

萬馬控股有限公司 TOMO Holdings Limited

(Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 6928



2025
ANNUAL REPORT 年報

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Lu Yongde (*Chairman*)
Mr. Yuan Qinghua (appointed on 30 June 2025)
Mr. Tsang Chun Ho Anthony
(resigned on 31 July 2025)

Non-executive Director

Mr. Choi Tan Yee (resigned on 31 July 2025)

Independent non-executive Directors

Mr. Liu Wuhui (*Lead Independent Non-executive Director*) (appointed on 30 June 2025)
Mr. Ma Zhangkai (appointed on 30 June 2025)
Ms. Zhu Xiaoxin (appointed on 30 June 2025)
Mr. Cheng Wai Hei (resigned on 30 June 2025)
Mr. Lam Chi Wing (resigned on 30 June 2025)
Ms. Li Jiayao (resigned on 30 June 2025)

BOARD COMMITTEES

Audit Committee

Mr. Liu Wuhui (*Chairman*) (appointed on 30 June 2025)
Mr. Ma Zhangkai (appointed on 30 June 2025)
Ms. Zhu Xiaoxin (appointed on 30 June 2025)
Mr. Cheng Wai Hei (*Chairman*)
(resigned on 30 June 2025)
Mr. Lam Chi Wing (resigned on 30 June 2025)
Ms. Li Jiayao (resigned on 30 June 2025)

Remuneration Committee

Mr. Liu Wuhui (*Chairman*) (appointed on 30 June 2025)
Mr. Ma Zhangkai (appointed on 30 June 2025)
Ms. Zhu Xiaoxin (appointed on 30 June 2025)
Mr. Cheng Wai Hei (*Chairman*)
(resigned on 30 June 2025)
Mr. Lam Chi Wing (resigned on 30 June 2025)
Ms. Li Jiayao (resigned on 30 June 2025)

Nomination Committee

Mr. Lu Yongde (*Chairman*)
(appointed on 30 June 2025)
Mr. Liu Wuhui (appointed on 30 June 2025)
Mr. Ma Zhangkai (appointed on 30 June 2025)
Ms. Zhu Xiaoxin (appointed on 30 June 2025)
Mr. Cheng Wai Hei (resigned on 30 June 2025)
Mr. Lam Chi Wing (resigned on 30 June 2025)
Ms. Li Jiayao (resigned on 30 June 2025)

COMPANY SECRETARY

Ms. Lam Wai

AUTHORISED REPRESENTATIVES

Mr. Lu Yongde (appointed on 31 July 2025)
Mr. Choi Tan Yee (resigned on 31 July 2025)
Ms. Lam Wai

AUDITOR

ZSZH (HK) Fuson CPA Limited
Registered Public Interest Entity Auditor
Room 2702, 27/F.
Wu Chung Building
213 Queen's Road East
Wan Chai, Hong Kong

LEGAL ADVISER AS TO HONG KONG LAW

Messrs. HL Lawyers
Unit 903, 9/F.
Harbour Crystal Centre
100 Granville Road, Tsim Sha Tsui
Kowloon
Hong Kong

CORPORATE INFORMATION

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

Block 3018
Bedok North Street 5
#02-08 Eastlink
Singapore 486132

PRINCIPAL PLACE OF BUSINESS IN HONG KONG REGISTERED UNDER PART 16 OF THE COMPANIES ORDINANCE

Unit 903, 9/F.
Harbour Crystal Centre
100 Granville Road, Tsim Sha Tsui
Kowloon, 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

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

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
DBS Bank Limited
DBS Bank (Hong Kong) Limited

COMPANY'S WEBSITE

<https://tomohk.com/>

PLACE OF LISTING

The Stock Exchange of Hong Kong Limited

STOCK CODE

6928

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of TOMO Holdings Limited (the "Company"), I am pleased to present the annual report of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2025.

2025 remained a challenging year for the Group, amid a weak global economic environment and persistent low business and consumer sentiment in our core Singapore market. While the certificate of entitlement (COE) quota was stable, the rapid shift to electric vehicles (EV) suppressed demand for internal combustion engine vehicles (ICE), and intensified market competition added further operational pressure. Against this backdrop, the Group focused on optimizing its core business mix, driving a revenue increase, led by a 29.8% growth in our high-margin passenger vehicle electronic accessories business. This growth offset declines in our leather upholstery segment and the cessation of automotive parts and motor vehicle revenue. Gross profit rose 30.7% to S\$1.2 million, with gross profit margin improving to 40.2% (2024: 32.9%), supported by a better product mix and procurement cost optimization. Despite these operational gains, the Group's annual loss widened to S\$3.7 million, mainly due to higher selling and distribution expenses from increased marketing and customer development activities. To navigate market challenges and the automotive industry's electrification shift, we will continue to: optimize cost control and expand our high-margin core businesses; uphold quality service to boost customer loyalty; and deepen supplier partnerships to ensure supply chain stability and pricing competitiveness. Our focus remains on consolidating our leading position in Singapore's passenger vehicle aftermarket and capitalising on opportunities from industry transformation.

The Board would like to take this opportunity to express its gratitude to all shareholders, customers, suppliers and business partners for their continuous support. I would also like to thank the management team and staff for their commitment and dedication during this tough period.

Lu Yongde

Executive Director

TOMO Holdings Limited

Hong Kong, 30 March 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the (i) sales and installation of passenger vehicle leather upholstery and electronic accessories; and (ii) sales of electronic accessories, automotive parts and motor vehicle. The shares of the Company were listed on GEM of The Stock Exchange of Hong Kong Limited ("HKEx") on 13 July 2017 (the "Listing Date") and were transferred to be listed on the Main Board of the HKEx on 23 December 2019.

The Group continued to face arduous business operation conditions amid the complex and severe global economic environment, with persistent weakness in both business and consumer sentiment during the year ended 31 December 2025, which further impacted the Group's operational performance. Despite the relatively stable certificate of entitlement (the "COE") quota in Singapore in 2025, the shift in market demand towards electric vehicles ("EV") has continued to suppress the demand for internal combustion engine vehicles ("ICE"), and the intensified market competition in the passenger vehicle aftermarket has also brought additional operational pressures to the Group. The Group's revenue achieved growth in 2025, driven by the continuous expansion of the high-margin passenger vehicle electronic accessories business offset by decrease in revenue from leather upholstery, automotive parts and motor vehicle segment during the year.

The electronic accessories business represents the Group's core and fastest-growing operation, supported by long-standing customer relationships, reliable suppliers, and an experienced team with expertise in product sourcing, installation and customer relationship management. The leather upholstery business provides customised vehicle interior solutions to car dealers, fleet operators and individual owners, supported by skilled technicians and a stable customer base. During the year, revenue from the motor vehicles business decreased to nil as the Group did not commence its planned used car trading business. This prudent decision was made in response to challenging market conditions including tight COE quota, elevated COE prices, accelerating consumer preference toward EVs, significant declines in residual values of ICE vehicles, tighter inventory financing and heightened regulatory compliance requirements. Revenue from the leather upholstery business decreased by approximately 33% due to softer market demand for vehicle customisation, increased competition and delays in certain customer projects.

In the Current Year, the Group's revenue increased by approximately 7.2%, the gross profit increased by approximately 30.7% and reported a loss of approximately S\$3,710,000, as compared to a loss of approximately S\$2,630,000 in the Corresponding Year. The revenue growth was mainly attributable to the robust increase in sales and installation of passenger vehicle electronic accessories with higher profit margin, which offset the revenue decline of the passenger vehicle leather upholstery segment and the absence of revenue from the automotive parts and motor vehicle segment. The increase in loss was primarily due to the significant rise in operating expenses resulting from the Group's proactive marketing and business development activities in 2025, coupled with the reversal of foreign exchange performance from a net gain to a net loss during the year, which overshadowed the positive effect of gross profit growth on the overall financial performance.

FUTURE AND OUTLOOK

Against the backdrop of the continuously evolving global economic landscape and the accelerated transition of the automotive industry towards electrification, the Group anticipates that the business environment will remain challenging in the foreseeable future, with persistent structural changes in market demand and intensified industry competition continuing to impact the Group's business and financial performance.

MANAGEMENT DISCUSSION AND ANALYSIS

To address these ongoing challenges, the Group's management will continue to refine and implement targeted business strategies. This includes optimizing cost control measures while maintaining proactive marketing and business development efforts to further expand the market share of the high-margin passenger vehicle leather upholstery and electronic accessories business; upholding the core principle of quality service to enhance customer stickiness and brand reputation; and deepening cooperation with key suppliers to ensure the stability of the supply chain and the competitiveness of product pricing. These strategies aim to further consolidate the Group's market position as a leading supplier in Singapore's passenger vehicle aftermarket. The used car trading initiative will remain suspended until market conditions improve materially.

Furthermore, the Directors regularly review the Group's business scale, asset base, liquidity position and operational sustainability. Based on the Group's continuous operating activities, stable customer and supplier base, positive gross margins, adequate working capital and clearly defined operational strategy, the Directors confirm that the Group maintains sufficient operations and assets of sufficient value to support its business.

Overall, the Group remains committed to its core strategic objectives, focusing on enhancing operational efficiency, optimizing product and service mix, and sustaining strong partnerships with customers and suppliers. By doing so, it aims to gradually improve the Group's financial performance, capitalize on the opportunities brought by the automotive industry's transformation, and achieve long-term and stable development in the industry.

FINANCIAL REVIEW

In S\$ ('000)	For the year ended 31 December		
	2025	2024	Change
Revenue	3,034	2,831	7.2%
Gross profit	1,219	933	30.7%
Gross profit margin	40.2%	32.9%	22.2%
Loss for the year	(3,710)	(2,630)	41.1%

Revenue

The total revenue of the Group for the Current Year was approximately S\$3,034,000 as compared to approximately S\$2,831,000 for the Corresponding Year, representing an increase of approximately 7.2%. Such increase was attributable to the significant growth of approximately 29.8% in the sales and installation of passenger vehicle electronic accessories segment, which is the core revenue driver of the Group. This growth offset the revenue decline of approximately 32.8% in the passenger vehicle leather upholstery segment and the complete cessation of revenue in the automotive parts and motor vehicle segment during the Current Year. The robust growth of the electronic accessories segment is mainly due to the increasing market demand for high-value-added automotive electronic products driven by the upgrading of passenger vehicle configuration and the Group's enhanced marketing and customer development efforts.

Gross profit

The Group's gross profit increased from approximately S\$933,000 for the Corresponding Year to approximately S\$1,219,000 for the Current Year, representing an increase of approximately 30.7% in the Current Year. This increase in gross profit was mainly attributable to the increase in the Group's gross profit margin from 32.9% in the Corresponding Year to 40.2% in the Current Year, together with the growth of total revenue. Such improvement in gross profit margin was mainly due to the further optimisation of the Group's product mix, attributable to the revenue proportion of the high-margin passenger vehicle electronic accessories segment continued to rise, and the Group implemented cost optimization measures for core product procurement, which effectively improved the gross profit margin of individual products. In addition, the scale effect brought by the revenue growth of the core business also contributed to the improvement of the overall gross profit margin.

MANAGEMENT DISCUSSION AND ANALYSIS

Other income, gains and losses, net

Other income, gains and losses, net of the Group decreased significantly from approximately S\$731,000 for the Corresponding Year to approximately S\$213,000 for the Current Year, a decrease of approximately S\$518,000. Other income, gains and losses, net mainly represent foreign exchange changes resulting from the settlement of foreign currency transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies and fair value gain on investment properties. The sharp decrease was primarily due to the foreign exchange performance turning from a net gain to a net loss during the Current Year, affected by the volatility of the Hong Kong Dollar and the United States Dollar against the Singapore Dollar; in addition, the fair value gain on investment properties also decreased moderately due to the mild adjustment of the Singapore property market in 2025.

Selling and distribution expenses

Selling and distribution expenses increased substantially from approximately S\$482,000 for the Corresponding Year to approximately S\$1,045,000 for the Current Year, an increase of approximately 116.8%. The increase of the costs was mainly attributable to the significant rise in travelling expenses and entertainment expenses, which were driven by the Group's increased marketing activities, customer development trips and industry cooperation exchanges in the Current Year to expand the high-margin core business.

Administrative expenses

Administrative expenses increased from approximately S\$3,864,000 for the Corresponding Year to approximately S\$4,095,000 for the Current Year, an increase of approximately 6.0%. The slight increase of administrative expenses was mainly due to the increase in professional service fees and office expenses during the Current Year.

Loss for the year

The loss of the Group was approximately S\$3,710,000 for the Current Year, as compared to the loss of approximately S\$2,630,000 for the Corresponding year, representing an increase of approximately 41.1%.

The increase in net loss was mainly attributable to the following reasons:

- (i) the substantial increase in selling and distribution expenses by approximately S\$563,000, mainly due to the surge in travelling expenses and entertainment expenses from approximately S\$0.1 million and S\$0.1 million respectively in the Corresponding Year to approximately S\$0.3 million and S\$0.6 million respectively in the Current Year, as the Group increased marketing activities to improve and expand its core business in the Current Year; and
- (ii) the significant decline in other income, gains and losses, net by approximately S\$518,000, primarily due to the foreign exchange gain and loss, net turning around from a net gain of approximately S\$0.2 million in the Corresponding Year to a net loss of approximately S\$0.3 million in the Current Year, affected by the fluctuation of major foreign currencies against the Singapore Dollar.

MANAGEMENT DISCUSSION AND ANALYSIS

EXTRACT FROM INDEPENDENT AUDITOR'S REPORT PREPARED BY THE INDEPENDENT AUDITOR

The following's an extract of the independent auditor's report on the Group's financial statements for the year ended 31 December 2025:

QUALIFIED OPINION

We have audited the consolidated financial statements of TOMO Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the 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 and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (the "IFRSs") issued by the International Accounting Standards Board (the "IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR QUALIFIED OPINION

Insufficient accounting records relating to Ocean Dragon Group and its subsidiary (the "Ocean Dragon Group") as of 1 January 2024 and 31 December 2024 and for the years ended 31 December 2024 and 31 December 2025

As disclosed in note 19 to the consolidated financial statements, as at 31 December 2024, the Group had a 49% equity interest in the Ocean Dragon Group with the investment cost of \$6,421,491 which is mainly engaged in the provision of electric charging solutions and was accounted for as associates under the equity method since its acquisition. Due to lack of sufficient books and records of the Ocean Dragon Group to account for the share of results and also to assess the impairment of its investments in the Ocean Dragon Group and the Company's concerns over the genuineness of the acquisition of the Ocean Dragon Group in prior years, the Group recognised a loss of \$6,421,491 to fully write down the Group's investments in the Ocean Dragon Group which was recorded separately in an item in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023.

The directors of the Company consider that, in view of the Group did not have any commitment to contribute additional funds to the Ocean Dragon Group and the Group's investments in the Ocean Dragon Group was fully impaired in prior years and thus, the directors of the Company decided to fully write off of the Group's investments in the Ocean Dragon Group and nil amount was charged or credited to the profit or loss for the year ended 31 December 2025 and the Group' investments in the Ocean Dragon Group was then derecognised subsequently.

MANAGEMENT DISCUSSION AND ANALYSIS

In view of such circumstances described above, neither the directors of the Company nor us were able to access sufficient books and records of the Ocean Dragon Group and the financial information which are available and were retained by the Company were not found to be of a sufficient level for the purposes of audit and thus, we were unable to obtain sufficient appropriate audit evidence to ascertain: (i) whether the share of nil result of the associates for the years ended 31 December 2024 and 31 December 2025 and the Group's investments in the Ocean Dragon Group at nil as at 1 January 2024 and 31 December 2024 were fairly stated and properly reflected, and the related disclosures notes thereof, and also nil impairment loss on the Group's investments in the Ocean Dragon Group was properly charged or credited to the profit or loss for the year ended 31 December 2024 respectively; and (ii) whether nil amount was charged or credited to the profit or loss for the year ended 31 December 2025 upon the Group's investment in the Ocean Dragon Group was fully written off and derecognised in the consolidated financial statements of the Company for the year ended 31 December 2025, have been accurately recorded and properly accounted for which were included in the consolidated financial statements of the Company as of 1 January 2024 and 31 December 2024 and for the years ended 31 December 2024 and 31 December 2025. There were no other satisfactory audit procedures that we could perform to determine whether any adjustments were necessary or might have a consequential effect of the Group's consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, and related disclosures thereof as of 1 January 2024 and 31 December 2024 and for the years ended 31 December 2024 and 31 December 2025.

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

PRINCIPAL RISKS AND UNCERTAINTIES AND RISK MANAGEMENT

The Group is subject to a number of risks in the Group's business and the Group believes that risk management is important to the Group's success. Key business risks include, among others, the decrease or loss of business with our largest customer, maintaining of our reputation and customer services, stable supply of technicians and foreign workers for our services, reliance on suppliers for the PV leather upholstery, electronic accessories, automotive parts and motor vehicles, and single market business strategy. Our revenue substantially derived from sales to our largest customer and any decrease or loss of business with any Singapore subsidiaries of the largest customer and failure to maintain reputation and customer services could materially and adversely affect our business, financial conditions and results of operations. We also highly rely on a single market in developing our business and our business may be materially affected by the limitation on COE availability.

MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The capital of the Group comprises ordinary shares only.

As at 31 December 2025, the Group had net current assets of approximately S\$8,059,000 (2024: approximately S\$5,288,000) including cash and cash equivalents of approximately S\$9,811,000 (2024: approximately S\$4,929,000). The current ratio, being the ratio of current assets to current liabilities, was approximately 4.3 times as at 31 December 2025 (2024: 9.9 times). The decrease in the current ratio was mainly due to higher balances of trade and other payables and the increase of lease liabilities as at 31 December 2025 compared to 31 December 2024.

The Group's operations were financed principally by revenues generated from business operations and available cash and bank balances. The Group did not have any debt as at 31 December 2025 (2024: NIL). There was no borrowing cost incurred during the Current Year (2024: NIL), hence no gearing ratio of the Group was presented.

TREASURY POLICIES

The Directors will continue to follow a prudent policy in managing the Group's cash and cash equivalents and maintain a strong and healthy liquidity position to ensure that the Group is well placed to take advantage of future growth opportunities.

EMPLOYEE INFORMATION

As at 31 December 2025, the Group had 48 employees (2024: 45), comprising of 2 executive Directors (2024: 2), NIL non-executive Director (2024: 1), 3 independent non-executive Directors (2024: 3), 1 senior management (2024: NIL), 13 administrative employees (2024: 12) and 29 technicians (2024: 27).

Our employees are remunerated according to their job scope and responsibilities. For our technicians in passenger vehicle leather upholstery and accessories business, we offer incentives in addition to their salary. We offer bonuses for all employees, provided their performance is satisfactory. We also believe in promoting internally as this promotes employee satisfaction and enables us to improve service quality to our customers and enjoy a low employee turnover rate. We review the performance of our employees on a regular basis for salary and promotion appraisals.

Total staff costs, including directors' emolument, amounted to approximately S\$3,976,000 for the year ended 31 December 2025 (2024: approximately S\$3,962,000).

EMPLOYEE BENEFITS

Defined contribution plans

The total contributions to defined contribution plans made by the Group amounted to approximately S\$156,000 for the Current Year (2024: approximately S\$157,000).

The Group's contributions to the defined contribution plans vest fully and immediately with the employees. During the Current year and Corresponding Year, there were neither contribution forfeited by the Group nor had there been any utilisation of such forfeited contributions to reduce future contributions. As at 31 December 2025 and 2024, there were no forfeited contributions which were available for utilisation by the Group to reduce the existing level of contributions to the defined contribution plans.

MANAGEMENT DISCUSSION AND ANALYSIS

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

There was no material acquisition or disposal of subsidiaries and affiliated companies during the Current Year. As at the date of this report, the Group have no specific future plan for material investments or capital assets, as well as material acquisitions or disposals of subsidiaries, associates and joint ventures.

IMMEDIATE AND ULTIMATE CONTROLLING PARTY

As at 31 December 2025, the directors consider the immediate parent of the Company to be Billion Legend Company Limited ("Billion Legend"), which is a limited liability company incorporated in the British Virgin Islands. This entity does not produce financial statements available for public use.

As at 31 December 2025, the ultimate controlling party of the Company was Mr. Lu Yongde.

FOREIGN EXCHANGE EXPOSURE

The turnover and business costs of the Group were principally denominated in Singapore dollars. The Group has exposure to foreign exchange risk as a result of purchases that are denominated in currencies other than Singapore Dollar ("S\$") and recognised assets and liabilities denominated in currencies other than S\$. The foreign currencies giving rise to this risk are primarily the Hong Kong Dollar ("HK\$"). As at 31 December 2025, if the foreign currencies had weakened or strengthened by 10% against the S\$ with all other variables held constant, post-tax loss for the Current Year would have been S\$943,000 (2024: S\$315,000) higher/lower, as a result of foreign exchange losses/gains on translation of HK\$ denominated cash and bank balances (2024: foreign exchange losses/gains on translation of HK\$ denominated cash and bank balances). The Group will closely monitor the situation and take certain measures when necessary to ensure that the foreign exchange risk is within the controllable range. During the Current Year, the Group did not use any financial instruments for hedging purposes.

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

During the Current Year, there was no significant investments (including any investment in an investee Company) with a value of 5% or more of the Group's total assets held by the Group.

CONTINGENT LIABILITIES

No material contingent liabilities had come to the attention of the Directors in the Current Year.

DIVIDEND

The Board does not recommend the payment of a final dividend for the Current Year (2024: Nil). There is no arrangement under which any shareholder has waived or agreed to waive any dividend.

EVENT AFTER THE REPORTING PERIOD

On 18 November 2025, the Company entered into a subscription agreement (the "Subscription Agreement") with Mr. Ma Rufeng (馬汝峰) (an individual who is a PRC resident) (the "Subscriber"), pursuant to which the Company has conditionally agreed to issue to the Subscriber, and the Subscriber has conditionally agreed to subscribe for 90,000,000 subscription shares (the "Subscription Shares") at the subscription price of HK\$0.1748 per Subscription Share under the general mandate granted by the shareholders of the Company at the annual general meeting of the Company held on 13 June 2025 (the "Subscription"). The Subscription has taken place on 10 April 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

For details of the Subscription, please refer to the announcements of the Company issued on 18 November 2025, 30 January 2026, 13 February 2026, 27 February 2026, 13 March 2026, 27 March 2026 and 10 April 2026 respectively.

On 30 March 2026, Tomo-CSE Autotrim Ptd Ltd (an indirect wholly-owned subsidiary of the Company) (the "Vendor") and Ms. Siti Adilah Abu Bakar (an independent third party of the Company) (the "Purchaser") entered into a sale and purchase agreement dated 30 March 2026 (the "Sale and Purchase Agreement") in respect of the grant of option (the "Option") by the Vendor to the Purchaser to purchase a property located in Singapore (the "Property") at the Consideration of S\$1,523,000 (equivalent to approximately HK\$9.3 million) plus the prevailing goods and services taxes in Singapore. To the best of the Directors' knowledge, information and belief, the Purchaser is expected to exercise the Option within the option period.

The grant of the Option is treated as a transaction and classified by reference to the percentage ratio(s) pursuant to Rules 14.04(1)(b) and 14.73 of the Listing Rules. As the exercise of the Option is only at the discretion of the Purchaser, on the grant of the Option, the transaction will be classified as if the Option had been exercised. As the highest applicable percentage ratio calculated in accordance with Rule 14.07 of the Listing Rules in respect of the grant of the Option exceeds 5% and all applicable percentage ratios are less than 25%, the grant of the Option constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement but exempt from the shareholders' approval requirements under Chapter 14 of the Listing Rules.

For details of the Sale and Purchase Agreement, please refer to the announcements of the Company dated 30 March 2026 and 10 April 2026 respectively.

Up to the date of this report, there was no other significant event relevant to the business or financial performance of the Group came to the attention of the Directors after the Current Year.

DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Lu Yongde (盧永德先生) ("Mr. Lu") Mr. Lu, aged 58, was educated in Guangdong University of Technology and studied in Industrial and Building engineering. Mr. Lu received Qualification Certificate of Senior Professional Rank (Senior Engineer) (高級專業技術職務(高級工程師)任職資格) in 2008.

Mr. Lu has over 30 years management and construction experience in project investment and development, restructuring of distressed assets and debts, equity investment, property project management, e-commerce and big-health industry. He was the executive director and chairman of the board of directors of ACR Asian Capital Resources (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which were listed on GEM of The Stock Exchange of Hong Kong Limited (stock code: 8025) and the listing of the shares of the company was cancelled on 7 August 2023.

Mr. Yuan Qinghua (元慶華) ("Mr. Yuan"), aged 58, obtained a bachelor's degree in Industrial Management Engineering from Central South University* (中南工業大學) (which has become part of Central South University* (中南大學) since 2000) in 1990. Mr. Yuan has obtained intermediate qualification level in Industrial Economy issued by Ministry of Personnel of the People's Republic of China* (中華人民共和國人事部) in 1995. Mr. Yuan has over 15 years of experience in property project development and sales, engineering project management, restructuring of distressed assets and debts, and e-commerce industry. He has been working as an executive vice president for Guangzhou Hongdi Group Co., Limited* (廣州紅地集團有限公司), which is a company owned by Mr. Lu (an executive Director and a controlling shareholder of the Company), since March 2010.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liu Wuhui (劉務輝) ("Mr. Liu") aged 47, obtained a bachelor's degree in accounting and management from Guangdong University of Technology* (廣東工業大學) in 2001. After graduation, Mr. Liu has worked in finance and accounting department and the corporate business department in China Construction Bank Guangdong Branch for more than 16 years with the last position as general manager of corporate business department of Baiyun Branch and president of Huanshidong Branch and has extensive experience in the financial and accounting industry. Mr. Liu is currently an executive director and general manager of Nanyue Airlines Company Limited* (南粵航空有限公司).

Mr. Ma Zhangkai (馬章凱) ("Mr. Ma") aged 51, has provided legal services to China's four major financial asset management companies, various state-owned commercial banks in China and the investors of distressed assets and debts, various investment banks and financial institutions, and various property developers for over 21 years and has extensive experience in acquisition and restructuring of distressed assets and debts, corporate finance and fund raising. Mr. Ma obtained a bachelor's degree in law from China University of Political Science and Law in July 2000. He passed the Chinese Bar Examination in 1999 and has been practicing as a lawyer in Guangzhou since 2001. He is currently a senior partner of Dacheng Guangzhou Office. Mr. Ma served as the director and chairman of the board of directors of Dacheng Guangzhou Office, and the director of Dacheng Law Offices, LLP in China before.

Ms. Zhu Xiaoxin (朱曉欣) ("Ms. Zhu"), aged 37, obtained a bachelor's degree in finance management from Guangzhou Huali Science and Technology Vocational College* (廣州華立科技職業學院). Ms. Zhu has over 13 years of experience in financial management and accounting, and she has been working as an accountant in Guangdong Jinsha Parkview Commercial Management Co., Ltd.* (廣東金沙百匯商業管理有限公司) since 2012.

* For identification purpose only

DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

Ms. Lu Xiner (盧馨兒) (“Ms. Lu”) aged 30, is an architect, curator, photographic artist. She obtained a bachelor’s degree in arts (architectural design) from The New School in May 2018 and a master’s degree in architectural design from the University of Hong Kong in December 2021. She founded the Luhu300 Art Community in Guangzhou. She has certain experience and achievements in architectural design, commercial operation, research and development of contemporary art related industries.

Ms. Lu is a daughter of Mr. Lu, an executive Director and a controlling shareholder of the Company.

COMPANY SECRETARY

Ms. Lam Wai (林慧女士) (“Ms. Lam”) was appointed as the Company’s company secretary on 19 May 2023. She is a partner of HL Lawyers. Ms. Lam is currently a company secretary of Carry Wealth Holdings Limited (stock code: 643), the shares of which are listed on the Main Board of the HKEx. From June 2014 to December 2015 and from July 2016 to December 2021 respectively, she worked as a lawyer at Hastings & Co. with the last position as senior associate. Ms. Lam obtained a Bachelor’s degree in Social Sciences from The University of Hong Kong in 2005 and a Bachelor’s degree in Law (Honours) from the University of London in 2009. She was admitted as a solicitor of the High Court of Hong Kong in 2014 and is currently a member of the Law Society of Hong Kong. Ms. Lam obtained her Lawyer’s Licence (Guangdong-Hong Kong-Macao Greater Bay Area) issued by the Department of Justice of the Guangdong Province in January 2023.

Save as disclosed herein, other than the working relationships in the Company, there was no other relationship between any of the Directors or senior management of the Company in respect of finance, business and family or in other material aspects.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

The Board is responsible for overseeing and managing the overall risks associated with the business of the Group and promoting the success of the group by the direction and supervision of the Group's business and affairs. The Board is also responsible for formulating the overall strategies and day to day management of the Group by delegating to the management team with appropriate authority and responsibility.

The Company has adopted the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Main Board of the HKEx (the "Listing Rules"). Save as disclosed in this report, the Directors consider that during the Current Year, the Company had complied with all the code provisions (the "Code Provision") as set under the CG Code. During the year ended 31 December 2025, the Company had not complied with Code Provisions C.1.7 and C.2.1.

Under Code Provision C.1.7 of the CG Code, the Company should arrange appropriate insurance cover in respect of legal action against its Directors. Currently, the Company does not have any insurance cover for legal action against its Directors. Every Director is, subject to the provisions of the applicable laws, indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities he/she may sustain or incur in or about the execution of his/her office or otherwise in relation thereto pursuant to the articles of association of the Company. However, as the Company considered its risk management and internal control systems are effective and constantly under review, and as all the executive Directors and management are familiar with the operation of the Group, the Company believes that the risk of the Directors being sued or getting involved in litigation in their capacity as Directors is relatively low, and hence the Company is of the view that the benefits of the insurance may not outweigh the cost. The Board will continuously assess whether any arrangement for relevant insurance is necessary.

According to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Up to the date of this report, the Company has not appointed a chief executive officer and role and functions of chief executive officer have been performed by Mr. Tsang Chun Ho Anthony, an executive Director for the period between 1 January 2025 to 31 July 2025 and Mr. Yuan Qinghua since 31 July 2025. The Board believes that this arrangement enables the Company to make and implement decisions promptly, given that (i) any decision to be made by the Board requires approval by at least a majority of the Directors and as the Board comprises three independent non-executive Directors out of five Directors, the Company believes that there is sufficient check and balance in the Board; (ii) all the Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they act for the benefit and in the best interests of the Company and Shareholders and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of our Board which comprises experienced and high calibre individuals who meet regularly to discuss issues affecting the operations of the Company, and thus achieve the Company's objectives effectively and efficiently in response to the changing environment. The Board will continuously assess whether any changes are necessary.

A healthy corporate culture across the Group is integral to attain its vision and strategy. It is the Board's role to foster a corporate culture with the following core principles and to ensure that the Company's vision, values and business strategies are aligned to it.

CORPORATE GOVERNANCE REPORT

The Group strives to maintain high standards of business ethics and corporate governance across all our activities and operations. The Directors, management and staff are all required to act lawfully, ethically and responsibly, and the required standards and norms are explicitly set out in the training materials for all new staff and embedded in various policies such as the Group's staff handbook (including therein the guiding provisions on the code of conduct), the anti-corruption policy and the whistleblowing policy of the Group. The Group requires all employees to familiarize themselves with the policies, ensuring that each employee understands the importance in maintaining the highest ethical standard.

The Group believes that the culture of commitment to workforce development, workplace safety and health, diversity, and sustainability is one where people have a feeling of commitment and emotional engagement with the Group's mission. This sets the tone for a strong, productive workforce that attracts, develops, and retains the best talent to produce the highest quality output. Moreover, the Company's strategy in the business development and management are to achieve long-term, steady and sustainable growth, while having due considerations from environment, social and governance aspects.

The Company recognise that Board independence is critical to good corporate governance and Board effectiveness. The participation of Independent Non-executive Directors on the Boards brings independent and objective judgment to the affairs of the Company. Each of the remuneration committee of the Board and the audit committee of the Board is chaired by an Independent Non-executive Director and each of the Board Committees comprises all or a majority of Independent Non-executive Directors.

COMPLIANCE OF CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in the Model Code for Securities transactions by Directors of listed Issuers as set out in Appendix C3 to the Listing Rules. Having made specific enquiry of all the current Directors, all the current Directors confirmed that they had complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company throughout the year ended 31 December 2025.

BOARD OF DIRECTORS

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board should assume responsibility for leadership and control of the Company and is collectively responsible for directing and supervising the Company's affairs. The Board directly, and indirectly through its committees, leads and provides direction to the management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

CORPORATE GOVERNANCE REPORT

Board Composition

The composition of the Board for the year ended 31 December 2025 and up to the date of this report were:

Executive Directors:

Mr. Lu Yongde (*Chairman*)
Mr. Yuan Qinghua (appointed on 30 June 2025)
Mr. Tsang Chun Ho Anthony (resigned on 31 July 2025)

Non-executive Director:

Mr. Choi Tan Yee (resigned on 31 July 2025)

Independent non-executive Directors:

Mr. Liu Wuhui (*Lead Independent non-executive Director*) (appointed on 30 June 2025)
Mr. Ma Zhangkai (appointed on 30 June 2025)
Ms. Zhu Xiaoxin (appointed on 30 June 2025)
Mr. Cheng Wai Hei (resigned on 30 June 2025)
Mr. Lam Chi Wing (resigned on 30 June 2025)
Ms. Li Jiayao (resigned on 30 June 2025)

As at the date of this report, to the best knowledge of the Company, there has been no financial, business, family, or other material/relevant relationships among members of the Board. Mr. Yuan Qinghua, Mr. Liu Wuhui, Mr. Ma Zhangkai and Ms. Zhu Xiaoxin confirmed that they (i) obtained the legal opinion referred to in Rule 3.09D of the Listing Rules on 30 June 2025, and (ii) understood their obligations and responsibilities as directors of listed issuers under the Listing Rules.

The Board had complied with the Rule 3.10, Rule 3.10A and Rule 3.21 of the Listing Rules to have at least three independent non-executive Directors and at least one independent non-executive Director has appropriate professional qualifications or accounting or related financial management expertise throughout the year ended 31 December 2025.

Each of the current independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board considers that all current independent non-executive Directors to be independent to the Company and meet the requirements set out in Rules 3.13 of the Listing Rules at the date of this report.

Each of the current executive Director has entered into a service contract with the Company for an initial term of three (3) years commencing from his date of appointment and shall continue thereafter unless and until it is terminated by the Company or the Director giving to the other not less than three months' prior notice in writing.

The non-executive Director has entered into a service contract with the Company for an initial term of three (3) years commencing from his date of appointment and shall continue thereafter unless and until it is terminated by the Company or the Director giving to the other not less than three months' prior notice in writing.

CORPORATE GOVERNANCE REPORT

Each of the current independent non-executive Director has entered into a letter of appointment with the Company for an initial term of three (3) years commencing from his/her date of appointment and shall continue thereafter unless terminated by the Company or the Director giving at least one month's notice in writing.

At each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. The Directors so to retire by rotation shall include any Director who wishes to retire and not offer himself for re-election. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment but as between persons who became or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

Each of the Directors is aware of his or her fiduciary duties as a Director which require, among other things, that he/she acts for the benefit of and in the best interests of the Company and does not allow any conflict between his or her duties as a Director and his or her personal interest. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between the Group and the Directors or their respective close associates, the interested Director(s) will abstain from voting at the relevant Board meetings of the Company in respect of such transactions and will not be counted in the quorum.

To enable the Board to fulfil its responsibilities, the Management strives to provide Board members with adequate and timely information for Board and Board Committee meetings on an on-going basis. The Board and Board Committee papers are prepared for each meeting and are disseminated to the members at least 3 days before the meetings. The Board and Board committee papers include financial, business and corporate matters of the Group so as to enable the Directors to be properly briefed on matters to be considered at the Board and Board committee meetings and to make informed decisions. Directors are given separate and independent access to the Group's Management and company secretary to address any enquiries.

The Board adopted a board diversity policy (the "Board Diversity Policy") and discussed all measurable objectives set for implementing the Board Diversity Policy. The Company embraced the benefits of having a diverse Board, as such, the Board Diversity Policy aimed to set out the approach to maintain diversity of the Board. A summary of the Board Diversity Policy, together with the measurable objectives set for implementing the Board Diversity Policy, and the progress made towards achieving those objectives are disclosed as below.

The Company recognises and embraces the benefits of 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, race, language, cultural background, educational background, industry experience and professional experience.

The Nomination Committee will disclose the composition of the Board annually in the corporate governance report and monitor the implementation of this Policy.

CORPORATE GOVERNANCE REPORT

Gender Diversity

The Company values gender diversity across all levels of the Group. The following table sets out the gender ratio in the workforce of the Group, including the Board and senior management as at 31 December 2025:

	Female	Male
Board	20% (1)	80% (4)
Other employees	37.2% (16)	62.8% (27)

In light of the business of the Group, the Board believes that the gender diversity of female directors and female employees of the Group is reasonable and appropriate. The Group will continue to create a workplace environment with equal employment opportunities for female.

Details on the gender ratio of the Group together with relevant data can be found in the Environmental, Social and Governance Report on page 61 of this Annual Report.

Directors' Attendance Records

During the year ended 31 December 2025, the Board held four Board meetings, among other things, considering change of directors, reviewing and approving the financial and operating performance, and reviewing and approving the interim and annual results of the Group, and one general meeting.

The attendance records of each Director at the Board meetings for the year ended 31 December 2025 are set out below:

Name of Director	Attended in person/ Number of Board meetings held	Attendance/ Number of general meeting held
Executive Directors		
Mr. Lu Yongde	4/4	1/1
Mr. Yuan Qinghua (appointed on 30 June 2025)	2/4	0/1
Mr. Tsang Chun Ho Anthony (resigned on 31 July 2025)	2/4	1/1
Non-executive Director		
Mr. Choi Tan Yee (resigned on 31 July 2025)	3/4	1/1
Independent non-executive Directors		
Mr. Liu Wuhui (appointed on 30 June 2025)	2/4	0/1
Mr. Ma Zhangkai (appointed on 30 June 2025)	2/4	0/1
Ms. Zhu Xiaoxin (appointed on 30 June 2025)	2/4	0/1
Mr. Cheng Wai Hei (resigned on 30 June 2025)	2/4	1/1
Mr. Lam Chi Wing (resigned on 30 June 2025)	2/4	1/1
Ms. Li Jiayao (resigned on 30 June 2025)	1/4	0/1

There is no alternate director.

CORPORATE GOVERNANCE REPORT

The Chairman also held a meeting with the independent non-executive Directors without the presence of other Directors during the year ended 31 December 2025.

Notice of regular Board meetings is served to all the Directors at least 14 days before the meeting. For other Board and committee meetings, reasonable notice is generally given. Board papers together with all appropriate, complete and reliable information are sent to all the Directors at least 3 days before each Board meeting or committee meeting to enable the Directors to make informed decisions. Each Director is able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The company secretary is responsible for taking and keeping minutes of all board meetings and committee meetings. Draft minutes which record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed are normally circulated to directors for comments within a reasonable time after each meeting and final versions are open for directors' inspection.

Corporate Governance Functions

The Board is responsible for performing the functions set out in the Code Provision A.2.1 of the CG Code. The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and written employee guidelines, and the Company's compliance with the CG Code and disclosure in this corporate governance report.

Directors' Training

Pursuant to Code Provision C.1 of the CG Code, all the Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. The Company has provided information related to the changes in the Listing Rules. The Company will continuously update the Directors on the latest developments to the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance the Directors' awareness of good governance practice. Each Director has participated in not less than a hour continuous professional development by way of self-study.

BOARD COMMITTEES

The Board has established three committees, namely the audit committee (the "Audit Committee"), remuneration committee (the "Remuneration Committee"), and nomination committee (the "Nomination Committee"). Each committee has its own written terms of reference and is provided sufficient resources and empowered to function within its own terms of reference. The terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee can be found on the websites of the HKEx and the Company respectively.

CORPORATE GOVERNANCE REPORT

Audit Committee

The Company has established the Audit Committee on 23 June 2017 with written terms of reference in compliance with Code Provision D.3.4. As at the date of this Report, the Audit Committee comprises three independent non-executive Directors, namely Mr. Liu Wuhui, Mr. Ma Zhangkai and Ms. Zhu Xiaoxin. Mr. Liu Wuhui has been appointed as the chairman of the Audit Committee. The primary duties of the Audit Committee are mainly to make recommendations to the Board on the appointment and dismissal of the external auditor, review the financial statements and information and provide advice in respect of financial reporting and oversee the risk management and internal control procedures of the Company and the effectiveness of the issuer's internal audit function.

The Audit Committee held 4 meetings during the year ended 31 December 2025 for the purposes of, among other things, considering and approving the annual financial results for the year ended 31 December 2024, the interim financial results for the six months ended 30 June 2025 and discussion of audit plan for the year ended 31 December 2025 respectively. The details of attendance are set out below:

Audit Committee Members	Attended in person/ Number of meetings held
Mr. Liu Wuhui (appointed on 30 June 2025)	2/4
Mr. Ma Zhangkai (appointed on 30 June 2025)	2/4
Ms. Zhu Xiaoxin (appointed on 30 June 2025)	2/4
Mr. Cheng Wai Hei (resigned on 30 June 2025)	2/4
Mr. Lam Chi Wing (resigned on 30 June 2025)	2/4
Ms. Li Jiayao (resigned on 30 June 2025)	1/4

Nomination Committee

The Company has established the Nomination Committee on 23 June 2017. As at the date of this Report, the Nomination Committee comprises one executive Director and three independent non-executive Directors, namely Mr. Lu Yongde, Mr. Liu Wuhui, Mr. Ma Zhangkai and Ms. Zhu Xiaoxin. Mr. Lu Yongde has been appointed as the chairman of the Nomination Committee. The Nomination Committee has written terms of reference in compliance with the CG Code. The primary functions of the Nomination Committee are to review the structure, size and composition of the Board at least annually and make recommendations to the Board on any proposed changes to the Board to complement the Company's corporate strategy; identify individuals suitably qualified as potential Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; assess the independence of the independent non-executive Directors; and make recommendations to the Board on the appointment or reappointment of the Directors and succession planning of Directors, in particular that of the chairman and the chief executive officer assisting the Board in maintaining a board skill matrix; annually assessing and disclosing its assessment of each director's time commitment and contribution to the Board, taking into consideration their professional qualifications and work experience, listed issuer directorships, other significant external time commitments and other factors or circumstances relevant to their character, integrity, independence and experience; and supporting the Company's regular evaluation of the Board's performance.

Where necessary, the Nomination Committee can seek independent professional advice, at the Company's expense, to perform its responsibilities.

CORPORATE GOVERNANCE REPORT

The Nomination Committee held 2 meetings during the year ended 31 December 2025 for the purposes of, among others, reviewing the composition of the Board, considering any changes in the Directors and senior management of the Company and the making recommendations to the Board for approval. The details of attendance are set out below:

Nomination Committee Members	Attended in person/ attended by proxy/ Number of meetings held
Mr. Lu Yongde (appointed on 30 June 2025)	0/2
Mr. Liu Wuhui (appointed on 30 June 2025)	0/2
Mr. Ma Zhangkai (appointed on 30 June 2025)	0/2
Ms. Zhu Xiaoxin (appointed on 30 June 2025)	0/2
Mr. Cheng Wai Hei (resigned on 30 June 2025)	2/2
Mr. Lam Chi Wing (resigned on 30 June 2025)	2/2
Ms. Li Jiayao (resigned on 30 June 2025)	1/2

The director nomination procedures and process: (a) the Nomination Committee shall first review and assess factors relating to the diversity of the Board, including but not limited to professional experience, skill, knowledge and length of service, gender, age, cultural, other significant external time commitments and education background, and give consideration to the candidate's willingness to devote adequate time to the Board and independence of each independent non-executive Directors based on the requirements of the Listing Rules as amended from time to time; (b) the Nomination Committee shall then nominate suitable candidates to the Board based on the then-current and anticipated future leadership needs of the Company, with a view to achieving a sustainable and balanced development of the Company; and (c) the Nomination Committee shall also monitor and review the implementation of the nomination policy, as appropriate from time to time, and will report to the Board annually.

During the year, the major work performed by the Nomination Committee during the year included, amongst other things, the following:

- to review the structure, size, composition and diversity of the Board;
- to assess the independence of the independent non-executive Directors;
- to consider and make recommendations to the Board on the re-election of Directors at the annual general meeting; and
- to assess each director's time commitment and contribution to the Board.

Each of the Directors should ensure that sufficient time and attention are allocated to the Company to discharge his/her responsibilities.

Each of them is required to disclose to the Company the number and nature of offices held in public companies or other organisations and his or her significant commitments at the time of his or her appointment, and any subsequent changes thereto in a timely manner.

CORPORATE GOVERNANCE REPORT

The Nomination Committee has reviewed and assessed each Director's time commitment and contribution to the Board during 2025 and each Director's ability to discharge his or her responsibilities. The Nomination Committee considered that each Director gave sufficient time and attention to the affairs of the Company and undertook his or her responsibilities effectively during 2025, with regard to the following:

- Directors' skills and experience which are set out in the "Directors and Senior Management" of this Annual Report;
- Each Director's role and positions at the Company and its subsidiaries, as well as his or her external directorships or offices in other companies or organisations and/or other major commitments; and
- Each Director's attendance record at the Board and committee meetings of the Company during the year.

Remuneration Committee

The Company has established the Remuneration Committee on 23 June 2017 with written terms of reference in compliance with Code Provision E.1.3. The Remuneration Committee comprises three independent non-executive Directors, namely Mr. Liu Wuhui, Mr. Ma Zhangkai and Ms. Zhu Xiaoxin. Mr. Liu Wuhui has been appointed as the chairman of the Remuneration Committee. The primary functions of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; to review and approve the director's and management's performance-based remuneration proposals with reference to the Board's corporate goals and objectives from time to time; to make recommendations to the Board on the remuneration packages of all 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 make recommendations to the Board on the remuneration of non-executive directors, assessing performance of executive directors, approving the terms of executive directors' service contracts, and reviewing and/or approving the matters on the share scheme under Chapter 17 of the Listing Rules. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, and employment conditions elsewhere in the Group and desirability of performance-based remuneration; and to ensure that no director or any of his associates is involved in deciding his own remuneration.

The Remuneration Committee held 2 meetings during the year ended 31 December 2025 for the purposes of, among others, reviewing the remuneration policy and structure for the Directors and senior management, considering the remuneration package and benefits of the Directors and senior management and making recommendations to the Board for approval and assessing and reviewing performance of the Directors and senior management. The details of attendance are set out below:

Remuneration Committee Members	Attended in person/ Number of meetings held
Mr. Liu Wuhui (appointed on 30 June 2025)	0/2
Mr. Ma Zhangkai (appointed on 30 June 2025)	0/2
Ms. Zhu Xiaoxin (appointed on 30 June 2025)	0/2
Mr. Cheng Wai Hei (resigned on 30 June 2025)	2/2
Mr. Lam Chi Wing (resigned on 30 June 2025)	2/2
Ms. Li Jiayao (resigned on 30 June 2025)	1/2

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

The Board acknowledges its responsibility for on a going concern basis preparing financial statements for each financial year giving a true and fair view of the state of affairs of the Group. The responsibility of the Company's auditor is set out in the section headed "Independent Auditor's Report" of this report.

Board Statement on Risk Management and Internal Control

The Board acknowledges its ultimate responsibility for establishing, maintaining and overseeing the Group's risk management and internal control systems pursuant to Principle D2 of the Corporate Governance Code (the "CG Code"). The Board confirms that the Group's risk management and internal control systems are appropriate and effective for the purposes set out in Principle D2 of the CG Code, having regard to the Group's nature, scale, business complexity and risks faced.

Risk Management and Internal Control Systems

The goal of the Group is to identify and manage the risks (including ESG Risks) which are inherent in the Group's business and its operating markets so that the risks can be reduced, mitigated, transferred or avoided.

The Board recognizes its responsibility for maintaining an adequate and sound enterprise risk management and internal control system and through the Audit Committee and, if necessary, an external firm of professional internal control consultant to provide internal control services, conducts reviews on the effectiveness of these systems at least annually, covering material controls, including financial, operational, compliance and strategic risk control functions.

The Group has established and maintained a comprehensive risk management and internal control system to identify, evaluate, prioritise, manage and monitor significant risks (including ESG risks) inherent in its business and operating environment. The system is 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, loss, non-compliance and misconduct.

The main features of the system include covering financial, operational, compliance and strategic controls across the Group and its subsidiaries; a structured process to identify, assess and manage significant risks (including ESG risks); formal procedures to ensure timely, accurate and complete disclosure of discloseable information, including inside information, to prevent a false market in the Company's securities; a "three lines of defence" governance structure: operational management execution, finance team monitoring, and independent review by external internal control consultants; maintenance of a risk register updated at least annually to track major risks and mitigation measures, based on the COSO Enterprise Risk Management – Integrated Framework.

The "three lines of defence" model combines a top-down strategic view with a bottom-up operational process. The Board, by the top-down approach, has oversight on the risk management process and focuses on determining the nature and extent of significant risks it is willing to take in achieving the strategic objectives of the Group.

First Line of Defence: Each department of the Group is responsible for identifying its own risks and designing, implementing, managing and monitoring the relevant risk management and internal control systems. The process involves the maintenance of risk register setting out the particulars of material risks together with the control measures as reported by departments of the Group. This bottom-up approach is embedded in the operations of the Group and complements the top-down strategic view by identifying the principal risks and ensuring the significant risks to be considered by the Board in determining the risk appetite. The above risk exposure review process is conducted on an annual basis.

CORPORATE GOVERNANCE REPORT

Second Line of Defence: The finance team has the responsibility of reviewing the risk management and control systems. This includes setting control standards and monitoring departments' compliance with the set standards.

Third Line of Defence: An independent internal control consultant is appointed to evaluate the adequacy and proper functioning of the risk management and internal control systems and provided the improvement suggestions if applicable.

The risk register provides the Board, the Audit Committee, and management with a profile of its major risks and records management's action taken to mitigate the relevant risks. Each risk is evaluated at least annually based on its likelihood of occurrence and potential impact upon the Group. The risk register is updated by management as the risk owners with addition of new risks and/or removal of existing risks, if applicable, at least annually, after the annual risk evaluation has been performed. This review process can ensure that the Group proactively manages the risks faced by it in the sense that all risk related parties have access to the risk register and are aware of and alert to those risks in their area of responsibility so that they can take follow-up action in an efficient manner.

Significant Changes During the Reporting Period

There were no significant changes during the year ended 31 December 2025 in:

- (i) the Group's assessment of risks (including ESG risks); and
- (ii) the Group's risk management and internal control systems.

Internal Audit Function

There is currently no internal audit function within the Group. The Directors have reviewed the need for an internal audit function and are of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. Nevertheless, the Directors will continue to review at least annually the need for an internal audit function.

The Company will continue to engage external independent professionals to review the Group's system of internal controls and risk management annually and further enhance the Group's internal control and risk management systems as appropriate.

Review of Effectiveness of Risk Management and Internal Control Systems

To review the Group's internal control system, the Company appointed BTCGL, an external firm of professional internal control consultant, to assist in identifying and assessing the risks of the Group through a series of interview and testing, and independently perform internal control review and assess effectiveness of the Group's risk management and internal control systems, including the assessment of the effectiveness of the procedures, systems and controls established by the Group.

The internal control review report and the enterprise risk assessment report prepared by the internal control consultant are submitted to the Audit Committee. Based on the results of the reports, the Audit Committee reports to the Board with supporting documents. Based on confirmations and supporting documents from Management, the Audit Committee and the Board concludes that the Group's risk management and internal control systems are appropriate and effective for the year ended 31 December 2025.

CORPORATE GOVERNANCE REPORT

Scope of Review and Review Findings

The annual review for the year ended 31 December 2025 covered all material controls, including financial reporting, operational, compliance and strategic risk management, consistent with the scope stated in the Internal Control Review Report. No significant control failings or material weaknesses were identified during the Reporting Period.

Details of the review findings as disclosed in the "Review of effectiveness of the risk management and internal control system" section of the 2023 Annual Report (Pages 24 to 25) had been fully resolved and no reoccurrence was identified during the year ended 31 December 2025.

INSIDE INFORMATION

With regard to the internal controls and procedures for the handling and dissemination of inside information, the Group is in compliance with provisions under the Part XIVA and relevant parts of the Securities and Future Ordinances and Listing Rules. To be certain that all the staff members of the Group are aware of the inside information handling, the Group's disclosure policy sets out guidance and procedures to ensure that the inside information of the Group is disseminated to the public completely, accurately and timely. Besides, the Board is responsible to approve the dissemination of the information. The Group also has reasonable measures and procedures regarding keeping the sensitive information confidential and ensuring the confidentiality terms are in place in the significant agreements. Other procedures including sending blackout period and securities dealing restrictions notification to the relevant Directors and employees timely, disseminating information to specified persons on a need-to-know basis have also been implemented by the Group against possible mishandling of inside information within the Group.

Company Secretary

In order to uphold good corporate governance and ensure compliance with the Listing Rules and applicable Hong Kong Laws, the Company engages an external service provider to provide secretary service and has appointed Ms. Lam Wai ("Ms. Lam") as its company secretary on 19 May 2023. Since Ms. Lam is not an employee of the Group, Mr. Tsang Chun Ho Anthony (our former executive Director) and Mr. Lu Yongde (our Chairman and executive Director), are the person whom Ms. Lam can contact for the purpose of Code Provision F(a) of the CG Code for the period between 1 January 2025 to 31 July 2025 and the period between 31 July 2025 to 31 December 2025 respectively. Ms. Lam has confirmed that she has taken not less than 15 hours of relevant professional training during the year ended 31 December 2025 and has complied with the requirements of Rule 3.29 of the Listing Rules.

Auditor's Remuneration

The remuneration paid to the auditor of the Company, ZSZH (HK) Fuson CPA Limited, for audit services and non-audit service amounted to approximately S\$116,066 and nil, respectively for the Current Year.

There was no non-audit service provided by ZSZH (HK) Fuson CPA Limited to the Company during the Current Year.

CORPORATE GOVERNANCE REPORT

COMMUNICATION WITH SHAREHOLDERS

The Company strives for maintaining effective and on-going communication with and timely disclosing useful information to the shareholders and potential investors of the Company. The Directors hold annual general meeting yearly to meet the shareholders of the Company, and publish and distribute annual and interim reports for providing updated financial performance and business developments of the Company to the shareholders of the Company.

SHAREHOLDERS' RIGHTS

Convening extraordinary general meeting

Pursuant to the Company's articles of association, the Board may whenever it thinks fit call extraordinary general meetings. Any one or more shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Right to Put Forward Proposals at General Meetings

There is no provision for shareholders to propose resolutions at a general meeting under the Cayman Islands Companies Act (as revised). However, shareholders can follow the above procedure and request to convene extraordinary general meeting.

Right to Put Enquiries to the Board

Shareholders of the Company may send written enquiries or requests in respect of their rights to Unit 903, 9/F., Harbour Crystal Centre, 100 Granville Road, Tsim Sha Tsui, Kowloon, Hong Kong for the attention to the company secretary, or contact the Hong Kong Branch Share Registrar and Transfer Office of the Company, Tricor Investor Services Limited for any enquiries about their shareholdings and entitlements to dividend and to put their views on matters affecting the Company.

INVESTOR RELATIONS

The Company has established various communication channels with its shareholders, including but not limited to holding annual general meeting, publishing and distributing annual and interim reports, announcements and circulars on the websites of the HKEx and the Company and to its shareholders, respectively.

The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. Shareholders may make enquiries to the Company directly by raising questions at general meetings. Members of the Board, in particular, the chairlady/chairman of the Board committees or their delegates and external auditor will use all reasonable efforts to attend annual general meetings and to answer the questions of the shareholders.

CORPORATE GOVERNANCE REPORT

The Company has reviewed the implementation and effectiveness of its shareholders communication policy and conclude that the policy is effective. Shareholders are given clear guidance in this Corporate Governance Report on how and when it can communicate with the Company, and are provided with regular updates on the Group's financial performance, strategic direction, and material business developments. In addition, our shareholders communication policy is regularly reviewed and updated to reflect changes in regulatory landscape and best practices, ensuring that the Company remains responsive to evolving shareholders' expectations and needs.

Articles of Association

There had been no significant change to the Articles of Association of the Company for the Current Year.

SENIOR MANAGEMENT REMUNERATION

The amounts of the Group's senior management remuneration for the Reporting Period are within the following band:

	Number of individuals	
	2025	2024
HK\$1,000,000 or less (equivalent to S\$172,117; 2023: S\$169,000)	-	-

DIRECTORS' REPORT

The Directors have pleasure in presenting their annual report together with the audited consolidated financial statements of the Group (the "Consolidated Financial Statements") for the year ended 31 December 2025 (the "Current Year").

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and those of the principal subsidiaries of the Company are set out in Note 1 to the consolidated financial statements for the Current Year.

SEGMENT INFORMATION

An analysis of the Group's performance for the Current Year by operating segment is set out in Note 5 to the consolidated financial statements for the Current Year.

BUSINESS REVIEW

The business review of the Group for the Current Year together the future business development is set out in the section headed "Management Discussion and Analysis" on pages 5 to 12 of this annual report. This discussion forms part of the report of directors.

The environmental policies and performance, compliance with relevant laws and regulations and relationships with employees, customers, suppliers and other that have a significant impact on the Company and on which the Company's success depends are also discussed in the Environmental, Social and Governance Report on pages 42 to 70 of this Annual Report.

RESULTS AND APPROPRIATIONS

The results of the group for the Current Year are set out in the consolidated statement of comprehensive income on page 77 of this annual report.

The Directors do not recommend the payment of a final dividend to the shareholders of the Company for the Current Year (2024: N/A).

DONATIONS

During the Current Year, charitable and other donations made by the Group amounted to S\$Nil (2024: S\$Nil).

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to achieving environmental sustainability. The Group endeavours to comply with the relevant laws and regulations regarding environmental protection and adopt effective measures to achieve efficient use of resources, waste reduction and energy saving.

In accordance with Rule 13.91 and the Environmental, Social and Governance Reporting Code contained in Appendix C2 to the Listing Rules, the Company's environmental, social and governance report is contained in this report.

DIRECTORS' REPORT

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

The Group has compliance policies and procedures in place to ensure adherence to applicable laws, rules and regulations, in particular, those that have a significant impact on the operation of the Group, including the requirements under the Companies Ordinance, the Listing Rules, the SFO and the CG Code for, among other things, the disclosure of information and corporate governance. The Group would seek professional legal advice from its legal advisers to ensure that transactions and business to be performed by the Group are in compliance with the applicable laws and regulations. During the Current Year, the Group was not aware of any material non-compliance with any relevant laws and regulations that had a significant impact on it.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Current Year are set out in Note 16 to the consolidated financial statements for the Current Year.

SHARES CAPITAL

Details of movements in the Company's share capital during the Current Year are set out in Note 26 to the consolidated financial statements for the Current Year.

DISTRIBUTABLE RESERVES

As at 31 December 2025, the Company's reserves available for distribution, calculated in accordance with the Companies Act (as revised) of the Cayman Islands, amounted to approximately S\$6,782,000 (2024: approximately S\$2,422,000).

DIVIDEND POLICY

The Dividend Distribution Policy of the Company establishes the principles to ascertain amounts that can be distributed to its shareholders as dividend by the Company. Subject to the applicable law and its Articles of Association, the Company's dividend payout will be determined based on available financial resources, investment requirements and taking into account optimal shareholders return.

While determining the nature and quantum of dividend payout, the Board would take into account the following factors, inter alia:

- Cash flow position of the Company
- Earnings stability
- Long term investments
- Future cash requirements for development
- Economic environment
- Industry outlook for the future years
- Changes in the Government policies, industry specific rulings & regulatory provisions

The Board confirmed that all dividend decisions were made in accordance with the Company's Dividend Distribution Policy.

DIRECTORS' REPORT

EQUITY-LINKED AGREEMENTS

Other than the share option scheme of the Company, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the Current Year or subsisted at the end of the Current Year.

PRE-EMPTIVE RIGHTS

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

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Current Year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouses or children under 18 years of age, or were any such rights exercised by them, or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

DISCLOSURE ON CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51(B) of the Listing Rules, there is no change in details of the Directors' information subsequent to the date of the interim report of the Company for the six months ended 30 June 2025.

FIVE YEARS FINANCIAL SUMMARY

A summary of the published results, assets and liabilities of the Group for the last five financial years is set out on page 150 of this annual report. This summary does not form part of the consolidated financial statements for the Current Year.

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

On 13 July 2017, the shares of the Company were listed on GEM operated by HKEx. On 23 December 2019, the shares of the Company have been transferred to be listed on the Main Board of HKEx by way of transfer of listing from GEM, and subsequently delisted from GEM. During the Corresponding Year, the Company was approved for secondary listing on the Frankfurt Stock Exchange ("FSE") of Germany and its shares have been traded on the FSE under the trading symbol "5WZ". The Company continues to have a primary listing on the Main Board of The Stock Exchange of Hong Kong Limited ("HKEx") and its shares have continued to be traded on the HKEx. Neither the Company nor any of its subsidiaries had purchased, sold and redeemed any of the Company's listed securities (including sale of treasury Shares (as defined under the Listing Rules)) after the Listing and up to the date of this report (including the year ended 31 December 2025). As at 31 December 2025, the Company did not hold any treasury shares (as defined under the Listing Rules).

DIRECTORS' REPORT

SHARE OPTION SCHEME

A share option scheme (the "Share Option Scheme") has been adopted by passing of written resolutions by the then shareholders of the Company and was effective on 23 June 2017. Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for a period of 10 years from the date of its adoption. As at 31 December 2025, the remaining life of the Share Option Scheme is approximately 1.5 years. During the period from 23 June 2017 to the date of this report, no share options had been granted by the Company.

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of our Group and to promote the success of the business of our Group.

(b) Who may join and basis of eligibility

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, including, where required under the Listing Rules, the independent non-executive Directors) from time to time on the basis of the participant's contribution or potential contribution to the development and growth of our Group.

(c) Maximum number of shares

The maximum number of shares in respect of which options may be granted under the Share Option Scheme shall not in aggregate exceed 10% of all the Shares in issue as at the date of the Listing (i.e. not exceeding 45,000,000 shares representing 10% of the issued capital of the Company as at the date of this report).

(d) Maximum entitlement of each participant

The total number of Shares issued and to be issued upon the exercise of options granted to each participant (including both exercised and outstanding options) under the Share Option Scheme of our Company, in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue. Any further grant of options in excess of such limit must be separately approved by Shareholders in general meeting with such grantee and his/her close associates abstaining from voting. In such event, our Company must send a circular to the Shareholders containing the identity of the grantee, the number and terms of the options to be granted (and options previously granted to such grantee), and all other information required under the Listing Rules. The number and terms (including the subscription price) of the options to be granted to such grantee must be fixed before the approval of the Shareholders and the date of the Board meeting proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

(e) Time of exercise of option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

(f) The minimum period for which an option must be held before it can be exercised

As determined by the Board upon the grant of an option.

DIRECTORS' REPORT

(g) Grant of options and acceptance of offers

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

(h) Price of Shares

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the 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 quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option, provided that in the event of fractional prices, the subscription price per Share shall be rounded upwards to the nearest whole cent; and for the purpose of calculating the subscription price, where our Company has been listed on the Stock Exchange for less than five business days, the new issue price shall be used as the closing price for any business day falling within the period before listing.

DIRECTORS

The Directors during the Current Year and up to the date of this report were:

Executive Directors

Mr. Lu Yongde (*Chairman*)
Mr. Yuan Qinghua (appointed on 30 June 2025)
Mr. Tsang Chun Ho Anthony (resigned on 31 July 2025)

Non-executive Director

Mr. Choi Tan Yee (resigned on 31 July 2025)

Independent non-executive Directors

Mr. Liu Wuhui (appointed on 30 June 2025)
Mr. Ma Zhangkai (appointed on 30 June 2025)
Ms. Zhu Xiaoxin (appointed on 30 June 2025)
Mr. Cheng Wai Hei (resigned on 30 June 2025)
Mr. Lam Chi Wing (resigned on 30 June 2025)
Ms. Li Jiayao (resigned on 30 June 2025)

Pursuant to the Articles of Association, Mr. Lu Yongde, Mr. Yuan Qinghua, Mr. Liu Wuhui, Mr. Ma Zhangkai and Ms. Zhu Xiaoxin will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company (the "Annual General Meeting").

DIRECTORS' REPORT

DIRECTORS' SERVICE CONTRACTS

Each of the current executive Director has entered into a service contract with the Company for an initial term of three (3) years commencing from his respective date of appointment and shall continue thereafter unless and until it is terminated by the Company or the Director giving to the other not less than three months' prior notice in writing.

A non-executive Director has entered into a service contract with the Company for an initial term of three (3) years commencing from his date of appointment and shall continue thereafter unless and until it is terminated by the Company or the Director giving to the other not less than three months' prior notice in writing.

Each of the current independent non-executive Director has entered into a letter of appointment with the Company for an initial term of three (3) years commencing from their respective date of appointment and shall continue thereafter unless terminated by the Company or the Director giving at least one month's notice in writing.

None of the directors who are proposed for re-election at the Annual General Meeting has a service contract or letter of appointment (as the case may be) with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The Directors' fees are subject to shareholders' approval at the annual general meeting. Other emoluments are determined by the Board of the Company with reference to the recommendations by the Remuneration Committee, directors' duties, responsibilities and performance and the results of the Group. The remuneration of Directors (including executive Directors, non-executive Director and independent non-executive Directors) on named basics are set out in Note 10 to the consolidated financial statements for the Current Year.

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

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries, fellow subsidiaries or its parent 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 Current Year or at any time during the Current Year.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No controlling shareholder of the Company had a material interest, either directly or indirectly, in any contract of significance (whether for the provision of services to the Company or not) to the business of the Group to which the Company or any of its subsidiaries was a party during the Current Year.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of directors and senior management are set out on pages 13 to 14 of this report.

DIRECTORS' REPORT

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION

As at the date of this report, the interests or short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which have been 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 is taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, will were as follows:

Name of Director	Capacity/Nature of interest	Number of Shares held <i>(Note 1)</i>	Approximately percentage of shareholding of the Company
Mr. Lu Yongde	Interest in controlled corporation <i>(Note 2)</i>	345,000,000 (L)	51.11%
	Beneficial owner	150,000 (L)	0.02%

Notes:

- (1) The Letter "L" denotes the person's long position in the relevant Shares.
- (2) The entire issued share capital of Billion Legend Company Limited ("Billion Legend") is legally and beneficially owned as to 100% by Mr. Lu Yongde. Accordingly, Mr. Lu Yongde is deemed to be interested in 345,000,000 Shares held by Billion Legend by virtue of the SFO.

At no time during the Current Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of the Shares, or debentures of the Company or any other body corporate.

DIRECTORS' REPORT

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

As at the date of this report, the persons or entities who have interests or short positions in the Shares and underlying Shares of the Company which have been disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO are as follows:

Name	Capacity/Nature of interests	Number of Shares held <i>(Note 1)</i>	Approximately percentage of shareholding of the Company
Mr. Lu Yongde	Interest in controlled corporation <i>(Note 2)</i>	345,000,000 (L)	51.11%
	Beneficial owner	150,000 (L)	0.02%

Notes:

- (1) The Letter "L" denotes the person's long position in the relevant Shares.
- (2) The entire issued share capital of Billion Legend is legally and beneficially owned as to 100% by Mr. Lu Yongde. Accordingly, Mr. Lu Yongde is deemed to be interested in 345,000,000 Shares held by Billion Legend by virtue of the SFO.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the company were entered into or existed during the Current Year.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the Current Year attributable to the Group's major suppliers and customers are as follows:

Purchases

- the largest supplier 35.6%
- five largest suppliers in aggregate 93.4%

Sales

- the largest customer 75.4%
- five largest customers in aggregate 92.1%

To the best knowledge of the directors, neither the directors, their associates, nor any shareholders, who owned more than 5% of the Company's issued share capital, had any beneficial interest in any of the Group's five largest customers or suppliers during the Current Year.

DIRECTORS' REPORT

CONNECTED TRANSACTIONS

The Directors consider that those material related party transactions disclosed in Note 31 to the consolidated financial statements did not fall under the definition of “connected transactions” or “continuing connected transactions” (as the case may be) in Chapter 14A of the Listing Rules which are required to comply with any of the reporting, announcement or independent Shareholders’ approval requirements under the Listing Rules. The Directors confirmed that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

During the Current Year, the Group had no transactions which need to be disclosed as connected transactions or continuing connected transaction in accordance with the requirements of the Listing Rules.

FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES

As at 31 December 2025, the Group had not provided any financial assistance and guarantee.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the company and within the knowledge of the Directors, it is confirmed that there is sufficient public float of at least 25% of the Company’s issued shares for the period from the date of Listing to 31 December 2025 and up to the date of this report.

TAX RELIEF

The Company is not aware of any relief from taxation available to the shareholders of the Company by reason of their holdings of the Company’s shares.

COMPETING BUSINESS

During the Current Year and up to the date of this report, none of the Directors or the controlling shareholders or their respective associates (as defined in the Listing Rules) of the Company had any interests in any businesses which competed with or might compete with the business of the Group.

SUBSEQUENT EVENTS

On 18 November 2025, the Company entered into a subscription agreement (the “Subscription Agreement”) with Mr. Ma Rufeng (馬汝峰) (an individual who is a PRC resident) (the “Subscriber”), pursuant to which the Company has conditionally agreed to issue to the Subscriber, and the Subscriber has conditionally agreed to subscribe for 90,000,000 subscription shares (the “Subscription Shares”) at the subscription price of HK\$0.1748 per Subscription Share under the general mandate granted by the shareholders of the Company at the annual general meeting of the Company held on 13 June 2025 (the “Subscription”). The Subscription has taken place on 10 April 2026.

DIRECTORS' REPORT

For details of the Subscription, please refer to the announcements of the Company issued on 18 November 2025, 30 January 2026, 13 February 2026, 27 February 2026, 13 March 2026, 27 March 2026 and 10 April 2026 respectively.

On 30 March 2026, Tomo-CSE Autotrim Ptd Ltd (an indirect wholly-owned subsidiary of the Company) (the "Vendor") and Ms. Siti Adilah Abu Bakar (an independent third party of the Company) (the "Purchaser") entered into a sale and purchase agreement dated 30 March 2026 (the "Sale and Purchase Agreement") in respect of the grant of option (the "Option") by the Vendor to the Purchaser to purchase a property located in Singapore (the "Property") at the Consideration of S\$1,523,000 (equivalent to approximately HK\$9.3 million) plus the prevailing goods and services taxes in Singapore. To the best of the Directors' knowledge, information and belief, the Purchaser is expected to exercise the Option within the option period.

The grant of the Option is treated as a transaction and classified by reference to the percentage ratio(s) pursuant to Rules 14.04(1)(b) and 14.73 of the Listing Rules. As the exercise of the Option is only at the discretion of the Purchaser, on the grant of the Option, the transaction will be classified as if the Option had been exercised. As the highest applicable percentage ratio calculated in accordance with Rule 14.07 of the Listing Rules in respect of the grant of the Option exceeds 5% and all applicable percentage ratios are less than 25%, the grant of the Option constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement but exempt from the shareholders' approval requirements under Chapter 14 of the Listing Rules.

For details of the Sale and Purchase Agreement, please refer to the announcements of the Company dated 30 March 2026 and 10 April 2026 respectively.

Up to the date of this report, there was no other significant event relevant to the business or financial performance of the Group came to the attention of the Directors after the Current Year.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, options, warrants or similar rights as at 31 December 2025. There has been no issue or exercise of any convertible securities, options, warrants or similar rights during the Current Year.

DIRECTORS' REPORT

USE OF NET PROCEEDS

To address the ongoing working capital pressure, meet the capital requirements for business upgrade and expansion, and align the Group's business with market trends in the Singapore automotive industry, the Company has resolved to conduct rights issue (the "Rights Issue") on the basis of one (1) rights share (the "Rights Share") for every two (2) shares held on 18 August 2025 (the "Record Date") at the subscription price (the "Subscription Price") of HK\$0.18 per Rights Share, to raise gross proceeds of approximately HK\$40.5 million before expenses, by way of the Rights Issue of up to 225,000,000 Rights Shares to the qualifying shareholders (the "Qualifying Shareholders").

After deducting all relevant expenses incurred in relation to the Rights Issue, the aggregate net proceeds from the Rights Issue amount to approximately HK\$39.5 million.

The table below sets out the intended use of the net proceeds from the Right Issue and the status of utilisation as at 31 December 2025. During the year under review, net proceeds of approximately HK\$1.6 million were applied for general working capital, while no upgrade or expansion activities were undertaken in the Current Year.

Intended use of net proceeds	Planned allocation of net proceeds HK\$ million	As at 31 December 2025		Expected timeline for utilizing for the unutilized net proceeds
		Utilised amount HK\$ million	Unutilised amount HK\$ million	
Upgrade, expansion and development of the motor vehicle trading business	22.5	–	22.5	30 September 2026
Enhancement of the electronic accessories and upholstery business	10.2	–	10.2	30 September 2026
Increased operation costs associated with business expansion and contingency reserve for market risks	3.0	–	3.0	30 September 2026
General working capital of the Group	3.8	1.6	2.2	31 March 2026
Total	39.5	1.6	37.9	31 December 2027

Details of the Right Issues are set out in the announcements of the Company dated 4 August 2025, 22 September 2025 and 9 October 2025, respectively and the prospectus of the Company dated 1 September 2025.

DIRECTORS' REPORT

On 30 March 2026, Tomo-CSE Autotrim Ptd Ltd (an indirect wholly-owned subsidiary of the Company) (the "Vendor") and Ms. Siti Adilah Abu Bakar (an independent third party of the Company) (the "Purchaser") entered into a sale and purchase agreement dated 30 March 2026 (the "Sale and Purchase Agreement") in respect of the grant of option (the "Option") by the Vendor to the Purchaser to purchase a property located in Singapore (the "Property") at the Consideration of S\$1,523,000 (equivalent to approximately HK\$9.3 million) plus the prevailing goods and services taxes in Singapore (the "Disposal"). To the best of the Directors' knowledge, information and belief, the Purchaser is expected to exercise the Option within the option period.

The Company intends to apply the sale proceeds from the Disposal, of approximately S\$1.1 million (equivalent to approximately HK\$6.7 million) for the expansion of the existing business of the Group through the development of an auto appearance and care centre. The remaining proceeds of approximately S\$0.4 million (equivalent to approximately HK\$2.4 million) is intend to be utilised as general working capital of the Group.

For details of the Sale and Purchase Agreement, please refer to the announcements of the Company dated 30 March 2026 and 10 April 2026 respectively.

CORPORATE GOVERNANCE REPORT

Details of the Group's corporate governance practices can be found in the Corporate Governance Report contained on pages 15 to 28 of this annual report.

LOANS AND BORROWINGS

The Group did not have bank loans or other borrowings as at 31 December 2025.

PERMITTED INDEMNITY PROVISIONS

At no time during the Current Year and up to the date of this Directors' Report, there was or is, any permitted indemnity provision being in force for the benefit of any of the directors of the Company or an associated company.

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on Friday, 5 June 2026. A notice of which shall be sent to the shareholders of the Company in accordance with the Articles, the Listing Rules and other applicable laws and regulations.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming Annual General Meeting, the register of members of the Company will be closed from Tuesday, 2 June 2026 to Friday, 5 June 2026, both dates inclusive, during which period no transfer of shares can be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 1 June 2026.

DIRECTORS' REPORT

AUDITOR

The consolidated financial statements have been audited by ZSZH (HK) Fuson CPA Limited who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of ZSZH (HK) Fuson CPA Limited as auditor of the Company will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board

Lu Yongde

Executive Director

Hong Kong, 30 March 2026

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Introduction to the Report

This Environmental, Social and Governance Report (the “Report” or the “ESG Report”) provides an overview of the initiatives, plans and performance of TOMO Holdings Limited (the “Company”, the “Group” or “We”, together with its subsidiaries) in Environmental, Social and Governance (“ESG”) and demonstrates its commitment to sustainable development.

Reporting Period

This Report describes the ESG activities, challenges and measures taken by the Group during the year ended 31 December 2025 (the “Reporting Period”, “Year”, “2025”).

Reporting Scope

This Report covers the Group’s business operations in Singapore, encompassing two primary sectors: (i) the sales and installation of passenger vehicle leather upholstery and electronic accessories, and (ii) the sales of electronic accessories, automotive parts, and motor vehicles.

Reporting Framework

This Report has been prepared in accordance with the ESG Reporting Code as set out in Appendix C2 to the Rules Governing the Listing of Securities on Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Reporting Principles

During the preparation of this ESG Report, the Group has applied the reporting principles stipulated in the ESG Reporting Code as follows:

- *“Materiality”* – A materiality assessment was conducted to identify material issues during the Reporting Period, thereby adopting the confirmed material issues as the focus for the preparation of this ESG Report. The materiality of issues was reviewed and confirmed by the Board. Please refer to the sections headed “Engaging Stakeholders” for further details.
- *“Quantitative”* – Supplementary notes are added along with quantitative data disclosed in this ESG Report to explain any standards, methodologies, and source of conversion factors used during the calculation of environmental KPI.
- *“Balance”* – This Report aims to provide a holistic and fair view of the sustainability performance of the Group and has not omitted any information related to material ESG topics.
- *“Consistency”* – The approach adopted for the preparation of this ESG Report was substantially consistent with the previous year, and explanations were provided regarding data with changes in the scope of disclosure and calculation methodologies.

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Forward-looking Statements

This ESG Report contains forward-looking statements which are based on the current expectations, estimations, projections, beliefs, and assumptions of the Group about the businesses and the markets in which it operates. These forward-looking statements are not guarantees of future performance and are subject to market risks, uncertainties, and factors beyond the control of the Group. Therefore, actual outcomes may differ from the assumptions made and the statements contained in this ESG Report.

Confirmation and Approval

This Report was endorsed by the ESG working group and approved by the Board in March 2026.

Contact Us

Your feedback is valuable to our continuous improvement, and we welcome any comments and suggestions you may have on this Report or our future ESG strategy in general. Please share any comments or suggestions regarding the Group's ESG performance at admin@tomogroupltd.com.

ESG GOVERNANCE STRUCTURE

The Board Statement

The Board of Directors (the "Board") holds the ultimate responsibility for monitoring the Group's ESG issues, which include the ESG management approach, strategy, and policies. To better manage the Group's ESG performance and identify potential risks, the Board conducts materiality assessments where necessary, with the assistance of the ESG Committee to evaluate and prioritise material ESG related issues with reference to the opinions of our stakeholders. The Board is responsible for setting up a general direction for the Group's ESG strategies, ensuring the effectiveness in the control of ESG risks and internal control mechanisms and oversight of climate-related risks and opportunities.

ESG Working Group

To support the Board in fulfilling its ESG responsibilities, the Group has established an ESG Working Group comprising representatives from major departments. The Committee coordinates the Group's ESG efforts, including data collection, performance monitoring and implementation of ESG-related initiatives. It also assists in identifying and assessing ESG risks and opportunities – such as climate-related impacts, environmental performance, workplace safety, labour practices and product responsibility.

The Working Group reports to the Board on a regular basis, providing updates on ESG commitments, key performance indicators ("KPIs"), and progress toward ESG goals and targets. Through ongoing materiality assessments, the Committee supports the Board in prioritising and managing material ESG topics that are most relevant to the Group and its stakeholders.

Stakeholder Engagement

The Group recognises the significance of effective stakeholder engagement and collaboration. As the operations involve a variety of stakeholder Groups, their inputs allow the Group to respond promptly to sustainability challenges and opportunities. The feedback from stakeholders of different backgrounds also helps the Group understand the ever-changing market demands and global sustainability trends.

The Group adopts a three-step iterative process for materiality assessment: identifying, prioritising and validating. Through the process, the Group confirms the sustainability topics that are important to the business and stakeholders.

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Identification

- Consider industry standards, trends, and the results of previous stakeholder engagement.
- Conduct survey and identify a list of issues that are considered relevant and important.

Prioritisation

- Gain insight from stakeholders on sustainability priorities.
- Prioritise material issues according to their relevance, impact and likelihood.

Validation

- Review and approve the material issues by the Board.

In formulating operational and ESG strategies, the Group considers stakeholders' expectations through a diverse range of engagement methods and communication channels, as shown below:

Stakeholders	Communication channels	Expectations
Employees	<ul style="list-style-type: none"> • Employee Activities • Professional Training • Performance Appraisal • On-site Meetings and Discussions 	<ul style="list-style-type: none"> • Health and Safety • Equal Opportunities • Compensation and Benefits • Career Development • Legal Rights and Interests
Customers	<ul style="list-style-type: none"> • Customer Satisfaction Surveys • Customer Service Center • Complains Review Meeting • Hotline • Emails and Website 	<ul style="list-style-type: none"> • Quality Services • Personal Safety • Compliant Operation • Privacy Protection • Seamless Communication
Suppliers	<ul style="list-style-type: none"> • Supplier Meetings and Events 	<ul style="list-style-type: none"> • Contract Performance • Business Ethics
Investors and Shareholders	<ul style="list-style-type: none"> • Annual General Meeting • Special Report • Financial Reporting • Announcements and Circulars 	<ul style="list-style-type: none"> • Compliant Operation • Information Disclosure • Financial Performance • Corporate Governance • Involvement in the Decision-making Process
Government and Regulators	<ul style="list-style-type: none"> • Regular Performance Report • Tax Payments 	<ul style="list-style-type: none"> • Pay Taxes under Laws • Employment Growth • Compliance with Regulations • Security Operations
Community, NGOs, and Media	<ul style="list-style-type: none"> • Public and Community Events • Community Investment Programs • ESG Reports 	<ul style="list-style-type: none"> • Community Contributions • Environmental Protection • Waste Disposal

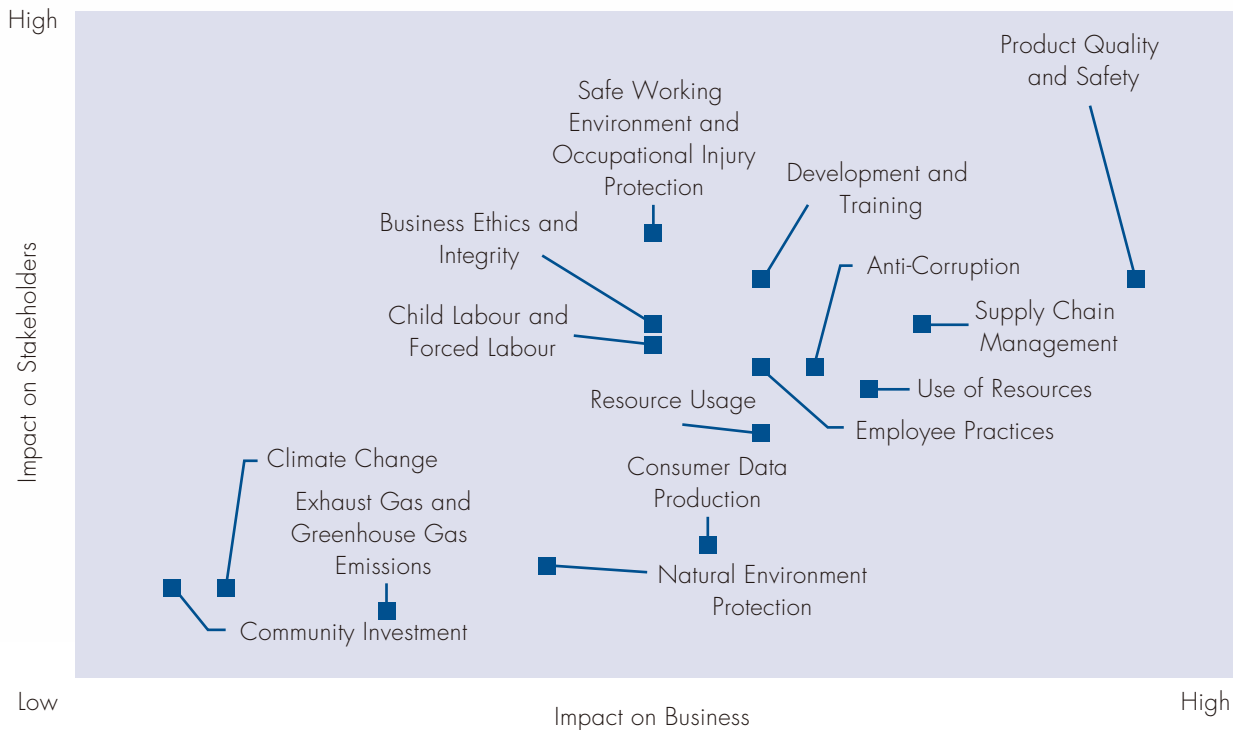
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MATERIALITY ASSESSMENT

Material issues in this report refer to what may have a significant impact on the Group’s business operations or have an actual impact on stakeholders. To identify and prioritise these issues, the Group conducts a materiality assessment survey every year, presenting the findings in the form of a materiality matrix.

The following matrix is a summary of the Group’s material ESG issues:

Materiality Matrix of the group



CLIMATE-RELATED DISCLOSURES

Governance

The Board considers a broad spectrum of climate-related risks and opportunities in setting the Group’s strategic direction, and ensures these factors are fully integrated into its oversight of strategy, major transactions, and policies. ESG considerations and stakeholder expectations are fully embedded in decision making by regularly assessing whether proposed transactions, and controls and mitigation measures align with the Group’s climate commitments. The Board balances short-term financial implications with long-term resilience to support informed, forward-looking decisions that enable sustainable performance.

The Board further oversees the development of climate-related targets, ensuring they are grounded in credible data, aligned with strategic priorities, and supported by clear execution plans. It reviews progress against these targets on a regular basis and raises queries where gaps or delays arise. Although climate-related performance indicators are not yet incorporated into remuneration policies, the Group’s commitment to achieving its climate objectives remains fully intact.

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Internal controls and review mechanisms are integrated into the operations of business units. These include periodic climate-related risks assessments, as well as cross-functional reviews of regulatory and market developments.

All the Directors and senior personnel in the ESG committee have received sustainability training. The Board is kept informed of emerging ESG developments, including energy policies, regulatory updates and evolving market best practices. ESG training is embedded in the ongoing development of Directors and senior management.

Strategy

We have defined clear time horizons to guide the effective implementation of our strategy and to track our progress throughout the journey. Each period represents a deliberate phase of action, allowing us to build momentum in a structured and measurable way. By defining the purpose of each period, we ensure that our efforts remain focused, coordinated, and aligned with our overarching ambition.

Short Term (1–5 years): Our near-term priorities centre on strengthening operational efficiency, ensuring full compliance, and building the data and governance foundations needed to support our broader ESG strategy.

Medium Term (6–10 years): Over the medium term, we will make meaningful progress on our ESG targets that embed sustainable practices across our operations. These goals are designed to deliver measurable improvements on our material topics and align with our corporate strategic planning.

Long Term (10+ years): Our long-range ambitions focus on transformational outcomes that contribute to wider societal and environmental goals, including climate action and the transition to a circular economy. These aspirations position us to play a leading role in shaping a sustainable future.

Managing Climate-related Risks and Opportunities

Climate change presents both risks and opportunities. We take a balanced approach that considers potential positive and negative impacts, enabling us to maximise value while minimising adverse effects on our business.

Physical Risks, Transition Risks and Opportunities

We categorise climate-related impacts into physical risks, transition risks and opportunities that are reasonably expected to affect our cash flows, access to finance, or cost of capital.

Physical risks: These include acute events – such as extreme heat, rainfall, storms and other natural disasters – that may disrupt our supply chain and infrastructure, as well as chronic changes like shifting climate patterns that could affect long term business viability.

Transition risks: They stem from the global shift toward a low carbon economy, including more stringent laws and regulations on environmental protection, carbon emission and waste generation. Technological developments and changing market preferences for green companies may require adjustments to our business model and operations. These changes may lead to increased risks of regulatory non-compliance resulting in legal, technological, market and reputational risks.

Opportunities: The transition to a low-carbon business model may bring us opportunities. Growing ESG awareness among consumers gradually shapes the market as preferences shift toward more responsible businesses. Efforts to improve energy efficiency and reduce waste are not only lower operating costs in the short-term but also help streamline and optimise operations over the medium term. Emerging low-carbon markets are expected to mature within the next three to ten years, creating new opportunities for growth and innovation. By actively disclosing ESG performance and taking concrete action, we can enhance our reputation, attracting new capital and customers.

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Effects of Climate-related Risks and Opportunities

The Group has identified the following risks and opportunities on its business model and value chain:

Risk Type	Description	Effects on Business Model	Effects on Value Chain
Physical Risks			
Acute Risk	Increased severity of extreme weather Extreme heat Rainfall/flooding Tropical cyclones	<ul style="list-style-type: none"> Damages property and assets in areas affected by extreme weather Increases in need for air-conditioning and energy use 	<ul style="list-style-type: none"> Interrupts supply chains Reduces availability of insurance on assets in risks exposed areas
Chronic Risk	Variability in climate and precipitation patterns Changing climate patterns	<ul style="list-style-type: none"> Affects employee health and safety Disrupts utilities supply Increases maintenance costs and insurance premiums Reduces short-term revenue Impact asset values 	<ul style="list-style-type: none"> Lowers sales/output due to business disruption Affects costs and availability of utilities Affect seafood and ingredient variety
Transition Risks			
Regulatory Risks	<ul style="list-style-type: none"> Increased carbon pricing Mandatory reporting obligations Regulation of existing products and services Exposure to litigation 	<ul style="list-style-type: none"> Increases regulatory requirements on carbon pricing Retires existing assets early due to policy changes Changes in energy efficiency standards Increases costs on adopting new processes for compliance 	<ul style="list-style-type: none"> Induces structural changes in compliance throughout the value chain Increases risks from non-compliance of suppliers or partners Reduces demand for high-emissions products and services Lowers profit margin due to upstream compliance costs
Market Risks	<ul style="list-style-type: none"> Changing consumer behaviour Unpredictable market demand Changes in competitive landscape 	<ul style="list-style-type: none"> Changes input prices (e.g. legal and compliance expenses) Increases output requirements (e.g. on waste treatment and emission control) 	<ul style="list-style-type: none"> Disrupts existing upstream and downstream partnerships as procurement shifts toward greener alternatives
Reputational Risks	<ul style="list-style-type: none"> Criticism of industry sector Negative stakeholder feedback 	<ul style="list-style-type: none"> Increases the difficulty of talent retention and workforce planning Lowers ability to attract capital 	<ul style="list-style-type: none"> Reduces demand of goods and services throughout the value chain

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Opportunity Type	Description	Effects on Business Model	Effects on Value Chain
Efficiency Gains	• More efficient and diverse service offerings	• Improves efficiency from flexible work arrangements during extreme weather	• Increases capacity and resource utilisation throughout the value chain
	• Savings from optimising resources	• Improves profit margins	• Reduces operational costs due to upstream improvements
	• Energy and water efficiency	• Benefits employee health, satisfaction, and productivity	
	• Use of new technologies	• Reduces exposure to fossil fuel price increases	
Market Opportunities	• Access to new markets	• Increases revenue source from new markets	• Fosters maturity of the entire value chain via expanded product and service offerings
	• Opportunity to expand geographically	• Diversifies geographically	
Consumer Preference	• Changes in consumer behaviour and expectations	• Opens up new revenue streams • Increases market share of green companies	• Incentivises sustainable innovation throughout the value chain, driven by downstream demands

Climate Scenario Analysis

To assess the potential impacts of climate change on our operations, supply chain, and business model, we have conducted a climate scenario analysis in FY2025. Two externally recognised climate pathways were chosen after considering the scenarios of Intergovernmental Panel on Climate Change ("IPCC"), and the Network for Greening the Financial System ("NGFS").

The analysis evaluates physical risks, transition risks and opportunities across short-, medium-, and long-term horizons. The results provide insights on how these risks and opportunities could influence our strategy, resource allocation, and overall capacity to adapt under different climate scenarios. Despite thorough consideration, we also recognise significant uncertainties, including future policy directions, technology adoption rates, and the severity of climate impacts.

Scenario Selection: The two chosen climate pathways are widely used and take reference to the scenarios presented by the IPCC. They will help us assess the level of exposure from risks and opportunities, and support our future strategic planning.

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Scenarios¹

Key Assumptions

<2°C scenario

**Warming limited to less than 2°C
(above pre-industrial levels)
before 2100**

- ≤ 2°C policy ambition
- Immediate policy reaction
- Fast technological change
- Rapid grid decarbonisation
- Rising customer expectations
- Low local exposure to hazards

>4°C scenario

**Warming exceeds 4°C
(above pre-industrial levels)
before 2100**

- ≥ 4°C policy ambition
- Delayed policy reaction
- Slow technological change
- Gradual grid decarbonisation
- Mild shift in customer expectations
- High local exposure to hazards

Note:

1. Source of the two scenarios: Shared Socioeconomic Pathways ("SSP") from the IPCC's Sixth Assessment Report, SSP1-2.6 and SSP5-8.5. SSP1-2.6 represents a relatively low emissions scenario, while SSP5-8.5 denotes a high emissions scenario.

Scope and Time Horizons: The analysis covers our major operating locations in Hong Kong and Singapore. Impacts were evaluated across short term (1-5 years), medium term (6-10 years), and long term (10+ years) horizons, consistent with our time horizons outlined in the Strategy section.

Methodology: For each scenario, we assess the potential operational and financial implications of identified climate-related risk and opportunity factors. While full quantitative modelling is still in progress, we remain committed to strengthening our data systems and analytical capabilities to support more detailed and quantitative scenario assessments in the future (Reasonable information relief and capabilities relief applied).

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Assessment Results: The results of our climate scenario analysis are presented below:

Risk	Relevance or Assumptions	Under a <2°C Scenario			Under a >4°C Scenario		
		Short-term	Medium-term	Long-term	Short-term	Medium-term	Long-term
Physical Acute							
Extreme Heat	Affects health and productivity	Low	Low	Medium	Low	Medium	Medium
Flooding	Damages facilities	Low	Low	Medium	Low	Low	Medium
Typhoon	Results in damages to facilities	Low	Low	Medium	Low	Low	Medium
Physical Chronic							
Changing Climate Patterns	Increases risks of business viability	Low	Low	Low	Low	Low	Medium
Transition							
Regulatory Risks	Increases costs of compliance	Low	Low	Low	Medium	Medium	Medium
Market Risks	Changes in market demands	Low	Low	Low	Medium	Medium	Medium
Reputational Risks	Affects corporate image and business	Low	Low	Low	Low	Low	Low
Opportunities							
Efficiency Gains	Reduces costs and improves margins	Low	Low	Low	Low	Low	Low
Market Opportunities	Accesses new markets	Low	Low	Low	Low	Low	Low
Consumer Preference	Opens new opportunities	Low	Low	Low	Low	Low	Low

Our climate-related risks and opportunities are concentrated in Hong Kong and Singapore, our principal place of operations. Hong Kong and Singapore are cities characterised by well-developed infrastructure, strong emergency preparedness, and robust public healthcare systems. These conditions help moderate exposure to acute physical risks and support continuity across our business activities.

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Our Adaptation and Mitigation Plans

Based on the findings of the scenario analysis, we have formulated the below adaptation and mitigation measures to tackle physical and transition risks:

Risk Type	Adaptation and Mitigation Measures
Physical Acute Risks	<p>To effectively tackle the acute risks, we have a robust emergency plan that includes staff training to enhance our resilience:</p> <ul style="list-style-type: none">• Activate contingency plans with flexible work arrangements in event of extreme weather;• Advise employees to undertake precautionary measures when necessary;• Promote ventilation and cooling improvements in facilities to improve working conditions;• Position servers, air conditioners, and other critical equipment in locations that meet required flood and wind resistance standards; and• Explore energy-efficient equipment and alternative energy sources to reduce reliance on traditional energy supplies.
Physical Chronic Risks	<p>Consideration is given in our long-term planning to tackle chronic risks:</p> <ul style="list-style-type: none">• Consider flood hazards during office site selection;• Use water-saving equipment and retrofit existing equipment to improve water efficiency; and• Assess alternative water source availability in case of shortages.
Transition Risks	<p>We are strengthening climate governance, and accelerating the shift toward low-carbon technologies and business models to tackle transition risks:</p> <ul style="list-style-type: none">• Monitor market trends and changes in legal requirement to ensure we satisfy the demands of customers and authorities at all times;• Maintain transparency by producing high-quality climate disclosure;• Collaborate with suppliers to promote adoption of low-carbon processes and technologies; and• Consider climate-related risk in products, services, and value chain to ensure market risks are effectively monitored.

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Risk Type

Adaptation and Mitigation Measures

Opportunities

We leverage industry insights to identify and secure emerging climate-related opportunities:

- Develop lower-carbon service offerings; and
- Invest in energy-efficient and low-emission technologies to reduce costs.

The Group did not recognise any impairment loss on assets damaged by acute risks in FY2025. We have not yet allocated investments in energy-efficient equipment or preparation of emergency situations and have not disclosed the quantified anticipated financial effects of climate related risks and opportunities (Financial effects relief applied). Internal carbon prices are currently not applied in our scenario analysis or decision-making.

RISK MANAGEMENT

Risk Management System

The Group has in place a comprehensive risk management framework. Climate-related risk and opportunity identification, assessment, prioritisation, and management are fully integrated into the Group's overall risk management processes. The relevant policies and processes are reviewed annually, and an annual enterprise risk management review report are presented to the Board.

Climate-related risks and opportunities are examined across the Group through a coordinated, multi-level process. Strategic direction is set at the top, with the Board providing oversight and regularly reviewing the most significant climate-related issues. At the same time, operational teams contribute detailed, ground-level insights by assessing their own exposures on an annual basis. When a potential risk is identified, the relevant department will design and carry out mitigation actions, followed by ongoing reviews to ensure that the controls remain robust and effective over time.

All identified climate-related risks and opportunities play a role in shaping our strategic direction, operational priorities, and internal policies. We evaluate each item based on its potential impact and the likelihood of occurrence, creating a clear profile that supports informed decision-making. These evaluations also underpin the scenario analysis outlined above. Risks that score highly on both impact and likelihood are elevated in priority and addressed ahead of lower-rated issues to ensure our resources are focused where they matter most.

METRICS AND TARGETS

Environmental Targets

A long-term transition plan will set out a clear direction to transform our operations into a low-carbon, climate-resilient business. We are setting long-term climate-related targets supported by short-, medium-, and long-term milestones, all measured against a 2025 base year to ensure consistent comparison over time. These targets have taken reference of Hong Kong's long-term decarbonisation pathway and its goal of achieving carbon neutrality, ensuring that our efforts contribute meaningfully to the city's broader climate ambitions.

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To deliver on this plan, we will focus on decarbonising our operations through improved energy efficiency, responsible resource management, and the adoption of lower-carbon technologies. The Group develops its target internally based on its strategic planning and did not apply the SBTi's Sectoral Decarbonisation Approach. The use of carbon credits to achieve any net targets is currently not considered. Below sets forth the phrased targets over our time horizon:

Targets	Descriptions
Energy Consumption Intensity	Short term: 3–5% reduction when compared to 2025
	Medium-term: 6–15% reduction when compared to 2025
	Long-term: 16–40% reduction when compared to 2025
Non-hazardous Waste Intensity	Short term: 3–5% reduction when compared to 2025
	Medium-term: 6–15% reduction when compared to 2025
	Long-term: 16–40% reduction when compared to 2025
Greenhouse Gas Emission Intensity (Scope 1 & 2)	Short term: 3–5% reduction when compared to 2025
	Medium-term: 6–15% reduction when compared to 2025
	Long-term: 16–40% reduction when compared to 2025

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Greenhouse gas (“GHG”) emissions

The Group’s major sources of GHG emissions include direct emissions (Scope 1) from company-owned vehicles, indirect emissions (Scope 2) from purchased electricity, and other indirect emissions (Scope 3) from upstream and downstream activities.

Summary of GHG emissions is stated as below:

Types of GHG Emissions²	Units	2025	2024
Direct GHG Emissions (Scope 1)			
• Diesel	tCO ₂ e	23.57	27.2
Indirect GHG Emissions (Scope 2)			
• Purchased electricity	tCO ₂ e	20.16	20.4
Other Indirect GHG Emissions (Scope 3)			
• Category 1: Purchased goods and services	tCO ₂ e	108.73	–
• Category 4: Upstream transportation and distribution		23.57	–
• Category 5: Waste generated in operations		120.00	–
• Category 6: Business trip		4.29	–
• Category 7: Employee commuting		15.04	–
Total GHG Emissions	tCO ₂ e	315.36	47.6
Intensity	kgCO ₂ e per S\$’000 ³	103.95	16.8

Notes:

- GHG emissions data is presented in terms of carbon dioxide equivalent and are based on, including but not limited to, “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards” issued by the World Resources Institute and the World Business Council for Sustainable Development, “How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange, “Global Warming Potential Values” from the IPCC Sixth Assessment Report and the 2021 grid emission factor published by the Energy Market Authority of Singapore.
- As at 31 December 2025, the total revenue in Thousand Singapore dollar within the Reporting Scope of the Group amounted to 3,033.86 (as at 31 December 2024: 2,831.00 Thousand SGD). This data is also used for calculating other intensity data.

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INTEGRATION OF UNSDGs INTO ESG STRATEGY

To ensure the comprehensive and effective implementation of our sustainable development initiatives, we have integrated the United Nations Sustainable Development Goals (UNSDGs) into our overarching ESG strategy. This includes the establishment of core commitments for each major area, aligning our objectives with the UNSDGs to enhance our sustainability efforts across economic, social, and environmental dimensions. By embedding these goals into our strategic framework, we aim to drive meaningful change and contribute to global sustainability while fostering long-term value for our stakeholders.

Goals Number

How we support the Goals



The health and well-being of our employees is our topmost priority. We have implemented a comprehensive set of policies and procedures that encompass every aspect of workplace safety, ranging from hazard identification and risk assessment to injury prevention and emergency response. These policies and procedures undergo regular review and updates to ensure compliance with the latest industry standards and best practices.

We strongly believe that promoting a culture of safety is key to fostering a positive work environment where employees feel valued and supported. By consistently prioritising safety, we are committed to enhancing the health and well-being of our employees and creating a secure and conducive workplace for everyone.

For further details on our commitment, please refer to “**Aspect B2: Health and Safety**”.



The Group is committed to promoting gender equality and implementing policies and practices that eliminate gender discrimination, ensure equal opportunities, and foster diversity and inclusivity.

For further details on our commitment, please refer to “**Aspect B1: Employment**”.



The Group is dedicated to continuously creating a positive impact on the communities and economies in which we operate. This commitment reflects our unwavering dedication to fostering dignified work and promoting sustainable economic development. Our comprehensive approach entails advocating for fair employment practices, investing in the development of our employees, and collaborating with local stakeholders to support and drive the growth of the local economy.

For further information, please refer to “**Aspect B1: Employment**” and “**Aspect B5: Supply Chain Management**”.

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Goals Number

How we support the Goals



The Group recognises the pressing need for climate action and endeavors to mitigate greenhouse gas (GHG) emissions through a series of measures, including energy-efficient building designs and sustainable operational practices. Regular assessments of GHG emissions are conducted, as part of our commitment to continuously enhance our environmental performance. Our dedication to reducing our carbon footprint reflects the Group's steadfast resolve to address climate change and foster a more sustainable future for our business, stakeholders, and the global community.

For further details on our commitment, please refer to "**Aspect A1: Emissions**".

A. ENVIRONMENTAL

In line with our commitment to environmental protection, the Group consistently prioritises and promotes the principles of green development. We recognise the significance of minimising the environmental footprint of our operations and strive to implement sustainable practices at every level. Our dedication to environmental management drives us to continually refine and optimise our existing measures. We proactively develop and implement relevant systems that adhere to stringent environmental standards. By enhancing our energy efficiency and adopting innovative technologies, we actively reduce pollution emissions.

A.1 Emissions

During the Reporting Period, the Group was not aware of any material non-compliance with environmental-related laws and regulations in relation to exhaust gas and greenhouse gases ("GHGs"), emissions, water and land discharge, and the generation of hazardous and non-hazardous waste that would have a significant impact on the Group. Such laws and regulations include but not limited to Water Pollution Control Ordinance of Hong Kong, Waste Disposal Ordinance of Hong Kong, Environmental Protection and Management Act of Singapore, Water Pollution Control and Drainage Act of Singapore.

Air Emissions

To align the global development of the low-carbon economy, the Group pays attention to its air emissions arise from the daily operations. The principles sources of air emissions are the combustion of diesel for company vehicles.

Type of Air Pollutants	Unit	2025	2024
Nitrogen Oxides (NO _x)	kg	62.05	77.33
Sulphur Oxides (SO _x)	kg	0.14	0.16
Particulate Matter ("PM")	kg	5.95	7.41

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Waste Management

The Group actively advocates the importance of environmental management, strictly controls the generation of waste, continuously optimises management and monitoring, meeting the requirements of national and local environmental standards. We have in place an internal waste management guideline ensuring that all waste is properly collected and handled by licensed contractors, and according to local laws and regulations. The guideline identifies personnel responsible and details of their duties. It also explicitly outlines the methods for garbage collection, storage, and disposal. We encourage our employees to follow the guidelines and embrace the challenge of circularity.

Hazardous Waste

Due to the nature of its business, the Group did not generate any hazardous waste during the Reporting Period. However, the Group has also formulated guidelines for the management and disposal of hazardous waste. If any hazardous waste is generated, the Group must engage qualified chemical waste collectors to treat such waste to comply with relevant environmental laws and regulations.

Non-hazardous waste

The Group's business activities generate non-hazardous waste, primarily consisting of general waste.

For non-recyclable waste, we ensure its proper disposal and prevention of environmental pollution by transporting it to designated garbage transfer stations. This ensures that our waste management processes align with established regulations and standards. In line with our commitment to sustainability, we have also prioritised the creation of a green office environment. Our offices are equipped with suitable waste separation facilities, promoting waste separation at its source.

We actively encourage our employees to participate in waste recycling initiatives and emphasise the importance of reducing, reusing, and recycling waste throughout our operations.

Types of Waste Disposal	Unit	2025	2024
General Waste	tonnes	2.32	2.84
Paper	tonnes	16.50	0.08
Total Non-hazardous Waste	tonnes	18.82	2.92
Intensity	tonnes per S\$'000	0.006	0.001

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A.2 Use of Resources

The Group has implemented policies and measures to efficiently manage resource utilisation, aiming to enhance energy efficiency and minimise the consumption of non-essential materials. Our resource management policies and procedures ensure effective control over resource usage. Additionally, we prioritise the management of high-energy-consuming equipment, regulating their operational processes to maximise energy efficiency.

Energy Management

In its daily operations, the primary source of energy consumption for the Group is electricity, which is mainly derived from the daily operations of both the office and workshop machinery. Since the Group's main energy consumption comes from electricity, we integrate energy conservation and emission reduction into our business operation and development goals, establishing an energy-saving performance management system. The relevant specific measures are as follows:

- Replace traditional light bulbs with LED lighting system.
- In feasible situations establish applicable targets to monitor energy consumption.
- Ensure to power off electrical appliances when they are not in use.
- Turn off lighting, computers, and air conditioning systems before leaving at the end of the working day.
- Place energy-saving reminder labels next to switches.
- Regular clean office equipment, such as refrigerators and air conditioning units, to maintain optimal efficiency.
- Set the air conditioning temperature to 25°C.

In addition, the Group conducts sustainability education and training from time to time, promotes practical suggestions on eco-friendly lifestyles, and raises employees' awareness of energy conservation.

Indicators	Unit	2025	2024
Direct Energy Consumption			
• Diesel	kWh	91,728.44	106,001.95
Indirect Energy Consumption			
• Purchased electricity	kWh	50,147.00	49,390.00
Total Energy Consumption	kWh	141,875.44	155,391.95
Intensity	kWh per S\$'000	46.76	54.89

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Water Management

The Group's water usage is mainly used for domestic cleaning in offices and facilities. As the Group recognises the prevailing global water scarcity, we proactively implement strategies to address this critical issue. We promote a culture of water conservation among employees and have implemented a range of measures to mitigate water usage. The following are some of the water conservation initiatives we have established:

- Enhance inspection and maintenance of faucets, promptly repairing any leaking faucets to prevent water wastage.
- Promote water conservation by prominently displaying "Save Water" posters to encourage and raise awareness about the importance of reducing water usage.
- Implement water-saving devices to reduce water consumption.

Index	Unit	2025	2024
Total water consumption	m ³	210	202
Intensity	m ³ per S\$'000	0.07	0.07

Using Packaging Materials

The disclosure is not applicable to the Group since the production of its products has been outsourced to third-party factories. Consequently, the Group does not utilise packaging materials in its day-to-day operations.

A.3 The Environment and Natural Resources

The Group is committed to reducing the environmental impact of its operations by implementing best practices for sustainability and resource conservation. We comply with environmental laws and international standards while integrating eco-friendly principles into daily operations, including responsible waste management and resource efficiency. Efforts to minimise electricity and fuel consumption help lower greenhouse gas emissions, reinforcing the Group's commitment to sustainable business practices. Additionally, the Group has established an environmental monitoring and emergency response system to address potential environmental risks.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B. SOCIAL

The Group values its relationship with all of its stakeholders. Creating a shared value for stakeholders provides a competitive edge for sustaining the Group's long-term prosperity. The Group prioritise the health and safety of its employees through comprehensive health and safety guidelines. To effect positive impact on the communities in which the business operates, the Group supports impactful social initiatives to address the needs of the underprivileged.

B.1 Employment

Aspiring to become an employer of choice, the Group strives to protect the well-being of its employees. The Group adheres to a people-oriented principle, respects and protects all employee's legitimate rights and interests and regulates labour employment management to safeguard employees' occupational health and safety.

The Group is committed to providing fair opportunities to all candidates in order to attract and retain talents. Its fair hiring practices ensure recruitment is merit-based, without unconscious bias of any kind. Factors such as capabilities, academic qualification, practical working requirements, functional knowledge and language proficiency are considered recruitment standards under a transparent and friendly recruitment process.

We strictly adhere to the applicable employment laws and regulations in Singapore, including but not limited to the Employment Act of Singapore (Chapter 91), the Foreign Employee Levy Act of Singapore (Chapter 91A), and Employment Ordinance Hong Kong. The Human Resources departments of the Group and its subsidiaries regularly review and update company policies in accordance with the latest laws and regulations.

Recruitment, Promotion and Dismissal

Promotions and dismissals within the organisation are carried out on a fair and equal opportunity basis. Employee promotions are reviewed annually, considering objective performance indicators. Supervisors engage in effective two-way communication with employees, discussing their performance and facilitating advancement. Regular performance appraisals are conducted to evaluate employees' work performance, capabilities, and potential for progress, laying the foundation for future promotions and training. The Group encourages internal promotion to provide employees with additional opportunities for personal and professional development. The organisation strictly prohibits unreasonable dismissals under any circumstances. If necessary, dismissals are based on reasonable and lawful grounds, aligned with the Group's internal policies.

Compensation and Benefits

Equitable remuneration and benefits contribute to employee satisfaction, team morale and overall performance. The Group offers an extensive and competitive package of remuneration and benefits, and it reviews its package in a timely manner in response to market changes. In Singapore, the Group offers its employees the Central Provident Fund ("CPF") as a mandatory benefit, while in Hong Kong, the Group provides contributions to the Mandatory Provident Fund ("MPF") for its employees. It offers non-statutory benefits as additional welfare to employees, such as maternity and parental pay, and educational support. Outstanding employee awards, and long-term service awards are also offered.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Equal Opportunity, Diversity and Anti-Discrimination

The Group is committed to strict compliance with all national and local governmental laws and regulations. We uphold a fair, equitable, and transparent recruitment process, establishing policies that prevent discrimination in recruitment. Our aim is to ensure that no individual experiences discrimination based on race, nationality, disability, age, marital status, gender, pregnancy, sexual orientation, or political association. We strive to provide equal and fair treatment to all employees, encompassing areas such as recruitment, remuneration, training, promotion, dismissal, retirement, and other aspects of employment.

If an employee faces intimidation, humiliation, bullying, or harassment, including sexual harassment, they are encouraged to report the matter to their designated employee representative or directly to the general manager. The Group takes such complaints seriously and will employ appropriate measures to address and resolve these issues promptly upon receipt of the complaint.

Employee Communication Channels

The Group engages in proactive dialogue with its employees using various management mechanisms and communication channels, including internal mail systems, employee satisfaction questionnaires, and meetings.

To ensure a fair and transparent process, the Group has established guidelines in the Employee Handbook. It stipulates that employees should report any irregularities or concerns to their supervisors or the Human Resources Department. All reported cases will be thoroughly investigated, and appropriate actions will be taken to address them. We guarantee that the investigation and resolution process will be conducted with strict confidentiality, protecting the privacy and well-being of all parties involved.

As of 31 December 2025, the breakdown of employment is shown below:

Breakdown of Employees	2025	Percentage⁴
Total	48	100%
By Gender		
Male	31	65%
Female	17	35%
By Age group		
Below 30	9	19%
30 to 50	14	29%
50 or above	25	52%
By Employment Type		
Full time	47	98%
Part time	1	2%
By Region		
Singapore	38	79%
Chinese Mainland & Hong Kong	10	21%
By Employment Category		
Senior Management	6	13%
Middle Management	0	0%
General Staff	42	87%

Note:

4. Percentage of breakdown is given by no. of employees of specific categories over by total employee number at the end of the Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Reporting Period, the employee turnover breakdown is as follows:

Employee turnover rate	2025	2024⁵
By Gender		
Male	13%	11%
Female	0%	11%
By Age Group		
Below 30	11%	0%
30 to 50	21%	19%
50 or above	0%	6%
By Region		
Singapore	3%	11%

Note:

5. FY 2024 employee number has been restated.

B.2 Health and Safety

The Group places a high priority on the health and safety of its employees as an integral part of its business management approach. Guided by a people-oriented principle, we are dedicated to creating a healthy, safe, and comfortable working environment for all employees. Our goal is to identify and eliminate potential workplace health and safety hazards, implementing comprehensive safety management practices across all aspects of our operations.

During the Reporting Period, the Group was not aware of any material non-compliance with health and safety related laws and regulations that would have a significant impact on the Group.

Occupational Health and Safety

To uphold a safe and healthy working environment, the Group has developed a Safety Work Responsibility management system, aligning with Singapore's occupational safety and health policies, notably the Workplace Safety and Health Act (Chapter 354A) of Singapore, and the Health Ordinance of Hong Kong. This legislation serves as the legal foundation for promoting workplace safety and health, establishing a comprehensive framework to ensure the well-being of employees in their work environments.

No work-related fatalities happened during the past 3 consecutive years:

Indicators	Unit	2025	2024	2023
Fatalities due to work	Cases	0	0	0
Lost days due to work injury	Days	0	0	0
Work Injury Rate⁶	%	0	0	0

Note:

6. Work injury rate is calculated by number of work-related injury Lost days/(number of Employee x 22 x 12 (working days)) x 100%. The Group has subscribed employees' compensation insurance for all employees, and it has covered the compensation required due to work-related injury.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In order to ensure a safe working environment and protect employees from occupational hazards, The Group has implemented a range of policies aligned with ISO 9001:2008 and BizSAFE Level 3 standards. We are dedicated to eliminating workplace injuries by implementing the following measures:

- Promote a safe community responsible for workplace safety.
- Ensure regular safety briefings and reminders for workers.
- Conduct professional on-site safety monitoring.
- Reprimand employees who violate safety guidelines.
- Implement safety warnings and stickers in strategic locations.

B.3 Development and Training

Investing in future leaders is essential for ensuring the Group's long-term success and resilience. The Group intends to nurture its talent pipeline to retain high-performers and be equipped with leaders for tomorrow. In view of this, the Group provides them with the right tools and an environment in which they can grow professionally. Employees are continuously motivated to improve and contribute their knowledge and experiences towards shaping the future.

Structured skills development programs are in place across the Group for all employees, who play an integral role in operations. The Group's targeted learning activities aim to address the skills development needs of each core business as well as employees' career development aspirations. The content and structure of its learning programs are continually refreshed to keep pace with market developments and digitalisation requirements.

During the Reporting Period, the Group provided around 192 hours of training, with an average training hour of approximately 4 hours per trained employee. The breakdown of the employees trained by gender and employment category is as follows:

Composition of Employee Training	2025	2024⁷
By Gender		
Male	38.71%	44.44%
Female	23.53%	44.44%
By Employment Category		
Management	0.00%	100%
General Staff	38.10%	51.61%

Note:

7. FY2024 Employee Training has been restated.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The breakdown of the average number of training hours completed per employee by gender and employment category is as follows:

Number of Average Training Hours (Hours)	2025	2024⁸
By Gender		
Male	3.10	3.56
Female	5.65	10.67
By Employment Category		
Management	0	0
General Staff	4.57	6.19

Note:

8. FY 2024 average training hours has been restated.

B.4 Labour Standards

Prevention of Child and Forced Labour

The Group has zero tolerance and strictly prohibits the use of child labour, forced labour and hiring of illegal immigrants in our operations. Below measures have been taken to avoid these illegal employment practices.

Prevention of child labour

During the recruitment process, the human resources department will verify the applicant's identity documents and ensure that they have reached the minimum age for employment.

Prohibition of forced labour

The Group specifies overtime compensation provisions in the Employee Handbook. The Group carefully monitors the employee working time and working schedule to ensure they work voluntarily and freely.

In case of any illegal labour practice is discovered, the Group will stop their employments immediately. An investigation will be carried out subsequently and report the case to the relevant authorities.

During the Reporting Period, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations, that would have a significant impact on the Group including but not limited to the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), the Employment of Children Regulations (Chapter 57B of the Laws of Hong Kong), the Children and Young Person Act of the Republic of Singapore and Employment Act of the Republic of Singapore.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B.5 Supply Chain Management

The Group extends its effective governance to its supply chain. Through the Supplier Code of Conduct, the Group communicates its expectations to suppliers on upholding ethical standards, compliance with law, and avoidance of corruption. The Supplier Code of Conduct is being implemented in the following process:

- *Understanding:* The Group builds trust with suppliers and ensures that they have a clear understand of the code.
- *Communication:* Communication channels between the Group and its suppliers are established to make sure any questions or concerns are quickly addressed.
- *Monitoring:* Regular reviews are made to check if suppliers are adhering to the standards outlined in the code.
- *Follow-up:* Follow up actions will be taken if any non-compliance is discovered during the regular reviews.

Supplier Management

The Group identifies, evaluates, and selects its suppliers based on its needs and requirements, and considers suppliers on factors like quality, pricing, reliability, and overall value. Moreover, identifying environmental and social risks along with supply chain is crucial for ensuring sustainable and responsible business practices. The Group conducts risk evaluation on suppliers by identifying potential environmental and social risks, communicating with suppliers regularly, and conducting site visits and supplier audits. By continuing to monitor and review the suppliers performance, we understand the environmental and social risks associated with our supply chain and work towards mitigating those risks effectively. The Group seeks to leverage its purchasing power in support of sustainable consumption and production by choosing environmentally and socially preferable options.

To ensure product quality and prevent potential recalls, a comprehensive quality checking procedure is implemented before the products are dispatched from the factory. Additionally, our customers services team is available to provide support and assistance to customers in the event of any product-related concern.

In 2025, the Group had a total of 13 suppliers, and the following breakdown illustrates their distribution:

Location	No. of Suppliers
China	4
Singapore	5
Malaysia	2
Korea	2

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Open and Fair Procurement

The Group has established a supplier selection system which involves the following operational department. In the supplier selection process, we conduct a comprehensive evaluation that goes beyond basic supplier information. We consider different factors, including but not limited to delivery schedule, pricing, product quality, possession of necessary licenses and certifications, and compliance with relevant industrial laws, regulations, and standards. The Group identifies, evaluates, and selects its suppliers based on its needs and requirements, and considers suppliers on factors like quality, pricing, reliability, and overall value. Moreover, identifying environmental and social risks along with supply chain is crucial for ensuring sustainable and responsible business practices. The Group conducts risk evaluation on suppliers by identifying potential environmental and social risks, communicating with suppliers regularly, and conducting site visits and supplier audits. Our 12 suppliers diligently adhered to all the prescribed rules and regulation.

Green Procurement

The Group aims to foster a virtuous ecosystem comprising customers, enterprises, and suppliers through innovative approaches and transformative changes in the supply chain. Emphasising sustainable development, the Group is dedicated to local procurement, streamlining turnaround times, and integrating sustainable practices into its business model.

Throughout the procurement process, the Group prioritises local suppliers and environmentally friendly products and services. By favoring local procurement, the Group seeks to minimise the carbon footprint associated with procurement activities, while simultaneously supporting local economic growth and generating employment opportunities within local communities.

B.6 Product Responsibility

Customer Service

The Group demonstrates a diligent approach in meeting customer needs by actively engaging with them to gain valuable insights into their interests and concerns. Multiple mechanisms are employed to gauge customer satisfaction and monitor feedback, including regular customer satisfaction surveys and service reviews.

Customer health and safety is always placed at the top priority. The Group's management systems ensure quality and mitigate environmental, safety, and security hazards.

To ensure product quality and prevent potential recalls, a comprehensive quality checking procedure is implemented before the products are dispatched from the factory. Additionally, our customers services team is available to provide support and assistance to customers in the event of any product-related concern.

During the Reporting Period, the Group received no complaints, none of which were related to non-compliance with pertinent laws and regulations concerning health and safety, advertising, labeling, privacy matters, or methods of redress for the products and services provided. Furthermore, there were no product recalls given the nature of the business.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Protection of Intellectual Property Rights

Fair and unbiased information is emphasised in all marketing publications. All promotional materials must be examined by the management to ensure they adhere to all applicable advertising and intellectual property rights laws. To prevent infringement and infringement upon, the Group follows patents and licensing restrictions. The Group has also implemented registration to safeguard its intellectual property rights.

During the Reporting Period, there were no incidents of non-compliance concerning marketing communications occurred within the Group. The Group has registered the "Eurostyle" trademark in Singapore and Hong Kong. This brand is applicable to a variety of different products.

Privacy Protection

The Group's comprehensive governance structure safeguards digital information and protects the Group against the risk of human error, cyberattacks, and other threats. The governance structure is built upon the following best practice principles:

- *Secure the information:* The Group specifies who has access to the data and encrypts the information as needed.
- *Prepare for threats:* The Group performs test on its systems, educates its employees, and devises a data recovery plan, to prepare for cyber threats.
- *Remove information not in use:* Both digital and physical copies of data that the Group no longer uses are removed to reduce the chances of information being misused.

The Group respects the privacy of personal data. Protecting the personal data of customers and employees ensures legal compliance, financial stability, and sustained reputation, fostering a culture of trust among the Group and its stakeholders. The Group's Policy on Personal Data contains provisions on the legitimate purposes of collecting, using, retaining, sharing, transferring, and processing any personal data.

Advertising and Labelling

The Group places a strong emphasis on adhering to relevant regulations and guidelines concerning media advertising, recognising the significance of responsible and compliant advertising practices. The Group has established internal guidelines to ensure the provision of accurate product labels and marketing materials in compliance with the Consumer Protection (Trade Descriptions and Safety Requirements) Act (Chapter 53) and industry standards. The Group strictly prohibits the exaggeration of product claims in marketing materials. Any deviation from the Group's internal guidelines will result in immediate corrective measures being taken.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B.7 Anti-corruption

The Board sets a tone of zero tolerance towards fraud and corruption. The Group's Employee Handbook states guidelines that require employees to comply with all applicable rules on conflicts of interest, insider dealing, anti-competition and anti-corruption. It demands strict adherence from every employee to applicable laws, rules, and regulations in the jurisdictions in which the Group operates.

The Anti-corruption Policy provides guidance for employees on recognising and avoiding unethical behaviour in a range of business contexts, including procurement of goods and services, accepting and offering corporate gifts or hospitality, and making political or charitable contributions. Any solicitation or acceptance of an advantage, any form of bribery, extortion, fraud, or money laundering are strictly prohibited.

Anti-corruption Training

The Group provides training to employees on its governance policies. New joiners receive training as part of their induction programs. During the Reporting Period, the directors and employees were provided with anti-corruption training for a total of 1 hour and the Group was unaware of any non-compliance with the relevant laws and regulations relating to bribery, extortion, fraud and money laundering. There were no concluded legal cases regarding corrupt practices brought against the Group or its employees.

Whistleblowing

The Group encourages its employees and other stakeholders, including customers and suppliers, to raise concerns about suspected improprieties, misconduct, or malpractice. A confidential channel is in place for employees and stakeholders to report any suspected incidents.

Following the guidelines outlined in the Whistleblowing Policy, the Group treats every reported incident with utmost confidentiality and ensures that whistleblowers are protected from unfair dismissal, victimisation, or unwarranted disciplinary action. Incidents related to fraud and corruption will be thoroughly investigated.

B.8 Community Investment

The Group considers it as a privilege to have the ability to give back to the community. Throughout the Reporting Period, the Group's community investment initiatives have prioritised the expansion of business operations to create increased employment opportunities. Moreover, we have fostered employee involvement in community endeavors, including volunteering and contributing to supported projects, as well as participation in environmental conservation initiatives.

While the group has not yet undertaken specific community initiatives, they are committed to exploring opportunities for community engagement and making a positive impact in the future.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MAJOR APPLICABLE LAWS AND REGULATIONS

Aspect	Main Applicable Laws and Regulations (Laws of Hong Kong unless otherwise specified)
Environment	<ul style="list-style-type: none">• Water Pollution Control Ordinance• Waste Disposal Ordinance• Air Pollution Control Ordinance• Environmental Protection and Management Act of the Republic of Singapore• Air Pollution Control Act of the Republic of Singapore• Energy Conservation Act of the Republic of Singapore• Hazardous Substances Act of the Republic of Singapore
Employment and Labour Standards	<ul style="list-style-type: none">• Employment Ordinance• Employees' Compensation• Sex Discrimination Ordinance• Family Status Discrimination Ordinance• Personal Data (Privacy) Ordinance• Employment Act of the Republic of Singapore• Employment of Foreign Manpower Act of the Republic of Singapore• Children and Young Person Act of the Republic of Singapore• Workplace Safety and Health Act of the Republic of Singapore• Central Provident Fund Act of the Republic of Singapore• Employment Claims Act of the Republic of Singapore
Health and Safety	<ul style="list-style-type: none">• Occupational Safety and Health Ordinance• Fire Safety Ordinance• Workplace Safety and Health Act of the Republic of Singapore

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect	Main Applicable Laws and Regulations (Laws of Hong Kong unless otherwise specified)
Product Responsibility	<ul style="list-style-type: none">• Trade Description Ordinance• Personal Data (Privacy) Ordinance• Consumer Protection (Consumer Goods Safety Requirements) Regulations of the Republic of Singapore• Consumer Protection (Trade Descriptions and Safety Requirements) Act of the Republic of Singapore• Control of Consumer Goods (Safety) Regulations of the Republic of Singapore
Anti-corruption	<ul style="list-style-type: none">• Prevention of Bribery Ordinance• Anti-money Laundering and Counter-Terrorist Financing Ordinance• Prevention of Corruption Act of the Republic of Singapore• Whistleblower Protection Act of the Republic of Singapore

INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TOMO HOLDINGS LIMITED

Incorporated in the Cayman Islands with limited liability

QUALIFIED OPINION

We have audited the consolidated financial statements of TOMO Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") as set out on pages 77 to 149, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the 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 and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board (the "IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR QUALIFIED OPINION

Insufficient accounting records relating to Ocean Dragon Group and its subsidiary (the "Ocean Dragon Group") as of 1 January 2024 and 31 December 2024 and for the years ended 31 December 2024 and 31 December 2025

As disclosed in note 19 to the consolidated financial statements, as at 31 December 2024, the Group had a 49% equity interest in the Ocean Dragon Group with the investment cost of S\$6,421,491 which is mainly engaged in the provision of electric charging solutions and was accounted for as associates under the equity method since its acquisition. Due to lack of sufficient books and records of the Ocean Dragon Group to account for the share of results and also to assess the impairment of its investments in the Ocean Dragon Group and the Company's concerns over the genuineness of the acquisition of the Ocean Dragon Group in prior years, the Group recognised a loss of S\$6,421,491 to fully write down the Group's investments in the Ocean Dragon Group which was recorded separately in an item in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023.

The directors of the Company consider that, in view of the Group did not have any commitment to contribute additional funds to the Ocean Dragon Group and the Group's investments in the Ocean Dragon Group was fully impaired in prior years and thus, the directors of the Company decided to fully write off of the Group's investments in the Ocean Dragon Group and nil amount was charged or credited to the profit or loss for the year ended 31 December 2025 and the Group's investments in the Ocean Dragon Group was then derecognised subsequently.

INDEPENDENT AUDITOR'S REPORT

BASIS FOR QUALIFIED OPINION (CONTINUED)

In view of such circumstances described above, neither the directors of the Company nor us were able to access sufficient books and records of the Ocean Dragon Group and the financial information which are available and were retained by the Company were not found to be of a sufficient level for the purposes of audit and thus, we were unable to obtain sufficient appropriate audit evidence to ascertain: (i) whether the share of nil result of the associates for the years ended 31 December 2024 and 31 December 2025 and the Group's investments in the Ocean Dragon Group at nil as at 1 January 2024 and 31 December 2024 were fairly stated and properly reflected, and the related disclosures notes thereof, and also nil impairment loss on the Group's investments in the Ocean Dragon Group was properly charged or credited to the profit or loss for the year ended 31 December 2024 respectively; and (ii) whether nil amount was charged or credited to the profit or loss for the year ended 31 December 2025 upon the written off and derecognition of Group's investment in the Ocean Dragon Group in the consolidated financial statements of the Company for the year ended 31 December 2025, have been accurately recorded and properly accounted for which were included in the consolidated financial statements of the Company as of 1 January 2024 and 31 December 2024 and for the years ended 31 December 2024 and 31 December 2025. There were no other satisfactory audit procedures that we could perform to determine whether any adjustments were necessary or might have a consequential effect of the Group's consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, and related disclosures thereof as of 1 January 2024 and 31 December 2024 and for the years ended 31 December 2024 and 31 December 2025.

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

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matter described below to be the key audit matter to be communicated in our report.

The key audit matter

How the matter was addressed in our audit

Valuation of investment properties

As disclosed in note 15 to the consolidated financial statements, as at 31 December 2025, the carrying amounts of the Group's investment properties located in Singapore amounted to S\$4,420,000 were measured at their fair values.

Management has engaged an independent external valuation expert to measure the fair values of the investment properties using comparison method. As each property is different on its nature, condition and location, the valuation requires the use of judgement in determining the relevant unobservable inputs including the selling price per square metre applied to the valuation model.

We have identified the fair value measurement of the Group's investment properties as a key audit matter because of their significance to the Group's consolidated financial statements as a whole and the involvement of a significant degree of management judgement and estimates.

Our procedures in relation to management's valuation of these properties included, amongst others, the following:

- To evaluate the external valuation expert's independence, qualification and competency;
- To discuss with the external valuer and management to understand the rationale of the chosen valuation method and the assumptions applied;
- To assess the appropriateness of the methodology used and the reasonableness of assumptions applied; and
- To compare the data inputs adopted in the valuations, such as recent transaction prices of comparable properties, on a sample basis, to market data.

INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate audit evidence about the investments in associates and its recognised impairment loss. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

RESPONSIBILITIES OF THE DIRECTORS OF THE COMPANY AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors of the Company are assisted by the Audit Committee in discharging their responsibility 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. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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.

INDEPENDENT AUDITOR'S REPORT

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.
- Conclude on the appropriateness of the Company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the 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.

INDEPENDENT AUDITOR'S REPORT

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ms. Chow Ka Li.

ZSZH (HK) Fuson CPA Limited

Certified Public Accountants

Chow Ka Li

Practising Certificate Number: P07809

Hong Kong, 30 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 S\$	2024 S\$
Revenue	6	3,033,859	2,830,774
Cost of sales		(1,814,684)	(1,898,241)
Gross profit		1,219,175	932,533
Other income, gains and losses, net	7	212,691	731,259
Selling and distribution expenses		(1,045,432)	(481,713)
Administrative expenses		(4,094,513)	(3,863,560)
Finance income	8	4,230	52,802
Finance cost on lease liabilities	18	(4,773)	(1,351)
Loss before tax	9	(3,708,622)	(2,630,030)
Income tax expense	12	(1,137)	–
Loss for the year		(3,709,759)	(2,630,030)
<i>Item that may be reclassified subsequently to profit or loss</i>			
Other comprehensive income for the year			
Exchange differences on translation of the foreign operations		139	–
Total comprehensive expense for the year, net of tax		(3,709,620)	(2,630,030)
Loss and total comprehensive expense for the year attributable to owners of the Company		(3,709,620)	(2,630,030)
		Singapore cents	Singapore cents (restated)
Loss per share			
Basic and diluted	14	(0.71)	(0.55)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Notes	2025 S\$	2024 S\$
NON-CURRENT ASSETS			
Investment properties	15	4,420,000	4,100,000
Property, plant and equipment	16	736,280	789,775
Intangible assets	17	407,314	434,483
Right-of-use assets	18	96,966	6,362
Investments in associates	19	-	-
		5,660,560	5,330,620
CURRENT ASSETS			
Inventories	20	185,764	227,211
Trade and other receivables	21	530,815	723,928
Cash and cash equivalents	22	9,811,360	4,928,607
		10,527,939	5,879,746
CURRENT LIABILITIES			
Trade and other payables	23	2,402,645	550,351
Lease liabilities	18	44,314	6,797
Tax liabilities		374	374
Provision for warranty cost	25	21,992	34,272
		2,469,325	591,794
NET CURRENT ASSETS		8,058,614	5,287,952
TOTAL ASSETS LESS CURRENT LIABILITIES		13,719,174	10,618,572
NON-CURRENT LIABILITY			
Lease liabilities	18	57,070	-
NET ASSETS		13,662,104	10,618,572

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Notes	2025 S\$	2024 S\$
CAPITAL AND RESERVES			
Share capital	26	1,168,532	793,357
Reserves		12,493,572	9,825,215
TOTAL EQUITY			
		13,662,104	10,618,572

The consolidated financial statements from pages 77 to 149 were approved and authorised for issue by the Board of Directors on 30 March 2026:

Lu Yongde

Director

Yuan Qinghua

Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital S\$	Share premium* S\$	Other reserve* S\$ (note (a))	Translation reserve* S\$ (note (b))	Accumulated losses* S\$	Total S\$
At 1 January 2024	793,357	12,398,264	200,000	–	(143,019)	13,248,602
Loss and total comprehensive expense for the year	–	–	–	–	(2,630,030)	(2,630,030)
At 31 December 2024	793,357	12,398,264	200,000	–	(2,773,049)	10,618,572
Loss for the year	–	–	–	–	(3,709,759)	(3,709,759)
Exchange differences on translation of the foreign operations	–	–	–	139	–	139
Total comprehensive income (expense)	–	–	–	139	(3,709,759)	(3,709,620)
Issue of shares, net of expenses (note 26)	375,175	6,377,977	–	–	–	6,753,152
At 31 December 2025	1,168,532	18,776,241	200,000	139	(6,482,808)	13,662,104

* The amounts comprise the consolidated reserves of approximately S\$12,493,572 (2024: S\$9,825,215) in the consolidated statement of financial position.

Notes:

- (a) Other reserve: the other reserve represents the difference between the nominal value of the shares issued and the net asset value of the subsidiaries of the Company upon the reorganisation in 2017.
- (b) Translation reserve: the translation reserve represents all foreign exchange differences arising from the translation of the financial statements of the foreign operations.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	2025 S\$	2024 S\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(3,708,622)	(2,630,030)
Adjustments for:		
Amortisation of intangible assets	27,169	27,169
Depreciation of property, plant and equipment	126,996	128,401
Depreciation of right-of-use assets	43,655	38,167
Gain on disposal of property, plant and equipment	-	(7,798)
Fair value gain on investment properties	(320,000)	(360,000)
Write-off of inventories	14,585	46,848
Write-off of other receivables	-	116,120
Provision for warranty cost	1,758	30,546
Finance income	(4,230)	(52,802)
Finance cost on lease liabilities	4,773	1,351
Operating cash flows before movements in working capital	(3,813,916)	(2,662,028)
Changes in inventories	26,862	10,762
Changes in trade and other receivables	193,113	67,231
Changes in trade and other payables and provision for warranty cost	756,349	(543,945)
Changes in contract liabilities	-	(244,322)
Cash used in operations	(2,837,592)	(3,372,302)
Income tax paid	(1,137)	-
NET CASH USED IN OPERATING ACTIVITIES	(2,838,729)	(3,372,302)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant equipment	(73,501)	(36,008)
Proceeds from disposal of property, plant and equipment	-	7,798
Interest received	4,230	52,802
NET CASH (USE IN) FROM INVESTING ACTIVITIES	(69,271)	24,592
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares, net of expenses (note 26)	6,753,152	-
Proceeds for share consideration receipt in advance	1,081,907	-
Principal element of lease payment	(39,672)	(39,676)
Interest element of lease payment	(4,773)	(1,351)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	7,790,614	(41,027)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,882,614	(3,388,737)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	4,928,607	8,317,344
Exchange differences on translation of the foreign operations	139	-
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by cash and cash equivalents	9,811,360	4,928,607

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

TOMO Holdings Limited ("the Company") was incorporated in the Cayman Islands on 16 January 2017 as an exempted company with limited liability under Companies Act (as revised) of the Cayman Islands and its shares are listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The directors of the Company consider that ultimate beneficial owner and immediate holding company of the Company are Mr. Lu Yongde and Billion Legend Company Limited, respectively. The addresses of the registered office and principal place of business of the Company are disclosed in the *Corporate Information* section to the annual report.

The Company is an investment holding company. The Company and its subsidiaries (the "Group") are principally engaged in the (i) sales and installation of passenger vehicle leather upholstery and electronic accessories; and (ii) sales of electronic accessories, automotive parts and motor vehicle.

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

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to an IFRS Accounting Standard issued by the International Accounting Standards Board ("IASB") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	<i>Lack of Exchangeability</i>
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The directors of the Company consider that the application of the new and amendments to an IFRS Accounting Standard in the current year has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

New and amendments to IFRS Accounting Standards issued but not yet effective

The Group has not early 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 1²</i>
IFRS 18	<i>Presentation and Disclosure 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.

Except for the new and amendments to IFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS (CONTINUED)

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements* ("IFRS 18"), which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements* ("IAS 1"). This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, 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 and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of IFRS 18) and IFRS 7 *Financial Instruments: Disclosures*. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

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

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and by the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated 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 consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below, except for investment properties and financial instruments that are measured at fair values.

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 year ended 31 December 2025

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

3.1 Basis of preparation of consolidated financial statements (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 these 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 accounted for in accordance with 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*.

- 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.

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- 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.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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)

Investment in subsidiaries

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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)

Investments in associates (Continued)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

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

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss.

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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)

Revenue from contracts with customers (Continued)

Contract asset and contract liability

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 9 *Financial Instruments*. 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 goods or 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 the same contract are accounted for and presented on a net basis.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group as a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group as an agent).

The Group is a principal if it controls the specified good before that good is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Further information about the Group's accounting policies relating to revenue from contracts with customers is provided in note 6 to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 *Leases* at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

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 or arising from business combinations 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 *Leases* at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

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

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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)

Refundable rental deposits

Refundable rental deposits paid are accounted under IFRS 9 *Financial Instruments* and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 liabilities (Continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease (see below for the accounting policy for "lease modifications").

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss 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 such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

Refundable rental deposits

Refundable rental deposits received are accounted for under IFRS 9 *Financial Instruments* and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Lease modification

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

Operating leases

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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)

Foreign currencies (Continued)

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Singapore dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Borrowing costs

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

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised when the grant is received.

Employee benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. In addition, the Group's also contributions to defined contribution plans are recognised in the financial year to which they relate. Pursuant to the relevant labour rules and regulations in the PRC, employees of the Group in the PRC participated in the central pension scheme, which is a defined contribution plan administered by the PRC government, whereby the Group is required to make contributions to the central pension scheme based on certain percentages of the eligible employees' salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees. Contributions made to the central pension scheme vest immediately.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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)

Employee benefits (Continued)

Employee leave entitlements

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

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/(loss) before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. 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 deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of 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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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)

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale, except for freehold land, which is always presumed to be recovered entirely through sale.

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 *Income Taxes* 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.

Current and deferred tax are recognised in profit or loss.

Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included. The net amount of sales tax recoverable from, or payable to.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of use assets" in the consolidated statement of financial position, except for those that are classified and accounted for as investments properties under the fair value model. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 (Continued)

If a property becomes an investment property because its use has changed as evidenced by end of owner occupation, any difference between the carrying amount and the fair value of that item (including the relevant leasehold land classified as right-of-use assets) at the date of transfer is recognised in other comprehensive income and accumulated in revaluation reserve. On the subsequent sale or retirement of the property, the relevant revaluation reserve will be transferred directly to retained profits.

Depreciation is recognised so as to write off the cost of assets 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.

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 the 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.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

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 its 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.

If a property becomes an owner-occupied property because its use has been changed as evidenced by commencement of owner-occupation, the fair value of the property at the date of change in use is considered as the deemed cost for subsequent accounting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses/revalued amounts, being their fair value at the date of the revaluation less subsequent accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Club membership

Club membership is measured initially at cost. Following initial recognition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Club membership with finite useful lives is amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each statement of financial position date.

Impairment on property, plant and equipment, right-of-use assets and intangible assets

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

The recoverable amount of property, plant and equipment, right-of-use assets and intangible assets is 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 value 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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 on property, plant and equipment, right-of-use assets and intangible assets (Continued)

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. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash generating units. 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 or the group of cash-generating units. 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 or the group of cash generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so 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 (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

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, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as short-term borrowings in the consolidated statement of financial position.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 that 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. When 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 (where the effect of the time value of money is material).

Provisions for the expected cost of assurance-type warranty obligations under the relevant contracts with customers for sales of goods are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

Provision for warranty cost

Provision for warranty cost is recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

The Group recognises the estimated liability to repair or replace products still under warranty at the balance sheet date. This provision is calculated based on historical experience of the level of repairs and replacements.

Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated financial statements.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 *Revenue from Contracts with Customers*. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised in profit or loss and is included in the finance income.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

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

All other financial assets are subsequently measured at FVTPL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not a designated and effective hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other income, gains and losses, net" line item.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 (Continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 Financial Instruments

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade and other receivables, which are subject to impairment assessment under IFRS 9 *Financial Instruments*). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are 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 conditions at the reporting date as well as the forecast of future conditions.

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

For all other financial instruments, the Group measures the loss allowance equal to 12-month ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

(j) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 (Continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 Financial Instruments (Continued)

(j) Significant increase in credit risk (Continued)

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

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

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

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 (Continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 Financial Instruments (Continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, 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.

(iii) Credit-impaired financial assets

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

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 (Continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 Financial Instruments (Continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for certain trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward-looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 (Continued)

Impairment of financial assets subject to impairment assessment under IFRS 9 Financial Instruments (Continued)

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other income, other gains and losses, net' line item as part of the foreign exchange gains/(losses), net; and
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other income, gains and losses, net'.

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 entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 (Continued)

Financial liabilities and equity

Classification as debt or equity

Debt 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.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables and lease liabilities are subsequently measured at amortised cost, using the effective interest method.

Foreign exchange gains and losses

- For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'Other income, gains and losses, net' line item in profit or loss as part of foreign exchange gains/(losses), net for financial liabilities that are not part of a designated hedging relationship.
- The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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 (Continued)

Financial liabilities and equity (Continued)

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 a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently 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.

Share capital and dividends

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

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

Trade and other payables

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

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

Segment reporting

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 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)

Related parties

A party is considered to be related to the Group if:

- (i) A person, or a close member of that person's family, is related to the Group if that person:
 - (1) has control or joint control over the Group;
 - (2) has significant influence over the Group;
 - (3) is a member of the key management personnel of the Group or the Group's parent.
- (ii) An entity is related to the Group if any of the following conditions applies:
 - (1) The entity and the group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (2) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (3) Both entities are joint ventures of the same third party.
 - (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (5) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (6) The entity is controlled or jointly controlled by a person identified in (i) above.
 - (7) A person identified in (i)(1) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (8) The entity, or any member of a Group of which it is a part, provides key management personnel services to the group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3.2, the directors of the Company are 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 underlying 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 on-going 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.

Key sources of estimation uncertainty

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

Impairment of property, plant and equipment, intangible assets and right-of-use assets

Property, plant and equipment, intangible assets and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the assets belong.

Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

As at 31 December 2025 and 31 December 2024, details of the Group's property, plant and equipment, intangible assets and right-of-use assets are set out in notes 16, 17 and 18, respectively.

Fair value of investment properties

The fair values of investment properties of the Group are determined by an independent valuer on an open market for existing use basis with reference to comparable market transactions. In making the judgement, the valuer considers information from current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences.

As at 31 December 2025 and 31 December 2024, details of the principal assumptions used for estimating the fair value of the investment properties and the Group's investment properties are set out in note 15.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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

Key sources of estimation uncertainty (Continued)

Impairment of trade and other receivables

The impairment provisions for trade and other receivables are based on assumptions about ECL. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the number of days that an individual receivable is outstanding as well as the Group's historical experience and forward-looking information at the end of the reporting period. Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional impairment charge to the consolidated statement of profit or loss and other comprehensive income.

As at 31 December 2025 and 31 December 2024, details of the principal assumptions used for estimating for the impairment of trade and other receivables and the Group's trade and other receivables are set out in notes 29(b)(ii)(1) and 21, respectively.

5. SEGMENT INFORMATION

The chief operating decision-maker (i.e. "CODM") has been identified as the executive directors of the Company's Board of Directors. The executive directors review the performance of the Group's operations mainly from a business operation perspective.

The Group is organised into three main business segments, namely:

- (i) Passenger vehicle leather upholstery segment;
- (ii) Passenger vehicle electronic accessories segment; and
- (iii) Automotive parts and motor vehicle segment.

The Automotive parts and motor vehicle segment mainly represents the business of supplying automotive parts and motor vehicle to passenger vehicle distributors and dealers.

Those passenger vehicle distributors and dealers are mainly located in Singapore.

The accounting policies of the business segments are the same as the Group's accounting policies described in note 3.2.

Segment performance is evaluated based on reportable segment results, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income, interest expenses, inter-segment transactions as well as head office and corporate expenses are excluded from such measurement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. SEGMENT INFORMATION (CONTINUED)

The amounts provided to the management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments other than cash and cash equivalents, intangible asset, investment properties, financial assets at fair value through profit or loss and investments in associates which are classified as unallocated assets. Property, plant and equipment and right-of-use assets are allocated as allocated and unallocated assets based on the usage of these assets by segment.

The amounts provided to management with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments other than other payables and accruals, provision and current income tax liabilities which are classified as unallocated liabilities. Lease liabilities is allocated proportionately in both allocated and unallocated liabilities based on the liabilities incurred by segment.

(a) Segment revenue, results, assets and liabilities

Segment revenue and results

	Passenger Vehicle Leather Upholstery		Passenger Vehicle Electronic Accessories		Automotive Parts and Motor Vehicles		Total	
	2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$
Revenue								
Sales and installation of goods	346,249	515,357	2,687,610	2,071,094	-	-	3,033,859	2,586,451
Sales of goods	-	-	-	-	-	244,323	-	244,323
Total segment revenue	346,249	515,357	2,687,610	2,071,094	-	244,323	3,033,859	2,830,774
Segment loss	(458,699)	(564,166)	(3,561,451)	(2,267,639)	-	(13,068)	(4,020,150)	(2,844,873)
Write-off of other receivables	-	-	-	-	-	(116,120)	-	(116,120)
Depreciation of property, plant and equipment	(20,946)	(20,762)	(30,788)	(23,738)	-	-	(51,734)	(44,500)
Depreciation of right-of-use assets	(34,924)	(30,534)	-	-	-	-	(34,924)	(30,534)
Unallocated income and expenses:								
Amortisation of intangible assets							(27,169)	(27,169)
Depreciation of property, plant and equipment							(75,262)	(83,901)
Depreciation of right-of-use assets							(8,731)	(7,633)
Fair value gain on investment properties							320,000	360,000
Rental income from investment properties							189,348	164,700
Loss before tax							(3,708,622)	(2,630,030)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. SEGMENT INFORMATION (CONTINUED)

(a) Segment revenue, results, assets and liabilities (Continued)

Segment assets and liabilities

	Passenger Vehicle Leather Upholstery		Passenger Vehicle Electronic Accessories		Automotive Parts and Motor Vehicles		Total	
	2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$
Segment assets	155,116	188,886	250,014	676,882	-	40,870	405,130	906,638
Unallocated assets:								
Cash and cash equivalents							9,811,360	4,928,607
Other receivables							530,814	105,931
Investment properties							4,420,000	4,100,000
Property, plant and equipment							594,487	733,435
Intangible assets							407,314	434,483
Right-of-use assets							19,394	1,272
Total assets							16,188,499	11,210,366
Segment liabilities	87,252	63,146	-	8,419	-	11,050	87,252	82,615
Unallocated liabilities:								
Other payables and accruals							2,418,492	507,446
Tax liabilities							374	374
Lease liabilities							20,277	1,359
Total liabilities							2,526,395	591,794

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. SEGMENT INFORMATION (CONTINUED)

(b) Geographical information

The Group operates in one principal geographical areas – Singapore. Information about the Group's revenue from external customers is presented based on the location of the relevant operations of external customers and information about the Group's non-current assets is presented based on physical location of the assets.

An analysis of revenue from external customers by geographical area is set out below:

	2025 S\$	2024 S\$
Singapore	3,033,859	2,830,774

An analysis of the non-current assets, comprising investment properties, property, plant and equipment, intangible assets and right-of-use assets of the Group is set out below:

	2025 S\$	2024 S\$
Singapore	5,660,560	5,330,620

(c) Information about major customers

Revenue is derived from 1 (2024: 2) external customers who individually contributed 10% or more of the Group's revenue and are attributable to the segments as detailed below:

Customers	Attributable segments	2025 S\$	2024 S\$
Customer 1	Passenger Vehicle Leather Upholstery and Passenger Vehicle Electronic Accessories	2,287,460	1,631,800
Customer 2	Automotive Parts and Motor Vehicle	-	439,496

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. REVENUE

The Group is principally engaged in the (i) sales and installation of passenger vehicle leather upholstery and accessories; and (ii) sales of automotive parts and motor vehicle.

Revenue represents income from the sales and trading of goods and the provision of services rendered by the Group, net of returns, discounts allowed or sales taxes:

(a) Disaggregation of revenue from contracts with customers

- (i) The Group derives revenue from the transfer of goods and services by categories of major product lines and business.

	2025 S\$	2024 S\$
Revenue from contracts with customers by category within the scope of IFRS 15		
Sales and installation of goods		
– Passenger Vehicle Leather Upholstery	346,249	515,357
– Passenger Vehicle Electronic Accessories	2,687,610	2,071,094
	3,033,859	2,586,451
Sales of goods		
– Automotive parts and motor vehicle	–	244,323
	3,033,859	2,830,774

- (ii) The Group derives revenue from the transfer of goods and services by timing of revenue recognition.

	2025 S\$	2024 S\$
Revenue from contracts with customers by category within the scope of IFRS 15		
– At point in time	3,033,859	2,830,774

- (iii) The Group derives revenue from the transfer of goods and services by geographical markets.

Information about the Group's revenue from the transfer of goods and services by geographical markets is set out in note 5(b).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. REVENUE (CONTINUED)

(b) Contract balances

	Notes	As at 31 December		As at
		2025 S\$	2024 S\$	1 January 2024 S\$
Trade receivables	21	252,708	448,686	257,360
Unbilled revenue	21	191,539	135,723	207,646
		444,247	584,409	465,006
Contract liabilities	24	-	-	244,322

Details of the Group's trade receivables, unbilled revenue and contract liabilities are set out in respective notes.

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

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities.

The Group's performance obligations for contracts with customers and revenue recognition policies and other income are as follows:

Revenue from contracts with customers

(i) *Sale and installation of passenger vehicle leather upholstery and accessories*

The Group sells and installs passenger vehicle leather upholstery and accessories for the customers. Sales are recognised when control of the products has transferred, being when the products are delivered and installed (i.e. at a point of time), the customer has the ability to direct the usage of the installed product, obtain substantially all of the remaining benefits from it, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been installed on the vehicles, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract. The sales are made with a credit term of 30 days. The Group's obligation to repair or replace faulty products under the standard warranty terms is recognised as a provision of warranty cost and details of which are set out in note 25.

The customers are invoiced periodically or monthly in accordance to the contract term. Unbilled revenue arises from the cumulative revenue recognised but not yet invoiced to customer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. REVENUE (CONTINUED)

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

Revenue from contracts with customers (Continued)

(ii) Sale of automotive parts and motor vehicles

The Group sells automotive parts and motor vehicles to the customers. Sales are recognised when control of the products has transferred, being when the products are delivered (i.e. at a point of time), the customer has the ability to direct the usage of the product, obtain substantially all of the remaining benefits from it, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract. The sales are made with a credit term of 7 days.

(iii) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, no element of financing is deemed present and the Group does not adjust any of the transaction prices for the time value of money.

(iv) Transaction price allocated to remaining performance obligation

All revenue contracts are for period of one year or less. As permitted by IFRS 15 *Revenue from Contracts with Customers*, the transaction price allocated to these unsatisfied contracts is not disclosed.

Other income

(i) Interest income

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

(ii) Rental income

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

Further information about the Group's accounting policies relating to revenue from contracts with customers is provided in note 3.2 to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

7. OTHER INCOME, GAINS AND LOSSES, NET

	2025 S\$	2024 S\$
Fair value gain on investment properties (note 15)	320,000	360,000
Rental income from investment properties	189,348	164,700
Special Employment Credit	20,661	13,177
Foreign exchange (loss) gain, net	(284,093)	181,559
Gain on disposal of property, plant and equipment	-	7,798
Unconditional government grants (note below)	2,000	4,025
Others	(35,225)	-
	212,691	731,259

Note: During the year ended 31 December 2025, the Group recognised government grants of S\$2,000 (2024: S\$4,025 in respect of Skills Future Enterprise Credit and Corporate Income Tax Rebate Cash Grant) in respect of Corporate Income Tax Rebate Cash Grant offered by the Singapore Government. There were no unfulfilled conditions to receive the grants.

8. FINANCE INCOME

	2025 S\$	2024 S\$
Interest income from bank	4,230	52,802

9. LOSS BEFORE TAX

Loss before tax has been arrived at after charging:

	2025 S\$	2024 S\$
Employee benefit expenses (including directors' emoluments)		
Wages, salaries and allowances	3,487,699	3,473,651
Discretionary bonuses	267,670	272,587
Retirement benefit costs – defined contribution plans	156,218	157,130
Other employee expenses	64,659	58,311
	3,976,246	3,961,679
Cost of sales	1,814,684	1,898,241
<i>Including write-off of inventories</i>	14,585	46,848
Others		
Amortisation of intangible assets	27,169	27,169
Depreciation of property, plant and equipment	126,996	128,401
Depreciation of right-of-use assets	43,655	38,167
Write-off of other receivables	-	116,120
Auditor's remuneration	116,066	102,926
Provision for warranty cost	1,758	30,546

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

The directors' and Chief Executive Officer ("CEO")'s remuneration for the year, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, is as follows:

For the year ended 31 December 2024

	Fees S\$	Salaries, allowances and benefits in kind S\$	Discretion bonuses S\$	Employer's contribution to defined contribution plans S\$	Total S\$
Executive directors:					
Mr. Lu Yongde (chairman and CEO, appointed on 22 July 2024)	-	-	-	-	-
Mr. Tsang Chun Ho Anthony (resigned on 31 July 2025)	-	60,391	-	3,082	63,473
Ms. Ma Xiaoqiu (resigned on 19 March 2024)	-	-	-	-	-
Non-executive directors:					
Mr. Choi Tan Yee (resigned on 31 July 2025)	-	60,391	-	-	60,391
Ms. Liu Xinyi (resigned on 19 March 2024)	-	-	-	-	-
Ms. Lyu Qiujia (resigned on 19 March 2024)	-	-	-	-	-
Ms. Chen Jun (resigned on 19 March 2024)	-	-	-	-	-
Independent non-executive directors:					
Mr. Cheng Wai Hei (resigned on 30 June 2025)	20,077	-	-	-	20,077
Mr. Peng (resigned on 2 January 2024)	-	-	-	-	-
Mr. Jin Lailin (resigned on 19 March 2024)	-	-	-	-	-
Mr. Lam Chi Wing (appointed on 2 January 2024 and resigned on 30 June 2025)	20,461	-	-	-	20,461
Ms. Li Jia Yao (appointed on 6 June 2024 and resigned on 30 June 2025)	-	-	-	-	-
	40,538	120,782	-	3,082	164,402

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (CONTINUED)

For the year ended 31 December 2025

	Fees S\$	Salaries, allowances and benefits in kind S\$	Discretion bonuses S\$	Employer's contribution to defined contribution plans S\$	Total S\$
Executive directors:					
Mr. Lu Yongde (chairman and CEO, appointed on 22 July 2024)	-	-	-	-	-
Mr. Tsang Chun Ho Anthony (resigned on 31 July 2025)	-	30,870	-	1,523	32,393
Mr. Yuan Qinghua (appointed 30 June 2025)	-	-	-	-	-
Non-executive director:					
Mr. Choi Tan Yee (resigned on 31 July 2025)	-	30,870	-	-	30,870
Independent non-executive directors:					
Mr. Cheng Wai Hei (resigned on 30 June 2025)	10,301	-	-	-	10,301
Mr. Ma Zhang Kai (appointed on 30 June 2025)	-	-	-	-	-
Ms. Zhu Xiao Xin (appointed on 30 June 2025)	-	-	-	-	-
Mr. Liu Wuhui (appointed on 30 June 2025)	-	-	-	-	-
Mr. Lam Chi Wing (appointed on 2 January 2024 and resigned on 30 June 2025)	10,301	-	-	-	10,301
Ms. Li Jia Yao (appointed on 6 June 2024 and resigned on 30 June 2025)	-	-	-	-	-
	20,602	61,740	-	1,523	83,865

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (CONTINUED)

Notes:

(a) Waiver of directors' emoluments

For the financial year ended 31 December 2025 and 31 December 2024, none of the directors of the Company waived any emoluments paid or payable by the Group companies and no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

(b) Directors' retirement benefits

There was no retirement benefits paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiaries undertaking for the financial years ended 31 December 2025 and 31 December 2024.

(c) Directors' termination benefits

No payment was made to directors as compensation for the early termination of the appointment for the financial years ended 31 December 2025 and 31 December 2024.

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

No payment was made to the former employer of directors for making available the services of them as a director of the Company for the financial years ended 31 December 2025 and 31 December 2024.

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

There are no loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors for the financial years ended 31 December 2025 and 31 December 2024.

Directors' material interests in transactions, arrangements or contracts

Save as disclosed elsewhere in these consolidated financial statements, no significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time or the financial years ended 31 December 2025 and 31 December 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

11. FIVE HIGHEST PAID INDIVIDUALS

The five individuals whose emoluments were the highest in the Company include nil directors for the financial years ended 31 December 2025 (2024: 1 executive director), whose emoluments are reflected in the analysis presented above.

The emoluments paid or payable to the remaining 5 individuals for the financial years ended 31 December 2025 (2024: 4 individuals) are as follows:

	2025 S\$	2024 S\$
Wages, salaries and allowances	465,108	464,153
Discretionary bonuses	44,715	37,590
Retirement benefit costs – defined contribution plans	60,520	55,412
	570,343	557,155

Their emoluments were within the following bands:

	Number of individuals	
	2025	2024
Emolument band		
Nil – HK\$1,000,000	5	4

There was no arrangement under which five highest paid individuals waived or agreed to waive any remuneration during the years ended 31 December 2025 and 31 December 2024. In addition, there was no inducement paid for five highest paid individuals to join the Group and no compensation for the loss of office in connection with the management of the affairs of any member of the Group for both years.

12. INCOME TAX EXPENSE

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

	2025 S\$	2024 S\$
Current income tax		
– Charge for the year	1,137	–
Income tax expense	1,137	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

12. INCOME TAX EXPENSE (CONTINUED)

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act (as revised) of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

Singapore profits tax has been provided at the rate of 17% on the estimated assessable profit for the financial year (2024: 17%).

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax regime. The first HK\$2 million of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% on their respective taxable income.

No provision for taxation in Singapore and Hong Kong has been made as there were no assessable profits incurred by the Group for both years.

Income tax expense for the year is reconciled to loss before tax per consolidated statement of profit or loss and other comprehensive income as follows:

	2025 S\$	2024 S\$
Loss before tax	(3,708,622)	(2,630,030)
Tax calculated at domestic tax rate	(617,020)	(447,105)
Tax effect of expenses not deductible for tax purposes	405,062	176,504
Tax effect of non-taxable income	(55,199)	(61,200)
Tax effect of tax losses not recognised	272,843	328,662
Effect of tax exemptions granted to PRC subsidiaries	(4,549)	-
Other tax effects	-	3,139
Income tax expense	1,137	-

At the end of the reporting period, the Group has unused tax losses of approximately S\$7,134,092 (2024: S\$5,558,597) available for offset against future profits

13. DIVIDENDS

No dividends were paid, declared or proposed for the years ended 31 December 2025 and 31 December 2024, nor has any dividend been proposed since the end of the reporting periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

14. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	2025 S\$	2024 S\$
Loss attributable to equity holders of the Company	3,709,759	2,630,030

Number of shares

	Number of shares	
	2025	2024 (restated)
Weighted average number of ordinary shares in issue	525,998,043	482,142,857

The calculation of the basic loss per share is based on the loss for the year attributable to equity holders of the Company and the weighted average number of ordinary shares in issue.

The calculation of basic and diluted loss per share for both years are based on the loss attributable to ordinary equity shareholders of the Company and the weighted average number of shares that were adjusted for the bonus element of the Rights Issue as described in note 26.

Diluted loss per share is same as basic loss per share due to the absence of dilutive potential ordinary shares during the years ended 31 December 2025 and 31 December 2024.

15. INVESTMENT PROPERTIES

	2025 S\$	2024 S\$
Investment properties		
Carrying amounts:		
As at 1 January	4,100,000	3,740,000
Fair value gain	320,000	360,000
As at 31 December	4,420,000	4,100,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15. INVESTMENT PROPERTIES (CONTINUED)

The following amounts are recognised in profit or loss:

	2025 S\$	2024 S\$
Rental income	189,348	164,700
Less: Direct operating expenses arising from properties that generated rental income	(17,220)	(25,449)
	172,128	139,251

The Group's investment properties represent property interests in workshops and office spaces that are held to earn rentals which are measured using the fair value model.

Fair value measurement as at 31 December 2024 and 31 December 2025

The following table analyses the Group's investment properties that are measured subsequent to initial recognition at fair value, grouped into fair value hierarchy Level 3 based on the degree to which the inputs to fair value measurement is observable.

The fair value gain of S\$320,000 (2024: S\$360,000) was recognised in the profit or loss.

	2025 S\$	2024 S\$
Fair value measurements using significant unobservable inputs (Level 3)		
Recurring fair value measurements:		
– Investment properties	4,420,000	4,100,000

There was no transfer between Level 1, 2 and 3 during the financial year.

Valuation processes

The Group's investment properties were valued at 31 December 2025 and 2024 by A Star Valuer Pte Ltd, an independent and qualified professional valuer not connected to the Group. The valuer holds a recognised and relevant professional qualification and has recent experience in valuing similar properties in similar location and categories of the investment properties being valued.

In determining the fair value of the relevant properties, the directors of the Company are responsible to determine the appropriateness of valuation techniques and inputs for fair value measurements. The directors of the Company work closely with the independent professional qualified valuer to establish the appropriate valuation techniques and inputs to the model. This valuation requires the use of unobservable inputs and is within Level 3 of the fair value hierarchy. The valuations of the Group's investment properties were based on the comparison approach by comparing the Group's properties with recent transactions of comparable properties within the vicinity and elsewhere in order to arrive at the fair values of the properties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15. INVESTMENT PROPERTIES (CONTINUED)

Valuation technique

Valuation is based on comparison approach assuming sales of each of these properties in its existing state with the benefits of vacant possession. The valuation technique is based on comparison with recent transactions of comparable properties within the vicinity and elsewhere. By making reference to sales transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for the difference in factors in locations, tenure, property size, shape, design, layout, age and condition of buildings, availability of facilities, dates of transactions and the prevailing market conditions amongst other factors affecting its value. In estimating the fair value of all of the Group's investment properties, the highest and best use of these properties is their current use.

Information about fair value measurements using significant unobservable inputs (Level 3) in 2024 and 2025.

Description	Fair value at 31 December 2025	Valuation technique	Unobservable input	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Industrial unit 1	2025: S\$1,480,000 (2024: S\$1,370,000)	Comparison approach	Average selling price per square metre	2025: S\$5,174 per square metre (2024: S\$4,790 per square metre)	The higher the unit rate, the higher the fair value
Industrial unit 2	2025: S\$1,480,000 (2024: S\$1,370,000)	Comparison approach	Average selling price per square metre	2025: S\$5,174 per square metre (2024: S\$4,790 per square metre)	The higher the unit rate, the higher the fair value
Industrial unit 3	2025: S\$1,460,000 (2024: S\$1,360,000)	Comparison approach	Average selling price per square metre	2025: S\$5,158 per square metre (2024: S\$4,806 per square metre)	The higher the unit rate, the higher the fair value

As at 31 December 2025 and 31 December 2024 the details of the Group's investment properties are as follows:

Location	Description/existing use	Tenure
8 Kaki Bukit Avenue 4, #02-03/04/05, Premier @ Kaki Bukit, Singapore 415875	Workshop and office space	60 years leasehold from 15 December 2010

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For the year ended 31 December 2025

16. PROPERTY, PLANT AND EQUIPMENT

	Leasehold properties S\$	Lightings, renovation, furniture & fittings S\$	Machinery & motor vehicles S\$	Office, equipment, software and computers S\$	Total S\$
1 January 2024					
Cost	1,150,227	61,199	1,341,257	250,561	2,803,244
Accumulated depreciation	(775,239)	(55,567)	(840,140)	(250,130)	(1,921,076)
Net book amount	374,988	5,632	501,117	431	882,168
Year ended 31 December 2024					
Opening net book amount	374,988	5,632	501,117	431	882,168
Depreciation	–	–	(77,490)	–	(77,490)
Eliminated on disposals	–	–	77,490	–	77,490
Additions	–	–	36,008	–	36,008
Depreciation	(42,574)	(1,738)	(83,658)	(431)	(128,401)
Closing net book amount	332,414	3,894	453,467	–	789,775
Year ended 31 December 2024 and 1 January 2025					
Cost	1,150,227	61,199	1,299,775	250,561	2,761,762
Accumulated depreciation	(817,813)	(57,305)	(846,308)	(250,561)	(1,971,987)
Net book amount	332,414	3,894	453,467	–	789,775
Year ended 31 December 2025					
Opening net book amount	332,414	3,894	453,467	–	789,775
Disposal and written off	–	(3,720)	–	(28,046)	(31,766)
Eliminated on disposals and written off	–	3,720	–	28,046	31,766
Additions	–	4,000	69,501	–	73,501
Depreciation	(42,574)	(2,640)	(81,782)	–	(126,996)
Closing net book amount	289,840	5,254	441,186	–	736,280
Year ended 31 December 2025					
Cost	1,150,227	61,479	1,369,276	222,515	2,803,497
Accumulated depreciation	(860,387)	(56,225)	(928,090)	(222,515)	(2,067,217)
Net book amount	289,840	5,254	441,186	–	736,280

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

	Useful lives
Leasehold properties	30 years
Lightings, renovation, furniture & fittings	3 to 5 years
Machineries and motor vehicles	5 to 10 years
Office equipment, software and computers	3 to 5 years

As at 31 December 2025, banking facilities are secured on legal mortgage of the leasehold properties with carrying values totaling S\$289,840(2024: S\$332,414). As at 31 December 2025, the Group undrawn banking facilities amounted to S\$800,000 (2024: S\$800,000).

17. INTANGIBLE ASSETS

	Club Membership A S\$	Club Membership B S\$	Total S\$
Cost			
As at 1 January 2024, 31 December 2024 and 1 January 2025	103,000	381,000	484,000
Additions	–	–	–
As at 31 December 2025	103,000	381,000	484,000
Amortisation			
As at 1 January 2024	13,233	9,115	22,348
Amortisation charge for the year	5,293	21,876	27,169
As at 31 December 2024 and 1 January 2025	18,526	30,991	49,517
Amortisation charge for the year	5,293	21,876	27,169
As at 31 December 2025	23,819	52,867	76,686
Carrying value			
As at 31 December 2025	79,181	328,133	407,314
As at 31 December 2024	84,474	350,009	434,483

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For the year ended 31 December 2025

17. INTANGIBLE ASSETS (CONTINUED)

Club membership has finite useful lives and is stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is calculated using the straight-line method to allocate the cost over 19.5 years and 17.5 years for Club Membership A and Club Membership B, respectively.

18. LEASES – RIGHT-OF-USE ASSETS AND LEASES LIABILITIES

The Group leases an office space from third party for the purpose of office operations and storage. The lease has a tenure of 3 years. The incremental borrowing rates applied to the lease liabilities is 4.75% for both years.

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

The consolidated statement of financial position shows the following amounts relating to leases:

	2025 S\$	2024 S\$
Right-of-use assets		
Leasehold properties		
As at 1 January	6,362	44,529
Additions	134,259	–
Depreciation charge	(43,655)	(38,167)
As at 31 December	96,966	6,362
Lease liabilities		
Amount payables:		
Within one year	44,314	6,797
In more than one year but no more than two years	57,070	–
Less: Amount due within year shown under current liabilities	101,384 (44,314)	6,797 (6,797)
Amount shown under non-current liabilities	57,070	–
Analysed as:		
Current	44,314	6,797
Non-current	57,070	–
	101,384	6,797

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

18. LEASES – RIGHT-OF-USE ASSETS AND LEASES LIABILITIES (CONTINUED)

(b) Amounts recognised in the consolidated statement of profit and loss and comprehensive income

	2025 S\$	2024 S\$
Depreciation charge of right-of-use asset		
Leasehold properties	43,655	38,167
Interest expense included in finance cost	4,773	1,351
Expenses relating to short-term leases	3,270	1,744

The total cash outflow for leases during the financial year ended 31 December 2025 was S\$47,715 (2024: S\$42,711).

The Group leases office premise from third parties under non-cancellable operating lease agreement. There was no option for renewal of the above operating lease agreement.

19. INVESTMENTS IN ASSOCIATES

	2025 S\$	2024 S\$
Share of net assets	-	17,526
Goodwill on acquisition	-	6,403,965
Less: Impairments	-	6,421,491 (6,421,491)
	-	-

Particulars of the Company's associates as at 31 December 2025 and 31 December 2024 are as follows:

Name	Place of registration/ incorporation and business	Form of entity Percentage of ownership interest attributable to the Group		Proportion of voting power held		Principal activities
		2025 %	2024 %	2025 %	2024 %	
Ocean Dragon Group Limited and its subsidiary ("Ocean Dragon Group")	Hong Kong	(note below)	49	(note below)	49	Provision of electric charging solutions

Note: During the year ended 31 December 2025, the directors of the Company decided to fully write off of the Group's investments in the Ocean Dragon Group. Thus, the Group's investments in the Ocean Dragon Group was derecognised during the year thereon.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

19. INVESTMENTS IN ASSOCIATES (CONTINUED)

During the year ended 31 December 2022, the Group entered into a sales and purchase agreement with Mr. Tsang Kin Yip ("Mr. Tang") to acquire 49% of the issued share capital of Ocean Dragon Group Limited at the consideration of HK\$35,000,000 (equivalent to S\$6,421,491). Ocean Dragon Group Limited and its wholly-owned subsidiary, Hua Bright International Limited, are collectively referred to as the "Ocean Dragon Group". The Ocean Dragon Group is mainly engaged in the provision of electric charging solutions and was accounted for as associates under the equity method since its acquisition.

During the year ended 31 December 2022, the Group relied on the financial information provided by local management of the Ocean Dragon Group to account for the share of results and also to assess the impairment of its investments in the Ocean Dragon Group.

During the year 31 December 2023, since all key personnel of the local management of the Ocean Dragon Group, including those who are responsible for finance and accounting matters had left and were not contactable, the Group was unable to access sufficient books and records of the Ocean Dragon Group to account for the share of results and also to assess the impairment of its investments in the Ocean Dragon Group. Apart from that, despite the best endeavours of the directors of the Company, the Company was unable to obtain sufficient corroborating documents and explanations to substantiate the reasons for and the commercial substance of the Group's investments in the Ocean Dragon Group. The Company raised concerns over the genuineness of the acquisition of the Ocean Dragon Group in prior years. As a consequence, the Directors consider that the Group is unlikely to recover the Group's investments in the Ocean Dragon Group and hence, the Group recognised a loss of S\$6,421,491 to fully write down the Group's investments in the Ocean Dragon Group which was recorded separately in an item in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023.

Pursuant to the Company's announcement dated 28 July 2025, despite the best efforts of the Board of Directors of the Company (the "Board"): (i) the Board has exhausted all means to recover the Company's investment in the Ocean Dragon Group, including (a) reporting the incident to the Hong Kong Police Force for investigation as disclosed in the Company's announcement dated 12 May 2023; (b) making repeated requests to Mr. Tsang for the financial information of the Ocean Dragon Group; and (c) the filing of a creditor's bankruptcy petition against Mr. Tsang on 6 March 2025; (ii) since completion of the acquisition of the Ocean Dragon Group and up to 28 July 2025, the Group has not received any economic benefit from the Ocean Dragon Group; and (iii) the Company was not allowed to inspect any of the underlying books and records of the Ocean Dragon Group, including but not limited to the audited report and accounts of Hua Bright and the monthly bank statements and accounting ledgers of the Ocean Dragon Group, the Board considers it is remote to recoup any value from the Company's investments in the Ocean Dragon Group.

The directors of the Company consider that, since the Group did not have any commitment to contribute additional funds to the Ocean Dragon Group and the probability to recoup any value from Group's investments in the Ocean Dragon Group was remote, the directors of the Company decided to fully write off of the Group's investments in the Ocean Dragon Group and nil amount was charged or credited to the profit or loss for the year ended 31 December 2025 and the Group's investments in the Ocean Dragon Group was then derecognised subsequently.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

20. INVENTORIES

	2025 S\$	2024 S\$
Raw materials	42,828	46,598
Finished goods	142,936	180,613
	185,764	227,211

The cost of inventories included in cost of sales amounted to S\$504,504 for the financial year ended 31 December 2025 (2024: S\$757,547).

The Group has written off inventories included in cost of sales amounted to S\$14,585 in the financial year ended 31 December 2025 (2024: S\$46,848).

As at 31 December 2025, there was no inventories expected to be recovered after more than 12 months (2024: nil).

21. TRADE AND OTHER RECEIVABLES

	2025 S\$	2024 S\$
Trade receivables	252,708	448,686
Unbilled revenue	191,539	135,723
	444,247	584,409
Deposits, prepayment and other receivables:		
– Rental and other deposits	7,070	6,269
– Prepayment of operating expenses	25,148	376
– Other receivables	54,350	132,874
	86,568	139,519
	530,815	723,928

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

21. TRADE AND OTHER RECEIVABLES (CONTINUED)

The ageing analysis of the trade receivables based on invoice date is as follow:

	2025 S\$	2024 S\$
Unbilled revenue	191,539	135,723
0 to 30 days	165,016	225,971
31 to 60 days	52,271	183,622
61 to 90 days	31,215	20,394
Over 90 days	4,206	18,699
	444,247	584,409

Except for an amount of S\$4,206 (2024: S\$18,699) trade receivables which aged over 90 days for which expected credit loss was assessed individually, the Group applies the IFRS 9 *Financial Instruments* simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. No material loss allowance was recognised as at 31 December 2025 and 31 December 2024.

Further information about the impairment of trade and other receivables and the Group's exposure to credit risk can be found in note 29(b)(ii).

22. CASH AND CASH EQUIVALENTS

	2025 S\$	2024 S\$
Cash and cash equivalents		
– Fixed deposits	–	879,862
– Cash at banks	9,811,185	4,047,428
– Cash on hand	175	1,317
	9,811,360	4,928,607

The Group's cash and bank balances are denominated in the following currencies:

	2025 S\$	2024 S\$
HK\$	9,427,320	3,766,950
S\$	260,982	1,158,393
US\$	653	691
JPY\$	2,428	2,573
RMB	119,977	–
	9,811,360	4,928,607

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

23. TRADE AND OTHER PAYABLES

	Notes	2025 S\$	2024 S\$
Trade payables		19,140	32,229
Other payables and accruals:			
– Accrued operating expenses	(a)	861,363	150,277
– Accrued bonus		278,912	258,750
– Goods and services tax payables		62,607	47,975
– Subscription money received in advance (see note 26(c))		1,081,907	–
– Amount due to a director	(b)	92,682	–
– Others		6,034	61,120
		2,383,505	518,122
		2,402,645	550,351

Notes:

(a) Accrued operating expenses

Amount consist of accrued salary paid to staff and directors.

(b) Amount due to a director

The amount is interest free, unsecured and has no repayment term.

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

	2025 S\$	2024 S\$
1 to 30 days	19,140	32,229

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

24. CONTRACT LIABILITIES

The following table provides information about contract liabilities balances during the financial year:

	2025 S\$	2024 S\$
Contract liabilities	-	-

Contract liabilities relate to advance consideration received from customers. Contract liabilities are recognised as revenue as (or when) the Company satisfies the performance obligations under its contracts.

The following table shows how much of the revenue recognised relates to advance consideration received from customers and how much relates to performance obligations that were satisfied in prior periods.

	S\$
Contract liabilities For the year ended 31 December 2025	
Revenue recognised that was included in the contract liabilities at the beginning of the year	-
For the year ended 31 December 2024	
Revenue recognised that was included in the contract liabilities at the beginning of the year	244,322

25. PROVISION OF WARRANTY COST

The movements in provision for warranty cost during the year is as follow:

	2025 S\$	2024 S\$
At 1 January	34,272	29,907
Provision utilised	(14,038)	(26,181)
Provision for warranty cost (note 9)	1,758	30,546
At 31 December	21,992	34,272

The warranty provision represents management's best estimate of the Group's obligations to repair or replace faulty products under the Group's standard warranty term and period, mainly for a period of maximum of 36 months based on management's prior experience.

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For the year ended 31 December 2025

26. SHARE CAPITAL

The share capital of the Group as at 31 December 2025 and 31 December 2024 represented the share capital of the Company and details are as following:

	Number of ordinary shares	Share capital HK\$	
Ordinary of HK\$0.01 each			
Authorised share capital			
As at 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	10,000,000,000	100,000,000	
	Number of ordinary shares	Share capital HK\$	Share capital S\$
Ordinary of HK\$0.01 each			
Issued and fully paid			
1 January 2024, 31 December 2024 and 1 January 2025	450,000,000	4,500,000	793,357
Right Issue of shares	225,000,000	2,250,000	375,175
As at 31 December 2025	675,000,000	6,750,000	1,168,532

Notes:

- (a) Year ended 31 December 2024

There has no movements in the share capital of the Company during the year ended 31 December 2024.

- (b) Year ended 31 December 2025

The movements in the share capital of the Company during the year ended 31 December 2025 are as following:

Pursuant to the Company's announcement dated 4 August 2025, the Board proposed to conduct the rights issue (the "Rights Issue") on the basis of one (1) rights share (the "Rights Share") for every two (2) shares held on 18 August 2025 (the "Record Date") at the subscription price (the "Subscription Price") of HK\$0.18 per Rights Share, to raise gross proceeds of approximately HK\$40.5 million before expenses, by way of the Rights Issue of up to 225,000,000 Rights Shares to the qualifying shareholders (the "Qualifying Shareholders").

Pursuant to the Company's announcement dated 22 September 2025, on 15 September 2025, a total of 5 valid applications and acceptances under the provisional allotment letter ("PAL") had been received for a total of 142,717,159 Rights Shares, representing approximately 63.43% of the offered shares available for subscription under the Rights Issue.

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For the year ended 31 December 2025

26. SHARE CAPITAL (CONTINUED)

Notes: (Continued)

(b) Year ended 31 December 2025 (Continued)

Pursuant to the Company's announcement dated 9 October 2025, on 29 September 2025, all the 82,282,841 unsubscribed shares under the Rights Issue were successfully placed at the price of HK\$0.18 per share, which is equal to the Subscription Price, under the placing of the unsubscribed shares. Further, the directors announced that as all the conditions with respect to the Rights Issue as set out in the prospectus of the Company dated 1 September 2025 have been fulfilled, the Rights Issue became unconditional on 30 September 2025 and thus, the share certificates for all fully-paid Rights Shares were distributed to the respective shareholders on 10 October 2025. Accordingly, the gross proceeds raised from the Rights Issue were approximately HK\$40.5 million and the net proceeds (after deducting all relevant expenses) from the Rights Issue were approximately HK\$39.5 million.

Details of the above are set out in the Company's announcements dated 4 August 2025, 22 September 2025 and 9 October 2025, respectively and the Company's prospectus dated 1 September 2025.

The Rights Shares rank *pari passu* in all respects among themselves and with the shares in issue of the Company on the date of allotment and issue of the Rights Shares.

Saved as disclosed, there has no other movements in the share capital of the Company during the years ended 31 December 2024 and 31 December 2025.

(c) Subscription of shares subsequent to 31 December 2025

Pursuant to the Company's announcement dated 18 November 2025 (the "Announcement"), on 18 November 2025, the Company entered into the subscription agreement (the "Subscription Agreement") with the subscriber (the "Subscriber"), pursuant to which the Company has conditionally agreed to issue to the Subscriber, and the Subscriber has conditionally agreed to subscribe for, the subscription shares (the "Subscription Shares"), being a total of 90,000,000 Subscription Shares at the subscription price (the "Subscription Price") of HK\$0.1748 per Subscription Share under the General Mandate granted by the Shareholders at the annual general meeting of the Company held on 13 June 2025 (the "Subscription").

The issue of the Subscription Shares is conditional upon, among others, the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares.

As at 31 December 2025, the Company received the subscription money from the Subscriber amounted to S\$1,081,907 (see note 23).

Up to the date of issuance of the consolidated financial statements, the Subscription has not yet been completed.

The Subscription Shares shall rank *pari passu* in all respects among themselves and with the shares in issue of the Company on the date of allotment and issue of the Subscription Shares.

Details of the above are set out in the Company's announcements dated 30 January 2026, 13 February 2026, 27 February 2026, 13 March 2026 and 27 March 2026 respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

27. COMMITMENTS

Non-cancellable operating lease – where the Group is a lessor

The Group has entered into commercial property leases on its investment properties. These non-cancellable leases have remaining lease terms of between one and two years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

Future minimum rental undiscounted receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	2025 S\$	2024 S\$
Not later than 1 year	-	156,750
	-	156,750

28. CAPITAL RISK MANAGEMENT

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to its shareholder, return capital to shareholder or issue new shares. No changes were made in the objectives, policies and processes during the financial years ended 31 December 2025 and 31 December 2024.

The Group also monitors capital on the basis of gearing ratio. The gearing ratio is calculated as total debt divided by total capital. Debt is calculated as lease liabilities. Total capital represents total equity as shown in the consolidated statement of financial position.

	2025 S\$	2024 S\$
Debt	101,384	6,797
Total capital	13,662,104	10,618,572
Gearing ratio	0.0074	0.0006

The Group does not have any borrowing other than lease liabilities as at 31 December 2025 and 31 December 2024.

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For the year ended 31 December 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Categories of financial instruments

	2025 S\$	2024 S\$
Financial assets		
Financial assets at amortised cost		
– Trade and other receivables	505,667	723,552
– Cash and cash equivalents	9,811,360	4,928,607
	10,317,027	5,652,159
Financial liabilities		
Financial liabilities at amortised cost		
– Trade and other payables	1,258,131	502,376
– Lease liabilities	101,384	6,797
	1,359,515	509,173

(b) Financial risk management objectives and policies

The Group's activities expose it to market risk (including currency risk and interest risk), credit risk and liquidity risk. The Group's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

(i) Market risk

(1) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group has exposure to foreign exchange risk arising mainly from the exposure of S\$ against HK\$ and USD. Foreign exchange risk arises mainly from recognised assets. At 31 December 2025, if the HK\$ had weakened or strengthened by 10% against the S\$ with all other variables held constant, post-tax loss for the year would have been approximately S\$943,000 (2024: S\$315,000) higher/lower as a result of foreign exchange losses/gains mainly on translation of HK\$ denominated cash and bank balances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

(i) Market risk (Continued)

(2) 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 cash flow interest rate risk in relation to variable-rate bank balances. The Group currently does not have an interest rate hedging policy.

However, the management will consider hedging significant interest rate exposure should the need arises.

Interest income from financial assets that are measured at amortised cost are as follow:

	2025 S\$	2024 S\$
Financial assets at amortised cost	4,230	52,802

The Group's exposure to interest rates on financial liabilities are detailed in the liquidity risk section of this note.

(ii) Credit risk

Credit risk refers to the risk that the Group's counterparties will default on their contractual obligations resulting in financial loss to the Group. For trade receivables, the Group adopts policy of dealing only with customers of appropriate credit history. For other financial assets, the Group adopts the policy of dealing only with high credit quality counter-parties.

The Group's trade receivables comprise 5 debtors (2024: 3 debtors) that in aggregate represented 87% (2024: 91.1%) of the trade receivables.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the Directors based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored by the Directors.

The maximum exposure to credit risk is the carrying amount of each class of financial instruments presented on the consolidated statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

(iii) Credit risk (Continued)

Except for trade receivables which ECLs are measured based on lifetime expected credit loss, the following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of ECL:

Category of internal credit rating	Description of category	Basis for recognising expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month expected credit losses
Under-performing	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime expected credit losses – not credit
Non-performing	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime expected credit losses – 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

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

(ii) Credit risk (Continued)

Significant increase in credit risk (Continued)

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

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date.

Definition of default

The Group considers an event of default for internal credit risk management purpose. Management 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.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

(1) Trade receivables

The Group has applied the simplified approach to measure the expected credit loss allowance for trade receivables.

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions on the ability of the customers to settle the receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

(iii) Credit risk (Continued)

Estimation techniques and significant assumptions (Continued)

(1) Trade receivables (Continued)

At the end of the reporting period, the management of the Group have assessed the ECL of all trade receivables and considered that the credit loss exposures are insignificant and therefore it did not result in an impairment allowance for both years.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

(2) Other financial assets at amortised cost

Other financial assets at amortised cost includes other receivables (excluding prepayment of operating expenses) and cash and cash equivalents.

The table below details the credit quality of the Group's financial assets (other than trade receivables):

As at 31 December 2024	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
Other receivables	N/A – Exposure is limited	139,143	–	139,143
Bank balance	N/A – Exposure is limited	4,927,290	–	4,927,290
As at 31 December 2025	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
Other receivables	N/A – Exposure is limited	61,420	–	61,420
Bank balance	N/A – Exposure is limited	9,811,185	–	9,811,185

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

(ii) Credit risk (Continued)

Estimation techniques and significant assumptions (Continued)

(2) Other financial assets at amortised cost (Continued)

At the end of the reporting period, the management of the Group have assessed the ECL of other receivables and cash and cash equivalents and considered that the credit loss exposures are insignificant and therefore it did not result in an impairment allowance for both years.

The credit risk of cash and cash equivalent is limited because the counterparties are banks with high credit rating assigned by international credit rating agencies.

(iii) Liquidity risk

Liquidity or funding risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at a price close to its fair value.

The Group manages its liquidity risk by ensuring the availability of funding through its ability to operate profitably, maintaining sufficient cash to enable it to meet its normal operating commitments, having adequate amount of committed credit facilities.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities at the statement of financial position date based on contractual undiscounted repayment obligations.

	1 year or less S\$	2 to 5 years S\$	Total S\$
As at 31 December 2024			
Trade and other payables	502,376	–	502,376
Lease liabilities	6,838	–	6,838
	509,214	–	509,214
As at 31 December 2025			
Trade and other payables	1,258,131	–	1,258,131
Lease liabilities	52,057	60,502	112,559
	1,310,188	60,502	1,370,690

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Fair value estimation

Financial assets and financial liabilities measured at fair value in the statements of financial position are grouped into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: unobservable inputs for the asset or liability.

At the end of the reporting period, the carrying amounts of the Group's current financial assets, including trade and other receivables and cash and cash equivalents and financial liabilities, including trade and other payables, approximate their fair values as at the reporting date due to their short-term maturities.

The Group's non-financial assets measured at fair value, including investment properties, are included in level 3 as there are significant unobservable inputs in the valuation technique.

Fair value measurements of investment properties under Level 3 fair value hierarchy

Investment properties are carried at fair values at the end of reporting date as determined by independent professional valuers. Valuations are made at each financial statements date based on the properties' highest-and-best-use using the comparison method that considers sales of similar properties that have been transacted in the open market with appropriate adjustments have been made to account for the difference in factors such as locations and property size. The most significant input into this valuation approach is selling price per square metre. The valuation report and fair value changes are reviewed by the directors at each reporting date.

At the end of the reporting period, the fair value estimation process and technique of investment properties are disclosed in note 15.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES/NET DEBT RECONCILIATION

	Lease liabilities	
	2025	2024
	S\$	S\$
At 1 January	6,797	46,473
Non-cash changes:		
– Finance cost	4,773	1,351
– Addition	134,259	–
Cash flows:		
– Principal elements of payments	(39,672)	(39,676)
– Interest paid	(4,773)	(1,351)
At 31 December	101,384	6,797

31. RELATED PARTY TRANSACTIONS

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

(a) Related parties transaction and balances

In addition to the information disclosed elsewhere in the financial statement, the following set out the significant transactions carried out between the Group and its related parties in the ordinary course of business for the financial year ended 31 December 2025 and 31 December 2024.

	2025	2024
	S\$	S\$
Services fee charged	48,579	66,844

For the year ended 31 December 2025, the fees were mainly paid for the financial adviser fee in relation to rights issue for the Company and investigation of investments in associates provided by Rainbow Capital (HK) Limited of which Mr. Choi Tan Yee is the shareholder. Mr. Choi Tan Yee had been resigned as the Company's director ("The Resignation") on 31 July 2025. Therefore, Rainbow Capital is not regarded as the related party since the Resignation.

For the year ended 31 December 2024, the fees were paid for the major transactions in relation to Notes subscriptions and for investigation and documents preparation of investments in associates provided by Rainbow Capital (HK) Limited of which Mr. Choi Tan Yee is the shareholder.

The related party transactions conducted with Rainbow Capital (HK) Limited constitute connected transactions as defined in Chapter 14A of the Listing Rule exempt from the reporting, announcement and independent shareholders' approval requirements.

(b) Key management compensation

Key management includes executive directors of the Company and the five highest paid individuals. The compensation paid or payable to directors and key management for employee services is disclosed notes 10 and 11, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2025 S\$	2024 S\$
NON-CURRENT ASSETS		
Investments in subsidiaries	4,958,631	4,958,631
	4,958,631	4,958,631
CURRENT ASSETS		
Amounts due from subsidiaries	1,947,478	2,358,320
Cash and cash equivalents	7,744,874	1,522,453
	9,692,352	3,880,773
CURRENT LIABILITIES		
Other payables	1,166,627	90,475
Amounts due to subsidiaries	6,996,874	6,996,875
	8,163,501	7,087,350
NET CURRENT ASSETS (LIABILITIES)	1,528,851	(3,206,577)
NET ASSETS	6,487,482	1,752,054
CAPITAL AND RESERVES		
Share capital	1,168,532	793,357
Reserves	5,318,950	958,697
TOTAL EQUITY	6,487,482	1,752,054

Reserve movements of the Company

	Share premium S\$	Other reserve S\$	Accumulated losses S\$	Total S\$
At 1 January 2024	12,398,264	4,958,627	(15,307,483)	2,049,408
Loss and total comprehensive expense for the financial year	-	-	(1,090,711)	(1,090,711)
At 31 December 2024	12,398,264	4,958,627	(16,398,194)	958,697
Issue of shares, net of expense	6,377,977	-	-	6,377,977
Loss and total comprehensive expense for the financial year	-	-	(2,017,724)	(2,017,724)
At 31 December 2025	18,776,241	4,958,627	(18,415,918)	5,318,950

Note: The Other reserve represents the difference between the nominal value of the shares issued and the net asset value of the subsidiaries of the Company upon the reorganisation in 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

33. PRINCIPAL SUBSIDIARIES OF THE COMPANY

The following is a list of the principal subsidiaries at 31 December 2025 and 31 December 2024:

Company name	Country/ place of incorporation/ establishment	Issued and paid-up capital	Principal activities/ place of operation	Equity interest attributable to the Group	
				2025 %	2024 %
<i>Directly held by the Company</i>					
TOMO Enterprises Limited	BVI	1 Ordinary Share totaling US\$1	Investment holding/Singapore	100	100
Giant Alliance Investments Holdings Limited	BVI	1 Ordinary Share totaling US\$1	Investment holding/Hong Kong	100	100
Easy Grand International Holdings Limited	BVI	1 Ordinary Share totaling US\$1	Investment holding/Hong Kong	100	100
<i>Indirectly held by the Company</i>					
TOMO-CSE Autotrim Pte Ltd	Singapore	200,000 Ordinary Shares totaling \$200,000	Engaged in the (i) sale and installation of passenger vehicle leather upholstery; (ii) supply and installation of passenger vehicle accessories; and (iii) supply automotive parts and motor vehicle/Singapore	100	100
TOMO Investment Limited	Hong Kong	1 Ordinary Share totaling HK\$1	Investment holding/Hong Kong	100	100
TOMO-CSE Auto Development Limited	Hong Kong	1 Ordinary Share totaling HK\$1	Vehicle trading/Hong Kong	100	100
Hong Kong Green Financial Services Institute Limited	Hong Kong	100 Ordinary Share totaling HK\$100	inactive	100	100
廣州眾播動力科技有限公司 ("廣州眾播")	PRC	Registered capital RMB1 million	Engaged in the supply and installation of vehicle accessories/PRC	100	–
Hongkong Sembo Convergence Technology Company Limited	Hong Kong	100 Ordinary Share totaling HK\$100	Provision of professional services/Hong Kong	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

33. PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

None of the subsidiaries had issued any debt securities or any other securities (other than ordinary/registered share capital) during both year and at the end of both year.

廣州眾播 is a limited liabilities company established in the PRC by the Group during the financial year ended 31 December 2025.

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

34. EVENTS AFTER THE REPORTING PERIOD

Pursuant to the Company's announcement dated 30 March 2026, on 30 March 2026, the Group had entered into a sale and purchase agreement with an independent individual to dispose of an unit of investment properties located in Singapore at a consolidation of S\$1,523,000. Up to the date of the issuance of these consolidated financial statements, the transaction is not yet completed. Details of this transaction are set out in the announcement of the Company dated 30 March 2026.

Save as disclosed above and elsewhere in these consolidated financial statements, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2025 and up to the issuance of these consolidated financial statements.

35. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 30 March 2026.

FIVE YEARS FINANCIAL SUMMARY

RESULTS

	For the financial year ended 31 December				2025 S\$'000
	2021 S\$'000	2022 S\$'000	2023 S\$'000	2024 S\$'000	
Revenue	9,710	16,340	9,071	2,831	3,034
Profit/(loss) before income tax	89	(2,055)	(10,410)	(2,630)	(3,709)
Income tax (expense)/credit	29	185	(172)	-	(1)
Profit/(loss) attributable to the owners of the Company for the financial year	118	(1,870)	(10,582)	(2,630)	(3,710)
Total comprehensive income/(expense) attributable to the owners of the Company for the financial year	118	(1,870)	(10,582)	(2,630)	(3,710)

ASSETS AND LIABILITIES

	As at 31 December				2025 S\$'000
	2021 S\$'000	2022 S\$'000	2023 S\$'000	2024 S\$'000	
Total assets	26,338	24,977	14,638	11,210	16,188
Total liabilities	638	1,146	1,389	592	2,526
Net assets	25,700	23,831	13,249	10,618	13,662
Equity attributable to owners of the Company for the financial year	25,700	23,831	13,249	10,618	13,662

萬馬控股有限公司
TOMO Holdings Limited

