity perspectives of the Board is maintained.

The Company is committed to creating a fair, unbiased, equal and diversified recruitment and working environment.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

During the year ended 31 December 2025, the Company did not have a position of the title "chief executive officer". Mr. Yang Xinping, chairman of the Board, has been playing a leading role in both the overall strategic planning and day-to-day management of the business of the Group.

Having considered the current composition of the Board which comprises two executive Directors and three independent non-executive Directors, and that all major decisions are made with prior consultation with the members of the Board, the Board is of the view that the role of chief executive is jointly undertaken and sufficiently balanced amongst the members of the Board.

Corporate Governance Report

The Board considers that the current structure facilitates the implementation of the Group's business strategies, maximises the effectiveness of the Group's operation and will not impair the balance of power and authority of the Board. Nonetheless, the Board will review the structure of management from time to time and ensure that appropriate action be taken as and when appropriate.

BOARD COMMITTEES

The Board has established three Board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee to oversee particular aspects of the Company's affairs. The Board committees are provided with sufficient resources to discharge their duties.

AUDIT COMMITTEE

The Audit Committee was established on 17 August 2017 with written terms of reference in compliance with the CG Code. The written terms of reference of the Audit Committee are published on the respective websites of the Stock Exchange and the Company. As at the date of this annual report, the Audit Committee comprises three INEDs, namely Ms. Chan Bee Leng, Mr. Kwong Choong Kuen (Huang Zhongquan) and Mr. Wang Lian. Ms. Chan Bee Leng is the chairwoman of the Audit Committee.

All the members are INEDs (including an INED who possesses the appropriate professional qualifications, accounting or related financial management expertise). There is no disagreement between the Board and the Audit Committee regarding the selection and appointment of the Company's auditors.

The Audit Committee had reviewed the Group's annual results and consolidated financial statements for the year ended 31 December 2025. The Audit Committee is of the view that the consolidated financial statements have been prepared in accordance with the applicable accounting standards, the Listing Rules and the statutory provisions, and sufficient disclosures have already been made.

The principal roles and functions of the Audit Committee include but are not limited to:

- making recommendations to the Board on the appointment, reappointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors, and handling any questions regarding its resignation or dismissal;
- reviewing and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards and discussing with the external auditors on the nature and scope of the audit and reporting obligations before the audit commences;
- developing and implementing a policy on engaging external auditors to supply non-audit services and reporting to the Board, identifying and making recommendations on any matters where action or improvement is needed;
- monitoring the integrity of the Company's financial statements and annual report and accounts, and half-year report, as well as reviewing significant financial reporting judgments contained in them;

Corporate Governance Report

- reviewing the Company's financial controls, and risk management and internal control systems;
- discussing the risk management and internal control systems with the management to ensure that the management has performed its duty to have such effective systems;
- considering major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- where an internal audit function exists, ensuring co-ordination between the internal and external auditors, ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company, and reviewing and monitoring its effectiveness;
- reviewing the Group's financial and accounting policies and practices;
- reviewing the external auditors' management letter, any material queries raised by the auditors to management about the accounting records, financial accounts or systems of control and management's response;
- ensuring that the Board will provide a timely response to the issues raised in the external auditors' management letters;
- reporting the matters in this Code Provision to the Board; and
- considering other topics as defined by the Board.

During the year ended 31 December 2025, two Audit Committee meetings were held with the presence of the external auditor, to consider and approve the audited consolidated financial information of the Group for the year ended 31 December 2024 and the unaudited consolidated financial information of the Group for the six months ended 30 June 2025.

The Audit Committee held a meeting on 31 March 2026 and, amongst other matters, considered and approved for presentation to the Board for consideration and approval of the draft audited consolidated financial statements of the Group for the year ended 31 December 2025.

The attendance of each INED at the Audit Committee meetings during the year ended 31 December 2025 is as follows:

Name of Directors	No. of Attendance/ No. of Meetings
Ms. Chan Bee Leng	0/2
Mr. Kwong Choong Kuen (Huang Zhongquan)	2/2
Mr. Wang Lian	2/2

Corporate Governance Report

REMUNERATION COMMITTEE

The Remuneration Committee was established on 17 August 2017 with written terms of reference in compliance with the CG Code. The written terms of reference of the Remuneration Committee are published on the respective websites of the Stock Exchange and the Company. As at the date of this annual report, the Remuneration Committee comprises three INEDs, Ms. Chan Bee Leng, Mr. Kwong Choong Kuen (Huang Zhongquan) and Mr. Wang Lian and an executive Director, Ms. Han Yuying. Mr. Wang Lian is the chairman of the Remuneration Committee.

The principal roles and functions of the Remuneration Committee include but are not limited to:

- making recommendations to the Board on the Company's policy and structure for the remuneration of all Directors and senior management and on the establishment of a formal and transparent procedure for developing the remuneration policy;
- reviewing and approving the management's remuneration proposals by reference to the Board's corporate goals and objectives;
- reviewing and approving matters relating to share schemes under Chapter 17 of the Listing Rules;
- determining the remuneration packages of individual executive Directors and senior management including benefits-in-kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment and making recommendations to the Board on the remuneration of non-executive Directors;
- considering the salaries paid by comparable companies, time commitment, responsibilities and employment conditions elsewhere in the Group;
- reviewing and approving the compensation payable to the executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with the contractual terms and is otherwise fair and not excessive;
- reviewing and approving the compensation arrangements relating to the dismissal or removal of Directors for misconduct to ensure that they are consistent with the contractual terms and are otherwise reasonable and appropriate; and
- ensuring that no Director or any of his/her associates (as defined in the Listing Rules) is involved in deciding his/her own remuneration.

During the year ended 31 December 2025, one Remuneration Committee meeting was held to review Company's current policy and structure for remuneration of Directors and senior management of the Company.

Corporate Governance Report

The attendance of each Director in the capacity of a member of the Remuneration Committee at its meeting during the year ended 31 December 2025 is as follows:

Name of Directors	No. of Attendance/ No. of Meetings
Ms. Han Yuying	1/1
Ms. Chan Bee Leng	0/1
Mr. Kwong Choong Kuen (Huang Zhongquan)	1/1
Mr. Wang Lian	1/1

NOMINATION COMMITTEE

The Nomination Committee was established on 17 August 2017 with written terms of reference in compliance with the CG Code. The written terms of reference of the Nomination Committee are published on the respective websites of the Stock Exchange and the Company. As at the date of this annual report, the Nomination Committee comprises three INEDs, namely Ms. Chan Bee Leng, Mr. Kwong Choong Kuen (Huang Zhongquan), Mr. Wang Lian and an executive Director, Mr. Yang Xinping. Mr. Kwong Choong Kuen (Huang Zhongquan) is the chairman of the Nomination Committee.

The principal roles and functions of the Nomination Committee include but are not limited to:

- reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;
- assessing the independence of the INEDs; and
- making recommendations to the Board on the appointment or re-appointment of Directors and the succession planning for the Directors, in particular, the Chairman.

During the year ended 31 December 2025, one Nomination Committee meeting was held to (i) approve the re-election of Directors pursuant to the Articles at the annual general meeting of the Company held on Friday, 28 June 2025; (ii) consider the independence of the INEDs; and (iii) review the structure, size and composition including the skills knowledge and experience of the Board.

Pursuant to the revised terms of reference of the Nomination Committee adopted on 19 June 2025, the Nomination Committee shall support the Board's performance review to be conducted at least once every year. The Board's performance review and evaluation will be conducted by 18 June 2026. The Nomination Committee will decide how the Board's performance is to be evaluated and will propose objective performance criteria, subject to the approval of the Board, which address how the Board has enhanced the Shareholders' value in the long term.

Each member of the Nomination Committee will not take part in determining his or her own re-nomination or independence and shall abstain from voting on any resolutions in respect of the assessment of his or her performance, independence, or re-nomination as Director. No Director will be involved in determining his or her performance. The Nomination Committee has full authority to engage any external facilitator for the assessments of the Board as and when the need arises. The expense of such services shall be borne by the Company. For the year ended 31 December 2025, the Board has not performed any internal review or engaged any external facilitator for the assessments of the Board.

Corporate Governance Report

The Nomination Committee held a meeting on 31 March 2026 and among other things, reviewed the structure, size and composition of the Board, assessed the independence of the INEDs and recommended to the Board for consideration the re-appointment of the retiring Directors at the forthcoming AGM. Details of re-appointments will be set out in the circular of the Company dated 28 April 2026.

The attendance of each Director in the capacity of a member of the Nomination Committee at its meeting during the year ended 31 December 2025 is as follows:

Name of Directors	No. of Attendance/ No. of Meetings
Mr. Kwong Choong Kuen (Huang Zhongquan)	1/1
Mr. Yang Xinping	1/1
Ms. Chan Bee Leng	0/1
Mr. Wang Lian	1/1

The chairman of the Nomination Committee reports any findings and recommendations of the Nomination Committee resolved during its meeting to the Board at the subsequent Board meeting. The Nomination Committee considers a number of factors in making nominations to the Board, including but not limited to the skills and experience, commitment, character and integrity, and independence (in the case of INEDs) of the individuals nominated for directorships.

CORPORATE GOVERNANCE FUNCTIONS

The Board recognises that corporate governance should be the collective responsibility of the Directors, which includes but is not limited to:

- developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of the Directors and senior management;
- reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and the Directors;
- reviewing the Company's compliance with the CG Code and disclosure in this annual report; and
- such other corporate governance duties and functions set out in the CG Code (as amended from time to time) for which the Board is responsible.

Corporate Governance Report

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Company has renewed the appointment of each of the executive Directors pursuant to a service agreement for a term of 3 years commencing from 12 September 2023.

The Company has renewed the appointment of Ms. Chan Bee Leng pursuant to a letter of appointment for a period of 3 years commencing from 12 September 2023 and renewed the appointment of Mr. Kwong Choong Kuen (Huang Zhongquan) pursuant to a letter of appointment for a period of 3 years commencing from 9 March 2025. Mr. Wang Lian has entered into a letter of appointment with the Company for a period of 2 years commencing from the effective date of his appointment, i.e. 1 October 2024.

Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company 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 AGM and shall then be eligible for re-election.

All the Directors, including INEDs, are subject to retirement by rotation and eligible for re-election in accordance with the Articles. At each AGM, 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 provided that every Director shall be subject to retirement at the AGM at least once every three years. A retiring 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 does not offer himself for re-election. Any further Directors so to retire shall be those who have been the longest in office since their last re-election or appointment and so that as between the persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Particulars of the Directors' remuneration and the 5 highest paid employees for the year ended 31 December 2025 are set out in Note 10 to the consolidated financial statements.

Pursuant to Code Provision E.1.5 of the CG Code, the remuneration of the members of the senior management (other than the Directors) whose particulars are contained in the section headed "Directors and Senior Management" in this annual report for the year ended 31 December 2025 by band is set out below:

Remuneration band (in HK\$)	Number of individuals
HK\$1,500,001 to HK\$2,000,000	2
HK\$2,500,001 to HK\$3,000,000	1
HK\$6,500,001 to HK\$7,000,000	2

Corporate Governance Report

INDEPENDENT AUDITOR'S REMUNERATION

For the year ended 31 December 2025, Deloitte & Touche LLP was engaged as the Group's independent auditor. The remuneration paid/payable to Deloitte & Touche LLP is set out below:

Services	As at 31 December	
	2025 S\$	2024 S\$
Audit services	280,000	260,000
Total	280,000	260,000

Save for the audit services, Deloitte & Touche LLP did not provide any non-audit services to the Group for the year ended 31 December 2025 and 2024.

The statement of the Auditor about their reporting responsibilities for the consolidated financial statements is set out in the section headed "Independent Auditor's Report" of this annual report. During the year ended 31 December 2025, the remuneration paid/payable to the Auditor was disclosed in Note 9 to the consolidated financial statements.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the consolidated financial statements of the Group for the year ended 31 December 2025.

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

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for evaluating and determining the nature and extent of the risks the Company is willing to take in achieving the Company's strategic objectives, and ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems. The Board oversees management in the design, implementation and monitoring of the risk management and internal control systems. The Board acknowledges that such 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 but not absolute assurance against material misstatement or loss.

The Group has engaged an internal control consultant, an independent third party, to undertake a review of the internal control system of the Group for the year ended 31 December 2025. Such review is conducted annually and covers key areas of operations and processes of the Group. The Board and Audit Committee are of the view that there are no material internal control defects noted and that the risk management and internal control of the Company are effective and adequate in all material respects. All recommendations from the internal control consultant will be properly followed up by the Group to ensure that they are implemented within a reasonable period of time.

Corporate Governance Report

DIVIDEND POLICY

Provided that the Group is profitable and without affecting the normal operations of the Group, the Company may consider to declare and pay dividends to the Shareholders. In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account various factors, which include, but are not limited to, the operating results and performance, cash flow, financial position, capital requirements and future prospects of the Group, as well as the interests of the Shareholders. Declaration and payment of dividend by the Company are also subject to the laws of the Cayman Islands, the memorandum of association of the Company, the Articles and any applicable laws, rules and regulations. For the avoidance of doubt, there can be no assurance that a dividend will be proposed or declared in any specific period.

DISCLOSURE OF INSIDE INFORMATION

The Group acknowledges its responsibilities under the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong and the Listing Rules and the overriding principle that inside information should be announced immediately when it is the subject of a decision. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the “Guidelines on Disclosure of Inside Information” published by the Securities and Futures Commission of Hong Kong in June 2012;
- the Group has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and the Company’s website;
- the Group has strictly prohibited unauthorised use of confidential or inside information; and
- the Group has established and implemented procedures for responding to external enquiries about the Group’s affairs, so that only the executive Directors, the Company Secretary and the head of investor relations of the Company are authorised to communicate with parties outside the Group.

COMPANY SECRETARY

Since 17 August 2017, the Company has appointed Ms. Chan So Fun (“Ms. S. F. Chan”) as the Company Secretary who has a sound understanding of the operations of the Board and the Group. She was also closely involved in the preparation of the Listing. During the year ended 31 December 2025, Ms. S.F. Chan has received no less than 15 hours of professional training in compliance with Rule 3.29 of the Listing Rules.

As the Company Secretary, Ms. S.F. Chan has been reporting to the chairman of the Company. All members of the Board can have access to her advice and services. The appointment and removal of the Company Secretary will be subject to the Board’s approval.

Corporate Governance Report

SHAREHOLDERS' RIGHTS

Procedures for putting forward proposals at Shareholders' meetings

There is no provision allowing Shareholders to make proposals or move resolutions at the annual general meetings (the "AGMs") under the memorandum of association of the Company and the Articles or the laws of the Cayman Islands. Shareholders who wish to make proposals or move a resolution may, however, convene an extraordinary general meeting (the "EGM") in accordance with the "Procedures for Shareholders to convene an EGM" set out below.

Procedures for Shareholders to convene an EGM

Any one or more Shareholders holding at the date of deposit of the requisition not less than 10% of the paid-up capital of the Company carrying the right of voting at general meetings of the Company (the "Eligible Shareholder(s)") shall at all times have the right, by written requisition to require an EGM to be called by the Board or the Company Secretary for the transaction of any business specified in such requisition, including making proposals or moving a resolution at the EGM.

Eligible Shareholders who wish to convene an EGM for the purpose of making proposals or moving a resolution at the EGM must deposit a written requisition (the "Requisition") signed by the Eligible Shareholder(s) concerned at the principal place of business of the Company in Hong Kong (Room 2502, 25/F, China Insurance Group Building, 141 Des Voeux Road Central, Central, Hong Kong) for the attention of the Company Secretary.

The Requisition must state clearly the name of the Eligible Shareholder(s) concerned, his/her/their shareholding in the Company, the reason(s) to convene an EGM and the proposed agenda.

The Company will check the Requisition and the identity and shareholding of the Eligible Shareholder(s) will be verified with the Company's branch share registrar in Hong Kong. If the Requisition is found to be proper and in order, the Company Secretary will ask the Board to convene an EGM and/or include the proposal(s) made or the resolution(s) proposed by the Eligible Shareholder(s) at the EGM within 2 months after the deposit of the Requisition. On the contrary, if the Requisition has been verified as not in order, the Eligible Shareholder(s) concerned will be advised of the outcome and accordingly, the Board will not call for an EGM nor include the proposal(s) made or the resolution(s) proposed by the Eligible Shareholder(s) at the EGM.

If within 21 days of the deposit of the Requisition the Board fails to proceed to convene such meeting, the requisitionist(s) himself/herself (themselves) may do so in the same manner, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) by the Company.

Corporate Governance Report

PROCEDURES FOR SHAREHOLDERS TO SEND ENQUIRIES TO THE BOARD

Shareholders may send their enquiries and concerns to the Board by addressing them to the principal place of business of the Company in Hong Kong, presently at Room 2502, 25/F, China Insurance Group Building, 141 Des Voeux Road Central, Central, Hong Kong, by post for the attention of the Company Secretary.

Upon receipt of the enquiries, the Company Secretary will forward the communications relating to:

1. the matters within the Board's purview to the executive Directors;
2. the matters within a Board committee's area of responsibility to the chairman of the appropriate committee; and
3. ordinary business matters, such as suggestions, enquiries and client complaints to the appropriate management of the Company.

COMMUNICATION WITH THE SHAREHOLDERS

The Company has adopted a Shareholders' communication policy with the objective of ensuring that the Shareholders will have equal and timely access to information about the Company in order to enable the Shareholders to exercise their rights in an informed manner and allow them to engage actively with the Company.

The Company has established a number of channels for maintaining an on-going dialogue with its shareholders as follows:

- (a) corporate communications such as annual report, interim reports and circulars are available on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.bhcc.com.sg;
- (b) periodic announcements are made through the Stock Exchange and published on the respective websites of the Stock Exchange and the Company;
- (c) corporate information is made available on the Company's website;
- (d) annual and extraordinary general meetings provide a forum for the shareholders to make comments and exchange views with the Directors and senior management; and
- (e) the Hong Kong branch share registrar of the Company, Boardroom Share Registrars (HK) Limited, serves the shareholders in respect of share registration, dividend payment, change of shareholders' particulars and related matters.

Corporate Governance Report

Having considered the multiple channels of communication and engagement in place, the Board is satisfied that the shareholders' communication policy has been properly in place during the Year and is effective.

The Company continues to promote investor relations and enhance communication with the existing shareholders and potential investors. The Company welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong.

CONSTITUTIONAL DOCUMENTS

The second amended and restated articles of association (the "Articles") were adopted by the Company on 10 June 2022. The Articles have no change since the second amendment to the year ended 31 December 2025.

The memorandum of association of the Company and the second amended and restated Articles are available on the respective websites of the Stock Exchange and the Company.

Environmental, Social and Governance Report

Sustainability Governance and Board's Oversight

At BHCC Construction, we recognise that effective governance is fundamental to managing environmental, social and governance ("ESG") matters including climate related matters. The Board of Directors (the "Board") has overall responsibility for overseeing our Group's ESG strategy, climate risks, and disclosures, and for ensuring that ESG and climate-related considerations are integrated into our business strategy and day-to-day operations.

The Board reviews ESG performance and climate-related matters on a periodic basis, including key risks identified, mitigation measures implemented and progress against relevant ESG priorities. The Board also oversees the setting of climate-related targets and monitors progress against key performance indicators ("KPIs"), including assessing the effectiveness of measures implemented. Performance against relevant ESG targets may be considered in management evaluation, with remuneration aligned to the Group's long-term business objectives and sustainable value creation.

To support effective oversight, the Board receives relevant training on ESG and climate-related matters, where appropriate, to remain informed of regulatory developments, industry practices and emerging risks.

The ESG Risk Committee (the "Committee") supports the Board in overseeing ESG matters and is responsible for providing regular updates to the Board on ESG performance, including climate-related risks and opportunities. The Committee comprises members of senior management across key functions, including operations, finance and compliance, and facilitates the coordination and implementation of ESG-related initiatives across the Group.

The Committee's responsibilities include:

- **Identification and Assessment of Climate-Related Risks and Opportunities**
Identifying and evaluating climate-related risks relevant to the Group's operations, including physical risks (e.g. adverse weather conditions affecting project execution) and transition risks (e.g. regulatory developments and evolving stakeholder expectations).
- **Integration into Business Strategy and Operations**
Incorporating ESG and climate-related considerations into project planning, operational processes and business decisions, including resource efficiency and environmental management practices.
- **Monitoring and Reporting**
Monitoring ESG performance indicators, including environmental metrics such as energy consumption and greenhouse gas emissions, and reporting progress to the Board on a regular basis.
- **Regulatory Compliance and Policy Alignment**
Overseeing compliance with applicable environmental laws and regulations, as well as ESG reporting requirements under the Hong Kong Exchanges and Clearing Limited ("HKEX") ESG Reporting Code.
- **Stakeholder Awareness and Engagement**
Supporting the Group's understanding of evolving stakeholder expectations and industry developments relevant to ESG and climate-related matters.

Environmental, Social and Governance Report

Reporting Principles and Boundary

This ESG report has been prepared in accordance with the Environmental, Social and Governance Reporting Code set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (“HKEX”) and has taken reference from the ISSB Standards.

This report provides the descriptions and key statistics of the Group’s sustainability performance during the Review Year.

Our carbon accounting processes follow the Greenhouse Gas Protocol (“GHG Protocol”) methodology, utilising an ISO 14064-certified platform to support the collection, calculation, and reporting of emissions data.

We adopt a consistent approach in the preparation of ESG data and disclosures to enable meaningful comparison over time. Where there are any changes to the methodologies, scope, or key performance indicators (“KPIs”), we will disclose and explain such changes to ensure transparency and comparability.

Stakeholder Engagement

We actively engage with key stakeholder groups through various channels to gather feedback on ESG-related matters, including regulatory compliance, occupational health and safety, environmental protection, product and service quality, and business ethics. The insights gathered from stakeholder engagement support our decision-making processes and contribute to the identification of material ESG topics.

Stakeholders	Communication Channel	Requests and Expectations	Response Measures
Government and regulatory agencies	News publications	<ul style="list-style-type: none"> Compliance with regulatory requirements Government policies and initiatives Occupational health and safety performance and statistics Environmental protection Payment of taxes 	<ul style="list-style-type: none"> Strictly abide by national laws and regulations Actively implement relevant policies and initiatives Annual audits and reporting Pay taxes and fees timely
Employees	Employee appraisals Career guidance meetings Employee surveys Employee engagement meetings	<ul style="list-style-type: none"> Health and safe environment Remuneration and benefits Career progression 	<ul style="list-style-type: none"> Reinforce health and safety management Improve remuneration system and benefits Provide upgrading training Conduct employee activities Prioritise promotion from within the Company

Environmental, Social and Governance Report

Stakeholders	Communication Channel	Requests and Expectations	Response Measures
Customers	Customer satisfaction surveys Customer communication meetings Customer relationship officer hotline	<ul style="list-style-type: none"> • Customer satisfaction • Customer communication meetings • Customer relationship officer hotline 	<ul style="list-style-type: none"> • Constantly seek to improve quality, health and safety standards above industry norms • Establish and improve customer service and complaint handling process • Protect rights, interests and information of customers • Promote construction innovations and technologies
Investors and shareholders	Annual general meeting Group website	<ul style="list-style-type: none"> • Financial performance • Corporate value • Risk management and control • Sustainability reporting, ratings and indices 	<ul style="list-style-type: none"> • Maintain a resilient balance sheet, sustain growth and improve profitability • Improve corporate image through better performance and marketing
Vendors — Suppliers and Subcontractors	Vendor evaluation Vendor engagement interviews and meetings Vendor induction, training and meetings	<ul style="list-style-type: none"> • Worker’s health and safety • Long-term collaboration with positive financial outcomes • Business ethics and reliability 	<ul style="list-style-type: none"> • Enforce strict adherence to IMS policy • Reinforce procurement system and improve vendor management • Conduct regular exchanges and review operational standards for mutual benefits
Industrial associations	Industry seminars and forums Association membership	<ul style="list-style-type: none"> • Promote industry development • Set industry benchmarks 	<ul style="list-style-type: none"> • Contribute to industry feedback • Support sustainable development for the industry • Focus on environmental governance

Environmental, Social and Governance Report

Stakeholders	Communication Channel	Requests and Expectations	Response Measures
Community associations	Community activities Association committee engagement Public information	<ul style="list-style-type: none"> Environmental protection Promote community development Social welfare activities Community assistance requests 	<ul style="list-style-type: none"> Strengthen management of business to lower carbon footprint Actively participate in community charity and voluntary activities Actively undertake construction requests

Materiality

At BHCC Construction, we identify and prioritise environmental, social and governance (“ESG”) issues that are most relevant to our business and stakeholders. The Board of Directors (the “Board”) provides oversight of the materiality assessment process and ensures that the identified material ESG topics are aligned with our Group’s strategic priorities and risk management framework.

The materiality identification process considers our business activities, industry practices, and regulatory requirements, together with feedback gathered through stakeholder engagement. Key ESG topics are identified based on their relevance to our operations and the concerns raised by stakeholders and are subsequently reviewed and confirmed by senior management and the Board of Directors (the “Board”) to ensure alignment with our business strategy and risk management priorities. The identified material ESG topics guide our ESG disclosures and management focus.

The material ESG topics identified for BHCC Construction are set out below:

Environment	Social	Governance
<ul style="list-style-type: none"> Environmental protection and emissions Climate-related risks 	<ul style="list-style-type: none"> Occupational health and safety Employee welfare and benefits Training and development Customer satisfaction and communication Product and service quality 	<ul style="list-style-type: none"> Regulatory compliance Business ethics and anti-corruption Supply chain management Risk management and internal controls Innovation in construction practices

Environmental, Social and Governance Report

Environmental Impact Management

We have in place an Integrated Management System (“IMS”) to allow for an integrated approach to implement sustainability concept in all aspects of our business operations.

The Integrated Management System (“IMS”) comprises:

- ISO 9001 (Quality Management System);
- ISO 45001 (Occupational Health & Safety Management System);
- ISO 14001 (Environmental Management System); and
- Green and Gracious Builder Scheme (“GGBS”) for the provision of integrated building services works to promote environmental protection and gracious practices during project construction phase and to govern ESG related aspects of our operations.

We adopt the GGBS framework in line with the requirements of the Singapore Building and Construction Authority. These practices complement our environmental management system and strengthen awareness, accountability, and professionalism across our project teams.

We recognise that our construction and engineering activities can affect the environment through energy use, greenhouse gas emissions from machinery and vehicles, waste generation, and the consumption of raw materials. We manage these impacts through established procedures under our IMS, including defined roles and responsibilities, operational controls, and incident management processes. Where environmental incidents occur, we take prompt corrective actions and implement preventive measures to reduce the likelihood of recurrence.

During the reporting period, we did not identify any material environmental impacts arising from our operations.

Climate Risks and Opportunities

At BHCC Construction, we recognise that climate-related risks and opportunities may affect our operations, business model, and value chain over the short, medium, and long term. We classify these risks into physical risks, such as extreme weather events and rising temperatures affecting project sites and workforce safety, and transition risks, including evolving environmental regulations, changing customer expectations, and supply chain adjustments. For the purpose of our assessment, we define short term as up to 1 year, medium term as 1 to 5 years, and long term as beyond 5 years, aligned with our project lifecycle and business planning processes. Climate-related risks are primarily concentrated at our construction sites and across our supply chain, where disruptions may impact project delivery, operational efficiency, and material availability.

Environmental, Social and Governance Report

We identify climate-related risks and opportunities through ongoing monitoring of industry developments, regulatory trends, and peer company disclosures, supplemented by internal assessments of our operations and risk exposures. We are progressively integrating these considerations into our strategic planning, project management, and risk management processes, including evaluating the adoption of more sustainable construction practices and monitoring regulatory developments.

As our climate-related risk management approach is still developing, we have not yet established a formal climate transition plan or conducted detailed financial impact assessments and scenario analysis. We are in the process of evaluating appropriate methodologies, data requirements, and potential implications for our business. The Group continues to deepen its understanding of climate change impacts and integrates them into our overall risk management processes, with plans for enhanced disclosure in future reports.

Category	Type	Description	Potential Impact	Time Horizon
Physical Risks	Acute	Extreme weather events (e.g. heavy rainfall, storms) affecting project sites	Project delays, increased costs, safety risks	Medium to long term
Physical Risks	Chronic	Rising temperatures and heat stress	Reduced productivity, increased health and safety risks	Medium to long term
Transition Risks	Regulatory	Increasing environmental regulations and compliance requirements	Higher compliance costs, operational adjustments	Short to medium term
Transition Risks	Market	Changing customer preferences towards sustainable construction	Need to adopt greener practices to remain competitive	Medium term
Transition Risks	Supply Chain	Changes in material availability and sustainability requirements	Cost fluctuations, supply disruptions	Medium to long term
Opportunities	Operational	Adoption of sustainable construction practices	Improved efficiency and reduced environmental impact	Medium to long term
Opportunities	Market	Demand for environmentally responsible contractors	Enhanced competitiveness and new business opportunities	Medium to long term

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Climate-related targets

The Group recognises the importance of establishing measurable climate-related targets to manage our greenhouse gas (“GHG”) emissions and support the transition to a low-carbon economy. While we have established our emissions baseline, we have not yet set formal quantitative emissions reduction targets. This reflects the ongoing development and refinement of our data collection processes and baseline verification.

We are currently evaluating appropriate target-setting methodologies, taking into account industry practices and internationally recognised frameworks, to ensure that future targets are robust, measurable, and aligned with our operational context. We expect to establish initial emissions reduction targets in the next reporting cycle.

Environmental Management and Compliance

At BHCC Construction, we manage the environmental impacts of our operations through established practices and compliance with applicable environmental laws and regulations. Our activities primarily result in air and greenhouse gas emissions, waste generation, and the use of natural resources such as energy and water.

We comply with relevant laws and regulations relating to air emissions, discharges into water and land, and the handling of hazardous and non-hazardous waste. During the reporting period, we were not aware of any material non-compliance that would have a significant impact on our operations

We implement measures to minimise our environmental impact, including monitoring emissions and resource consumption, adopting waste management and recycling practices, and improving efficiency in construction processes. These measures support the responsible use of natural resources and help reduce the environmental impact of our activities.

Greenhouse Gas Emissions

In 2025, at BHCC Construction, we quantified our greenhouse gas (“GHG”) emissions across Scope 1, Scope 2 and selected Scope 3 categories, providing a clearer view of our carbon footprint across operations.

Our Scope 1 and Scope 2 emissions were generated from fuel and electricity consumption associated with our project site operations. The Group’s current Scope 3 disclosure is limited to selected categories where reliable data is available, including water consumption and waste generated. Other relevant categories such as purchased materials and subcontracted activities are not yet included due to data limitations. The Group is working to enhance data collection processes to expand Scope 3 coverage in future reporting periods.

We will continue to strengthen our emissions tracking and identify opportunities to improve efficiency and reduce our carbon footprint over time.

Environmental, Social and Governance Report

During the reporting period, our total emissions amounted to 1,428.64 tCO₂e for Scope 1, 507.59 tCO₂e for Scope 2, and 841.61 tCO₂e for Scope 3¹.

Emissions	Unit	For the year ended 31 December 2025
Nitrogen Oxides (Nox)	kg	519.60
Sulfur Dioxide (SO₂)	kg	1.72
Particulate Matter (PM)	kg	48.38
Scope 1 Emissions	tCO ₂ e	1,428.64
Scope 2 Emissions	tCO ₂ e	507.59
Scope 3 Emissions	tCO ₂ e	841.61

Energy Consumption

Energy	Raw Value	Unit	Energy in GJ
Diesel	538,073.84	Litres	20,456.64
Electricity	1,262,671.46	kWh	4,545.62

In FY2025, our total energy consumption amounted to 25,002.26 GJ, driven primarily by diesel usage at project sites and electricity consumption for site operations, reflecting the operational requirements of our construction activities.

During the year, we consumed 1,262,671.46 kWh of electricity, with an electricity intensity of 4.694 kWh/m², reflecting usage across active project sites following grid connection. Diesel remained the main energy source, with a total consumption of 538,073.84 litres. Of this, 431,403.00 litres were attributed to stationary assets, primarily generators used during the early stages of construction where grid electricity was not yet available, while 106,670.84 litres were consumed by mobile assets, comprising a fleet of nine vehicles supporting project and operational needs.

The overall energy consumption reflects the nature and progress of our projects during the reporting period. Variations in energy use are influenced by project scale, construction phase, and operational requirements at different sites.

Energy Efficiency Initiatives

The Group's environmental control procedures include procedures to save resources such as paper, water, diesel and electricity at our head office and construction sites. We monitor and review our water, electricity and diesel consumption at our head office and construction sites monthly to ensure that the usage is relatively stable compared to that of the previous months or of our similar projects.

¹ For this reporting year, our Scope 3 disclosures have been broadened to include waste generated across operations, building on the previous focus on paper usage.

Environmental, Social and Governance Report

Initiatives:

1. Our energy-saving initiatives include using energy-efficient equipment at our administrative offices and site facilities.
2. Energy-saving T5 LED lighting are used extensively on-site where possible, and older, less efficient equipment are gradually replaced with more energy-efficient air-conditioning systems and office equipment that are labelled with Singapore's Energy or Green Label.
3. We use energy-saving computers and multi-functional equipment where possible and have in place provisions and settings to turn off or turn to energy saving modes for our computers and printers when not in use.
4. Push button self-closing taps are default provisions at every site, and solar panels are used as alternative energy for real-time noise dosimeter for all projects.

By adopting more efficient technologies, the Group can lower operational energy use while maintaining productivity and operational effectiveness.

Water Consumption

In 2025, the Group monitored water consumption for recently completed projects as a key performance indicator to better understand usage and improve efficiency, with a total water consumption of 263,059.510 m³, and a water intensity of 0.98 m³/m² floor area.

Water Efficiency Initiatives

We implement ECM water treatment systems at selected project sites to improve water quality management and reduce reliance on chemical treatment, while minimising water discharge. These measures support more efficient and environmentally responsible site operations.

We also monitor Total Suspended Solids ("TSS") levels to ensure compliance with applicable environmental standards and to maintain effective control over water quality across our sites.

Waste Generated

In 2025, we generated a total of 6,203,270 kg of waste. This primarily comprises general waste, including construction waste such as concrete, metal, rebar, and other scrap waste generated from our operations. We currently do not track hazardous waste separately, as hazardous waste is not material to our operations at this stage.

Waste Reduction Initiatives

We implement waste management practices across our project sites to improve resource efficiency and reduce material wastage. These include segregation, recycling, and the adoption of construction methods that minimise waste generation.

Waste is segregated to facilitate proper recycling and disposal. Recycling practices are also encouraged in our office operations, including the use of recycled paper and designated recycling facilities.

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Initiatives to reduce material consumption and improve efficiency:

- Using concrete pumps to improve placement accuracy and reduce concrete wastage
- Adopting scissor lifts and boom lifts to reduce reliance on external scaffolding and associated material use
- Using metal formwork to reduce dependence on timber formwork
- Applying spray-painting methods for internal works to improve efficiency and reduce paint wastage

These measures support our efforts to reduce waste generation while maintaining operational efficiency.

Targets and Metrics

We have established key metrics to monitor our environmental performance across emissions and resource consumption. FY2025 has been adopted as our baseline year, as it provides a more comprehensive set of data to support ongoing tracking and analysis.

We will monitor our performance against these metrics on an ongoing basis and use the data collected to assess trends, identify areas for improvement, and refine our targets over time. As our data quality and monitoring processes continue to improve, we will progressively enhance our disclosures and consider setting more defined targets and timelines.

Area	Target	Metrics	Measures
Diesel Consumption	Improve fuel efficiency across operations	Litres	<ul style="list-style-type: none"> — Optimise generator usage and reduce idle time — Maintain equipment to improve fuel efficiency
Electricity Consumption	Improve energy efficiency at project sites	kWh kWh/m ² floor area	<ul style="list-style-type: none"> — Monitor electricity usage at project sites — Switch off idle equipment — Improve coordination of site operations
Water Consumption	Improve water use efficiency	m ³ m ³ /m ² floor area	<ul style="list-style-type: none"> — Monitor water usage across sites — Reduce water wastage during construction — Promote responsible water use practices
Waste Management	Reduce waste generation and improve recycling practices	kg	<ul style="list-style-type: none"> — Implement waste segregation at project sites — Promote recycling of construction materials — Optimise material usage to minimise waste

Environmental, Social and Governance Report

Our Employees

At BHCC Construction, we maintain policies covering compensation and dismissal, recruitment and promotion, working hours, rest periods, benefits, and employee welfare. These policies are reviewed periodically to ensure they remain relevant and aligned with regulatory requirements and market practices. Remuneration, including salary and bonus components, is determined based on individual performance and benchmarked to remain competitive. We adopt fair and transparent employment practices and do not engage in unfair or unreasonable dismissal, except in cases of misconduct or non-compliance with company policies.

We are committed to complying with applicable laws and regulations relating to employment and labour practices, including those on equal opportunity, diversity, and anti-discrimination. We aim to provide a fair and inclusive working environment and support our employees through a safe workplace, training opportunities, and career development. We also encourage employee engagement through team activities to strengthen communication and collaboration.

Our Human Resources function maintains employee records and employment documentation, with periodic oversight to ensure compliance with internal policies and regulatory requirements.

We adopt a zero-tolerance approach towards child and forced labour and strictly prohibit such practices in our operations. To prevent such practices, we implement controls within our recruitment processes, including verification of employees' identity and age using official documentation, and ensuring that employment is entered into voluntarily. We also conduct periodic reviews of employment records and monitor our workforce practices to identify and address any irregularities. Immediate corrective actions will be taken if any instances are identified.

During the reporting period, we were not aware of any material non-compliance with relevant laws and regulations relating to employment and labour practices, and no incidents of child or forced labour were identified.

Diversity and Equal Opportunity

Number and Percentage of Current Employees:

Category	Breakdown	No. of Employees	Percentage (%)
Total	302		
Gender	Male	263	87%
	Female	39	13%
Employment Type	Senior Management	4	1%
	Mid-Management	34	11%
	Professional	52	17%
	General	212	70%
Age Group	Under 30	108	36%
	30–50	159	53%
	Over 50	35	12%
Geographical Region	Singapore	33	11%
	Overseas	269	89%

Environmental, Social and Governance Report

Supporting Employee Well-being

Number and Rate of New Employee Hires:

Category	Breakdown	No. of Employees	Rate ² (%)
Total	126		
Gender	Male	120	46%
	Female	6	15%
Employment Type	Senior Management	0	0%
	Mid-Management	5	15%
	Professional	12	23%
	General	109	51%
Age Group	Under 30	71	66%
	30–50	50	31%
	Over 50	5	4%
Geographical Region	Singapore	3	9%
	Overseas	123	46%

Number and Rate of Employee Turnover:

Category	Breakdown	No. of Employees	Rate ² (%)
Total	106		
Gender	Male	108	41%
	Female	3	8%
Employment Type	Senior Management	1	25%
	Mid-Management	1	3%
	Professional	7	13%
	General	102	48%
Age Group	Under 30	37	34%
	30–50	64	40%
	Over 50	5	5%
Geographical Region	Singapore	3	9%
	Overseas	108	40%

² Rates are calculated by dividing the number of new hire/turnover by the current employee headcount for each respective category.

Environmental, Social and Governance Report

Training and Development

At BHCC Construction, we are committed to enhancing our employees' knowledge and capabilities through structured training and development initiatives, recognising that a skilled and competent workforce supports our operational effectiveness and long-term growth. We encourage continuous learning and professional development to ensure our employees remain adaptable in a changing business environment. All employees across different age groups, gender, and employee categories receive training during the reporting period.

We provide a range of internal and external training programmes to support employees at different levels of the organisation, covering professional and technical competencies as well as personal development skills. Practical, job-specific training is conducted to equip employees with the necessary knowledge to address operational challenges across our project sites. Internal training programmes are developed by respective departments to ensure relevance to job functions, and we support employees' professional advancement through education subsidies.

No. of Employees Trained:

Category	Breakdown	No. of Employees	Percentage (%)
Gender	Male	127	48%
	Female	4	10%
Employment Type	Senior Management	0	0%
	Mid-Management	7	21%
	Professional	34	65%
	General	90	42%

Average Training Hours:

Category	Breakdown	Total Training Hours	Avg. Training Hours
Gender	Male	3,292.50	13.66
	Female	120	3.08
Employment Type	Senior Management	0	0
	Mid-Management	213	6.26
	Professional	496.5	9.55
	General	3,003	14.17

Occupational Health and Safety

At BHCC Construction, we are committed to providing a safe and healthy working environment for our employees, subcontractors, and stakeholders. Our approach is guided by our Quality, Occupational Health, Safety and Environmental ("QOHSE") Policy, which sets out our standards for workplace safety, risk management, and continuous improvement.

We comply with applicable Workplace Safety and Health ("WSH") laws and regulations, including relevant codes of practice and statutory requirements. We adopt a risk-based approach to identify, assess, and mitigate workplace hazards, and allocate appropriate resources, training, and supervision to support safe operations across our project sites.

During the reporting period, we were not aware of any material non-compliance with relevant laws and regulations relating to occupational health and safety.

Environmental, Social and Governance Report

Safety Performance

The Group prioritises a safe working environment and has implemented comprehensive policies and safety management systems, including certifications such as bizSAFE Star and bizSAFE Partner. Following a reportable workplace fatality in 2023, we undertook a thorough review of our safety practices and strengthened our Workplace Safety and Health (“WSH”) framework. This included enhancing risk assessments, reinforcing site supervision, and implementing additional control measures to prevent recurrence. As a result of these strengthened efforts, we maintained zero work-related fatalities in both 2024 and 2025. In 2025, we also recorded zero lost workdays due to work-related injuries, reflecting the effectiveness of our enhanced safety measures and our continued focus on improving workplace safety standards.

In 2025, we recorded zero lost workdays due to work-related injuries, reflecting the effectiveness of our safety measures and ongoing efforts to strengthen workplace safety.

Number and Rate of work-related fatalities in past 3 years:

Year	No. of Fatalities	Fatality Rate (per 1,000 employees)
2023	1	3.31
2024	0	0
2025	0	0

Lost Days due to work injury:

Year	Lost Days Due to Work Injury
2023	17
2024	0
2025	0

Monitoring and Measures

We adopt a structured and proactive approach to the implementation and monitoring of occupational health and safety (“OHS”) measures, with a focus on leadership accountability, risk management, and continuous improvement.

Senior management participates in Workplace Safety and Health (“WSH”) programmes to reinforce safety governance and promote a strong safety culture across the organisation. To strengthen oversight of high-risk activities, we enhance monitoring at worksites, including the use of surveillance systems and improved visibility for lifting operations.

We have strengthened on-site safety capabilities through the deployment of additional WSH personnel, including dedicated lifting coordinators and signalmen. Workforce competency is supported through refresher training conducted by Ministry of Manpower (“MOM”)-approved training providers, alongside internal training for supervisors and coordinators.

Ongoing monitoring is supported through regular WSH audits conducted by MOM-approved, Singapore Accreditation Council-accredited auditors. We also engage subcontractors through safety programmes to promote alignment with our safety standards and encourage active participation in maintaining a safe working environment.

Environmental, Social and Governance Report

Responsible Supply Chain

At BHCC Construction, we recognise the importance of managing environmental and social risks across our supply chain. We have established policies and procedures under our Integrated Management System (“IMS”) to guide the selection, evaluation, and management of suppliers and subcontractors, ensuring alignment with our standards on safety, environmental management, and ethical business practices.

We implement monitoring and review processes to identify and manage environmental and social risks within our supply chain. This includes ongoing performance evaluations, regular engagement, and compliance checks against our operational, safety, and environmental standards. New suppliers and subcontractors are assessed on relevant sustainability criteria, including certifications such as GGBS, and their performance is reviewed periodically.

We also promote the adoption of environmentally preferable products and services by integrating sustainability considerations into our procurement processes. This includes encouraging the use of sustainable materials and practices, where feasible, to reduce environmental impacts across our operations and value chain.

For details on our engagement with suppliers and subcontractors, please refer to the “**Stakeholder Engagement**” section.

Number of Suppliers by Geographic Region

The Group’s supplier base is entirely located in Singapore, reflecting its operational footprint and localised procurement practices. Accordingly, all procurement activities are concentrated within the domestic market.

Ethics and Integrity

At BHCC Construction, we are committed to upholding high standards of ethical conduct and integrity across our operations. We have established policies, including our Anti-Bribery and Anti-Corruption Policy (“ABCP”), to prevent and address bribery, extortion, fraud, and money laundering. These policies set out clear expectations on ethical behaviour, internal controls, and reporting procedures, and are supported by regular employee training.

We comply with all applicable laws and regulations relating to anti-bribery, anti-corruption, fraud prevention, and anti-money laundering. During the reporting period, we were not aware of any material non-compliance with relevant laws and regulations, and there were no concluded legal cases regarding corrupt practices involving the Group or our employees.

Anti-Corruption, Bribery, and Extortion

We adopt a zero-tolerance approach towards all forms of bribery, corruption, and extortion. Employees are prohibited from offering, soliciting, or accepting bribes or anything of value, including in dealings with public officials, and are required to comply with internal guidelines on gifts, hospitality, and approval processes.

All employees receive training on anti-corruption and ethical conduct to ensure awareness of their responsibilities and to support the prevention of misconduct.

Environmental, Social and Governance Report

Whistleblowing

We have implemented a whistleblowing mechanism to provide a confidential channel for reporting suspected or actual misconduct. Reports are subject to independent review and investigation, with appropriate actions taken where necessary. We are committed to protecting whistleblowers from retaliation and ensuring that concerns are handled fairly and transparently.

Fraud and Money Laundering

We are committed to preventing fraud and money laundering through established internal controls and governance processes. Employees are expected to act with integrity and comply with applicable laws and internal policies, with oversight mechanisms in place to detect and address any irregularities.

During the reporting period, we were not aware of any material incidents relating to fraud or money laundering.

Community Engagement

The Group is committed to understanding and addressing the needs of the communities in which it operates. We engage with community stakeholders through public engagement channels and community activities, ensuring that our operations take into consideration local interests, including environmental protection, community development, and social welfare. We also seek to minimise operational impacts by complying with relevant regulations, including those relating to noise and environmental control.

The Group contributes to the community through financial donations and employee participation in charitable and voluntary activities, focusing on areas such as education, environmental protection, labour needs, and social welfare. During the reporting year, employees took part in volunteer activities, including a volunteer day with **Willing Hearts**, which provides daily meals to beneficiaries such as the elderly, persons with disabilities, low-income families, children from single-parent households, and migrant workers. Employees assisted with the preparation and delivery of meals, demonstrating our commitment to social welfare and community support.

In addition, BHCC's volunteer initiative in MacPherson, launched in August 2023, promotes corporate social responsibility ("CSR") by supporting a community with a high proportion of elderly residents through care and assistance, in collaboration with the MacPherson Residents' Committee ("RC"). The team contributes to annual community events, including Chinese New Year gift distribution activities alongside Member of Parliament Tin Pei Ling and Mid-Autumn Festival celebrations, strengthening community engagement. BHCC also undertakes ad hoc initiatives such as minor home repairs, cleaning services, and the delivery of essential items, with the aim of improving the living conditions of residents in need.

Through these initiatives, the Group not only provides resources of time and money but also fosters a culture of volunteerism and social responsibility among its workforce. We remain dedicated to supporting community initiatives and contributing to the well-being of the communities where we operate.

Environmental, Social and Governance Report

HKEX ESG Reporting Code Content Index

HKEX Requirement	Reference	BHCC Disclosure Title
ESG Reporting Framework/Basis	Part A	Reporting Principles and Boundary
Board ESG Oversight	Part B 13(i)	Sustainability Governance and Board's Oversight
ESG Management Approach & Strategy	Part B 13(ii)	Sustainability Governance and Board's Oversight
Review of ESG Targets & Progress	Part B 13(iii)	Sustainability Governance and Board's Oversight
Reporting Principles (Materiality, Quantitative, Consistency)	Part B (14)	Reporting Principles and Boundary Materiality Stakeholder Engagement
Reporting Boundary	Part B (15)	Reporting Principles and Boundary
Policies & compliance (air, waste, etc.)	KPI A1	Environmental Management and Compliance
Types of emissions	KPI A1.1	Greenhouse Gas Emissions
Hazardous waste	KPI A1.3	Waste Generated
Non-hazardous waste	KPI A1.4	Waste Generated
Emissions targets	KPI A1.5	Targets and Metrics
Waste handling & reduction	KPI A1.6	Waste Generated
Resource efficiency policies	KPI A2	Energy Consumption Water Consumption Waste Generated
Energy consumption	KPI A2.1	Energy Consumption
Water consumption	KPI A2.2	Water Consumption
Energy efficiency targets	KPI A2.3	Targets and Metrics
Water efficiency & sourcing	KPI A2.4	Targets and Metrics
Packaging material	KPI A2.5	<i>Packaging materials are not material to the Group's operations and are therefore not disclosed</i>
Environmental impact policies	KPI A3	Environmental Impact Management
Impact & mitigation actions	KPI A3.1	Environmental Impact Management
Employment policies & compliance	KPI B1	Our Employees
Workforce breakdown	KPI B1.1	Current Employees
Employee turnover	KPI B1.2	New Hires Turnover
Safety policies & compliance	KPI B2	Occupational Health and Safety
Work-related fatalities	KPI B2.1	Occupational Health and Safety
Lost days	KPI B2.2	Occupational Health and Safety
Safety measures	KPI B2.3	Occupational Health and Safety

Environmental, Social and Governance Report

HKEX Requirement	Reference	BHCC Disclosure Title
Training policies	KPI B3	Training and Development
% employees trained	KPI B3.1	Training and Development
Avg training hours	KPI B3.2	Training and Development
Child/forced labour policies	KPI B4	Our Employees
Review practices	KPI B4.1	Our Employees
Remediation actions	KPI B4.2	Our Employees
Supplier ESG risk policies	KPI B5	Responsible Supply Chain
Supplier practices	KPI B5.1–B5.4	Responsible Supply Chain
Product responsibility policies	KPI B6	<i>Product-related disclosures are not material to our operations, and no related complaints or recalls were recorded.</i>
Product KPIs	KPI B6.1–B6.5	<i>Product-related disclosures are not material to our operations, and no related complaints or recalls were recorded.</i>
Anti-corruption policies	KPI B7	Ethics and Integrity
Legal cases	KPI B7.1	Ethics and Integrity
Whistleblowing	KPI B7.2	Ethics and Integrity
Training	KPI B7.3	Ethics and Integrity
Community policies	KPI B8	Community Engagement
Contributions	KPI B8.1–B8.2	Community Engagement
Governance	19	Sustainability Governance and Board's Oversight
Climate risks & opportunities	20	Climate Risks and Opportunities
Business model & value chain	21	Climate Risks and Opportunities
Strategy & decision-making	22	Climate Risks and Opportunities
Financial impacts	24–25	<i>Under review and will be considered as our reporting framework continues to develop</i>
Climate resilience/scenario analysis	26	<i>Under review and will be considered as our reporting framework continues to develop</i>
Risk management	27	Climate Risks and Opportunities
GHG emissions (Scope 1,2,3)	28–29	Greenhouse Gas Emissions
Industry metrics	36	<i>Under review and will be considered as our reporting framework continues to develop</i>
Targets	37–40	Climate-related Targets

Independent Auditor's Report

To the Shareholders of BHCC HOLDING LIMITED

(Incorporated in the Cayman Islands with limited liability)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of BHCC Holding Limited (the "Company") and its subsidiaries (herein referred to as the "Group") set out on pages 66 to 135, which comprise the consolidated statement of financial position as at 31 December 2025, 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 accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance, consolidated changes in equity and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Hong Kong. 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 year. 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.

Independent Auditor's Report

Key audit matter	How our audit addressed the key audit matter
<p>Contract Revenue Recognition (Note 5) and Accounting for Construction Contract (Note 19)</p> <p>The Group is involved in construction projects for which it applies the input method to measure the Group's progress towards satisfaction of a performance obligation and recognises revenue over time in accordance with IFRS 15 <i>Revenue from Contracts with Customers</i>.</p> <p>The revenue and profit or loss recognised in a year on these projects is dependent, amongst others, on the assessment of the Group's efforts or inputs to the construction projects (i.e. contract cost incurred for work performed) relative to the expected inputs to the construction projects (i.e. estimated total budgeted contract cost committed for the projects).</p> <p>Significant judgement and estimation is required to determine the total budgeted construction costs and provision for onerous contracts, if any. Any changes to the total budgeted construction costs will impact the stage of completion, and consequentially the revenue and profit or loss recognised.</p> <p>The Group's revenue recognition policy and key sources of estimation uncertainty are set out in Notes 5 and 4 to the consolidated financial statements respectively.</p>	<p>We obtained an understanding of management's process on the accounting for contract revenue, evaluated the design and tested the operating effectiveness of the relevant controls put in place by the Group in respect of revenue recognition.</p> <p>We assessed the Group's revenue recognition policy to determine that they are in accordance with IFRS 15 <i>Revenue from Contracts with Customers</i>, including the Group's efforts or inputs to the construction projects (i.e. contract cost incurred for work performed) relative to the expected inputs to the construction projects (i.e. estimated total budgeted contract cost committed for the projects), and conducted site visits for major construction sites in-progress.</p> <p>For selected projects, our audit procedures included the following:</p> <ul style="list-style-type: none"> i. agreed projects contract sum to signed contracts and variation orders; ii. vouched the actual costs incurred during the year to the supplier invoices and subcontractors invoices; iii. performed cut-off testing to verify contract costs were taken up in the appropriate financial year; iv. assessed and vouched the estimated costs to complete by substantiating costs that have been committed to quotations and contracts entered; v. performed retrospective review by comparing the total actual contract costs incurred at completion against the total budgeted contract costs to assess the reasonableness of the estimates used by the management;

Independent Auditor's Report

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li data-bbox="826 482 1430 685">vi. for projects in progress, obtained management's estimates of costs to complete and compared total expected contract costs, including any liquidated damages, against total expected contract revenue (including remaining billings) to assess whether a provision for onerous contracts is required; <li data-bbox="826 728 1430 892">vii. for projects in progress, we further recomputed the percentage of the progress of the contract based on the input method to test the accuracy of the percentage of the progress to determine the revenue; and <li data-bbox="826 935 1430 1099">viii. for projects completed during the year, we obtained the certificate of substantial completion or customer-issued project completion documents and verified that the remaining revenue has been captured. <p data-bbox="826 1142 1430 1198">Lastly, we assessed the appropriateness and adequacy of relevant disclosures in the consolidated financial statements.</p>

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

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

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

Independent Auditor's Report

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as management determines 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.

Those charged with governance are responsible 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Independent Auditor's Report

- (d) 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.
- (e) 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.
- (f) 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 those charged with governance 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 those charged with governance 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 those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year 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.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Ng Hock Lee.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

31 March 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 31 December 2025

	<i>Note</i>	2025 S\$	2024 S\$
Revenue	5	202,339,451	192,267,810
Cost of services		(187,044,363)	(184,427,857)
Gross profit		15,295,088	7,839,953
Other income	6a	1,740,548	1,609,129
Other gains and losses	6b	(766,447)	5,183,831
Selling expenses		(109,173)	(12,441)
Administrative expenses		(4,775,515)	(4,903,677)
Finance costs	7	(328,972)	(437,495)
Profit before taxation		11,055,529	9,279,300
Income tax expense	8	(2,432,963)	(328,095)
Profit for the year, representing total comprehensive income for the year		8,622,566	8,951,205
Profit for the year, representing total comprehensive income for the year attributable to:			
Owners of the Company		8,694,411	8,953,613
Non-controlling interests		(71,845)	(2,408)
		8,622,566	8,951,205
Earnings per share			
Basic (cents)	11	1.09	1.12
Diluted (cents)	11	N/A	N/A

See accompanying notes to consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2025

	Note	2025 S\$	2024 S\$
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	12	7,189,013	7,690,239
Intangible assets	13	380,000	380,000
Investment properties	14	9,728,330	9,721,652
Right-of-use assets	15	216,491	97,391
Financial assets at fair value through profit or loss ("FVTPL")	16	2,214,000	–
Other receivable and deposits	18a	756,937	738,000
Loan receivable	18c	14,182,969	–
Other assets	18b	151,592	13,751
Pledged deposits for performance bond	21	–	2,828,400
Deferred tax assets		–	64,906
		34,819,332	21,534,339
Current assets			
Trade receivables	17	449,223	5,751,689
Other receivables and deposits	18a	6,546,707	5,297,890
Other assets	18b	101,438	46,731
Contract costs	18d	3,371,514	–
Contract assets	19a	14,975,206	7,640,162
Development properties	20	106,557,008	92,407,509
Pledged deposits for performance bond	21	2,828,400	–
Bank balances and cash	21	76,331,212	78,133,523
		211,160,708	189,277,504
Current liabilities			
Trade and other payables	22	(74,997,331)	(59,886,650)
Contract liabilities	19a	(23,088,502)	(9,385,625)
Lease liabilities	23	(218,447)	(100,230)
Borrowings	24	(1,175,076)	(2,249,534)
Income tax payable		(2,192,962)	(446,925)
		(101,672,318)	(72,068,964)
Net current assets		109,488,390	117,208,540
Total assets less current liabilities		144,307,722	138,742,879

Consolidated Statement of Financial Position

As at 31 December 2025

	<i>Note</i>	2025 S\$	2024 S\$
Non-current liabilities			
Deposits	22	(512,311)	(154,958)
Borrowings	24	(71,517,131)	(74,932,207)
		(72,029,442)	(75,087,165)
Net assets		72,278,280	63,655,714
EQUITY			
Capital and reserves			
Share capital	26	1,389,830	1,389,830
Reserves		55,453,572	46,759,161
Equity attributable to owners of the Company		56,843,402	48,148,991
Non-controlling interests	25	15,434,878	15,506,723
Total equity		72,278,280	63,655,714

The consolidated financial statements on pages 66 to 135 were approved and authorised for issue by the Board of Directors on 31 March 2026 and are signed on its behalf by:

Yang Xinping
Chairman and Executive Director

Han Yuying
Executive Director

See accompanying notes to consolidated financial statements.

Consolidated Statement of Changes in Equity

As at 31 December 2025

	Share capital S\$	Share premium (Note a) S\$	Merger reserve (Note b) S\$	Capital reserve (Note c) S\$	Accumulated profits S\$	Equity attributable to owners of the Company S\$	Non-controlling interest S\$	Total equity S\$
Balance at 1 January 2024	1,389,830	14,176,517	10,678,440	4,976,188	7,974,403	39,195,378	-	39,195,378
<i>Total comprehensive income for the year:</i>								
Profit for the year	-	-	-	-	8,953,613	8,953,613	(2,408)	8,951,205
<i>Transactions with owners, recognised directly in equity:</i>								
Non-controlling interest arising from acquisition of a subsidiary (Note 30)	-	-	-	-	-	-	550	550
Shareholder loans from non-controlling interests (Note 25)	-	-	-	-	-	-	15,508,581	15,508,581
	-	-	-	-	-	-	15,509,131	15,509,131
Balance at 31 December 2024	1,389,830	14,176,517	10,678,440	4,976,188	16,928,016	48,148,991	15,506,723	63,655,714
<i>Total comprehensive income for the year:</i>								
Profit for the year	-	-	-	-	8,694,411	8,694,411	(71,845)	8,622,566
<i>Transactions with owners, recognised directly in equity:</i>								
Striking off of a subsidiary	-	-	(29,860)	-	29,860	-	-	-
	-	-	(29,860)	-	29,860	-	-	-
Balance at 31 December 2025	1,389,830	14,176,517	10,648,580	4,976,188	25,652,287	56,843,402	15,434,878	72,278,280

Notes:

- Share premium represents the excess of share issue over the par value.
- Merger reserve represents the difference between the cost of acquisition pursuant to the Group reorganisation in 2017 and the total value of share capital of the entities acquired under common control.
- Capital reserve represents the share capital contribution and attributable profit of the non-controlling interests pursuant to the Group reorganisation in 2017.

See accompanying notes to consolidated financial statements.

Consolidated Statement of Cash Flows

As at 31 December 2025

	2025 S\$	2024 S\$
Operating activities		
Profit before taxation	11,055,529	9,279,300
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	864,285	1,169,821
Depreciation of investment properties	838,683	932,360
Depreciation of right-of-use assets	325,284	221,982
Fair value gain on financial assets at FVTPL	(1,814,000)	–
Loss on modification of loan receivable	2,017,504	–
Loss on discounting of interest receivable	70,674	–
Gain arising on disposal of investment properties	–	(4,830,280)
Gain arising on disposal of property, plant and equipment	(63,362)	–
Finance costs	328,972	437,495
Interest income	(1,484,570)	(1,446,533)
Exchange loss (gain), net	60,631	(151,661)
Operating cash flows before working capital changes	12,199,630	5,612,484
<i>Movements in working capital:</i>		
Trade receivables	5,302,466	3,161,408
Other receivables and deposits	(879,585)	(555,988)
Other assets	(192,548)	42,385
Contract assets	(7,335,044)	22,674,042
Contract costs	(3,371,514)	–
Trade and other payables	15,561,376	(17,728,775)
Contract liabilities	13,702,877	6,993,597
Development properties	(12,240,793)	(90,251,748)
Cash generated from (used in) operations	22,746,865	(70,052,595)
Income tax paid	(622,020)	(145,116)
Net cash from (used in) operating activities	22,124,845	(70,197,711)
Investing activities		
Decrease in pledged deposits	–	1,436,530
Redemption of fixed deposits	15,346,000	39,250,400
Placement of fixed deposits	(7,524,000)	(54,596,400)
Purchase of property, plant and equipment	(1,208,420)	–
Proceeds from disposal of property, plant and equipment	63,362	–
Proceeds from disposal of investment property	–	12,690,000
Increase in loan receivable	(16,156,500)	–
Increase in financial assets at FVTPL	(400,000)	–
Interest received	981,754	1,187,697
Net cash used in investing activities	(8,897,804)	(31,773)

Consolidated Statement of Cash Flows

As at 31 December 2025

	2025 S\$	2024 S\$
Financing activities		
Acquisition of non-controlling interests in a subsidiary	–	550
Shareholder loans from non-controlling interests	–	15,508,581
Interest paid (Note 31)	(2,331,018)	(2,414,471)
Proceeds from borrowings (Note 31)	–	67,184,000
Repayments of borrowings (Note 31)	(4,489,534)	(2,450,620)
Repayment of lease liabilities (Note 31)	(326,167)	(226,951)
Net cash (used in) from financing activities	(7,146,719)	77,601,089
Net increase in cash and cash equivalents	6,080,322	7,371,605
Cash and cash equivalents at beginning of the year	62,787,523	55,264,257
Effect of foreign exchange rate changes on the balance of cash	(60,633)	151,661
Cash and cash equivalents at end of the year (Note 21)	68,807,212	62,787,523

See accompanying notes to consolidated financial statements.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

1 GENERAL INFORMATION

BHCC Holding Limited (the “Company”) was incorporated and registered as an exempted company in the Cayman Islands with limited liability on 21 February 2017 and the address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong, the “Companies Ordinance”) on 20 March 2017 and the registered principal place of business in Hong Kong is Unit 2502, 25/F, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong. The head office and principal place of business of the Company is at No. 1 Tampines North Drive 3, #08-01, BHCC SPACE, Singapore 528499. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 12 September 2017.

Upon the entering into of the concert party deed, Huada Developments Limited (“Huada Developments”), Mr. Yang Xinping, his spouse Ms. Chao Jie (“Mrs. Yang”), Eagle Soar Global Limited (“Eagle Soar”) and Ms. Han Yuying became a group of controlling shareholders of BHCC Holding Limited and its subsidiaries (the “Group”) (together referred to as the “Controlling Shareholders”). The Company is under common control by the Controlling Shareholders.

The Company is an investment holding company and the principal activities of its operating subsidiaries are the provision of building construction services (“Building and Construction works”) and properties investment including the leasing of industrial properties (“Property Investment”) and the development of properties for sale (“Property Development”). The details of the subsidiaries are set out in Note 30.

The consolidated financial statements are presented in Singapore Dollars (“S\$”), which is also the functional currency of the Company.

The consolidated financial statements are approved by the Board of Directors of the Company on 31 March 2026.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS ACCOUNTING STANDARDS”)

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group has applied the amendments to IFRS Accounting Standards and Interpretations issued by the International Accounting Standards Board (“IASB”) that are effective for an annual period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these consolidated financial statements, the Group has not applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments²</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity²</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture¹</i>
Amendments to IFRS Accounting Standards	<i>Annual Improvements to IFRS Accounting Standards — Volume 11²</i>
IFRS 18	<i>Presentation and Disclosures in Financial Statements³</i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency³</i>

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 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

The directors of the Company anticipate that the application of the new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial position and performance as well as disclosure in the period of their initial adoption, except as indicated below.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS ACCOUNTING STANDARDS”) (Continued)

New and revised IFRS Accounting Standards in issue but not yet effective (Continued) IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 *Earnings per Share*.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss.
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements.
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions. The Group is evaluating the potential impact of IFRS 18 and related amendments on its consolidated financial statements.

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS Accounting Standards”) issued by IASB.

In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and the applicable disclosures required by the Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.1 Basis of preparation (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 *Share-based Payment*, leasing transactions that are within the scope of IFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The material accounting policies adopted are set out below.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. Details of the Group's subsidiaries and composition of the Group are disclosed in Note 30.

Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Company and its subsidiaries. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with those of the Group. *All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.* Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Business combination

The Group accounts for business combination using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Business combination (Continued)

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in the profit or loss.

Non-controlling interest ("NCI") are measured at the NCI's proportionate share of the recognised amount of the acquiree's identifiable net assets, at the date of acquisition.

Revenue from contracts with customers

Information about the Group's accounting policies relating to contracts with customers is provided in Notes 5 and 19a.

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 added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

Retirement benefit costs

Payments made to Central Provident Fund ("CPF") Board are recognised as expense when employees have rendered service entitling them to the contributions.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Short-term and long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS requires or permits the inclusion of the benefits in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service costs, interest and remeasurements are recognised in profit or loss except to the extent that another IFRS requires or permits their inclusion in the cost of an asset.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before taxation" as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises 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 and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Taxation (Continued)

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

The measurement of deferred tax liabilities and assets 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 the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

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 to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Property, plant and equipment

Property, plant and equipment, including leasehold properties, held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets under construction included in property, plant and equipment mainly relate to all directly attributable costs incurred for the construction of warehouse properties. Assets under construction are not depreciated as these assets are not yet available for use. Depreciation will commence when these assets are ready for use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment loss.

Depreciation is recognised so as to write off the cost of items of investment properties less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Impairment of property, plant and equipment, investment properties, and right-of-use assets

At the end of each reporting period, the management of the Group reviews the carrying amounts of its property, plant and equipment, investment properties, and right-of-use assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of property, plant and equipment, investment properties, and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair values less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments

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

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Financial assets are initially measured at fair value (except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15), net of transaction costs that are directly attributable to the acquisition or issue of financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All recognised financial assets are measured subsequently in their entirety at amortised cost, based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 Business Combinations applies.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "revenue" line item in profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically, investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

Impairment of financial assets and contract assets

The Group recognises a loss allowance for ECL on financial assets (including trade receivables, other receivables and deposits, amounts due from related companies, amount due from shareholders, and bank balances and cash) and contract assets which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

The Group applies the simplified approach in IFRS 9. The Group always recognises lifetime ECL for trade receivables and contract assets and measures the lifetime ECL for portfolios of trade receivables and contract assets that share similar economic risk characteristics.

For all other financial instruments, the Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring since initial recognition.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial assets at FVTPL (Continued)

Impairment of financial assets and contract assets (Continued)

The ECL incorporates forward-looking information and is a probability-weighted estimate of 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. Details about the Group's credit risk management are disclosed in Note 34(c).

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.

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, e.g. 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 past due over two years, whichever is earlier. 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.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification of financial liabilities and equity instruments

Financial liabilities and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at amortised cost

Financial liabilities at amortised cost include trade and other payables, borrowings, and amounts due to related companies. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method except for short-term payables where the effect of discounting would be immaterial.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the financial statements when the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract which include both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. Before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets used in fulfilling the contract.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group has applied the practical expedient under IFRS 16 that permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as lessee (Continued)

Lease payments included in the measurement of the Group's lease liabilities comprise mainly of fixed lease payments over the lease terms.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease terms commencing from the date of the lease, and are tested for impairment in accordance with the policy as described in 'Impairment of property, plant and equipment, investment properties, and right-of-use assets'.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. Lease liability is remeasured by discounting the revised lease payments using a revised discount rate when there is a change in the lease term upon exercising extension options not previously included in the determination of the lease term. A corresponding adjustment is made to the related right-of-use asset.

The Group has assessed that there is no indication of impairment for its right-of-use assets.

Development properties

Development properties comprise properties in the course of development held for sale in the ordinary course of business.

Development properties under development are stated at the lower of cost and estimated net realisable value. Cost is determined by apportionment of the total land cost and development costs capitalised attributable to properties. Net realisable value takes into account the estimated selling price, less cost to be incurred in marketing and selling, and the expected costs to completion, where appropriate.

Cost of development properties comprises costs that relate directly to the development, such as cost of land and construction and related costs that are attributable to development activities and can be allocated to the development project.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Development properties (Continued)

When losses are expected, full allowance are recognised as expenses immediately based on best estimates of net realisable value and estimated costs to completion.

Lands held for development and costs attributable to the development activities which are held for future development where no significant development has been undertaken is stated at cost less impairment loss (if any).

Foreign currency transactions and translation

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period.

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group's management is required to make judgements, 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.

(i) Critical judgements in applying the Group's accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Control over Tai Seng Food Point Development Pte Ltd ("Tai Seng Food Point") (Note 30)

Based on the shareholders' agreement of Tai Seng Food Point, Tai Seng Food Point is managed by the board of directors (the "Board") and the decisions made by the Board on relevant activities will be passed based on simple majority. Management concluded that the Group retains control over the Board with majority votes despite only owning 45% of the equity share of Tai Seng Food Point. Therefore, the Group has control over Tai Seng Food Point as the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect its returns.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(ii) Key sources of estimation uncertainty

The following is the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next twelve months.

Construction contracts

The Group recognises contract revenue and profit of a construction contract during the course of construction by reference to the progress towards complete satisfaction of a performance obligation at the end of the reporting period. Progress towards complete satisfaction is measured based on the input method, where the revenue and profit recognised in a year is dependent, amongst others, on the assessment of the Group's efforts or inputs to the construction project (i.e. contract cost incurred for work performed) relative to the expected inputs to the construction project (i.e. estimated total budgeted contract cost committed for the project).

Estimated construction revenue is determined with reference to the terms of the relevant contracts. Budgeted contract costs which mainly comprise sub-contracting charges and costs of materials are estimated by the management on the basis of quotations from time to time provided by the major subcontractors or suppliers involved and the experience of the management. Notwithstanding that management reviews and revises the estimates of both contract revenue and costs for the construction contract as the contract progresses, the actual outcome of the contract in terms of its total revenue and costs may be higher or lower than the estimates and this will affect the revenue and profit recognised.

Management reviews the construction contracts for onerous contracts whenever there is an indication that the estimated contract revenue is lower than the estimated total contract costs. The actual outcomes in terms of total contract costs or contract revenue may be higher or lower than estimated at the end of each of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

Revenue from contracts with customers and the carrying amounts of contract assets and contract liabilities arising from construction contracts are disclosed in Notes 5 and 19a to the consolidated financial statements respectively.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(ii) Key sources of estimation uncertainty (Continued)

Estimated impairment of trade receivables, other receivables and deposits, and contract assets (Notes 17, 18a and 19a)

The Group recognises lifetime ECL for trade receivables and contract assets. For other receivables and deposits, the Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. Assessment is done 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. The amount of the impairment loss 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.

The carrying amounts of trade receivables, other receivables and deposits, and contract assets, are disclosed in Notes 17, 18a and 19a to the consolidated financial statements respectively.

Allowance for diminution in value for development properties (Note 20)

Development properties in the course of development are stated at lower of cost and estimated net realisable value, assessed on an individual property basis. When it is probable that the total development costs will exceed the total projected revenue, the amount in excess of net realisable value is recognised as an expense immediately.

The process of evaluating the net realisable value of each property is subject to management judgement and the effect of assumptions in respect of development plans, timing of sale and the prevailing market conditions. Management performs cost studies for each property, taking into account the costs incurred to date, the development status and costs to complete each development property. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties.

The carrying amounts of development properties are disclosed in Note 20 to the consolidated financial statements.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

5 REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from the provision of Building and Construction works by the Group to external customers, and Property Investment, being rental income from investment properties held by the Group.

(i) Disaggregation of revenue from contracts with customers and leases

	2025 S\$	2024 S\$
Types of services		
Building and Construction works:		
— Main Contractor Projects	196,722,599	173,478,663
— Subcontractor Projects	2,790,383	16,493,985
Revenue from contracts with customers	199,512,982	189,972,648
Rental from Property Investment	2,826,469	2,295,162
Sale of Development Properties	—	—
Segment revenue (<i>Note 5(iv)</i>)	202,339,451	192,267,810
Timing of revenue recognition		
Revenue from contracts with customers recognised over time	199,512,982	189,972,648
Fixed lease payments recognised on straight-line basis over lease term	2,826,469	2,295,162
	202,339,451	192,267,810

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

5 REVENUE AND SEGMENT INFORMATION (Continued)

(ii) Performance obligations for contracts with customers and revenue recognition policies

Material accounting policy information

Building and Construction works

The Group derives its revenue from provision of Building and Construction works over time using the input method.

Revenue from project works is recognised over time during the course of construction by reference to the progress towards complete satisfaction at the end of the reporting period. Progress towards complete satisfaction is measured based on input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation (i.e. contract costs incurred for work performed to date) relative to the total expected inputs to the satisfaction of that performance obligation (i.e. total estimated contract cost), that best depict the Group's performance in transferring control of goods or services.

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not unconditional. It is assessed for impairment in accordance with IFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

Rental from Property Investment

Rental income is recognised, on a straight-line basis, over the terms of the respective leases.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

5 REVENUE AND SEGMENT INFORMATION (Continued)

(ii) Performance obligations for contracts with customers and revenue recognition policies (Continued)

Material accounting policy information (Continued)

Sale of Development Properties

The Group develops and sells industrial properties before completion of construction of the properties.

Revenue is recognised when control over the property has been transferred to the customer, either over time or at a point in time, depending on the contractual terms and the practices in the legal jurisdictions.

There is a contractual restriction on the Group's ability to direct the property for another use. However, the Group has assessed and concluded that they do not have an enforceable right to payment for performance completed to date hence all the revenue from the sale of development properties is recognised at a point in time when the customer obtains control of the asset which is after the temporary occupation permit ("TOP") for the development property is obtained.

Progress billings to the customers are based on payment schedules in the contracts and are typically triggered upon achievement of specified milestones. The measurement of project milestones is determined based on the stage of completion of construction certified by an external, independent architect engaged by the Group. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advance payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

5 REVENUE AND SEGMENT INFORMATION (Continued)

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The following table shows the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied as at the end of each reporting period:

	2025 S\$	2024 S\$
Main Contractor Projects		
— Within one year	296,423,724	122,275,691
— More than one year but not more than two years	472,503,126	69,507,480
— More than two years but not more than five years	340,558,086	233,677,528
	1,109,484,936	425,460,699
Subcontractor Projects		
— Within one year	—	5,393,669
	1,109,484,936	430,854,368

During the year, majority of the construction contracts for services provided to external customers last over 12 months (2024: over 12 months).

(iv) Segment information

Information is reported to the Executive Directors, being the chief operating decision makers (“CODM”) of the Group, for the purposes of resource allocation and performance assessment. The CODMs review segment revenue and results attributable to each segment, which is measured by reference to the respective segments’ gross profit. The Group has three operating segments as follows:

- Building and Construction works: Engage in provision of building and construction works via main contractor and subcontractor projects to public and private sectors.
- Property Investment: Leasing of industrial properties.
- Development properties: Sales of development properties.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

5 REVENUE AND SEGMENT INFORMATION (Continued)

(iv) Segment information (Continued)

No analysis of the Group's assets and liabilities is regularly provided to the CODMs for review.

	2025 S\$	2024 S\$
Segment revenues:		
Building and Construction works	199,512,982	189,972,648
Property Investment	2,826,469	2,295,162
Development Properties	–	–
	202,339,451	192,267,810
Segment results:		
Building and Construction works	13,552,178	6,755,678
Property Investment (Note)	1,742,910	5,914,558
Development Properties	–	–
	15,295,088	12,670,236
Unallocated:		
Other income	1,740,548	1,609,129
Other gains and losses	(766,447)	353,548
Selling expenses	(109,173)	(12,441)
Administrative expenses	(4,775,515)	(4,903,677)
Finance costs	(328,972)	(437,495)
Profit before taxation	11,055,529	9,279,300

Note: Segment results for property investment includes results from property investment of S\$1,742,910 (2024: S\$1,084,275) and gain arising on disposal of investment properties of S\$Nil (2024: S\$4,830,283) (Note 6b).

The accounting policies for segment information are the same as the Group's material accounting policy information described in Note 3.2.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

5 REVENUE AND SEGMENT INFORMATION (Continued)

(v) Geographical information

The Group principally operates in Singapore. All revenue is derived from external customers in Singapore based on the location of services delivered and the Group's property, plant and equipment, intangible assets, investment properties, right-of-use assets and development properties are all located in Singapore.

(vi) Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

	2025 S\$	2024 S\$
Customer A	131,885,289	153,127,810
Customer B	33,751,991	N/A*
Customer C	24,461,543	N/A*

* Revenue did not contribute over 10% of total revenue of the Group for the year.

Revenue from the above customers A to C in 2025 and 2024 are from the segment of Building and Construction works.

6a OTHER INCOME

	2025 S\$	2024 S\$
Government grants (Note)	154,263	63,998
Interest income	1,484,570	1,446,533
Others	101,715	98,598
	1,740,548	1,609,129

Note: Government grants in 2025 mainly include Wage Credit Scheme ("WCS"), Government-Paid Childcare Leave ("GPCL") and Productivity Innovation Project ("PIP"). Government grants in 2024 mainly included WCS and GPCL.

All government grants received are incentives as compensation of expenses or losses already incurred or as immediate financial support to the Company with no future related costs and no relation to any assets received upon fulfilling the conditions attached to them.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

6b OTHER GAINS AND LOSSES

	2025 S\$	2024 S\$
Gain arising on disposal of investment properties	–	4,830,283
Gain arising on disposal of property, plant and equipment	63,362	–
Fair value gain on financial assets at FVTPL	1,814,000	–
Loss on modification of loan receivable (Note 18c)	(2,017,504)	–
Loss on discounting of interest receivable	(70,674)	–
Net exchange (loss) gain	(555,631)	353,548
	(766,447)	5,183,831

7 FINANCE COSTS

	2025 S\$	2024 S\$
Interest on:		
Bank borrowings	2,229,733	2,583,817
Lease liabilities	7,945	9,439
	2,237,678	2,593,256
Total interest expense	2,237,678	2,593,256
Less: Amount capitalised in development properties (Note 20)	(1,908,706)	(2,155,761)
	328,972	437,495

All interest expense arising on financing specifically entered into for the development properties were capitalised during the current and previous financial year.

8 INCOME TAX EXPENSE

	2025 S\$	2024 S\$
Tax expense comprises:		
Current tax		
— Singapore corporate income tax ("CIT")	2,185,073	439,383
— Under (Over) provision of current tax in prior year	182,984	(46,382)
Deferred tax		
— Current year	64,906	(64,906)
	2,432,963	328,095

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

8 INCOME TAX EXPENSE (Continued)

The Company is exempted from taxation under the laws of the Cayman Islands.

Singapore CIT is calculated at 17% of the estimated assessable profit. Singapore incorporated companies also enjoy 75% tax exemption on the first S\$10,000 of normal chargeable income, and a further 50% tax exemption on the next S\$190,000 of normal chargeable income, for both the Years of Assessment 2025 and 2026.

The income tax expense for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 S\$	2024 S\$
Profit before taxation	11,055,529	9,279,300
Tax at applicable tax rate of 17%	1,879,440	1,577,481
Effect of different tax rate of the Company operating in other jurisdiction	70,583	82,529
Tax effect of expenses not deductible for tax purpose	722,087	285,286
Effect of income that is exempt from taxation	(337,829)	(821,148)
Effect of tax concessions and partial tax exemptions	(75,207)	(76,125)
Under (Over) provision of current tax in prior year	182,984	(46,382)
Effect of utilisation of deferred tax assets previously not recognised	–	(683,031)
Others	(9,095)	9,485
Taxation for the year	2,432,963	328,095

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

9 PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	2025 S\$	2024 S\$
Depreciation of property, plant and equipment (<i>Note a</i>)	864,285	1,169,821
Depreciation of investment properties (<i>Note a</i>)	838,683	932,360
Depreciation of right-of-use assets (<i>Note a</i>)	325,284	221,982
Audit fees to auditors of the Company (<i>Note c</i>):		
— Annual audit fees	280,000	260,000
Audit fees to other auditors of the Company	6,000	10,000
Non-audit fees to other auditors of the Company	14,500	15,500
Directors' remuneration (<i>Note 10</i>)	2,287,048	2,341,142
Other staff costs:		
— Salaries and other benefits	12,173,700	11,587,061
— Contributions to CPF	506,981	579,844
Total staff costs (<i>Note b</i>)	14,967,729	14,508,047
Cost of materials recognised as cost of services	31,311,107	29,473,150
Subcontractor costs recognised as cost of services	133,853,105	132,262,263

Notes:

- a. Depreciation of S\$1,494,540 (2024: S\$1,728,741) are included in cost of services.
- b. Staff costs of S\$12,680,323 (2024: S\$12,217,136) are included in cost of services.
- c. There were no non-audit services provided by auditors of the Company in 2025 and 2024.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

10 DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS

Directors' emoluments

The emoluments paid or payable to the directors of the Company are as follows:

	Fees (Note c) S\$	Discretionary bonus (Note a) S\$	Salaries and allowances S\$	Contributions to retirement benefit scheme (Note b) S\$	Total S\$
Year ended 31 December 2025					
Executive Directors					
Mr. Yang Xinping	100,000	576,693	420,000	15,501	1,112,194
Ms. Han Yuying	100,000	576,693	420,000	12,701	1,109,394
Independent Non-Executive Directors					
Ms. Chan Bee Leng	21,820	–	–	–	21,820
Mr. Wang Lian	21,820	–	–	–	21,820
Mr. Kwong Choong Kuen (Huang Zhongquan)	21,820	–	–	–	21,820
	265,460	1,153,386	840,000	28,202	2,287,048
Year ended 31 December 2024					
Executive Directors					
Mr. Yang Xinping	100,000	601,521	420,000	17,340	1,138,861
Ms. Han Yuying	100,000	601,521	420,000	15,300	1,136,821
Independent Non-Executive Directors					
Ms. Chan Bee Leng	21,820	–	–	–	21,820
Mr. Ooi Soo Liat (resigned on 1 October 2024)	16,365	–	–	–	16,365
Mr. Wang Lian (appointed on 1 October 2024)	5,455	–	–	–	5,455
Mr. Kwong Choong Kuen (Huang Zhongquan)	21,820	–	–	–	21,820
	265,460	1,203,042	840,000	32,640	2,341,142

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

10 DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS (Continued)

Directors' emoluments (Continued)

Notes:

- The discretionary bonus is determined by reference to the duties and responsibilities of the relevant individual within the Group and the Group's performance. In 2025 and 2024, the discretionary bonus includes performance bonus which is based on post-tax consolidated net profit of the Group for current year.
- No other retirement benefits were paid to Mr. Yang Xinping and Ms. Han Yuying in respect of their respective other services in connection with the management of the affairs of the Company or its subsidiaries undertaking.
- Annual emoluments of the two Executive Directors include S\$100,000 of director's fees each.

The executive directors' emoluments shown above were 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 for their services as directors of the Company.

None of the directors have waived any emoluments during the year.

Employees' emoluments

Of the five individuals with the highest emoluments in the Group, two (2024: two) were directors of the Company during the year ended 31 December 2025 whose emoluments are included in the disclosures above. The emoluments of the remaining three (2024: three) individuals were as follows:

	2025 S\$	2024 S\$
Salaries and allowances	738,200	657,200
Discretionary bonus	261,586	195,530
Contributions to retirement benefits scheme	48,291	52,020
	1,048,077	904,750

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

10 DIRECTORS' EMOLUMENTS AND EMPLOYEES' EMOLUMENTS (Continued)

Employees' emoluments (Continued)

The emoluments of these five individuals (including two directors of the Company) were within the following bands presented in Hong Kong Dollars ("HK\$"):

	Number of Employees	
	2025	2024
Emolument bands		
HK\$1,000,001 to HK\$1,500,000	–	1
HK\$1,500,001 to HK\$2,000,000	2	–
HK\$2,000,001 to HK\$2,500,000	1	2
HK\$6,000,001 to HK\$6,500,000	–	2
HK\$6,500,001 to HK\$7,000,000	2	–
	5	5

During the years ended 31 December 2025 and 2024:

- (i) No remuneration was paid by the Group to any director of the Company as an inducement to join or upon joining the Group or as compensation for loss of office;
- (ii) In 2025, there is no (2024: 1) resigned director during the year; and
- (iii) There were no loans, quasi-loans or other dealings in favour of directors, their controlled bodies corporate and connected entities, and the Company's holding company.

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 years ended 31 December 2025 and 2024 or at any time during the years.

11 EARNINGS PER SHARE

	2025	2024
Profit attributable to the owners of the Company (S\$)	8,694,411	8,953,613
Weighted average number of ordinary shares in issue	800,000,000	800,000,000
Basic earnings per share (S\$ cents)	1.09	1.12

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company and the weighted average number of shares in issue.

No diluted earnings per share were presented as there were no potential ordinary shares in issue for 2025 and 2024.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

12 PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery S\$	Computers S\$	Motor vehicles S\$	Furniture and fittings S\$	Leasehold land and property S\$	Total S\$
Cost:						
At 1 January 2024	5,872,083	382,789	2,101,178	279,467	16,244,054	24,879,571
Reclassification	7,270	–	77,923	33,973	(5,496,802)	(5,377,636)
At 31 December 2024	5,879,353	382,789	2,179,101	313,440	10,747,252	19,501,935
Addition	271,696	47,041	733,414	156,269	–	1,208,420
Reclassification	–	–	–	–	(1,265,937)	(1,265,937)
Disposal	(359,590)	–	(8,395)	–	–	(367,985)
At 31 December 2025	5,791,459	429,830	2,904,120	469,709	9,481,315	19,076,433
Accumulated depreciation:						
At 1 January 2024	5,057,574	362,411	1,896,797	214,997	4,702,957	12,234,736
Charge for the year	475,817	12,266	98,582	12,401	570,755	1,169,821
Reclassification	7,270	–	77,923	33,973	(1,712,027)	(1,592,861)
At 31 December 2024	5,540,661	374,677	2,073,302	261,371	3,561,685	11,811,696
Charge for the year	241,181	17,037	86,548	16,309	503,210	864,285
Reclassification	–	–	–	–	(420,576)	(420,576)
Disposal	(359,590)	–	(8,395)	–	–	(367,985)
At 31 December 2025	5,422,252	391,714	2,151,455	277,680	3,644,319	11,887,420
Carrying amount:						
At 31 December 2024	338,692	8,112	105,799	52,069	7,185,567	7,690,239
At 31 December 2025	369,207	38,116	752,665	192,029	5,836,996	7,189,013

The leasehold land is a right-of-use asset with a lease term of 20 years, and has been fully paid for during the year ended 31 December 2017. The Group has no option to purchase its leasehold land at the end of the lease term.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

12 PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following useful lives after taking into account the residual values:

Plant and machinery	3 to 10 years
Computers	3 years
Motor vehicles	5 years
Furniture and fittings	Shorter of 3 to 10 years, or remaining lease period
Leasehold land and property	Shorter of 20 years or remaining lease period

The carrying amount of leasehold land and leasehold property amounting to S\$5,836,996 (2024: S\$7,185,567) are pledged to banks to secure bank borrowings as disclosed in Note 24.

13 INTANGIBLE ASSETS

The intangible assets represent the club memberships in Singapore Island Country Club that are held for long-term purposes. The memberships are stated at cost less impairment. They have indefinite useful lives and are not amortised.

14 INVESTMENT PROPERTIES

	2025 S\$	2024 S\$
Cost:		
At beginning of the year	14,536,257	18,712,955
Reclassification	1,265,937	5,496,802
Disposal	–	(9,673,500)
At end of the year	15,802,194	14,536,257
Accumulated depreciation:		
At beginning of the year	4,814,605	3,983,998
Charge for the year	838,683	932,360
Reclassification	420,576	1,712,027
Disposal	–	(1,813,780)
At end of the year	6,073,864	4,814,605
Carrying amount:		
At end of the year	9,728,330	9,721,652

As at 31 December 2025 and 2024, investment properties of the Group comprises of leasehold land and property at Tampines North Drive 3, Singapore 528499 with a tenure of 20 years and 18.4 years respectively.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

14 INVESTMENT PROPERTIES (Continued)

On 28 March 2024 and 20 May 2024, Wan Yoong Construction Pte. Ltd. (“Wan Yoong”), an indirect wholly-owned subsidiary of the Company, granted options (the “Option”) to independent third party purchasers (“Purchaser”) to purchase three and two of its freehold strata title light industrial units at consideration of S\$7,840,000 and S\$4,850,000, which were completed on 13 and 19 August 2024 respectively. Accordingly, the Group recognised a net gain on divestment of investment properties of S\$4,830,283 (Note 6b).

The leasehold land and property is a mixed commercial and industrial building which is intended for:

- (i) the Group’s own use as office and storage facilities, and classified as property, plant and equipment (Note 12); and
- (ii) to earn rental income by being leased out mainly as shops, warehouses or offices, and are reclassified as investment properties.

During the current financial year, the Group had leased out additional units to third party tenants under leasing agreements, and accordingly, these units were reclassified from property, plant and equipment (Note 12) to investment properties upon lease commencement.

The leasehold land and property are depreciated on a straight-line basis over 20 years and 18.4 years respectively.

As at 31 December 2025, the fair values of the leasehold land and property classified as investment properties amounted to S\$16,875,000 (2024: S\$16,102,800) respectively. Fair value measurement of the Group’s investment properties as at 31 December 2025 and 2024 were carried out by RHT Valuation Pte. Ltd., an independent valuer not related to the Group, and who has the appropriate qualifications and relevant experience.

The fair values were determined using the comparison approach, where it is based on comparable market transactions that considered the sales of similar properties that have been transferred in the open market with the significant unobservable input being the price per square metre where any significant isolated increases (decreases) in this input would result in a significantly higher (lower) fair value measurement.

The investment properties are categorised within Level 3 of the fair value hierarchy. There were no transfers into and out of Level 3 of the fair value hierarchy in 2025 and 2024.

In estimating the fair value of the properties, the highest and best use of the property is their current use.

The property rental income from the Group’s freehold and leasehold properties, all of which are leased out under operating leases, amounted to S\$2,826,469 (2024: S\$2,295,162). Direct operating expenses (including repairs and maintenance) arising from the rental-generating freehold and leasehold properties amounted to S\$1,083,559 (2024: S\$1,210,887).

The carrying amount of investment properties amounting to S\$9,728,330 (2024: S\$9,721,652) are pledged to banks to secure bank borrowings as disclosed in Note 24.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

15 LEASES (GROUP AS A LESSEE)

Right-of-use assets

	Dormitories and site office premises S\$	Furniture and fittings S\$	Machinery S\$	Motor vehicles S\$	Total S\$
Cost:					
At 1 January 2024	977,061	33,973	7,270	77,923	1,096,227
Additions	92,764	–	–	–	92,764
Reclassification ⁽ⁱ⁾	–	(33,973)	(7,270)	(77,923)	(119,166)
Reductions	(594,133)	–	–	–	(594,133)
At 31 December 2024	475,692	–	–	–	475,692
Additions	444,384	–	–	–	444,384
Reductions	(595,337)	–	–	–	(595,337)
At 31 December 2025	324,739	–	–	–	324,739
Accumulated depreciation:					
At 1 January 2024	750,452	33,973	7,270	77,923	869,618
Charge for the year	221,982	–	–	–	221,982
Reclassification ⁽ⁱ⁾	–	(33,973)	(7,270)	(77,923)	(119,166)
Reductions	(594,133)	–	–	–	(594,133)
At 31 December 2024	378,301	–	–	–	378,301
Charge for the year	325,284	–	–	–	325,284
Reductions	(595,337)	–	–	–	(595,337)
At 31 December 2025	108,248	–	–	–	108,248
Carrying amount					
At 31 December 2024	97,391	–	–	–	97,391
At 31 December 2025	216,491	–	–	–	216,491

(i) As at 31 December 2024, the hire purchase agreements were ended and accordingly, the relevant furniture and fittings, machinery and motor vehicles are reclassified to property, plant and equipment (Note 12).

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

15 LEASES (GROUP AS A LESSEE) (Continued)

Right-of-use assets (Continued)

The Group leases several assets including staff dormitories, site office premises, office equipment and motor vehicles. The lease term is 11 to 18 months (2024: 21.5 to 32 months).

The Group has no options to purchase any of its leased assets at the end of the lease term. The Group's obligations are secured by the lessors' title to the leased assets for such leases.

New leases of site office premises were entered into in 2025 and 2024, resulting in additions to right-of-use assets of S\$444,384 and S\$92,764 respectively.

The maturity analysis of lease liabilities is presented in Note 23.

Amounts recognised in profit or loss

	2025 S\$	2024 S\$
Depreciation expense on right-of-use assets (Note 9)	325,284	221,982
Interest expense on lease liabilities (Note 7)	7,945	9,439
Expense relating to short-term leases	490,467	545,095

The total cash outflow for leases in 2025 amount to S\$0.6 million (2024: S\$0.8 million).

At 31 December 2025, the Group is committed to S\$Nil for short-term leases (2024: S\$0.3 million).

16 Financial assets at FVTPL

	2025 S\$	2024 S\$
Unquoted equity shares, at fair value	2,214,000	–

The fair values of these unquoted equity shares are measured based on the adjusted net asset method. Changes in the fair value of financial assets at FVTPL, amounting to net gain of S\$1,814,000 (2024: S\$Nil) have been recognised in other gains and losses (Note 6b). This unquoted equity shares are charged to the consortium of banks for a loan taken up by the investee (Note 36).

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

17 TRADE RECEIVABLES

	2025 S\$	2024 S\$
Trade receivables	449,223	5,211,555
Unbilled revenue (Note a)	–	540,134
	449,223	5,751,689

Note a: Unbilled revenue are those accrued revenue which the construction certification is issued by the customers before year end but no billing has been raised to customers. The Group's rights of the unbilled revenue are unconditional.

As at 1 January 2024, trade receivables from contracts with customers amounted to S\$2,442,607.

The Group grants credit terms to customers typically between 0 to 45 days (2024: 0 to 45 days) from the invoice date for trade receivables. The following is an analysis of trade receivables by invoice date at the end of each reporting period:

	2025 S\$	2024 S\$
Within 60 days	449,223	5,209,055
Above 365 days	–	2,500
	449,223	5,211,555

Before accepting any new customer, the Group assesses the potential customer's credit quality and defined credit limit to each customer on an individual basis. Credit limits attributed to customers are reviewed periodically.

The Group applies the simplified approach to provide the expected credit losses prescribed by IFRS 9. The impairment methodology is set out in Notes 3.2 and 34(c) of the consolidated financial statements.

As part of the Group's credit risk management, the Group assesses the impairment for its customers based on different group of customers that share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. Details of the credit risk assessment are included in Note 34(c).

The directors of the Company considered that the ECL for trade receivables is insignificant as at 31 December 2025 and 2024.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

18a OTHER RECEIVABLES AND DEPOSITS

	2025 S\$	2024 S\$
Current		
Deposits	1,268,509	647,164
Deposits paid for performance bond	488,000	859,340
Back charges to subcontractors and suppliers	2,935,284	1,902,241
Advances to subcontractors	1,521,370	1,375,843
Interest receivables	240,594	359,362
Goods and Service Tax ("GST") receivable	7,248	74,371
Others	85,702	79,569
	6,546,707	5,297,890
Non-current		
Interest receivables	506,937	–
Deposits paid for performance bond	250,000	738,000
	756,937	738,000

Other receivables and deposits of the Group are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition.

Accordingly, for the purpose of impairment assessment for these other receivables and deposits, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

The directors of the Company considered that the ECL for other receivables and deposits is insignificant as at 31 December 2025 and 2024.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

18b OTHER ASSETS

	2025 S\$	2024 S\$
Current		
Prepayments	51,136	28,494
Accrued rental income	50,302	18,237
	101,438	46,731
Non-current		
Prepayments	71,321	1,078
Accrued rental income	80,271	12,673
	151,592	13,751

18c LOAN RECEIVABLE

	2025 S\$	2024 S\$
Loan principal	16,156,500	–
Less: Loss on loan modification	(2,017,504)	–
Add: Amortisation of interest	43,973	–
	14,182,969	–
Analysed as:		
Carrying amount receivable in more than one year but less than five years	14,182,969	–

The loan is granted to a private company for which the investment is classified as financial assets at FVTPL (Note 16). The loan is unsecured and repayable on 6 February 2031. Interest was imposed on this loan effective 07 February 2025 at a rate referenced to six-month SORA plus an indicative margin. On 20 November 2025, there is an amendment of loan to be interest-free effective from 21 November 2025. As a result of this modification, there is loss of S\$2,017,504 being recognised in profit or loss. During the financial year ended 31 December 2025, the Group recognised imputed interest income of S\$43,973 arising from the amortisation of the fair value adjustment. This loan receivable is subordinated to an external loan taken up by the investee (Note 36).

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

18d CONTRACT COSTS

At the end of the reporting period, the Group has contract costs of S\$3,371,514 (2024: Nil). Incremental costs of obtaining a contract are capitalised if these costs are recoverable and are amortised to profit or loss on a basis consistent with the pattern of recognition of the associated revenue. The assets recognised from costs to obtain contracts relate to the sale of development properties. There was no impairment loss recognised during the year in relation to these contract costs.

19a CONTRACT ASSETS/LIABILITIES

The following is the analysis of the contract assets and contract liabilities:

	2025 S\$	2024 S\$
Contract assets	14,975,206	7,640,162
Contract liabilities	(23,088,502)	(9,385,625)

Contract assets and contract liabilities arising from same contract are presented on a net basis.

As at 1 January 2024, contract assets amounted to S\$30,759,697 and contract liabilities amounted to S\$2,392,028.

Contract assets

Amounts represent the Group's rights to considerations from customers for the provision of construction services, which arise when: (i) the Group completed the relevant services under such contracts; and (ii) the customers withhold certain amounts payable to the Group as retention money to secure the due performance of the contracts for a period of generally 12 months (defect liability period) after completion of the relevant works. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it becomes unconditional and is invoiced to the customer.

The Group's contract assets are analysed as follows:

	2025 S\$	2024 S\$
Construction contracts — current		
Retention receivables	2,039,200	2,984,780
Others*	12,936,006	4,655,382
	14,975,206	7,640,162

* Included in others is revenue not yet billed to the customers. The Group has completed the relevant services under such contracts but yet to be certified by representatives appointed by the customers.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

19a CONTRACT ASSETS/LIABILITIES (Continued)

Changes in contract assets were mainly due to: (1) the amount of retention receivables in accordance with the number of ongoing and completed contracts under the defect liability period; and changes in the size and number of contract works that the relevant services were completed but yet to be certified by representatives appointed by the customers at the end of each reporting period.

The Group's contract assets include retention receivables to be settled, based on the expiry of the defect liability period of the relevant contracts or in accordance with the terms specified in the relevant contracts, at the end of the reporting period. The balances are classified as current as they are expected to be received within the Group's normal operating cycle.

The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for the trade receivables are a reasonable approximation of the loss rates for the contract assets. Based on the management's assessment, it is considered that the ECL for contract assets is insignificant as at 31 December 2025 and 2024.

Contract liabilities

The contract liabilities represent the Group's obligation to transfer services to customers for which the Group has received consideration (or an amount of consideration is due) from the customers.

The Group's contract liabilities are analysed as follows:

	2025 S\$	2024 S\$
Construction contracts — current	(5,470,230)	(9,385,625)
Development properties — current	(17,618,272)	–
	(23,088,502)	(9,385,625)

The decrease in contract liabilities for construction contracts is mainly due to more revenue has been recognised during the year based on the progress of the projects.

The increase in contract liabilities for development properties is mainly due to the receipt of consideration from customers for sale of development properties.

The contract liabilities are classified as current as they are expected to be settled within the Group's normal operating cycle.

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For the financial year ended 31 December 2025

19a CONTRACT ASSETS/LIABILITIES (Continued)

Contract liabilities (Continued)

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities:

	2025 S\$	2024 S\$
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	9,385,625	2,392,028

None of the revenue recognised during the year relates to performance obligations that were satisfied in prior periods.

20 DEVELOPMENT PROPERTIES

	2025 S\$	2024 S\$
Properties in the course of development		
Land related cost ¹	88,844,616	88,346,601
Development cost	12,310,673	987,671
Others ²	5,401,719	3,073,237
	106,557,008	92,407,509

¹ As at 31 December 2025, land related cost includes land cost of S\$81 million (2024: S\$81 million), stamp duty of S\$4 million (2024: S\$4 million) and others of S\$3.8 million (2024: S\$3.3 million).

² As at 31 December 2025, others include capitalisation of interest expense on bank borrowings of S\$4,064,467 (2024: S\$2,155,761).

As at 31 December 2025 and 2024, development properties of the Group comprises of freehold land and light industrial property development property at 50 Playfair Road Singapore 367995, in which the Group holds a 45% interest in Tai Seng Food Point Development Pte Ltd, an indirect non-wholly owned subsidiary of the Group (Note 30). These properties have operating cycles longer than one year. Development properties are classified as current assets as they are intended for sale in the Group's normal operating cycle.

The allowance for diminution in value for development properties was estimated after taking into account estimated selling prices and estimated total construction costs, where appropriate. The estimated selling prices are based on expected selling prices for the development project after taking into consideration of prevailing market conditions. As at 31 December 2025 and 2024, no allowance for diminution in value is provided.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

20 DEVELOPMENT PROPERTIES (Continued)

As at 31 December 2025, development properties with carrying amount of S\$106,557,008 (2024: S\$92,407,509) were mortgaged to banks to secure credit facilities for the Group. Information relating to the Group's borrowings is disclosed in Note 24 to the financial statements.

In 2025 and 2024, no revenue was recognised as the sale of development properties is recognised at a point in time when the customer obtains control of the asset which is after the temporary occupation permit ("TOP") for the development property is obtained (Note 5).

21 BANK BALANCES AND CASH AND PLEDGED DEPOSITS

	2025 S\$	2024 S\$
Bank balances and cash and pledged deposits	79,159,612	80,961,923
Less: Pledged deposits (Note a)	(2,828,400)	(2,828,400)
	76,331,212	78,133,523
Less: Fixed deposits with original maturity more than 3 months	(7,524,000)	(15,346,000)
	68,807,212	62,787,523

Included in bank balances and cash are fixed deposits of S\$38,199,233 (2024: S\$17,346,000), which carry interest at interest rates ranging from 0.95% to 3.60% per annum (2024: 2.75% to 3.52%).

Note a: As at 31 December 2025 and 2024, the Group has pledged deposits of S\$2,828,400 (2024: S\$2,828,400) for one performance bond (2024: one performance bond), as follows:

	2025 S\$	2024 S\$
Performance bonds:		
— current ⁽¹⁾	2,828,400	–
— non-current ⁽¹⁾	–	2,828,400
	2,828,400	2,828,400

⁽¹⁾ S\$2.8 million pledged to a performance bond will mature in September 2026 and has been classified as current assets (2024: non-current assets). It carries interest at 2.85% per annum (2024: 2.85%).

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

22 TRADE AND OTHER PAYABLES

	2025 S\$	2024 S\$
Current		
Trade payables	35,698,888	25,351,328
Trade accruals	34,665,472	29,349,252
	70,364,360	54,700,580
Accrued operating expenses	256,260	270,800
Other payables:		
GST payable	434,886	1,217,166
Interest payable	108,615	201,955
Accrued payroll costs	3,549,432	3,190,627
Deposits	166,508	253,263
Others	117,270	52,259
	74,997,331	59,886,650
Non-current		
Deposits	512,311	154,958

The following is an ageing analysis of trade payables presented based on the invoice date at the end of each reporting period:

	2025 S\$	2024 S\$
Within 90 days	35,214,417	24,574,501
91 to 180 days	266,684	278,735
181 days to 365 days	198,877	361,481
Over 1 year but not more than 2 years	4,592	67,191
More 2 years	14,318	69,420
	35,698,888	25,351,328

The credit period on purchases from suppliers and subcontractors is between 0 to 60 days (2024: 0 to 60 days).

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

23 LEASE LIABILITIES

	2025 S\$	2024 S\$
Lease liabilities payable:		
Within one year	218,447	100,230

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's finance function.

In 2025 and 2024, the above represents leases for certain staff dormitories and site office premises of the Group. The weighted average incremental borrowing rate was 3.69% (2024: 3.83%) per annum.

The Group's lease does not contain variable lease payments and accordingly no expense relating to variable lease payments is included in the measurement of lease liabilities.

Certain leases of the Group contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options. These extension options are exercisable by the Group and not by the lessor.

24 BORROWINGS

	2025 S\$	2024 S\$
Bank loan — secured (<i>Notes a, b, c</i>)	72,692,207	77,181,647
Other borrowings — secured	–	94
	72,692,207	77,181,741
Analysed as:		
Carrying amount repayable within one year	1,175,076	2,249,534
Carrying amount repayable more than one year, but not exceeding two years	6,573,131	1,175,076
Carrying amount repayable more than two years, but not exceeding five years	64,944,000	73,757,131
	72,692,207	77,181,741
Less: Amount due within one year shown under current liabilities	(1,175,076)	(2,249,534)
Amount shown under non-current liabilities	71,517,131	74,932,207

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

24 BORROWINGS (Continued)

Notes:

- a. As at 31 December 2025, a loan with an outstanding balance of S\$7.8 million (2024: S\$8.9 million) was secured by the legal mortgage over the Group's mixed commercial and industrial development property. The loan carries fixed interest rate of 3.58% and 3.78% for first and second year, followed by 2% over the applicable Compounded SORA Reference Rate as determined by the bank for third year and thereafter. It is also secured by a corporate guarantee provided by the Company.
- b. As at 31 December 2024, a five-year temporary bridging loan with an outstanding balance of S\$1.1 million carried a fixed interest rate of 2% and was secured by a corporate guarantee provided by the Company. The loan was fully repaid in 2025.
- c. During the financial year ended 31 December 2025, the Group fully repaid one drawdown tranche. As at 31 December 2025, the Group had one tranche drawdown with an outstanding balance of approximately S\$64.9 million (2024: S\$67.2 million from two tranches). The loan is secured by the legal mortgage over the Group's development properties (Note 20), carrying interest rate of 0.9% above the Compounded Singapore Overnight Rate Average (SORA). It is also secured by a proportionate corporate Guarantee provided by the Company and proportionate personal Guarantees provided by the non-controlling shareholders of an indirectly 45%-owned subsidiary of the Company.

25 NON-CONTROLLING INTEREST

As at 31 December 2025, non-controlling interests include shareholder loan of S\$15,508,581(2024: S\$15,508,581) granted to an indirectly 45%-owned subsidiary of the Company to fund the properties under development (Notes 20 and 30). The amounts are non-trade in nature, unsecured and interest free. The repayment is at the discretion of the subsidiary.

26 SHARE CAPITAL

	Number of shares	Par value HK\$	Share capital HK\$
Authorised share capital of the Company:			
At 1 January 2024, 31 December 2024 and 2025	5,000,000,000	0.01	50,000,000

	Number of shares	Share capital S\$
Issued and fully paid of the Company:		
At 1 January 2024, 31 December 2024 and 2025	800,000,000	1,389,830

Notes to the Consolidated Financial Statements

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27 OPERATING LEASE COMMITMENTS

Operating leases, in which the Group is the lessor, relate to investment property owned by the Group with lease terms of between less than a year to five years, mostly with a one to three years extension option. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

Maturity analysis of operating lease receipts:

	2025 S\$	2024 S\$
Within one year	2,955,547	1,382,352
In the second year	1,806,906	626,375
In the third year	764,537	202,785
In the fourth year	596,689	6,097
Total	6,123,679	2,217,609

Lease income on operating leases is disclosed in Note 5(i).

28 RETIREMENT BENEFIT PLAN

As prescribed by the CPF Board of Singapore, the Group's employees employed in Singapore who are Singapore Citizens or Permanent Residents are required to join the CPF scheme. For the years ended 31 December 2025 and 2024, the Group contributes up to 17% of the eligible employees' salaries to the CPF scheme, with each employee's qualifying salary capped at S\$7,400 per month.

The total costs charged to profit or loss amounting to S\$535,183 for the year ended 31 December 2025 (2024: S\$612,484) represent contributions paid to the retirement benefits scheme by the Group.

As at 31 December 2025, contributions of S\$141,694 (2024: S\$223,953) were due respectively but had not been paid to the CPF. The amounts were paid subsequent to the end of the year.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

29 RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties are reflected in these consolidated financial statements. Related companies refer to entities in which directors of the Group and his/her spouse have beneficial interest in.

Other than those disclosed elsewhere in the financial statements, significant related party transactions include the following:

	2025 S\$	2024 S\$
With an entity associated with a non-controlling shareholder: Management fee for property development project	100,000	100,000

Compensation of key management personnel

The remuneration of the executive directors and other members of key management during the year were as follows:

	2025 S\$	2024 S\$
Short term benefits	3,498,885	3,586,848
Post-employment benefits	104,879	129,011
Total compensation	3,603,764	3,715,859

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

30 PARTICULARS OF SUBSIDIARIES

Details of the subsidiaries directly and indirectly held by the Company as at 31 December 2025 are set out below.

Name	Place of incorporation/ operation	Paid up issued capital	Group's effective interest	Held by the Company	Principal activities
Lion Metro Holdings Limited	BVI	US\$1	100%	100%	Investment holding
BHCC Construction Pte Ltd	Singapore	S\$15,000,000	100%	–	Provision of building construction services
Wan Yoong Construction Pte Ltd ¹	Singapore	S\$30,000	100%	–	Property investment
BHCC Space Pte Ltd	Singapore	S\$1,000,000	100%	–	Property investment
BHCC Development Pte Ltd	Singapore	S\$1,000	100%	–	Property development and investment holding
Tai Seng Food Point Development Pte Ltd ²	Singapore	\$1,000	45%	–	Property development and investment holding
BHCC Development (Projects) Pte Ltd ³	Singapore	S\$1,000	100%	–	Property development and investment holding
BHCC Development (Project 2) Pte Ltd ⁴	Singapore	S\$1,000	100%	–	Property development and investment holding

¹ Wan Yoong Construction Pte Ltd has commenced the liquidation process during the year.

² On 20 March 2024, the Group acquired 45% interest in Tai Seng Food Point Development Pte Ltd (Note A).

³ BHCC Development (Projects) Pte Ltd is newly incorporated during the previous year.

⁴ BHCC Development (Project 2) Pte Ltd is newly incorporated during the year.

None of the subsidiaries had issued any debt securities at the end of the year.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

30 PARTICULARS OF SUBSIDIARIES (Continued)

Note A:

Acquisition of Tai Seng Food Point Development Pte Ltd ("Tai Seng Food Point")

On 23 August 2023, Tai Seng Food Point was incorporated with total share capital of \$1,000. Tai Seng Food Point is in the property development business, and has successfully tendered for the collective purchase of all the strata lots and common property in a freehold land and light industrial property development, at a purchase price of S\$81 million on 22 November 2023. The intention is to redevelop the property into a modern food processing facility for strata sale to third party in the market.

On 4 January 2024, BHCC Development Pte Ltd ("BHCC Development"), an indirect wholly-owned subsidiary of the Company, and a third party vendor entered into a Sale and Purchase Agreement, pursuant to which BHCC Development had conditionally agreed to acquire 45% of the total issued share capital of Tai Seng Food Point at \$450. An Extraordinary General Meeting has been convened on 18 March 2024 and shareholders' approval for the transaction has been obtained. The acquisition has been completed on 20 March 2024 with net liability acquired which is not significant to the Group.

The primary reason of the Group in acquiring Tai Seng Food Point is to gain access to new property development business segment. The total outlay for the property development project is estimated at S\$140 million, including S\$81 million land cost and remaining S\$59 million development and other miscellaneous costs. The amount will be funded by S\$78.4 million bank loan as disclosed in Note 24(c) and S\$50 million shareholder's loans in their proportionate shares, with remaining S\$11.6 million to be fulfilled by the sales proceeds generated from the pre-sale of uncompleted units of development.

BHCC Development had agreed to provide the capital contribution to Tai Seng Food Point from time to time upon completion of acquisition by way of provision of shareholder's loan(s) in the aggregate amount of up to S\$22.5 million. During the year ended 31 December 2025 and 2024, the Group and non-controlling shareholders granted shareholders' loans to Tai Seng Food Point amounting to S\$12.7 million and S\$15.5 million (Note 25) respectively. As at 31 December 2025, the Group's capital commitment is S\$9.8 million (2024: S\$9.8 million).

The acquisition of Tai Seng Food Point is not a business combination because the acquired entity does not constitute a business as defined in accordance with IFRS 3 *Business Combination*.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

31 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Borrowings (Note 24) S\$	Lease liabilities (Note 23) S\$	Interest payable (Note 22) S\$	Total S\$
1 January 2024	12,448,361	234,417	23,170	12,705,948
Financing cash flows ⁽ⁱ⁾	64,733,380	(226,951)	(2,414,471)	62,091,958
<i>Non-cash changes:</i>				
Additions to right-of-use assets (Note 15)	–	92,764	–	92,764
Capitalised to development properties (Note 20)	–	–	2,155,761	2,155,761
Finance costs (Note 7)	–	–	437,495	437,495
31 December 2024	77,181,741	100,230	201,955	77,483,926
Financing cash flows ⁽ⁱ⁾	(4,489,534)	(326,167)	(2,331,018)	(7,146,719)
<i>Non-cash changes:</i>				
Additions to right-of-use assets (Note 15)	–	444,384	–	444,384
Capitalised to development properties (Note 20)	–	–	1,908,706	1,908,706
Finance costs (Note 7)	–	–	328,972	328,972
31 December 2025	72,692,207	218,447	108,615	73,019,269

(i) The cash flows make up the net amount of proceeds from borrowings and repayments of borrowings in the consolidated statement of cash flows.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

32 STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2025 S\$	2024 S\$
ASSETS AND LIABILITIES		
Non-current asset		
Investment in a subsidiary	1	1
Current assets		
Amount due from a subsidiary	8,870,875	9,272,503
Bank balances and cash	79,605	86,344
	8,950,480	9,358,847
Current liability		
Other payables	(158,696)	(155,000)
Net current assets	8,791,784	9,203,847
Total assets less current liability, representing net assets	8,791,785	9,203,848
EQUITY		
Capital and reserves		
Share capital	1,389,830	1,389,830
Share premium	14,176,517	14,176,517
Accumulated losses	(6,774,562)	(6,362,499)
Equity attributable to owners of the Company	8,791,785	9,203,848

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

32 STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

A summary of the Company's reserves is as follows:

	Share premium S\$	Accumulated losses S\$	Total S\$
At 1 January 2024	14,176,517	(5,877,036)	8,299,481
Total comprehensive loss for the year:			
Loss for the year	–	(485,463)	(485,463)
At 31 December 2024	14,176,517	(6,362,499)	7,814,018
Total comprehensive loss for the year:			
Loss for the year	–	(412,063)	(412,063)
At 31 December 2025	14,176,517	(6,774,562)	7,401,955

33 CAPITAL MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the reporting period.

The capital structure of the Group consists of debt, which includes lease liabilities and borrowings as disclosed in Notes 23 and 24 respectively, net of bank balances and cash and equity attributable to owners of the Group, comprising share capital and reserves.

The management of the Group reviews the capital structure from time to time. As 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, the issue of new shares and new debts.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

34 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Categories of financial instruments

	2025 S\$	2024 S\$
Financial assets		
— <i>Amortised cost</i>		
Trade receivables	449,223	5,751,689
Loan receivable	14,182,969	–
Other receivables and deposits*	5,905,598	7,414,076
Bank balances and cash	76,331,212	78,133,523
— <i>Financial assets at FVTPL</i>	2,214,000	–
	99,083,002	91,299,288
Financial liabilities		
— <i>Amortised cost</i>		
Trade and other payables*	75,074,756	58,824,442
Borrowings	72,692,207	77,181,741
	147,766,963	136,006,183

* Advances to subcontractors, GST receivables and GST payables are excluded.

Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, other receivables and deposits, bank balances and cash, trade and other payables, amount due from shareholders, and borrowings. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and lease liabilities include market risk (interest rate risk and currency risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

34 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(a) Market risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is also exposed to fair value interest rate risk in relation to variable-rate borrowings, leases and fixed interest on time deposits.

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate risk exposure and will consider interest rate hedging should the need arise.

As at 31 December 2025, the Group has borrowings at variable rates totalling S\$72,692,207 (2024: S\$76,107,283) and is therefore exposed to interest rate risks arising from the variability of cash flows.

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for bank borrowings at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the profit before taxation for the year ended 31 December 2025 of the Group would decrease/increase by S\$363,461 (2024: S\$380,536).

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

34 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(b) Currency risk

The Group has certain bank balances denominated in US\$ and HK\$ other than the functional currency of respective group entities, which expose the Group to foreign currency risk.

The Group manages the risk by closely monitoring the movement of the foreign currency rate.

The carrying amounts of the Group's monetary assets denominated in foreign currency at the end of reporting period is as below:

	2025 S\$	2024 S\$
Assets		
Hong Kong Dollars ("HK\$")	8,035,157	8,445,407
United States Dollars ("US\$")	675,233	700,016

Assuming that all other variables remain constant at year end, a 10% depreciation/appreciation of the S\$ against HK\$ would result in an increase/decrease in the Group's profit for the year of approximately S\$803,516 (2024: S\$844,541) for the year ended 31 December 2025.

Assuming that all other variables remain constant at year end, a 10% depreciation/appreciation of the S\$ against US\$ would result in an increase/decrease in the Group's profit for the year of approximately S\$67,523 (2024: S\$70,001) for the year ended 31 December 2025.

In the management's opinion, the sensitivity analysis above is unrepresentative for the currency risk as the exposure at the end of reporting period does not reflect the exposure during the year.

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. At the end of reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise credit risk, the Group has delegated its finance team to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The finance team uses publicly available financial information and the Group's own historical repayment records to rate its major customers and debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

34 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(c) Credit risk (Continued)

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
Doubtful	There has been a significant increase in credit risk since initial recognition	Lifetime ECL-not credit-impaired
In default	There is evidence indicating the asset is credit-impaired	Lifetime ECL-credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

The Group has no significant concentration of credit risk at 31 December 2025. The Group was exposed to concentration of credit risk at 31 December 2024 on trade receivables from the Group's top three major customers, which accounted for 91% of the Group's total trade receivables. The major customers of the Group are certain reputable organisations.

Included in financial assets as at 31 December 2025 as a component of bank balances and cash is S\$79,605 (2024: S\$86,344) placed in a bank in Hong Kong. The remaining bank deposits and balances are placed in four banks (2024: three banks) in Singapore. All these counterparties have been assessed by management to be financially sound.

Other than the concentration of credit risk of bank balances and cash in Hong Kong, the Group's concentration of credit risk by geographical locations is mainly in Singapore, which accounted for 100% of the total remaining financial assets as at 31 December 2025 and 2024.

Other than concentration of credit risk on bank deposits and balances and on trade receivables from top three customers at 31 December 2024 as disclosed above, the Group has no other significant concentration of credit risk on other receivables and deposits, with exposure spread over a number of counterparties.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

34 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(c) Credit risk (Continued)

ECL assessment of financial assets

For portfolios of trade receivables and contract assets that share similar economic risk characteristics, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The ECL on these financial assets are estimated using an analysis of assets by risk level of customers and apply a probability-weighted estimate of the credit losses within the relevant risk type. The probability-weighted estimate of the credit losses is determined 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.

The Group reassesses the lifetime ECL for trade receivables and contract assets at the end of each reporting period to ensure that adequate impairment losses are made for significant increase in the likelihood or risk of a default occurring since initial recognition. In this regard, management of the Group considers that the Group's credit risk is significantly reduced.

For loan receivable, other receivables and deposits and amount due from shareholders, the Group has assessed the credit profile and background of the counterparties and concluded that there is no significant increase in credit risk of the counterparties since initial recognition. The ECL for these financial assets is measured at 12-month ECL, which is considered to be insignificant based on the Group's assessment on the risk of default of that counterparty.

Bank balances and cash are placed with financial institutions that are externally credit-rated with investment grade, and are hence determined to have low credit risk at the reporting date.

The directors of the Company considered that the ECL for trade receivables, other receivables and deposits, contract assets and amount due from shareholders, is insignificant as at 31 December 2025 and 2024.

(d) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting its financial obligations as and when they fall due. In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

Non-derivative financial assets

All financial assets of the Group as at 31 December 2025 and 2024 are non-interest bearing, except the short term deposits and pledged deposits as disclosed in Note 21.

All financial assets of the Group are repayable on demand or due within one year from the end of reporting period, except for interest receivable, loan receivable, deposits for performance bond as disclosed in Note 18a, Note 18c and Note 21 respectively.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

34 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(d) Liquidity risk (Continued)

Non-derivative financial liabilities (Continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities and lease liabilities. The table has been drawn up based on the undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the relevant market rates as at the reporting date) of financial liabilities and lease liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows, where applicable.

	Weighted average effective interest rate %	On demand or within 3 months S\$	3 to 6 months S\$	6 to 12 months S\$	1 to 5 years S\$	Total undiscounted cash flow S\$	Carrying amount S\$
As at 31 December 2025							
<i>Non-interest bearing instruments</i>							
Trade and other payables	-	74,395,937	68,755	97,753	512,311	75,074,756	75,074,756
<i>Fixed interest bearing instruments</i>							
Lease liabilities	3.69	55,692	55,692	111,384	-	222,768	218,447
<i>Variable interest bearing instruments</i>							
Borrowings	4.43	692,531	699,771	1,395,922	73,520,349	76,308,573	72,692,207
Total		75,144,160	824,218	1,605,059	74,032,660	51,606,097	147,985,410
As at 31 December 2024							
<i>Non-interest bearing instruments</i>							
Trade and other payables	-	58,416,221	63,316	189,947	154,958	58,824,442	58,824,442
<i>Fixed interest bearing instruments</i>							
Lease liabilities	3.83	56,286	25,910	19,397	36,927	138,520	100,230
Borrowings	2.02	325,440	325,440	433,336	-	1,084,216	1,074,458
<i>Variable interest bearing instruments</i>							
Borrowings	4.61	1,019,703	1,025,500	1,846,856	81,830,003	85,722,062	76,107,283
Total		59,817,650	1,440,166	2,489,536	82,021,888	145,769,240	136,106,413

As at 31 December 2025, the Group had available S\$32.7 million (2024: S\$2.68 million) of project-related repayable on demand overdraft facilities that is undrawn.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

34 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(e) Fair value

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The management of the Group considers that the carrying amounts of the financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their respective fair values.

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Financial assets at FVTPL belong to Level 3 in the fair value hierarchy. The Group engaged independent professional valuer who has the appropriate qualification and recent experience to assist management in assessing the fair values of financial assets at FVTPL.

Reconciliation of Level 3 fair value measurement:

	Financial assets at FVTPL (Equity shares) 2025 S\$
The Group	
Opening balance	–
Acquisitions	400,000
Fair value gain to profit or loss	1,814,000
Closing balance	2,214,000

The following table gives information about how the values of the financial assets are determined (in particular, the valuation technique(s) and input(s) used).

Financial assets	Valuation technique(s) and key input(s)	Significant unobservable input	Relationship of unobservable inputs to fair value
Financial assets at FVTPL	Based on the "Adjusted net asset method". Adjusted net assets comprise significantly the land acquired in 2025.	Fair value of land which is based on "direct comparison method".	A significant increase in the fair value of the land used in isolation would result in a significant increase in the fair value.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

35 PERFORMANCE BONDS

As at 31 December 2025, the Group has, through insurance companies and financial institutions, provided performance bonds and security bonds for foreign workers in favour of the customers amounting to approximately S\$102,815,500 (2024: S\$47,301,400).

36 GUARANTEES

As at 31 December 2025, the Company has provided guarantees to a bank in respect of loans granted to other subsidiaries, with outstanding balance amounting to S\$72.7 million (2024: S\$77.2 million).

As at 31 December 2025, the investee has taken up a loan from the consortium of banks amounted to S\$436 million. The Group and one of the investors have provided a proportionate guarantee to the consortium of banks for 35% of the outstanding loans. The maximum amount that the Group could be obliged to settle in the event that the guarantees are called upon is \$152.6 million. In addition, the Group has also undertaken, on the joint and several basis, to procure the completion of the development property being developed by the investee.

The management is of the view that the fair value of the financial guarantees provided by the Company are not significant.

37 COMMITMENTS

The Group's commitments under leases and capital commitment for investment in a partially owned subsidiary are disclosed in Notes 23, 27 and 30 respectively. As at 31 December 2025, the Group is also committed to make total contribution for an investment (Note 16) for up to S\$20 million, that is up to another S\$3.4 million. There were no other commitments as at 31 December 2025 and 2024.

38 DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 31 December 2025 and 2024, nor has any dividend been proposed since the end of the reporting period.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

39 SHARE OPTION SCHEME

Pursuant to a share option scheme approved by a written resolution passed by the shareholder of the Company on 17 August 2017 (the "Share Option Scheme"), the Company may within the period of 10 years after the date of adoption of the Share Option Scheme, grant options to eligible directors of the Group, eligible employees of the Group and other selected participants, for the recognition of their contributions, to subscribe for shares ("Shares") in the Company with a payment of S\$1 upon each grant of options offered.

The exercise price of the share option will be not less than the highest of:

- (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the date (the "Offer Date") of grant of the particular option, which must be a business day;
- (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Offer Date of the option; and
- (iii) the nominal value of a Share on the Offer Date.

The share options are exercisable at any time during a period of not more than 10 years commencing on the date of the offer letter, subject to the terms and conditions of the Share Option Scheme, or any conditions stipulated by the Board of Directors.

The maximum number of shares in respect of which options may be granted shall not exceed 10% of the number of shares of Company. Unless further shareholders' approval has been obtained pursuant to the conditions set out in the Share Option Scheme, no person shall be granted an option which, if all the options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of grant of the options exceed 1% of the total number of shares in issue.

Up to the date of issuance of the consolidated financial statements, no options have been granted or agreed to be granted pursuant to the Share Option Scheme.

During the years ended 31 December 2025 and 2024, no share options have been granted nor exercised and there is no outstanding share option of the Company as at 31 December 2025 and 2024.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2025

40 EVENTS AFTER THE REPORTING PERIOD

On 3 March 2026, BHCC Development (Project 2) Pte Ltd. (“BHCC Project 2”), an indirect wholly-owned subsidiary of the Company, together with Evermega Investment Holdings Pte Ltd (“Evermega”), as joint tenderers (collectively, the “Tenderers”), jointly submitted a tender (the “Tender”) to the Jurong Town Corporation (the “Tenderee”) for the lease of a land parcel situated at Kaki Bukit Avenue 5, Singapore for industrial development. As required under the conditions of Tender, the Tender deposit (including the portion contributed by BHCC Project 2 (“BHCC Deposit”) in the amount of S\$3,300,000), representing no less than 5% of the Tender Price has been paid to the Tenderee. The Tender was unsuccessful and the Tender Deposit, including the BHCC Deposit, has been refunded to the Tenderers.

Subsequent to the end of the reporting period, the global economic environment has been affected by ongoing geopolitical tensions and inflationary pressures, which have contributed to volatility in energy prices, supply chain disruptions and increase in construction material costs. Industry sources, including the Singapore Contractors Association Limited, have reported that prices of construction materials have increased by approximately 5% to 15% or more. These developments may have an impact on the Group’s project costs and execution going forward. Management is closely monitoring the situation and will assess the potential implications on the Group’s operations. Based on information currently available, these events do not require any adjustment to the financial statements for the financial year ended 31 December 2025.

Five-Year Financial Summary

RESULTS

A Summary of the results and of the assets, equity and liabilities of the Group for the last five financial years is as follows:

	Year ended 31 December				
	2025 S\$	2024 S\$	2023 S\$	2022 S\$	2021 S\$
Revenue	202,339,451	192,267,810	309,180,303	205,313,730	114,427,397
Profit (Loss) before taxation	11,055,529	9,279,300	1,986,680	(8,716,157)	1,549,563
Income tax expense	(2,432,963)	(328,095)	(194,130)	(77,352)	(643,711)
Profit (Loss) and other comprehensive income for the year	8,622,566	8,951,205	1,792,550	(8,793,509)	905,852
Profit (Loss) attributable to:					
Owners of the Company	8,694,411	8,953,613	1,792,550	(8,793,509)	905,852
Non-controlling interests	(71,845)	(2,408)	–	–	–

ASSETS AND LIABILITIES

	As at 31 December				
	2025 S\$	2024 S\$	2023 S\$	2022 S\$	2021 S\$
Assets					
Non-current assets	34,819,332	21,534,339	31,635,949	30,328,564	31,928,193
Current assets	211,160,708	189,277,504	100,870,366	92,128,063	83,265,165
Total assets	245,980,040	210,811,843	132,506,315	122,456,627	115,193,358
Equity and liabilities					
Non-current liabilities	72,029,442	75,087,165	1,394,234	12,820,007	15,111,476
Current liabilities	101,672,318	72,068,964	91,916,703	72,233,792	53,885,545
Total liabilities	173,701,760	147,156,129	93,310,937	85,053,799	68,997,021
Equity attributable to owners of the Company	56,843,402	48,148,991	39,195,378	37,402,828	46,196,337
Non-controlling interest	15,434,878	15,506,723	–	–	–
Total equity	72,278,280	63,655,714	39,195,378	37,402,828	46,196,337
Total equity and liabilities	245,980,040	210,811,843	132,506,315	122,456,627	115,193,358