7s ATELIER

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7S ATELIER

REFLECTING OUR COMMITMENT TO EXCELLENCE

ANNUAL REPORT 2024

CONTENT

MISSION

To bring inspiration and innovations to every home we build

VISION

To be a trendsetter in the Design & Build ecosystem arena

CORPORATE PROFILE

Founded in 1979, Sevens Atelier Limited, formerly known as Pan Asian Holdings Limited ("**Sevens Atelier**" or the "**Company**"), was rebranded on 14 June 2022, to mark our metamorphosis in embarking on our next phase of growth. The Group successfully transformed itself from a business dealing in trading of water piping materials and related accessories, provision of specialised products to water infrastructure products, valves for municipal and industrial applications and others, such as supply of parts and accessories in Oil & Gas industry and other non–water related products (the "**Old Business**") to an entirely new business of design and build, which entails, the provision and supply of building, construction, design, engineering, infrastructure and related solutions, services and products such as solutions, services and products for new construction works, addition and alteration works, works for refurbishment and upgrading of existing properties and infrastructure works and projects (the "**Design & Build**" or "**Design and Build Business**"). The transformation involves the disposal of all its business and subsidiaries that deals in the Old Business and the acquisition of Sevens Creation Pte Ltd and its subsidiaries that specialise in Design and Build Business. This has resulted in different revenue streams.

Headquartered in Singapore, the Company has been a public listed company (SGX: 5EW) on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") since 2004.

CORPORATE PROFILE

Sevens Atelier is driven by one key philosophy: to make every home and every life we touch, a better one.

We have established ourselves as a premier Design & Build solution provider for the discerning & well-versed individuals in Singapore. From consultation to completion, we provide turn-key services to our premium clients. With combined experiences in construction, renovation and interior design, Sevens Atelier aims to grow to become an emerging leader in the Design & Build industry.

This Annual Report has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this Annual Report, including the correctness of any of the statements or opinions made or reports contained in this Annual Report.

The contact person for the Sponsor is Ms. Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg

LETTER TO SHAREHOLDERS

Dear Shareholders,

FY2022: REBRANDING

The financial year ended 31 December 2024 ("FY2024") marked a defining chapter in the Sevens Atelier Group's journey, building on the strategic foundations laid during our pivotal transition into Singapore's premium landed property Design and Build sector in FY2022. As we reflect on the challenges and achievements of the past year, we are pleased to share our progress and outline our path forward in an evolving market.

FY2023: LAYING THE GROUNDWORK

FY2023 was a transformative period as we established our proprietary Sevens brand in the renovation, construction, and design segment. Despite macroeconomic headwinds, including inflationary pressures on materials and operational costs, the Group delivered significant revenue growth, rising from S$6.79 million in FY2022 to S$14.33 million in FY2023. However, elevated expenses contributed to a widened net loss of S$2.87 million, underscoring the urgency of our operational restructuring efforts.

During this period, we secured an order book of S$8.00 million as of 31 December 2023, supplemented by a S$6.50 million contract announced in January 2024 for the redevelopment of conservation shophouses. These milestones validated our capabilities in high-value projects and set the stage for recovery.

FY2024: A YEAR OF STRATEGIC TURNAROUND

In FY2024, the Group achieved a remarkable financial turnaround, recording a net profit of S$0.31 million, a stark contrast to the prior year's loss. This success was driven by disciplined cost optimization, enhanced operational efficiency, and a renewed focus on margin improvement. Revenue stabilized at S$9.10 million, with gross profit margins expanded to 19.6% (FY2023: 15.4%), reflecting our commitment to premium, value-driven contracts.

Our order book grew to S$12.15 million as of 31 December 2024, positioning the Group for sustained growth. Key projects, including the S$6.50 million two-storey conservation shophouse redevelopment, highlighted our expertise in complex, high-margin assignments. Additionally, the successful launch of our refurbished flagship showroom in 2024 strengthened client engagement through immersive virtual design tools, reducing project delays and miscommunication.

NAVIGATING MARKET DYNAMICS

The Building and Construction Authority ("BCA") forecasts robust construction demand in 2025, with total contract values projected between S$47 billion and S$53 billion.[i] Private sector demand is expected to contribute S$14 billion to S$17 billion[i], supported by redevelopment initiatives and resilient interest in landed properties. Singapore's economic outlook remains stable, with growth forecasts of 1% to 3% in 2025[ii], while moderating global interest rates, including the U.S. Federal Reserve's reduction of its key interest rate by a quarter-point to a range of 4.25% to 4.50% are anticipated to ease financing costs and stimulate investment.[iii]

Despite persistent challenges such as material cost inflation and competitive pressures, the Group's focus on enhancing asset value for landed property owners has resonated strongly with high-net-worth individuals and discerning homeowners. Demand for our end-to-end turnkey solutions—spanning design, rebuild, and interior fit-out—grew in FY2024, supported by Singapore's resilient landed property market and trends toward strategic redevelopment.

FUTURE PRIORITIES: INNOVATION AND PRUDENT GROWTH

Looking ahead, the Group remains committed to operational excellence and strategic expansion.

References:

(i) BCA : https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2025/01/23/construction-demand-to-remain-strong-for-2025

(ii) Singapore economic: https://www.straitstimes.com/business/economic-trends-to-watch-for-singapore-in-2025

(iii) US Fed rate : https://www.federalreserve.gov/

KEY INITIATIVES INCLUDE:

Leveraging Technology: Expanding the use of virtual design and construction tools to improve project visualization and execution efficiency.

Market Diversification: Exploring opportunities in adjacent segments and geographic markets to mitigate sector-specific risks.

Financial Discipline: Maintaining rigorous cost management and cash flow optimization to safeguard profitability amid macroeconomic fluctuations.

Gratitude and Commitment

On behalf of the Board, I extend our sincere appreciation to our clients, partners, and bankers for their steadfast trust. Special recognition goes to our dedicated team, whose expertise and resilience have been instrumental to our turnaround. We also thank our shareholders for their continued confidence as we navigate this next phase of growth.

Closing Remarks

As we advance into FY2025, the Group is poised to capitalize on emerging opportunities while upholding our reputation for premium craftsmanship and client-centric innovation. By balancing cautious optimism with disciplined execution, we remain focused on delivering sustainable value to all stakeholders.

Thank you for your unwavering support.

Lawrence Chen Tse Chau
Independent Director
and Non-Executive Chairman

BOARD OF DIRECTORS

VANESSA LIM XIU FANG

Executive Director

Date of appointment: 8 September 2021
Date of last re-appointment: 26 April 2024

Ms Vanessa Lim Xiu Fang is our Executive Director and was appointed to the Board in September 2021. Ms Vanessa holds a Bachelor of Arts Degree from London College of Fashion. Prior to joining the Board , She has over 8 years of experience in the international trading, online retailing and logistic industry. Vanessa's expertise lies in the operational management of Ariki Group and Beauty Eleganza which encompassed business development , sales acquisition, strategic brand diversification, and brand management.

LAWRENCE CHEN TSE CHAU

Independent Director and Non-Executive Chairman

Date of appointment: 1 April 2021
Date of last re-appointment: 28 April 2023

Mr Chen is currently serving as directors and audit partner in various companies and partnerships. He has extensive experiences in providing assurance and advisory services to a broad range of clients from traditional trading to digital marketing, crypto currency, Capital Markets Services (CMS) License, hedge funds etc. Past and present clients include companies listed on Singapore Stock Exchange (SGX-ST), New York Stock Exchange (NYSE), National Association of Securities Dealers Automated Quotations (NASDAQ) and Shanghai Stock Exchange (SSE), multinational corporations in Singapore, Malaysia and China. He has also successfully team lead and assisted clients as reporting accountant in Initial Public Offering (IPO) and Reverse Take Over (RTO) on SGX-ST.

He is a Chartered Accountant of Singapore, a fellowship member of Association of Chartered Certified Accountants and a Senior Accredited Director of the Singapore Institute of Directors (SID). Mr Chen obtained a Bachelor of Science in Applied Accounting from Oxford Brookes University.

MR TAN YEW HENG, TERRENCE
Independent Director

Date of appointment: 15 November 2022
Date of last re-appointment: 26 April 2024

Mr Tan has over 14 years of working experience in the areas of equity research, corporate finance, private equity and venture capital. Terrence specialises in deal origination, investment structuring, M&A and exit strategies. He has previously worked for various financial institutions and also lectured financial and business modules at both undergraduate and postgraduate levels. He has delivered lectures to junior and senior executives from MNCs such as United Technologies, General Electric, Shell and Singtel. Terrence holds a Bachelor's Degree in Electrical Engineering from the National University of Singapore and an MBA in Finance from Nanyang Technological University.

MR LO KIM SENG
Independent Director

Date of appointment: 15 November 2022
Date of last re-appointment: 28 April 2023

Mr Lo is an Advocate and Solicitor of the Supreme Court of Singapore. His main area of work is on corporate and commercial laws, with a focus on mergers & acquisitions, capital markets and VC/private equity work.

He was previously a trainer with the Singapore Institute of Directors on corporate governance in the Listed Company Directors Programme.

Mr Lo is currently also the Lead Independent Director of Bromat Holdings Ltd (fka No Signboard Holdings Ltd)

MANAGEMENT TEAM

TANG YAO ZHI
Group Operation Director

Mr. Tang Yao Zhi, our Group Operations Director. With over a decade of experience, Mr. Tang oversees the day-to-day operations, ensuring efficiency and alignment with company objectives. He has more than 10 years management experience working in a major Japanese MNC focusing on business development in Singapore, Malaysia and Philippines. Mr Tang holds a Bachelor of Business in Management Degree from Royal Melbourne Institute of Technology. His strategic leadership and commitment to operational excellence drive our success.

CHEUNG KA HO
Chief Financial Officer

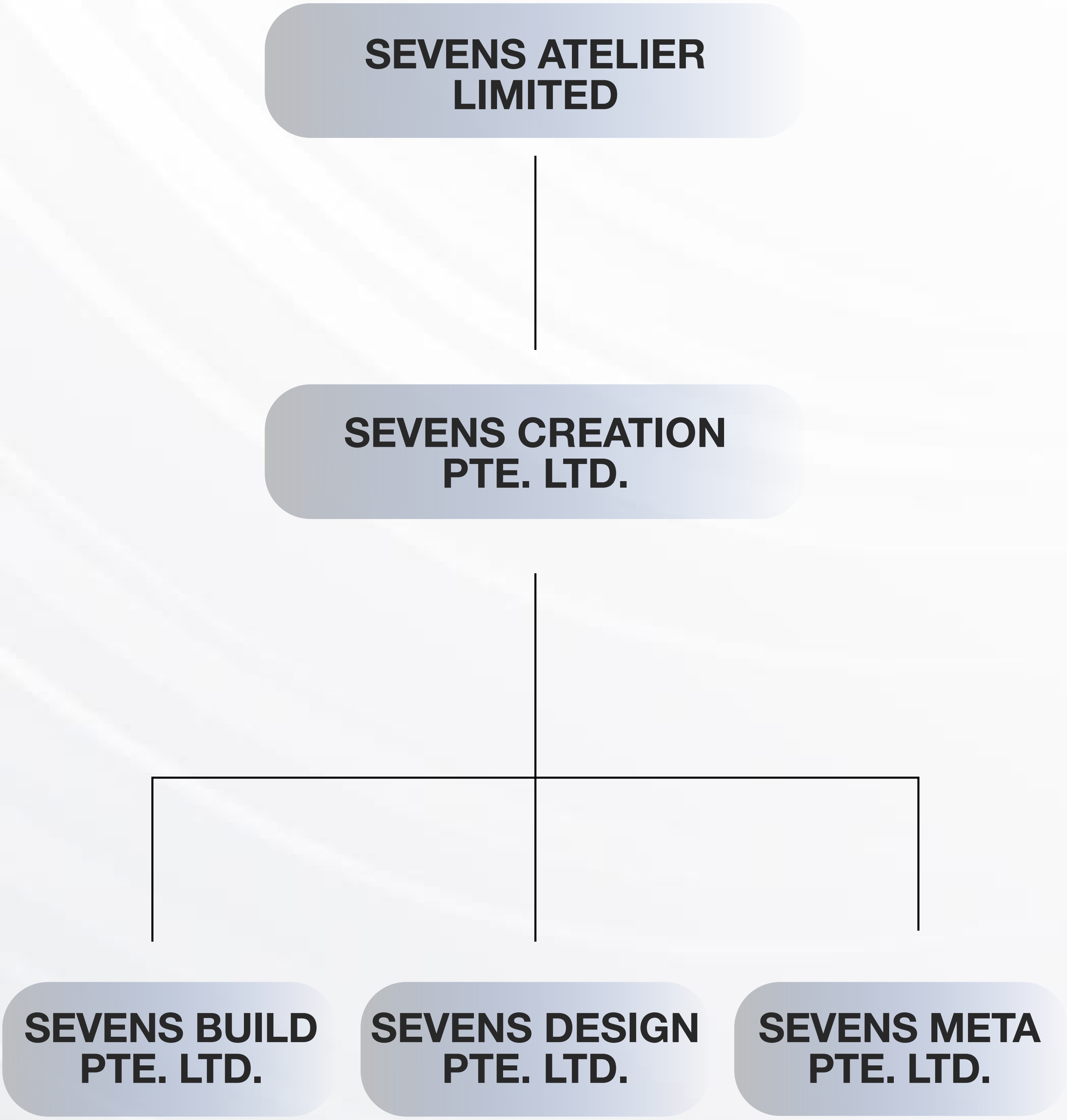
Mr. Terry Cheung was appointed as the Chief Financial Officer ("CFO") of the Group with effect from 18 December 2023. Mr. Cheung oversees the financial, accounting, taxation, regulatory compliance, corporate exercise and secretarial matters of the Group. He has more than 16 years' experience in audit, financial accounting and business management. He holds a Bachelor Degree of Accountancy from Hong Kong Baptist University and is a Chartered Accountant of the Institute of Singapore Chartered Accountants and a Certified Public Accountant of CPA Australia.

STANNY CHAI
Project Director

Date of appointment: 15 June 2022

Mr Stanny Chai is the Project Director overseeing the construction's progress of the group. He has more than 21 years of extensive experience in the construction industry. He specialises in projection management for construction, architectural and interior design.

GROUP STRUCTURE



CORPORATE INFORMATION

BOARD OF DIRECTORS

Lim Xiu Fang, Vanessa
Executive Director
Lawrence Chen Tse Chau
Independent Director
and Non-Executive Chairman
Lo Kim Seng
Independent Director
Tan Yew Heng, Terrence
Independent Director

AUDIT COMMITTEE

Lawrence Chen Tse Chau
Chairman
Lo Kim Seng
Tan Yew Heng, Terrence

NOMINATING COMMITTEE

Lo Kim Seng
Chairman
Tan Yew Heng, Terrence
Lawrence Chen Tse Chau

REMUNERATION COMMITTEE

Tan Yew Heng Terrence
Chairman
Lawrence Chen Tse Chau
Lo Kim Seng

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AUDIT PARTNER

Titus Kuan Tjian
Engagement Partner
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COMPANY SECRETARY

Yang Lin

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REGISTERED OFFICE

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SHOWROOM

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OPERATIONS & FINANCIAL REVIEW

The Sevens Atelier Group marked a pivotal year in its transition into the premium landed property 'Design and Build' business, achieving profitability for the year ended 31 December 2024 ("FY2024"). The Group provides comprehensive turnkey solutions, including customised design, rebuild and refurbishment, and interior design fit-out for upscale landed properties in Singapore through its wholly-owned subsidiaries, Sevens Build and Sevens Design.

In FY2024, the Group recorded a net profit of S$0.31 million, a significant turnaround from the net loss of S$4.05 million for the year ended 31 December 2023 ("FY2023"), despite a reduction in revenue from S$14.33 million in FY2023 to S$9.10 million in FY2024. This achievement reflects management's successful efforts to optimise costs, streamline operations, and improve financial discipline. Gross profit margins improved from 15.4% to 19.6% year-on-year, driven by focused restructuring and cost management initiatives. Administrative expenses were reduced by almost 50%, positioning the Group for sustainable long-term growth through a leaner and more efficient operating structure.

The Group's order book stood at S$12.15 million as at 31 December 2024, exceeding FY2024's total revenue. These secured contracts, due to their differing nature compared to past contracts, are expected to deliver higher profit margins than in previous years, reflecting a shift toward a more sustainable and profitable business model despite challenges such as cost inflation and increasing competition. The Group's continued focus on high-quality, Design and Build solutions for landed homes in Singapore has strengthened its market position, with the flagship experience centre enhancing customer engagement and contributed to an enhanced pipeline of projects.

As a registered General Builder Licence Class 1 (GB1) contractor with the Building and Construction Authority (BCA) of Singapore, the Group remains well-positioned to secure larger and more complex projects. The Group's strategic expansion efforts are supported by targeted investments in an in-house team of architectural designers, engineers, interior designers, and digital technology. The adoption of virtual design and construction solutions enhances project visualisation, minimises miscommunication, and reduces project delays, which further strengthens operational efficiency and client satisfaction.

The Group is actively pursuing growth through market and geographic diversification, exploring strategic mergers and acquisitions to expand its capabilities and capture new business opportunities. With a stabilising macroeconomic environment and positive expectations for global interest rate adjustments, the Group is well-positioned to capitalise on emerging opportunities and drive sustainable earnings growth.

Despite potential headwinds such as high material and labour costs and increased stamp duties, the anticipated moderation in interest rates is expected to support investment in landed properties. Properties with premium interior design and functional living spaces are poised to benefit from increased asset value. The Group remains dedicated to enhancing its spectrum of solutions and services, enriching asset values for landed property owners, and delivering long-term value for its stakeholders.


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7's ATELIER
Sustainability Report 2024

CONTENT

BOARD STATEMENT

The Board of Directors ("**Board**") of Sevens Atelier Limited (the "**Company**" or "**Sevens Atelier**", together with its subsidiaries, the "**Group**") is pleased to present our sustainability report ("**Sustainability Report**") for the financial year ended 31 December 2024 ("**FY2024**" or "**Reporting Period**"). In this Sustainability Report, we aim to provide our shareholders with key insights into our sustainability strategy by highlighting how our environmental, social, and governance ("**ESG**") factors influence our business processes. Our report provides an overview into the Group's economic performance and sustainability measures based on the new sustainability standards issued by the International Sustainability Standards Board ("**ISSB**"); we hope that the contents of this report will display our commitment to mitigating our climate impact.

Since embarking on our transformation journey, we have made substantial progress in embedding sustainable growth as a cornerstone of our business processes. This commitment has guided the integration of sustainable practices into our business strategy. As we move forward, it is imperative that sustainable growth continues to underpin our strategic direction. In line with this, the diverse expertises on our Board ensures robust oversight in identifying and monitoring material topics, while providing guidance on the ongoing management of sustainability-related risks and opportunities.

As one of the well-established players in the local Design and Build industry, we pay special attention to our Group's environmental and social impact. The materials we choose to use and source for our projects can affect a myriad of local communities through the entire building process, from sourcing to construction. Hence, we aim to limit any negative impacts that we might have on these local communities by sourcing sustainable, energy-efficient, and environmental friendly materials whenever possible. Furthermore, we have taken the extra steps to select likeminded suppliers who are equally committed to sustainability. The way we address our Group's sustainability concerns is reflected in our sustainability reporting policy ("**SR Policy**"). The SR policy identifies our sustainability strategy, sustainability governance structure, and materiality assessment. Additionally, the policy also defines how we identify and assess both our environmental-related and sustainability-related risks and opportunities. With this SR Policy in place, we aim to monitor, review and update our environmental and climate related risks and opportunities, taking into account shareholder feedback, and internal and external business circumstances changes.

We are deeply aware that climate change is an ever-evolving issue and cannot be tackled without continuous organisational improvements and changes. Hence, we resolve to continuously improve and update our SR policy to respond to changes from time to time. To ensure that our Group has minimal or even a positive impact on the areas where we operate, we have put great care into identifying key risks and opportunities that we can both mitigate and capitalise on. We believe that sustainable practices are simply good business practices that improve our operational efficiency which in turn allow us to create value for our shareholders and improve our organisation's competitiveness.

We hope that this Sustainability Report acts as a reflection to our continued dedication in mitigating our environmental and climate risks. We seek to create long-term value for our shareholders by adhering to the principles of sustainable growth. Ultimately, we believe that our focus on sustainability will help us create better relationships with all our stakeholders, improve our business processes and be a positive influence on our local communities.

VISION

"To be a trendsetter in the Design and Build ecosystem arena".

Our vision statement reflects a clear commitment to becoming a leader in the Design and Build ecosystem by delivering expert design and construction services for luxury homes. All our design and construction solutions are driven by the tenets of innovation and effectiveness, setting Sevens Atelier apart from competitors by always being at the forefront of the Design and Build ecosystem.

At Sevens Atelier, we aim to build sustainable homes that are simultaneously beautiful and people friendly. We aim to innovate our designs by incorporating sustainable systems into our builds and designs. For instance, we use eco-friendly materials and install energy-efficient technologies, such as solar panels and water meters, in both the construction and design of our buildings for our clients.

MISSION

Our mission is to inspire new innovative building solutions with each home we build. We are first and foremost, dedicated to our clients, using our expertise to address all their expectations and concerns as homeowners. We aim to go beyond building houses to building homes for our clients; this entails each house being built to our client's unique needs, preferences and budgets. Here, our expertise comes into play, as we curate design and construction options that utilise eco-friendly materials to meet our client's needs.

Our ability to consistently create personalised and high-quality homes for all our clients is a key indicator of our quality, expertise and professionalism. We aim to create homes that provide a sense of comfort and peace for all our clients.

ABOUT THIS SUSTAINABILITY REPORT

CORPORATE PROFILE

Founded in 1979, Sevens Atelier is a design and build company specialising in the design and construction of private properties. The Group's current suite of services includes building, construction, design, engineering, and infrastructure solutions. These services encompass new construction projects, additions and alterations, refurbishment and upgrading of existing properties, as well as infrastructure works and projects (collectively referred to as the "**Design and Build**").

Before rebranding on 14 June 2022, the Group operated as a trading company specialising in water piping materials and related accessories, providing specialised products for water infrastructure, valves for municipal and industrial applications, and parts for the oil & gas industry and other non-water-related sectors (the "**Old Business**"). As part of its transformation, the Group divested all businesses and subsidiaries related to the Old Business and acquired Sevens Creation Pte Ltd and its subsidiaries, which focus on the Design and Build Business. This strategic shift led to a change in the Group's revenue streams.

Headquartered in Singapore, Sevens Atelier (SGX: 5EW) has been publicly listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") since 2004.

Sevens Atelier is driven by one key philosophy: to enhance every home and life it touches.

The Group has established itself as a premier Design and Build solutions provider for discerning clients in Singapore. From consultation to project completion, it delivers turnkey services tailored to premium clientele. With extensive expertise in construction, renovation, and interior design, Sevens Atelier aspires to become a leading player in the Design and Build industry.

REPORT SCOPE

This annual sustainability report covers Sevens Atelier Limited and its subsidiaries, as covered and disclosed in the Financial Statements reported in Annual Report 2024 ("**AR 2024**"). Unless otherwise stated, the same approach used in the Group's Financial Statements is applied to consolidate sustainability information, consistently across its reporting boundaries and material topics. All information, statistics and targets presented in this report aligns with the Group's financial reporting period from 1 January 2024 to 31 December 2024 ("**FY2024**").

This Sustainability Report covers all entities within the Group during the reporting period FY2024, namely (all entities are in Singapore):

Entity	Nature of business
Sevens Atelier Limited	*Ultimate Investment Holding Company*
Sevens Creation Pte Ltd	*Immediate Investment Holding Company*
Sevens Build Pte Ltd	*Building Construction and Interior Design Service*
Sevens Design Pte Ltd	*Renovation and Interior Design Service*
Sevens Meta Pte Ltd	*Development of Software and Application*

Reporting standards and frameworks

The IFRS Sustainability Disclosure Standards ("**IFRS SDS**") issued by the ISSB – comprising IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information ("**IFRS S1**") and IFRS S2 Climate-related Disclosures ("**IFRS S2**") – provide a comprehensive framework for sustainability disclosures focused on the needs of investors and financial markets. The Global Reporting Initiative ("**GRI**") Standards are globally recognised as a leading set of standards for sustainability reporting. This report complies with the climate-related requirements of IFRS SDS, the SGX-ST Catalist Rules 711A and 711B, Practice Note 7F Sustainability Reporting Guide, and the SGX Core ESG Metrics. This Sustainability Report has been prepared in accordance with the GRI Standards.

This year marks the Group's first-time adoption of IFRS SDS for climate-related disclosures. As such, comparative information for the previous financial year is not available. However, prior-year information previously reported in alignment with the GRI Standards, continues to be presented for comparability purposes.

The IFRS SDS builds on the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**"). They aim to establish a comprehensive global framework for sustainability-related financial disclosures, addressing the needs of capital markets and the demand for consistent, comparable, and verifiable information regarding the exposure to, and management of, sustainability-related risks and opportunities.

ABOUT THIS SUSTAINABILITY REPORT

RESTATEMENTS

No restatements were made from the previous report.

Internal review and external assurance

In compliance with the SGX-ST Catalist Rule 711B on Sustainability Reporting, the Group has engaged an external audit team to conduct an internal review of its sustainability reporting processes to ensure their adequacy and effectiveness. Where applicable, the review has further strengthened the Group's risk and governance processes, internal controls, and systems. The Group has not sought external assurance for this reporting period but may consider doing so in the future.

Feedback

As the Group continues to enhance its sustainability reporting processes and practices, it values all stakeholder feedback to further refine its processes. If you have any suggestions to improve the Group's reporting processes, please email esg@sevensatelier.com.

SUSTAINABILITY GOVERNANCE

Sevens Atelier is committed to creating a positive impact by improving quality of life through sustainable practices. The Group prioritises the use of sustainable, energy-efficient, and recyclable materials in its operations, reinforcing its dedication to environmental stewardship and long-term value creation.

The Group recognises that effective governance is fundamental to achieving sustainable business practices and maintaining competitive advantage. The Board of Directors plays a pivotal role in overseeing the development and implementation of sustainability strategies, ensuring alignment with the Group's long-term objectives. It also provides guidance on governance and risk management processes to address climate-related risks and opportunities ("**CRROs**").

The Group has established a Sustainability Committee ("**SC**") to lead sustainability initiatives, with the Chief Financial Officer ("**CFO**") serving as chair and senior management executives as members. The SC is responsible for:

- Developing and reviewing the Group's sustainability strategies.
- Conducting materiality assessments to identify key sustainability topics.
- Monitoring progress towards sustainability goals and targets.
- Engaging with stakeholders to understand their priorities and concerns.
- Collecting, verifying, and reporting performance data for inclusion in this Sustainability Report.

In line with the Group's current size, capabilities, and resource allocation, the sustainability reporting structure has adopted a two-tiered framework:

Sustainability Committee: The Committee includes Mr. Cheung Ka Ho (CFO), Mr. Tang Yao Zhi (Group Operations Director). Key responsibilities include:

- Reviewing sustainability performance and material topics.
- Addressing stakeholder concerns and setting measurable targets.
- Implementing approved strategies and integrating sustainability considerations into operational decision-making.

Board of Directors: The Board comprises Ms. Vanessa Lim Xiu Fang (Executive Director), Mr. Lawrence Chen Tse Chau (Independent Director), Mr. Tan Yew Heng, Terrence (Independent Director), and Mr. Lo Kim Seng (Independent Director). The Board's responsibilities include:

- Overseeing the formulation and execution of sustainability strategies.
- Ensuring robust governance and risk management processes are in place to address climate-related risks and opportunities.

This governance structure reinforces the Group's commitment to sustainability, ensuring it remains a central focus. This approach enables the Group to make a meaningful contribution to global sustainability efforts, while maintaining operational efficiency and accountability.

The Group has fully complied with the requirements of Rule 720 (6) of the SGX-ST Catalist Rules, which stipulate that all directors must undergo mandatory training. All members of the Board have completed sustainability training courses provided by the Singapore Institute of Directors.

STAKEHOLDER ENGAGEMENT

Sevens Atelier strives to ensure that all feedback from its stakeholders are considered and acted upon. In order to further refine the Group's stakeholder feedback process, it has conducted an internal stakeholder mapping exercise to identify key stakeholder groups. These key groups in its value chain include government and regulators, shareholders and investors, employees, customers, local communities, vendors and suppliers. Throughout FY2024, the Group has continually engaged with its stakeholders, both formally and informally. Using the Group's proprietary engagement process, feedback has been identified that assists in improving its decision-making process. Any feedback implemented is communicated promptly to the relevant stakeholders. The Group believes that such an exercise is integral to building trust with its key stakeholders, enhancing relationships and consequently the efficacy of its value chain. The way the Group engages with its stakeholders to determine its material topics and sustainability-related risks and opportunities is as follows:

STAKEHOLDERS ENGAGEMENT

Key Stakeholders	Engagement Activities	Engagement Frequency	Key Concerns
Government and Regulators	• Meetings, discussions and consultations organised by government agencies and regulators such as the Singapore Exchange • Regulatory updates via training and seminars	• As and when required	• Compliance with relevant rules and legislation • Timely reporting and resolution of issues
Employees	• Performance appraisals	• Annually	• Employee welfare and benefits • Occupational health and safety • Work-life balance • Professional development
	• Staff orientation	• As and when required	
Local Communities	• Company's website	• As and when required	• Environmental activities
Customers	• Enquiry and feedback channels such as emails and phone calls • Meetings and discussions with customers • Service delivery	• Ongoing	• Pricing advantage • Product and service quality and reliability • Timely follow-up on customers' feedback
Vendors and Suppliers (Including Contractors)	• Enquiry and feedback channels such as emails and phone calls • Meetings and discussions • Suppliers' assessments and evaluations	• Regular discussions at least monthly.	• Compliance with terms and conditions of agreements/contracts • Engaging continuously with suppliers' product training • Products and materials quality
Shareholders and Investors	• Annual general meetings • Annual report	• Annually	• Transparency and profitability • Business resilience • Timely reporting • ESG integration in any business decisions • Corporate governance
	• Results announcement on SGXNet	• Quarterly	
	• Corporate website	• Ongoing	
	• Board meetings • Press release	• As and when required	

SUSTAINABILITY FRAMEWORK

The Group's sustainability framework is structured to address each ESG component across its key areas of operation – Corporate and Development. From these components, the Group identifies material topics relevant to its operations, enabling the development of a sustainability approach that is integrated into its business activities.

	Corporate Headquarter and staff	**Development** 'Design and Build' Projects
Environment	Energy	Energy
Social	Employee Retention and Development	Occupational Health and Safety
	Equal Opportunity and Diversity	
Governance	Anti-bribery and Anti-corruption	Ethics and Integrity
	Whistleblowing	

In addition to the above, the Group's economic performance is crucial to its employees and shareholders. For details on the Group's financial performance and financial risk management, refer to the Financial Statements in the AR 2024, which outline its efforts to maintain financial sustainability.

Sevens Atelier is committed to the sustainable development of its business and to contributing towards positive change of the environment and the communities in which it operates. The Group achieves these commitment by assessing and managing the impact associated with the sustainability issues most pertinent to its operations.

SUSTAINABILITY PHILOSOPHY

MATERIALITY ASSESSMENT

Sevens Atelier identifies and prioritises sustainability issues that are of concern to its stakeholders by considering their impact on the business, economy, environment, and people through a materiality assessment process. The results of this assessment contribute to the development of the Group's sustainability strategy, initiatives, and goals. This methodology comprises the following key steps:

Identification
Background research including stakeholders' interests and sector-specific concerns

Assessment
Assess the pervasive issues across the Group

Prioritisation
Prioritise salient sustainability issues based on their likelihood and severity

Validation
Validation of material factors and performance metrics by the Board

Review
Seek feedback from stakeholder on this report to review material topics for next reporting cycle

The Group annually evaluates relevant material topics through the Sustainability Committee and the Board of Directors, considering the following:

- Identification of key topics with significant impact on the economy, environment, and people, including human rights, aligned with GRI Standards.
- Peer benchmarking.
- Review of ESG developments in Singapore's sector to assess potential impacts.
- Identification of risks and opportunities linked to each topic.

Based on this assessment, the Group determines the actual and potential economic, environmental, and social impact of each topic, evaluate their significance by severity and likelihood, and identify associated risks and opportunities. Topics ranked highly for impact, risk magnitude, or opportunities are prioritised.

There have been no changes to the list of material topics from FY2024. The Group's material topics for FY2024 remain as follows, along with the associated risks and opportunities.

Impact identified under GRI			**Risk and opportunity identified under IFRS SDS that could reasonably be expected to affect Sevens Atelier's prospects**	
Material Topics	**Summary of key impacts**	**Summary of management approach**	**Risks**	**Opportunities**
Environmental				
Energy	• Office and construction sites energy use contributes to greenhouse gas ("**GHG**") emissions, affecting climate change and sustainability.	• Monitor electricity consumption regularly. • Replace lights with Light Emitting Diodes ("**LEDs**") and install energy -efficient air conditioners. • Promote solar panels to customers and consider installation at the office. • Source suppliers using green or reusable materials. • Offer customers the option of going for 100% or partially green or reusable building materials.	• Rising electricity tariffs increase operational costs. • Fluctuating raw material prices due to global sustainability policies. • Carbon tax policies raise compliance costs.	• Invest in energy-saving technologies (e.g., smart thermostats) and renewable energy (e.g., solar panels) to reduce costs. • Include energy-saving technologies as part of our Design and Build offering • Innovation in materials use and waste reduction efforts. • Embrace sustainability initiatives to cut carbon emissions and enhance efficiency.
Social				
Employee Retention and Development	• The fast-paced design and build industry requires continuous skills and knowledge upgrade. • Retaining top talent is crucial for consistent project quality and client satisfaction.	• Constant communication, including exit interviews to understand what employees value and expect from their workplace. • Cultivate a supportive and inclusive Group culture that values teamwork, respect, diversity, and open communication. • Invest in training and development for managers to ensure they have the skills to effectively lead, motivate, and support their teams. • Review remuneration package, to attract and retain talent.	• Increased turnover costs, decreased productivity during transition, and potential team morale issues. • Investing in development programmes may deplete resources without guaranteed retention.	• Effective talent development programmes help retain and attract top industry talent.

MATERIAL TOPICS

Impact identified under GRI			Risk and opportunity identified under IFRS SDS that could reasonably be expected to affect Sevens Atelier's prospects	
Material Topics	**Summary of key impacts**	**Summary of management approach**	**Risks**	**Opportunities**
Occupational Health and Safety	• Ensuring employee health and safety is crucial for a productive workforce. • A safe working environment reduces accident risks and enhances well-being.	• To achieve zero breach cases of non-compliance to Occupational Health and Safety ("**OH&S**") regulatory. • To achieve zero work-related injuries. • To achieve a lower loss time incident rate.	• Accidents and injuries lead to penalties and reputational damage and financial impact from higher insurance and legal issues.	• A strong safety reputation attracts customers and subcontractors, boosting partnerships.
Equal Opportunity and Diversity	• A positive culture of diversity and inclusion improves employee well-being and prevents discrimination.	• To maintain at least 1 female at the Board level. • To ensure zero racial discrimination case. • To achieve a more balanced gender ratio at employee level. • To ensure age balance in the workplace.	• Low employee retention and challenges in recruiting the right talent.	• A diverse workforce offers a competitive advantage with various skills and experiences. • Reduced employment costs through training and retaining staff.
Governance				
Anti-bribery and Anti-corruption	• Corruption and dishonest practices could compromise product/service quality and lead to non-compliance with laws.	• To promote awareness amongst internal stakeholders on the Group's Anti-bribery and Anti-corruption policy.	• Bribery and corruption in the Group and supply chain create legal, regulatory and reputational risks. • Legal disputes may cause disruptions, reputational damage, and value loss.	• A strong culture of integrity boosts the Group' position as a top employer.
Ethics and Integrity	• High ethical standards foster trust, transparency, and long-term sustainability.	• Continuous declaration of code of conduct or employee handbook by management and employees annually.	• Pressure to compromise standards and negative press can harm reputation.	• A strong culture of integrity boosts the Group' position as a top employer.
Whistleblowing	• A transparent whistleblowing mechanism ensures accountability and deters misconduct.	• Encourage and educate relevant stakeholders on the availability of whistleblowing channels.	• Unethical scandals can damage reputation and erode trust.	• A strong whistleblowing policy enhances reputation, building trust with shareholders.

<table>
<tr><th colspan="3">Impact identified under GRI</th><th colspan="2">Risk and opportunity identified under IFRS SDS that could reasonably be expected to affect Sevens Atelier's prospects</th></tr>
<tr><th>Material Topics</th><th>Summary of key impacts</th><th>Summary of management approach</th><th>Risks</th><th>Opportunities</th></tr>
<tr><td colspan="5">Economic</td></tr>
<tr><td>Financial Performance</td><td>• Ensuring financial stability is crucial for sustaining operations and advancing sustainable building practices.
• Managing cost pressures while prioritising sustainable materials and energy-efficient solutions.</td><td>• Generate revenue and achieve net profit.
• Developed a showroom in Joo Chiat to reach-out to and attract customers and showcase the Group's capabilities.</td><td>• Insufficient new projects to sustain working capital and liquidity.
• Revenue and gross profit margin too low to cover overhead costs.</td><td>• Enhance competitiveness, develop green business segments, and boost resilience to secure more projects.
• Implement fundraising strategies and collaborate with financial institutions for loans to improve liquidity.</td></tr>
<tr><td>Procurement</td><td>• Partnering with responsible suppliers ensures quality materials and aligns with ESG commitments.
• Optimising procurement strategies helps control costs while integrating eco-friendly materials and processes.</td><td>• Robust suppliers selection and management, regular monitoring of costs and quality, and the use of clear and enforceable contracts.</td><td>• Supplier Risk: Use of unreliable suppliers may cause delays, poor quality, subpar after-sales service, and increased costs.
• Cost Overruns: Unexpected material and product cost increases may lead to budget overruns and reduced profit margins.
• Over-Reliance on Subcontractors: Dependence on a few subcontractors may threaten operational continuity and stability.</td><td>• Quality Improvement: Selecting reliable suppliers and monitoring performance ensures consistently high-quality materials and products.
• Diversification: Explore collaborations with new subcontractors to reduce construction costs, improve service standard and product quality, and enhance after-sales service.</td></tr>
</table>

RISK MANAGEMENT

The impacts of material factors identified by the Group can translate into a range of risks and opportunities. Sevens Atelier's environmental risk management process aims to identify, assess and document material impacts, including but not limited to climate-related impact, risks, their key controls and mitigating measures.

According to the United Nations, the world is on track for a catastrophic 3.1°C temperature rise if humanity does not cut annual GHG emissions by 42% by 2030[1]. In light of the severe implications of climate change in the years ahead, the Group is committed to mitigating its climate impacts while capitalising on opportunities to evolve into a more sustainable and climate-friendly business.

The process enables the Group to identify material impacts that it can mitigate to enhance its business sustainability. Some of the relevant material topics identified by the Group include greenhouse gas emissions, occupational health and safety, and regulatory compliance. Additionally, the Group is committed to addressing the relevant risks and opportunities that organisations in the Design and Build industry face, enabling it to capitalise more effectively on CRROs. Moving forward, the Group aims to progressively expand its assessment to provide more comprehensive coverage of material impacts. The expanded coverage could lead the Group to address issues such as changes in building construction regulations and rising labour costs. All these factors are crucial for the continued success of the Group in the Design and Build industry.

The process is a multi-layered and thorough procedure, spearheaded by the Audit Committee ("**AC**") and the Board, in conjunction with the SC and management. After identifying relevant climate risks and opportunities, the AC and the Board shall review the Group's existing strategies, targets and controls to ensure that the Group can still achieve its climate-related targets. Moreover, any Key Risk Indicators ("**KRIs**") and/or Key Performance Indicators ("**KPIs**") for the relevant climate-related risks and opportunities identified as part of the process will be established and monitored by the respective departments and personnel.

[1] Nations must close huge emissions gap with new climate pledges and actions. United Nations Environment Programme. Retrieved from: https://www.unep.org/news-and-stories/press-release/nations-must-close-huge-emissions-gap-new-climate-pledges-and.

Financial Performance

Sevens Atelier has always taken pride in the high-quality and innovative buildings it creates for its clients. At the core of its philosophy, the Group seeks to create long-lasting buildings that address the client's current and future needs and aspirations. This approach is similarly applied to the Group's efforts in creating economic value for its stakeholders. The Group is committed to delivering consistent economic performance by maintaining high-quality services and using innovative solutions to navigate the challenges posed by an ever-evolving business landscape. The Group's economic performance for FY2024 is as follows:

Performance Indicators	FY2022 (S$)	FY2023 (S$)	FY2024 (S$)
Direct Economic Value Generated (Revenue)	6,792,000	14,330,000	9,099,000
Gross Profit	1,352,000	2,208,000	1,786,000
Operating Expenses	2,688,000	4,312,000	2,230,000
Payment to Providers of Capital (Dividend)	Nil	Nil	Nil
Income Taxes (Paid)	Nil	Nil	Nil

The following presents a comparison of the Group's financial performance to its target for FY2024.

Material Topic	Target for FY2024	FY2024 Performance
Financial Performance	• Aim to achieve a revenue target of S$16 to S$18 million, leveraging on its niche expertise in redevelopment, Additions & Alterations ("**A&A**") and interior design	The Group marked a significant milestone by delivering a net profit of S$0.31 million, following a loss of S$4.05 million in FY 2023, despite a decrease in revenue from S$14.33 million in FY 2023 to S$9.10 million in FY 2024. This achievement comes as a direct result of management's decisive actions to optimize costs, streamline operations, and improve financial discipline.

Details of the Group's economic performance can be found in the financial contents and audited financial statements of the Annual Report for FY2024.

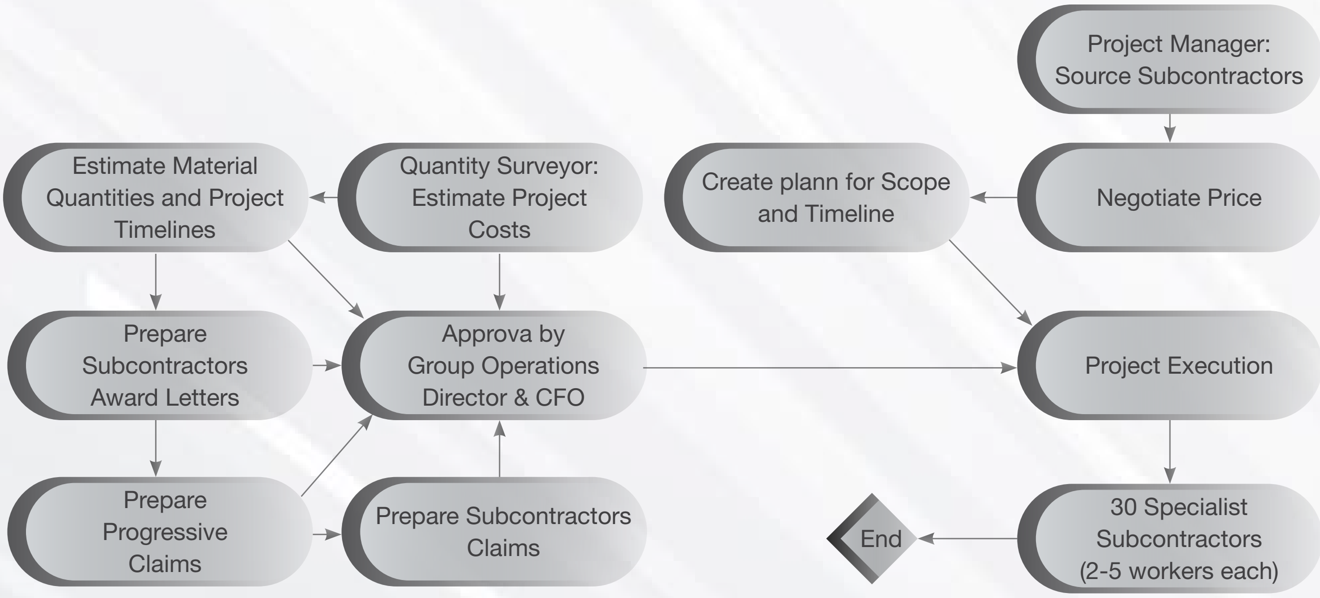
Procurement

Collaborating with local suppliers and businesses is a cornerstone of the Group's sustainability strategy. By working with more suppliers from the local communities, the Group minimises its environmental impact by reducing the need for long-distance transport while supporting local development. Through its deliberate efforts to engage more local suppliers and contractors, the Group is able to simultaneously do its part on reducing the environmental impact caused by the day-to-day operations, while at the same time contribute to the growth of the local communities.

Sevens Atelier takes great care to ensure its procurement processes align with its mission, values, and ESG considerations.

The Group's timeline for a typical Design and Build project is as follows:

ECONOMIC



In practice, the Group has set the following key criteria for assessing the suitability of suppliers:

a. Quality of product or service
b. Sustainable raw materials
c. Price
d. Delivery time
e. Reputation
f. Customer service

The following presents a comparison of the Group's procurement against its target for FY2024.

Material Topic	Target for FY2024	FY2024 Performance
Procurement	• To maintain 99% local purchases	• Achieved 99% local purchases.

Moving forward, the Group has set the following short-term, medium-term, and long-term targets for economic considerations.

Material Topics	Short-term targets (1-2 year)	Medium-term targets (by 2030)	Long-term targets (by 2050)
The Group has established specific revenue growth and profit margin targets aligned with its strategic vision; however, these financial projections are not publicly disclosed to avoid constituting earnings guidance while maintaining compliance with regulatory requirements.			
Procurement		• To maintain 99% local purchases.	

The Group acknowledges the importance of environmental sustainability and is focused on reducing its ecological footprint. Through efforts in energy management, carbon reduction, and resource optimisation, the Group aims to minimise its environmental impact while improving operational efficiency.

Energy

The Group acknowledges the significance of climate change and is dedicated to minimising energy consumption and reducing carbon emissions as part of its commitment to environmental protection. In doing so, the Group aims to safeguard the environment, lower operational costs, and improve returns for shareholders. Furthermore, the Group remains mindful of its energy usage and consistently seeks to optimise the design of its processes. Efforts are made to continuously evaluate and enhance energy efficiency across all operations. The following presents a comparison of the Group's energy performance against its target for FY2024.

Material Topic	Targets for FY2024	FY2024 Performance
Energy	• To reduce energy intensity (kWh/ revenue) by 1 % • To replace the existing lights with LED lights	• We have reduced overall energy consumption by 17%, but due to challenging economic conditions, our revenue has reduced resulting in an increase in energy intensity by 30%.

The comparison of energy consumption and GHG emissions is presented as below.

Energy Consumption

Performance Indicator	FY2022	FY2023	FY2024
Diesel consumption (litre)	Nil	Nil	Nil
Electricity consumption (kWh)	54,506	84,711	70,228
Electricity consumption intensity (kWh/ $1,000 of revenue earned)	8.0	5.9	7.7

GHG Emissions

Performance Indicator	FY2022	FY2023	FY2024
Scope 1 emissions (tCO_2e)	Nil	Nil	Nil
Scope 2 emissions (tCO_2e)[2]	22.72	35.33	28.93
Total GHG emissions (tCO^2e)	22.72	35.33	28.93
GHG emissions intensity (tCO_2e / $1,000 of revenue earned)	0.003	0.002	0.003

In FY2024, electricity consumption decreased by 17%, while total GHG emissions dropped by 18%. As part of its efforts to enhance energy efficiency, the Group is systematically replacing all office lighting with LED bulbs and adopting the Green Label air-conditioning Energy Label programme introduced by the National Environment Agency ("**NEA**") of Singapore. The NEA's energy efficiency requirements for variable refrigerant flow ("**VRF**") air-conditioning systems promote the use of energy-efficient technology to reduce energy consumption. By incorporating energy-efficient VRF air-conditioners in the homes it designs and/or constructs, the Group demonstrates its commitment to supporting Singapore's sustainability initiatives and minimising the environmental impact of air-conditioning systems.

VRF air-conditioners are rated from one tick to five ticks on the Green Label sticker, with five ticks indicating the highest energy efficiency. The Group ensures that the air-conditioning systems it utilises are rated at five ticks, aligning with best practices in energy conservation. It adopts ceiling cassette-type air-conditioning units from the Daikin iSMILE series, recognised for achieving the highest energy efficiency rating.

Moving forward, the Group has set the following short-term, medium-term, and long-term targets for environmental considerations.

[2] Singapore's average Grid Emission Factor was 0.412 kg CO2/kWh in 2023. Retrieved from: https://www.ema.gov.sg/resources/singapore-energy-statistics/chapter2.

ENVIRONMENT

Material Topic	Short-term targets (1-2 year)	Medium-term targets (by 2030)	Long-term targets (by 2050)
Energy	• Reduce energy consumption intensity (kWh/ revenue) by 1% from FY2023 baseline. • Replace the existing lights with LED. • Perform Scope 3 GHG Emissions assessment.	• Reduce energy consumption intensity (kWh/ revenue) by 5% from FY2023 baseline.	• Reduce energy consumption intensity (kWh/ revenue) by 10% from FY2023 baseline.

Strategy

The Group's strategy focuses on identifying and managing climate-related risks and opportunities, which are categorised by time frames: short-term (1-2 years), medium-term (by 2030), and long-term (by 2050). Key considerations include physical risks, such as damage from extreme weather events, as well as transition risks arising from changes in policies, legal requirements, technology, and market trends. These risks have substantial implications for the Group's business operations, strategy, and financial planning. At the same time, evolving market conditions, technological innovations, and growing consumer preference for sustainable products present new business opportunities. The following is a climate-change scenario analysis through which the Group has identified and managed its climate-related risks and opportunities:

Scenario	Paris-aligned scenario	Medium-term targets (by 2030)
Description	• The world manages to reduce CO_2e emissions through several measures.	• The world fails to curb rising CO_2e emissions by Year 2100 and impacts from extreme weather events are assumed to grow in magnitude.
Rationale	• Evaluating the transitional impacts within an economy transitioning to a low-carbon world, reflecting the measures required to limit global warming to below 2°C.	• Evaluating the physical risks under a high-emission scenario, consistent with a future where policy changes to reduce emissions are limited.
Underlying model	• This model considers factors such as greenhouse gas emissions and policy developments, which serve as a foundation for the Group to analyse how different climate scenarios may impact its business operations and strategy over the short, medium, and long-term time horizons.	• This model considers factors such as the increased frequency of extreme weather events and rising mean temperatures. Climate models and scientific assessments play a key role in shaping the narrative of such scenarios.
Assumptions	• Global adoption of renewable energy, advancements in technology, regulatory frameworks, and changes in consumer behaviour. • Assumptions related to the physical impacts of climate change, such as mean temperature rise and extreme weather events. • Collective global effort to mitigate climate change and transition towards a low-carbon economy.	• Continuation of high greenhouse gas emissions and a lack of climate policy. • Limited technological advancements in clean energy and low levels of international cooperation to achieve climate goals.

In FY2024, members of the SC participated in a reassessment to identify CRROs that affect the entire Group. The reassessment takes the form of a TCFD CRROs register, which is evaluated and finalised by the SC. Using scenario analysis models, the Group identified seven key climate-related risks and four climate-related opportunities. The associated risk mitigation measures, aimed at addressing these risks and leveraging the opportunities, are summarised as follows.

Risk Type	Impact	Mitigating Measures
Physical Risks		
Chronic *Rising mean temperatures*	• Singapore's annual mean temperatures are projected to rise by 0.6°C to 5°C by the end of this century[3]. • A 1°C increase in temperature could lead to higher air conditioner usage and increased energy consumption to maintain comfortable indoor conditions.	• Reduce energy consumption in office operations, including optimising air-conditioning usage, upgrading to energy-efficient lighting and equipment, encouraging employees to adopt energy-saving habits, and exploring the use of renewable energy sources where feasible.
Rising sea levels	• Recent studies[4] project that by the end of the century, the mean sea level around Singapore could rise by up to 1.15 metres, with potential increases of up to 2 metres by 2150 under high carbon emission scenarios. • The increased risk of damage due to rising sea levels may lead to higher business adaptation costs to comply with stricter environmental policies.	• Promote energy efficiency in office premises and encourage homeowners and clients to install solar panels.
Transition Risks		
Policy and Legal *Enhanced emissions-reporting obligations*	• Evolving emissions-reporting regulations and obligations will lead to an increase in the Group's indirect operating costs. • This includes higher professional and consultancy fees, compliance costs, and administrative expenses to meet reporting requirements.	• Provide in-house training to ensure that all staff members have up-to-date knowledge and skills.
Mandates on and regulation of existing products and services	• The Group may need to source contractors and suppliers that adopt sustainable practices and integrate energy-efficient processes and designs into operations. • Initial investments in sustainability may lead to increased operational costs and capital expenditures, while certification processes may involve audits and compliance costs.	• The Group shall adopt this practice from FY2025 onward to source suitable contractors.
Exposure to litigation	• The Group may be subjected to legal actions, lawsuits, or regulatory investigations related to its climate-related practices, disclosures, or impacts, potentially resulting in financial penalties, legal costs, and reputational damage.	• Some precautionary measures could be implemented, including upskilling the current team and aligning practices with market standards.
Market *Changing customer behaviour*	• This shift may require additional investments in sourcing sustainable materials and adopting advanced design technologies.	• The Group could encourage its clients (homeowners) to adopt environmentally friendly products by highlighting their benefits, offering incentives, and providing guidance on sustainable choices.
Uncertainty in market signals	• These uncertainties may influence how investors, customers, and other stakeholders interpret and respond to the Group's climate-related disclosures. • For instance, supply chain uncertainties may impact market signals, and investors may require a higher risk premium if these uncertainties persist, leading to higher capital costs and increased operational expenses.	• The Group implements in-house training programmes to ensure market practices are met, keeping employees updated on industry standards and best practices.

[3] Retrived from: https://www.mss-int.sg/docs/default-source/v3_reports/v3-stakeholder-report_20240306.pdf.
[4] Retrieved from: https://www.channelnewsasia.com/singapore/sea-level-rise-climate-change-singapore-115m-end-century-4021396.

Risk Type	Impact	Mitigating Measures
Climate-Related Opportunities		
Resource Efficiency	• Use of more efficient operational processes and equipment, such as LED lighting, as well as heating, ventilation, and air conditioning systems. • Reduced water usage and consumption in office spaces by installing water-saving fixtures and encouraging employees to adopt water conservation habits.	
Energy Source	• The Group can leverage on decentralised energy solutions by facilitating the installation of solar panels on clients' rooftops, enabling clean energy generation.	
Products and Services	• The Group can capitalise on changing consumer preferences by offering products and services that align with these demands, such as smart and sustainable designs.	
Resilience	• Adoption of energy-efficiency measures and encouraging homeowners to install solar panel and participate in renewable energy programmes.	

Metrics and targets

As one of the leading players in architectural design, property development, and construction, Sevens Atelier Limited is committed to integrating sustainability into its operations. The Group measures and reports its Scope 1 and Scope 2 GHG emissions in accordance with the GHG Protocol, applying the operational control approach to ensure consistency and accountability.

In alignment with Singapore's climate targets and the objectives of the Paris Agreement (a legally binding international treaty on climate change), the Group is implementing a structured and phased approach toward emissions reduction. It aims to achieve Net Zero for Scope 1 and 2 emissions by 2050, with an interim target of reducing emissions by at least 20% by 2030, using FY2023 as the baseline. This goal will be supported by sustainable building practices, energy-efficient designs, and the adoption of low-carbon construction materials. Annual progress monitoring will ensure alignment with the Group's sustainability commitments.

Furthermore, sustainability considerations are embedded in the Group's decision-making processes to support long-term value creation in the Design and Build environment. ESG performance indicators are under review for integration into business strategy and reporting frameworks, ensuring responsible growth and resilience in an evolving regulatory landscape.

The Design and Build industry heavily relies on human talent to bring innovative designs to fruition, and Sevens Atelier is no exception. The Group values its employees as its greatest asset and considers them essential to its success.

Occupational Health and Safety ("OH&S")

Many of the Group's projects involve the use of heavy machinery and construction tools; therefore, it is of the utmost importance to the Group that each employee returns home safely to their family at the end of each project. For Sevens Atelier, employees' health and safety are integral to the sustainability and success of its business. Hence, the Group has invested significantly in creating and maintaining a safe and security-conscious culture among employees at all levels.

Furthermore, the Group places strong emphasis on OH&S procedures by ensuring that employees internalise these protocols. Upon joining the Group, each employee undergoes a briefing and training on OH&S procedures.

The Group has also taken additional precautions to ensure that its OH&S procedures remain updated and at the forefront of the Design and Build safety landscape. As a reflection of its commitment, both Sevens Build and Sevens Design have been accredited with ISO 45001:2018 certification. With this certification, the Group has successfully achieved the intended outcomes of its OH&S management system since 2021.

The following presents a comparison of the Group's OH&S performance against its target for FY2024.

Material Topic	Performance Indicator	FY2022 Performance	FY2023 Performance	Target for FY2024	FY2024 Performance
Occupational Health and Safety	Number of incidents of non-compliance with labour standards	Nil since 14th June	Nil	Zero cases of non-compliance	Nil
	Number of fatalities from work-related injuries	Nil since 14th June	Nil	Zero cases of fatalities resulted from work-related injuries	Nil
	Number of recordable work-related injuries	Nil since 14th June	Nil	Zero cases of high-consequence injuries	Nil
	Number of high-consequence work-related injuries	Nil since 14th June	Nil	Zero cases of recordable work-related injuries	Nil
	Number of recordable work-related illness	Nil since 14th June	Nil	Zero cases of recordable work-related illness	Nil

Consistent with the Group's OH&S policy, the intended outcomes of an OH&S management system include the following:

a. Continual improvement of OH&S performance
b. Fulfilment of legal requirements and other applicable requirements
c. Achievement of OH&S objectives

As a testament to the Group's commitment to its employees' health and safety, Sevens Build was awarded the coveted bizSAFE certification in 2023. As part of this certification, the Group also attained the highest-level accreditation, bizSAFE Star. The Group is grateful that its efforts to foster a safety-conscious environment have been recognised, and it remains committed to maintaining its high standards for workplace safety.

The Group is committed to protecting all workers it engages with, including workers who are not employees, and ensures that its subcontractors provide the necessary insurance coverage for their subcontracted workers. The Group enhances worker safety through regular, random site inspections conducted weekly to ensure that safety measures align with the regulations set by the Singapore Ministry of Manpower ("**MOM**"). Any identified safety non-compliance is promptly addressed with subcontractors to ensure immediate corrective actions are taken, reinforcing the Group's commitment to maintaining a safe and secure work environment for all involved.

The safety of its employees and workers remains one of the core principles on which Sevens Atelier's business thrives. The Group aims to maintain its high safety standards and remain fully compliant with the regulations set by MOM. In FY2024, the

Group achieved zero cases of non-compliance with OH&S regulations and zero cases of recordable work-related injuries.

Looking ahead, Sevens Atelier is committed to achieving zero cases of non-compliance with labour standards, zero fatalities and high-consequence work-related injuries, and zero recordable work-related injuries and illnesses as a perpetual target.

Employee Retention and Development

Sevens Atelier believes that sustainable development and success begins at the level of human capital. The Group strongly advocates for employee satisfaction as it results in employee retention which is a key strategy to the Group's development. As our employees stay within the Group, they become increasingly experienced and familiar with Sevens Atelier's business processes, ultimately improving the quality of service that the Group provides.

The Group offers the following benefits to its employees:

- Provide medical, dental and life insurance coverage; and
- On-the-job training.

Key information pertaining to the Group's new employee hires, employee turnover, training and performance appraisal are as follows:

Employee Distribution									
Year	Total	Age Group			Gender		Nationality		
		<30	30-50	>50	Male	Female	Singapore	Malaysia	Other*
2022	19	4	13	2	13	6	16	2	1
2023	16	3	12	1	11	5	10	4	2
2024	15	3	12	0	9	6	9	4	2

*The two employees are from Myanmar and Philippines

The above headcounts are based on full-time employees at the end of each reporting period. The above headcounts exclude one outsourced full-time account executive in 2022, 2023 and 2024.

New Employee Hires

In FY2024, the Group welcomed 6 employees into the Group (FY2023: 11 employees), with a new hires rate of 39%. The demographics of the new hires are shown below:

Disclosure	FY2022	FY2023	FY2024
Gender			
Male	83%	64%	33%
Female	17%	36%	67%
Age			
Below 30	50%	18%	33%
30 to 50	42%	64%	50%
Above 50	8%	18%	17%
Nationality			
Singaporean/ PR	67%	45%	83%
Malaysian	25%	37%	0%
Others	8%	18%	17%

Employee Turnover

In FY2024, 9 employees resigned from the Group (FY2023: 14 employees). The demographics of employee turnovers are shown below:

Disclosure	FY2022	FY2023	FY2024
Gender			
Male	83%	64%	56%
Female	17%	36%	44%
Age			
Below 30	50%	36%	11%
30 to 50	50%	43%	67%
Above 50	0%	21%	22%
Nationality			
Singaporean/ PR	83%	86%	89%
Malaysian	17%	14%	0%
Others	0%	0%	11%

In FY2024, the Group's employee turnover rate was 58% (FY2023: 88%). The decrease represents a positive change for the Group and signals an improvement in working environment. The employee turnover rate from FY2022 to FY2024 is shown in the table below:

Disclosure	FY2022	FY2023	FY2024
Employee Retention and Development	Employee turnover rate: 32%	Employee turnover rate: 88%	Employee turnover rate: 58%

Moving forward, the Group aims to continue improving its work environment to remain competitive against its industry peers to retain its talent.

Material Topic	Target for FY2025 and FY2026	Medium term target (by 2030)	Long term target (by 2050)
Employee Retention and Development	Employee turnover rate: <40%	Employee turnover rate: <25%	Employee turnover rate: <10%

Workers Who Are Not Employees

Sevens Atelier relies on the diverse competencies and skills of its employees to bring its innovative and spectacular designs into reality. The Group engages subcontractors who bring unique skills to its projects. On average, the Group collaborates with up to 30 specialist subcontractors in a single project, with each subcontractor providing two to five workers based on project needs. In the case of addition or alteration projects, subcontractors supply up to five workers daily.

Due to the large scale at which subcontractors contribute to the Group's projects, they and their workers are treated as part of the Group. Sevens Atelier ensures that all subcontracted workers are trained in the Group's safety procedures and are equipped with adequate protective gear. The Group also actively advocates for its subcontracted workers by pushing for policies that limit overtime hours, ensuring that their working hours align more closely with MOM guidelines.

Sevens Atelier remains fully committed to its workers' safety, and subcontracted workers are no exception to this rule. The importance of worker safety cannot be overstated, and the Group remains dedicated to ensuring that all of its workers can return home safely at the end of each working day.

Employee Development

The Design and Build industry remains one of the most competitive and innovative industries due to its rapidly changing business landscape. The Group actively encourages workers to upskill to meet evolving business needs of both clients and the Group. Sevens Atelier's employees are no exception. As one of the leading innovators in the Design and Build sector, the Group aims to equip its employees with the necessary skills to excel as industry leaders.

SOCIAL

The majority of upskilling within the Design and Build sector involves adapting to new technologies as well as developing the necessary technical and non-technical skills to tackle emerging challenges. Sevens Atelier ensures its employees are supported in achieving this by encouraging them to identify and attend training programmes, conferences, webinars, or workshops relevant to their skillset. Participation in these events enables employees to acquire new skills, equipping them to tackle challenges and advance their careers.

The Group also provides grants to employees for in-house and online staff development programmes. Whenever a vacancy arises within the Group, the Group prioritises internal promotions rather than hiring externally. Employee upskilling is key to ensuring that staff are prepared to step into these roles when needed.

Equal Opportunity and Diversity

Sevens Atelier faces a diverse range of challenges as it seeks to cater to a multitude of clients who come from a myriad of backgrounds. As a result, the Group has ensured that it maintains a diverse team of employees who bring a broad range of perspectives and problem-solving approaches. The current team at Sevens Atelier reflects this approach, as they hail from a wide spectrum of ages, ethnicities, religions, genders, and nationalities.

Above all, the Group places meritocracy at the centre of its hiring process and remains committed to a non-discriminatory approach to ensure that it always hires the best candidate to meet its business objectives.

The Group values skilled and collaborative individuals, recognising these traits as essential to the implementation of environmental, economic, and social policies.

Gender Diversity

As of 31 December 2024, the Group has a total of 15 employees (FY2023: 16 employees) with 9 males and 6 females. All employees of the Group are full-time, and their demographics are shown below:

Employee Diversity By Gender					
FY2022		FY2023		FY2024	
Total Number of Employees					
68%	32%	69%	31%	60%	40%
Total Number of Employees (Board Level)					
80%	20%	80%	20%	75%	25%

The Group is committed to creating and maintaining an equitable and inclusive workplace. Despite the male-dominated nature of the Design and Build Industry, the Group continues to maintain its non-discriminatory hiring practices and remains open to talent of all genders, ages, religions and backgrounds.

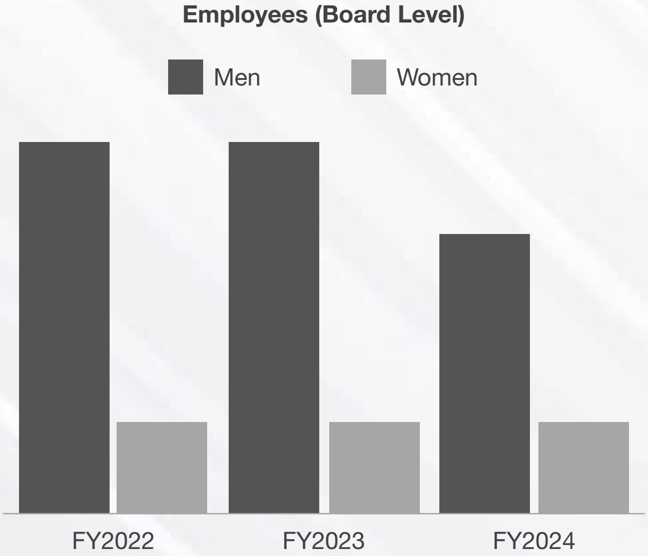
Performance indicator		FY2022 Performance	FY2023 Performance	FY2024 Performance	Target Achievement	Perpetual Targets
Board level	BOD composition: • Male • Female	Male: 4 (80%) Female: 1 (20%)	Male: 4 (80%) Female: 1 (20%)	Male: 3 (75%) Female: 1 (25%)	Achieved	Maintain Male to Female ratio of 4:1
	Number of discrimination cases	Nil	Nil	Nil	Achieved	Zero cases of discrimination
Employee level	Gender: • Male • Female	Male: 13 (68%) Female: 6 (32%)	Male: 11 (69%) Female: 5 (31%)	Male: 9 (60%) Female: 6 (40%)	Achieved	Maintain a Male to Female ratio of 65:35
	Number of discrimination cases	Nil	Nil	Nil	Achieved	Zero cases of discrimination
	Age ratio: • <30 years old • 30 to 50 years old • >50 years old	< 30 years old: 21% 30 to 50 years old: 68% > 50 years old: 11%	< 30 years old: 19% 30 to 50 years old: 75% >50 years old: 6%	< 30 years old: 20% 30 to 50 years old: 80% >50 years old: 0%	Not achieved	Maintain age ratio according to the following: <30 years old: 30% 30 to 50 years old: 50% > 50 years old: 20%

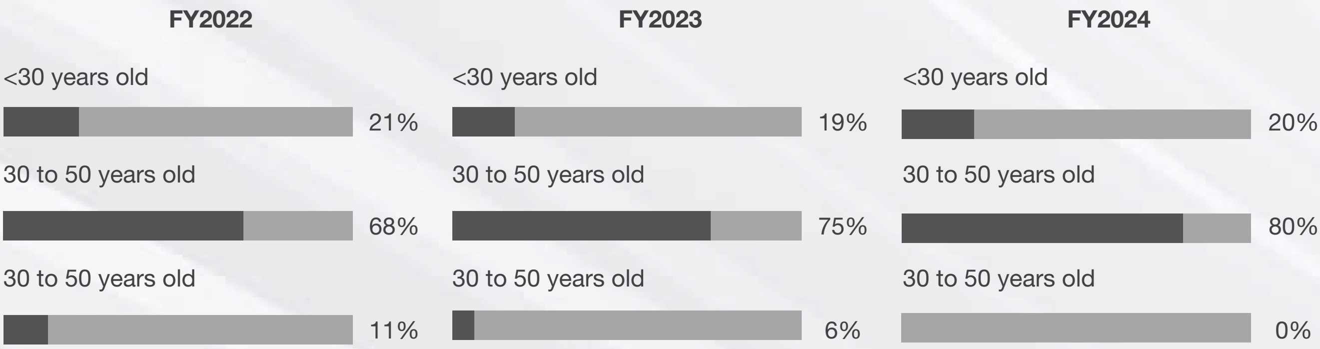
Age Diversity

The Group aims to maximise its problem-solving ability by maintaining a workforce composed of individuals with a balanced mix of new ideas and traditional problem-solving experience. The Group believes that a diverse range of experiences and skills within its workforce fosters more dynamic and extensive collaboration, ultimately leading to better outcomes.

Furthermore, a diverse workforce enables employees to enhance their interpersonal and communication skills due to the broader range of individuals they interact with. While the Group acknowledges that maintaining a diverse employee base may initially present challenges, it remains confident that the long-term benefits outweigh these initial difficulties.

Below are the diagrams illustrating age diversity by total number of employees:





Target for 2025

Gender Demographic targets:
- (Board Level) Maintain Male and Female Ratio of 4:1
- (Employee Level) Maintain Male and Female Ratio of 13:7

Age Demographic targets:
- Maintain age ratio according to the following:
  - » <30 Years old: 30%
  - » 30 to 50 Years old: 50%
  - » >50 Years old: 20%

GOVERNANCE

Throughout its history, Sevens Atelier has consistently maintained its commitment to the industry's best governance practices in managing its operations. A strong culture that prioritises legal compliance and ethics is essential for the Group's ability to achieve sustainable growth.

The Group's corporate governance strategy is primarily focused on safeguarding shareholder value, promoting ethical behaviour, and preventing white-collar crime. For a more detailed overview of the Group's corporate governance practices, please refer to the Corporate Governance Report on pages 45 to 70 of the Annual Report 2024.

Anti-bribery and Anti-corruption

The Group takes any instance of fraud, bribery, and corruption seriously. Preventing such behaviour is of utmost importance to Sevens Atelier. Upon joining the Group, employees receive an Employee Handbook that outlines expectations for ethical behaviour to prevent any instances of fraud, bribery, or corruption.

The Employee Handbook emphasises that employees must not solicit or accept any incentive for themselves or others from any person, company, or organisation engaged in business dealings with the Group. The only exceptions apply to incentives offered on a voluntary basis, which are subject to the following limitations:

- Advertising or promotional gifts or souvenirs of a nominal value; or
- Gifts given on festivals or special occasions, subject to a maximum limit of S$250 in value; or
- Gifts or souvenirs of nominal value presented to them at official functions or festival occasions.
- Gifts and their amount must be reported to the Company.

In FY2024, the Group reported zero bribery and corruption cases and will continue striving to maintain zero cases as an ongoing target.

Performance Indicator	FY2022 Performance	FY2023 Performance	FY2024 Performance	Target Achievement	Perpetual Target
Number of reported anti-corruption cases	Nil	Nil	Nil	Achieved	Zero cases of bribery and corruption

Whistleblowing

Sevens Atelier upholds the highest ethical standards in its business operations, ensuring transparency and accountability across all levels of the organisation. Open channels of communication are maintained to facilitate both internal and external whistleblowing, enabling stakeholders to report any unethical behaviour without fear of retaliation.

The Group's Whistleblowing Policy has been established to safeguard integrity, probity, and transparency within the organisation. Last reviewed and updated on 31 October 2022, the policy remains aligned with SGX-ST Catalist Rules 1204(18A) and 1204(18B), and is consistently applied across all entities within the Group.

Whistleblowing reports can be reported in writing to the Audit Committee for any suspected misconduct with full details and supporting evidence at: whistleblower@sevensatelier.com.

Clear guidance is provided in the Whistleblowing Policy regarding the types of concerns and suspected wrongdoings that can be reported, the mechanisms available for raising concerns, the process for investigating and addressing reported issues, and the measures in place to protect whistleblowers who report in good faith.

As part of its ongoing commitment to corporate responsibility, the Group ensures transparency with stakeholders regarding any whistleblowing incidents and takes necessary actions to address any identified issues in a timely and responsible manner.

In FY2024, the Group reported zero whistleblowing incidents and remains committed to maintaining this as an ongoing target.

Performance Indicator	FY2022 Performance	FY2023 Performance	FY2024 Performance	Target Achievement	Perpetual Target
Number of reported whistleblowing cases	Nil	Nil	Nil	Achieved	Zero cases of whistleblowing

GOVERNANCE

Ethics and Integrity

Guidance on appropriate conduct as an employee of Sevens Atelier is outlined in the Group's Employee Handbook. The Sevens Atelier Code of Conduct, effective since September 2022, highlights the importance of economic sustainability and ethical business practices. Additionally, it emphasises how ethical behaviour supports the Group's commitment to creating shareholder value while ensuring long-term financial viability.

Performance Indicator	FY2022 Performance	FY2023 Performance	FY2024 Performance	Target Achievement	Perpetual Target
Number of reported ethics and integrity cases	Nil	Nil	Nil	Achieved	Zero cases related to ethics and integrity

Performance Metrics	Measurement Unit	FY2022	FY2023	FY2024
Environmental Factors				
Fuel consumption	Litre	Nil	Nil	Nil
Electricity consumption	kWh	54,506	84,771	70,228
Electricity consumption intensity by revenue	kWh / revenue $'000	8kWh per S$1,000 of revenue earned	5.9kWh per S$1,000 of revenue earned	7.72kWh per S$1,000 of revenue earned
Scope 1 GHG emission – Mobile combustion	tCO_2e	Nil	Nil	Nil
Scope 2 GHG emission – Electricity consumption	tCO_2e	22.72	35.33	28.93
Total GHG emission	tCO_2e	22.72	35.33	28.93
Total GHG mission intensity by revenue	kWh / revenue $'000	0.003 tonnes CO_2e per S$1,000 of revenue earned	0.002 tonnes CO_2e per S$1,000 of revenue earned	0.003 tonnes CO_2e per S$1,000 of revenue earned
Social Factors				
Total Employees	Headcount	19	16	15
Full-time	Headcount	19	16	15
Part -time	Headcount	0	0	0
Permanent	Headcount	19	16	15
Temporary	Headcount	0	0	0
Non-guaranteed hours	Headcount	0	0	0
New hires	Headcount	12	11	6
Average training hours per employee	Hours	Nil	Nil	Nil
Average training hours per female employee	Hours	Nil	Nil	Nil
Annual employee turnover rate	%	32	88	58
Workers who are not employees	Number	30	30	30
Governance				
Board composition				
By gender - Male	%	80	80	75
By gender - Female	%	20	20	25
Number of reported whistleblowing cases	Number	Nil	Nil	Nil
Number of reported anti-corruption cases	Number	Nil	Nil	Nil
Number of reported ethics and integrity cases	Number	Nil	Nil	Nil
Number of discrimination cases	Number	Nil	Nil	Nil

IFRS SDS Industry-based Guidance on implementing Climate-related Disclosure (Volume 33 – Engineering & Construction Services) metrics

The sustainability disclosure metrics based on the IFRS SDS Industry-based Guidance on implementing Climate-related Disclosure (Volume 33 – Engineering & Construction Services) are presented below under this Report's scope.

Table 1. Sustainability Disclosure Topics and Metrics

Topic	Code	Metric	Category	Unit of Measure	FY2024
Environmental Impacts of Project Development	IF-EN-160a.1	Number of incidents of non-compliance with environmental permits, standards and regulations	Quantitative	Number	1
	IF-EN-160a.2	Discussion of processes to assess and manage environmental risks associated with project design, siting and construction	Discussion and Analysis	N/A	• Conduct Environmental Impact Assessment during project planning to identify potential environmental risks and hazards. • Findings are used to adjust project design, sitting and construction methods. • Control measures are implemented during construction phase to prevent environmental degradation and pollution. • Consult with environmental agencies and local communities to address concerns and incorporate into project planning.
Structural Integrity & Safety	IF-EN-250a.1	Amount of defect- and safety-related rework costs	Quantitative	Currency	Nil
	IF-EN-250a.2	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	Quantitative	Currency	Nil
Lifecycle Impacts of Buildings & Infrastructure	IF-EN-410a.1	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	Quantitative	Number	Nil
	IF-EN-410a.2	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	Discussion and Analysis	N/A	The following are taken into consideration in the building and project designs: • Integrate energy-efficient technologies such as LED lighting and solar panels. • Optimise building orientation and insulation to reduce

Topic	Code	Metric	Category	Unit of Measure	FY2024
					• energy consumption. • Incorporate water-efficient fixtures such as low-flow taps, dual-flush toilets. • Landscaping with drought-resistant plants to reduce irrigation needs. • Use recycle and sustainable materials • Adopt smart building technologies to monitor and optimise energy and water usage during construction.
Climate Impacts of Business Mix	IF-EN-410b.1	Amount of backlog cancellations associated with hydrocarbon-related projects	Quantitative	Currency	Nil
	IF-EN-410b.2	Amount of backlog for non-energy projects associated with climate change mitigation	Quantitative	Currency	Nil
	IF-EN-410b.3	Amount of backlog for non-energy projects associated with climate change mitigation	Quantitative	Currency	Nil

Table 2. Activity Metrics

Code	Activity Metric	Description	Category	Unit of Measure	FY2024
IF-EN-000.A	Number of active projects	Active projects are defined as buildings and infrastructure projects under development that the entity was actively providing services to as of the close of the reporting period, including, but not limited to, both the design and construction stages. Active projects exclude projects that were commissioned during the reporting period.	Quantitative	Number	8
IF-EN-000.B	Number of commissioned projects	Commissioned projects are defined as projects that were completed and deemed ready for service during the reporting period. The scope of commissioned projects shall only include projects that the entity provided construction services to.	Quantitative	Number	8
IF-EN-000.C	Total backlog	Backlog is defined as the value of projects not completed as of the close of the reporting period (i.e., revenue contractually expected in the future but that has not been recognised), or is defined by the entity, consistent with its existing disclosure of backlog. Backlog may also be referred to as revenue backlog or unsatisfied performance obligations. The scope of disclosure is limited to buildings and infrastructure projects where the entity provides engineering, construction, architecture, design, installation, planning, consulting, repair, and/or maintenance services, or other similar services.	Quantitative	Currency	The order book as of 31 Dec 2024 is S$12.15 million

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

Statement of use	**Sevens Atelier Limited has reported with reference to the GRI Standards for the period from 1 January 2024 to 31 December 2024**
GRI 1 used	**GRI 1: Foundation 2021**
Applicable GRI Sector Standard	**Not applicable**

GRI Standard	Disclosure	Reference
General disclosures		**GRI 2: General Disclosures 2021**
GRI 2: GENERAL DISCLOSURES 2021		
2-1	Organisational details	Page 9
2-2	Entities included in the organisation's sustainability reporting	Page 15
2-3	Reporting period, frequency and contact point	Page 15, 16 Publication date:
2-4	Restatements of information	No restatements were made from the previous report
2-5	External assurance	The Group has not sought external assurance for this report but may consider doing so in the future
2-6	Activities, value chain and other business relationships	Page 2, 3, 11 There were no significant changes in activities, value chain and other relevant business relationships during the reporting period.
2-7	Employees	Page 32, 33, 34, 35, 36
2-8	Workers who are not employees	Page 33
2-9	Governance structure and composition	Corporate Governance Report page 45 of AR 2024
2-10	Nomination and selection of the highest governance body	Corporate Governance Report pages 51 to 59 of AR 2024
2-11	Chair of the highest governance body	Corporate Governance Report page 45 of AR 2024
2-12	Role of the highest governance body in overseeing the management of impacts	Page 16
2-13	Delegation of responsibility for managing impacts	Page 16
2-14	Role of the highest governance body in sustainability reporting	Page 16
2-15	Conflicts of interest	Corporate Governance Report page 69 of AR 2024
2-16	Communication of critical concerns	Corporate Governance Report page 65 of AR 2024
2-17	Collective knowledge of the highest governance body	Corporate Governance Report page 49 of AR 2024
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report page 60 of AR 2024
2-19	Remuneration policies	Corporate Governance Report pages 61 to 64 of AR 2024
2-20	Process to determine remuneration	Corporate Governance Report pages 61 to 64 of AR 2024
2-21	Annual total compensation ratio	This metric is not disclosed due to confidentiality constraints as the organisation considers the information about the annual total compensation for the organisation's highest paid individual proprietary.
2-22	Statement on sustainable development strategy	Page 19
2-23	Policy commitments	Pages 19, 20
2-24	Embedding policy commitments	Pages 19, 20

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

GRI Standard	Disclosure	Reference
General disclosures		**GRI 2: General Disclosures 2021**
2-25	Processes to remediate negative impacts	Pages 20, 21, 22, 23, 24
2-26	Mechanisms for seeking advice and raising concerns	Page 16
2-27	Compliance with laws and regulations	Pages 37, 38
2-28	Membership associations	There are no reportable memberships of associations.
2-29	Approach to stakeholder engagement	Pages 17, 18
2-30	Collective bargaining agreements	None of our employees are covered by Collective bargaining agreements
Material Topics		
3-1	Process to determine material topics	Page 20
3-2	List of material topics	Page 21, 22, 23
Economic Performance		
3-3	Management of material topics	Page 19, 20, 21, 22, 23
201-1	Direct economic value generated and distributed	Page 25
201-1	Proportion of spending on local suppliers	Page 25, 26
Anti-bribery and Anti-corruption		
3-3	Management of material topics	Page 19, 20, 21, 22, 23
205-2	Communication and training about anti-corruption policies and procedures	Page 37
205-3	Confirmed incidents of corruption and actions taken	Page 37
Energy		
3-3	Management of material topics	Page 19, 20, 21, 22, 23
302-1	Energy consumption within the organisation	Page 27
302-3	Energy intensity	Page 27
305-2	Energy indirect (Scope 2) GHG emissions	Page 27
305-4	GHG emissions intensity	Page 27
Employee Retention and Development		
GRI 205: Anti-corruption 2016		
3-3	Management of material topics	Page 19, 20, 21, 22, 23
401-1	New employee hires and employee turnover	Page 32, 33
Occupational Health and Safety		
3-3	Management of material topics	Page 19, 20, 21, 22, 23
403-1	Occupational health and safety management system	Page 31, 32
403-9	Work-related injuries	Page 31, 32
403-10	Work-related ill-health	Page 31, 32
Equal Opportunity and Diversity		
3-3	Management of material topics	Page 19, 20, 21, 22, 23
405-1	Diversity of governance bodies and employees	Page 34

SGX CORE ESG METRICS

Environmental

Topic	Metric	Page Reference
GHG Emissions	Absolute emissions by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	Page 27
	Emission intensities by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	
Energy Consumption	Total energy consumption	Page 27
	Energy consumption intensity	
Water Consumption	Total water consumption	Water consumption was determined to be not applicable to the Group's core business operations and thus was not disclosed
	Water consumption intensity	
Waste Generation	Total waste generated	The amount of waste generated is determined to be not applicable to the Group's core business operations.

Social

Topic	Metric	Page Reference
Gender Diversity	Current employees by gender	Page 33, 34, 35, 36
	New hires and turnover by gender	
Age-Based Diversity	Current employees by age groups	
	New hires and turnover by age groups	
Employment	Total turnover	
	Total number of employees	
Development & Training	Average training hours per employee	Page 33, 34
	Average training hours per employee by gender	
Occupational Health & Safety	Fatalities	Page 31
	High-consequence injuries	
	Recordable injuries	
	Recordable work-related ill health cases	

Governance

Topic	Metric	Page Reference
Board Composition	Board independence	Page 6, 7, 8, 34, 35, 36
	Women on the board	
Management Diversity	Women in the management team	
Ethical Behaviour	Anti-corruption disclosures	Page 37
	Anti-corruption training for employees	
Certifications	List of relevant certifications	Page 31
Alignment with Frameworks	Alignment with frameworks and disclosure practices	Page 15
Assurance	Assurance of sustainability report	Page 16

The board of directors (the "**Board**" or "**Directors**") and Management of Sevens Atelier Limited (the "**Company**" and together with its subsidiaries, the "**Group**") are committed to maintaining a high standard of corporate governance to facilitate effective management and safeguard the interests of the Company's shareholders.

This Corporate Governance Report outlines the Company's corporate governance processes and activities that were in place for the financial year ended 31 December 2024 ("**FY2024**"), with specific reference to the principles and provisions of the Singapore Code of Corporate Governance 2018 (the "**Code**"), the accompanying Practice Guidance (the "**Guide**") issued by the Monetary Authority of Singapore, and required under the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual: Section B: Rules of Catalist (the "**Catalist Rules**"), where applicable.

The Board is pleased to confirm that the Company has adhered to the principles, the guidelines set out in the Code, the Guide and the Catalist Rules except where otherwise stated and explained herein. Where there has been a deviation from the Code and Guide, the Board has considered the alternative practices adopted and is satisfied that such alternative practices are sufficient to meet the underlying objectives of the Code and Guide. Appropriate explanations have been provided in the relevant sections where there were deviations.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Group.

As at date of this Annual Report, the Board comprises four (4) Directors, three (3) of whom are Independent Directors. The Board consists of:

Lawrence Chen Tse Chau	Independent Director and Non-Executive Chairman
Lim Xiu Fang, Vanessa	Executive Director
Tan Yew Heng, Terrence	Independent Director
Lo Kim Seng	Independent Director

Key information regarding the Directors is disclosed in the section "Board of Directors" of this annual report.

The Company is headed by its Board comprising entrepreneurs and professionals from various disciplines. All Directors recognise that they have to discharge their duties and responsibilities in the best interests of the Company. The Board's principal responsibilities are, *inter alia*:

(a) to guide the formulation of the Group's overall long-term strategic objectives and directions. This includes setting the Group's policies and strategic plans and monitoring the achievement of these corporate objectives;

(b) to establish goals for management and monitor the achievement of these goals;

(c) to ensure high quality management leadership, effectiveness and integrity; and

(d) to review internal controls, risk management, financial performance and reporting compliance.

The Board has put in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisation culture, and ensures proper accountability within the Company.

The Board has delegated certain functions to its board committees ("**Board Committee**"), namely Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**"), save for the following matters which are reserved for the Board's decision:

(a) the corporate strategy;

(b) decision-making in relation to cease, to operate all or any material part of the business of the Group or to extend the Group's activities into new businesses;

(c) the approval of any acquisition or disposal of investment, asset or business by the Company or any of its subsidiaries;

(d) the approval of any changes relating to the Company's capital structure, including share issues and reduction of capital;

(e) the approval of capital expenditures exceeding S$100,000 for unbudgeted expenditures;

(f) the approval of capital borrowings and financial commitments;

(g) the interested person transactions of the Group;

(h) the approval of the Company's financial results and audited financial statements;

(i) the recommendation of the payment of any dividend by the Company;

(j) the appointment or removal of director to/from the Board;

(k) the appointment or removal of the Company Secretary;

(l) the approval of remuneration packages of key executives of the Company recommended by the RC;

(m) the convene of shareholders' meetings; and

(n) any matter required to be considered or approved by the Board as a matter of law or regulation.

The AC is chaired by Mr Lawrence Chen Tse Chau, the NC is chaired by Mr Lo Kim Seng and the RC is chaired by Mr Tan Yew Heng, Terrence, all of whom are Independent Directors. Each Board Committee has been constituted to operate under the defined terms of reference. Each Board Committee has the delegated power to make decision, execute actions or make recommendations within its terms of reference and applicable limits of authority. The terms are reviewed and updated by the Board from time to time. The terms of reference of the respective Board Committees are set out in this corporate governance statement.

The attendance record of the Directors at the general meetings, Board and Committee meetings for FY2024 is as follows:

Name of Directors	**No. of Meetings held**				
	General Meeting	**Board**	**Audit Committee**	**Nominating Committee**	**Remuneration Committee**
	1	**4**	**4**	**1**	**1**
Hong Eng Leong, Jeffrey [(1)]	–	1	1*	1*	1*
Lim Xiu Fang, Vanessa	1	4	4*	1*	1*
Lawrence Chen Tse Chau	1	4	4	1	1
Lo Kim Seng	1	4	4	1	1
Tan Yew Heng, Terrence	1	4	4	1	1

* By Invitation.

Note:

(1) Mr Hong Eng Leong, Jeffrey resigned as CEO and Executive Director of the Company on 15 March 2024.

The Company's Constitution allows a Board meeting to be conducted by way of telephone or video conference. The Board conducts scheduled meetings at least two (2) times a year and additional meetings will be convened as and when necessary. All the Directors are allowed to express their thoughts and bring their independent judgement over the matters presented by Management and other Directors during the Board meetings. The Board had also on various occasions used circular resolutions to sanction decisions.

To assist the Board in discharging its duties, the Board is provided with Board papers in advance of Board meetings so that the Directors would have sufficient time to understand the matters which are to be discussed. The dates of meetings of all the Board and Board Committee meetings for each new calendar year, as well as annual general meeting, are scheduled in advance and are notified to all Board members. The Directors are entitled to request from the Management and shall be provided with additional information as needed to make informed decisions. The Directors have direct access to the Management and Company Secretary at all times. In addition, the Board and Board Committee, where necessary, may seek professional advice paid by the Company. The appointment and removal of the Company Secretary is a matter for the Board as a whole.

All Board appointments are made based on merit, in the context of skills, experience, core competencies, independence and other relevant factors, having due regard for the benefits of diversity on the Board and the contribution that the selected candidates will bring to the Board.

All newly appointed Directors are provided with background information about the Group's history and core values, its strategic direction and corporate governance practices, as well as industry specific knowledge. The Company provides a formal letter to newly appointed Directors upon their appointment setting out their terms of appointment, statutory duties and responsibilities as Directors. If the newly appointed Director has no prior experience as a director of a listed company on the SGX-ST, he/she must undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST and such training is at the expense of the Company. Such trainings will be completed within one (1) year of his/her appointment.

Board members are encouraged to attend seminars and trainings to enhance their knowledge for them to discharge their duties and responsibilities. The Company works closely with the sponsor, auditors, company secretary and other professionals to provide Directors with information relating to changes in relevant laws, listing rules, regulations and accounting standards.

During the year, the director have attended the following training programme:

Programme	***Organised By***	***Attended By***
Singapore Corporate Secretarial Practice: Practical Overview and Essential Updates	Wolters Kluwer- CCH	Mr Lawrence Chen Tse Chau
CTP 10 - Dealing with Distress	Singapore Institute of Directors ("**SID**")	Mr Lawrence Chen Tse Chau
ADT295: Cryptocurrency Accountability: Addressing Audit Assertions (Classroom)	The Institute of Singapore Chartered Accountants ("**ISCA**")	Mr Lawrence Chen Tse Chau
The Accounting, Auditing and Ethical Lessons Arising from the Collapse of FTX, Theranos and Wirecard	Wolters Kluwer- CCH	Mr Lawrence Chen Tse Chau
CSIS CSPs Conference 2024	Chartered Secretaries Institute of Singapore	Mr Lawrence Chen Tse Chau
PAW ITGC Audit - Advance Level	Audit Alliance LLP	Mr Lawrence Chen Tse Chau
Audit documentation - Planning: Understanding the entity and its environment risk assessment	Prime Accountants LLP	Mr Lawrence Chen Tse Chau
Auditing of Accounting Estimates, including Fair Value Measurement	ISCA	Mr Lawrence Chen Tse Chau
SID Directors Conference 2024	SID	Mr Lawrence Chen Tse Chau
SID Corporate Governance Roundup 2024	SID	Mr Lawrence Chen Tse Chau

In addition, the external auditor of the Company has, during the presentation of the audit plan, provided relevant updates relating to changes to accounting standards and issues which have a direct impact on financial statements to the AC and Board.

All Directors are required to objectively discharge their duties and responsibilities in the best interests and benefit of the Company. Directors who are in any way, directly or indirectly, interested in a transaction or proposed transaction, including those identified within the Code and provisions of the Companies Act 1967 of Singapore (the "**Companies Act**") will declare the nature of their interests and not participate in any discussion nor vote on decision on the matter.

Each Director is aware of the requirements in respect of his/her disclosure of interests in securities, disclosure of conflicts of interest in transactions involving the Company, prohibition on dealings in the Company's securities and restrictions on the disclosure of price-sensitive information.

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

The Company endeavours to maintain a strong and independent element on the Board. The Board comprises four (4) Directors, of whom three (3) are independent. With more than half of the Board made up of Independent Directors, there is a strong independent element on the Board.

The criteria of independence are based on the definitions in the Catalist Rules and Code. The Independent Directors have confirmed that they and their immediate family members are not employed or have been employed by the Company or any of its related corporations for the current and any of the past three financial years and whose remuneration is determined by the RC. They have also confirmed that they do not have any relationship with the Company, its related companies, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interests of the Group.

For FY2024, the NC has reviewed and is satisfied that the Independent Directors are independent and that no individual or small group of individuals dominate the Board's decision-making process. There were no Directors who were deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him/her not to be independent. After review, the NC agreed that all Independent Directors were independent in accordance with the Code and Catalist Rules.

The Board is chaired by Mr Lawrence Chen Tse Chau ("**Mr Chen**"), Independent Director and Non-Executive Chairman of the Company. Mr Hong Eng Leong, Jeffrey ("**Mr Hong**"), who resigned on 15 March 2024, was the former Chief Executive Officer ("**CEO**") and Executive Director of the Company. The Independent Director and Non-Executive Chairman, and the CEO and Executive Director are not related. Hence, the roles of the Independent Director and Non-Executive Chairman, and the CEO and Executive Director are clearly separated, each having their own areas of responsibilities. This ensures appropriate balance of power, increased accountability and greater capacity of the Board for decision making. The Company is currently in the process of scouting for a replacement CEO. In ensuring the suitability of the CEO candidate, the Company will evaluate various criteria including academic background, relevant work experience, skillset and value-add he/she can bring to the Group.

In the interim, Mr Tang Yao Zhi ("**Mr Tang**"), who has been appointed as Group Operation Director since 1 March 2024, covers the duties and scope of the CEO, in addition to his area of responsibility which entails managing Company's administration and business operations and identifying and developing new business opportunities.

The Independent Director and Non-Executive Chairman, Mr Chen, ensures that corporate information is adequately disseminated to all Directors in a timely manner to facilitate the effective contribution of all Directors. He promotes a culture of openness and debate at the Board and ensures that adequate time is allocated for discussion of all strategic issues. The Independent Director and Non-Executive Chairman is assisted by (i) the Board Committees, (ii) external auditor and internal auditor who report to the Audit Committee, and (iii) the Company Secretary in ensuring compliance with the Company's guidelines on corporate governance.

The CEO is responsible for the overall management of the Group and charting the corporate strategies for future growth with the support of the Executive Director, Ms Lim Xiu Fang, Vanessa ("**Ms Lim**") and the Management.

The NC is of the view that the appointment of a Lead Independent Director is not necessary given that the Non-Executive Chairman is not part of the Management and is independent.

Provisions 2.3 of the Code are met as majority of the Board is made up of Independent Directors. The Board composition also complies with Rule 406(3)(c) of the Catalist Rules which requires Independent Directors to make up at least one-third of the Board.

The NC conducts annual review to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board. This will enable the Board to maintain or enhance balance and diversity of the Board. The Board ensures its composition and that of the Board Committees' are of an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender. All directors had completed the annual assessment for FY2024 in February 2025. The Board has reviewed and believes that its current composition achieves a diversity of skills, knowledge, experience and gender, as further described as follows:

	Number of Directors	Proportion of Board
Core Competencies		
Accounting or finance	3	75%
Legal or corporate governance	1	25%
Relevant industry knowledge or experience	1	25%
Strategic planning experience	2	50%
Customer based experience or knowledge	1	25%
Gender		
Male	3	75%
Female	1	25%
Age Group		
60 - 69	1	25%
50 - 59	–	–
40 - 49	2	50%
30 - 39	1	25%
Independence		
Independent directors	3	75%
Non-Independent directors	1	25%
Directors' Citizenship		
Singapore Citizen	4	100%

The Company has adopted a Board Diversity Policy which sets out the approach to achieve diversity of the Board. Pursuant to the Board Diversity Policy, on an annual basis, the NC will review the appropriateness of the current Board size and composition, taking into consideration the changes (if any) in the nature and scope of operations of the Group and, where appropriate, makes recommendations on changes to the Board to complement the Company's corporate strategy and to ensure that there is an appropriate composition of members of the Board in relation to skills, experience, independence and knowledge which the Board requires to function effectively.

Under the Board Diversity Policy, the Board strives to have a member with relevant experience in the Group's businesses or markets; and a member with professional qualification in accounting or other professional background or discipline as may be determined by the Board to be necessary and/or beneficial to the Group. The Board is of the view that gender is an important aspect of diversity and will strive to ensure that female candidates are included for consideration in the selection of potential candidates for appointment to the Board. In this regard, as an on-going target, the Board strives to have at least one (1) female Board member.

The NC and the Board acknowledge that improvements to Board diversity practices are an on-going process and that skill-set and core competencies required of the Board may change over time as the business of the Group develops. The NC and Board are of the view that the current size and composition of the Board are effective for decision making as the current operations of the Group are not complex. The current Board composition meets the targets set under the Board Diversity Policy and reflects the Company's commitment to Board diversity in terms of different professional experiences, skills, knowledge and gender.

As shown in the table above, the Board members provide a range of core competencies that would provide effective directive for the Group. Accordingly, the current Board comprises persons that collectively have core competencies necessary to lead and oversee the Company.

The Independent Directors provide, amongst others, strategic guidance to the Company based on their professional knowledge, in particular, assisting to constructively developing proposals on strategy. The Independent Directors also help to review the performance of the Management in meeting goals and objectives and monitor the reporting of performance.

To facilitate a more effective check on the Management, the Independent Directors will communicate with each other from time to time without the presence of the Management to discuss the performance of the Management and any matters of concern. Feedback arising from such meetings or discussions is provided to the Board, as appropriate. The Independent Directors have met once in the absence of the Management during the financial year in review.

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Board adopts the recommendation of the Code to have separate persons appointed as Chairman and the CEO. This is to ensure an appropriate balance of power, increased accountability and greater capacity for the Board to exercise independent decision-making. The division of responsibilities between the Chairman and the CEO will be clearly established, set out in writing and agreed by the Board.

The NC is of the view that the appointment of a Lead Independent Director is not necessary given that the Non-Executive Chairman is not part of the Management and is independent.

The Board is chaired by Mr Chen, Independent Director and Non-Executive Chairman of the Company while Mr Hong was the former CEO and Executive Director of the Company. The Independent Director and Non-Executive Chairman, and the CEO and Executive Director are not related. Hence, the roles of the Chairman and the CEO are clearly separated, each having their own areas of responsibilities. This ensures appropriate balance of power, increased accountability and greater capacity of the Board for decision making.

The Independent Director and Non-Executive Chairman, Mr Chen, ensures that corporate information is adequately disseminated to all Directors in a timely manner to facilitate the effective contribution of all Directors. The Chairman is responsible to:

(a) lead the Board to ensure its effectiveness on all aspects of its role;

(b) set the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;

(c) promote a culture of openness and debate at the Board;

(d) ensure that the directors receive complete, adequate and timely information;

(e) ensure effective communication with its shareholders;

(f) encourage constructive relationships within the Board and between the Board and Management;

(g) facilitate effective contribution of non-executive directors in particular; and

(h) promote high standards of corporate governance and assist in ensuring compliance of the Company's guidelines on corporate governance.

Mr Hong, the former CEO and Executive Director of the Company, was responsible for the execution of strategic business directions as well as the overseeing of the day-to-day business operations, business development and strategic planning of the Group. While the Company has not identified a suitable replacement CEO, the Group Operation Director, Mr Tang, with the support of the Executive Director, Ms Lim, is overseeing of the day-to-day business operations, business development and strategic planning of the Group.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

As at the date of this Annual Report, the NC comprises three (3) Directors, all of whom are independent.

Lo Kim Seng	Chairman and Independent Director
Lawrence Chen Tse Chau	Independent Director
Tan Yew Heng, Terrence	Independent Director

The NC is established for, *inter alia*, the purposes of ensuring that there is a formal and transparent process for all Board and Management appointments. It has adopted written terms of reference defining its membership, administration and duties.

The terms of reference of the NC includes:

(a) to determine the criteria for the appointment and re-appointment of Directors (including alternate directors, if any) and Key Management;

(b) to set up a process for the selection of such appointment;

(c) to review nominations for the appointment of Directors to the Board;

(d) to make recommendations to the Board on all Board appointments;

(e) to review and recommend to the Board on the re-nomination of incumbent Directors having regard to the Director's contribution and performance;

(f) to determine annually whether or not a Director is independent;

(g) to make recommendation to the Board the performance criteria and appraisal process to be used for the evaluation of the effectiveness of the Board, the Board committees and Directors, which criteria and process shall be subject to Board's approval;

(h) to review the Board succession plans, in particular, the appointment and/or replacement of the Chairman, and the succession plans in relation to the Chief Executive Officer and Key Management; and

(j) to review of training and professional development programs for the Board and its Directors.

Currently, all the Independent Directors of the Company have other listed company board representations.

As time requirement and capability of each director differ and are subjective, the NC has decided not to fix a maximum limit on the number of listed companies directorships a director can hold. The Board has experienced minimal competing time commitments among its members as Board meetings are planned and scheduled well in advance of the meeting dates. The NC would review the board representations of each Director, from time to time to ensure that the Directors continue to meet the demands of the Group and are able to discharge their duties adequately. The NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, taking into account the multiple directorships and other principal commitments of each of the Directors, and is satisfied that all Directors have adequately discharged their duties adequately for FY2024.

The process for the shortlisting, selection and appointment of new directors is spearheaded by the NC. The NC would first consider the needs of the Board before considering the selection of candidates. In the selection and nomination of new directors, the NC taps on the resources of the Directors' personal contacts for recommendations of potential candidates. External help (for example, Singapore Institute of Directors, search consultants) could be used to source for potential candidates. Interviews are set up with potential candidates so that the NC is able to assess each prospective candidate before a decision is made for recommendation to the Board for final approval.

The Constitution of the Company states that at least one-third of the Directors have to retire and subject themselves for re-election by the shareholders at each annual general meeting of the Company. In addition, pursuant to Rule 720(4) of the Catalist Rules, each Director of the Company shall retire from office and submit themselves for re-nomination and re-appointment at least once every three (3) years.

The NC makes recommendations to the Board on the appointment, re-nomination and retirement of Directors. When an existing Director chooses to retire or is required to retire from office by rotation, the NC takes into consideration factors such as attendance, preparedness, participation and candour when evaluating the past performance and contributions of the Director when making its recommendations to the Board.

Mr Lawrence Chen Tse Chau and Mr Lo Kim Seng are subjected to retirement at the forthcoming annual general meeting ("**AGM**") pursuant to the provisions of the Constitution of the Company and/or Catalist Rules.

Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the retiring Directors as set out in the Appendix 7F of the Catalist Rules of the SGX-ST is disclosed below:

	Lawrence Chen Tse Chau	**Lo Kim Seng**
Date of Appointment	1 April 2021	15 November 2022
Date of last re-appointment	28 April 2023	28 April 2023
Age	43	63
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, working experiences, contribution, performance, attendance, preparedness, participation, candour and suitability of Mr Chen for re-election as Independent Director and Non-Executive Chairman of the Company and concluded that Mr Chen possesses the experience, expertise, knowledge and skills to continue to contribute towards the core competencies of the Board. The Board considers Mr Chen to be independent for the purpose of Rule 704(7) of the Catalist Rules.	The Board has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, working experiences, contribution, performance, attendance, preparedness, participation, candour and suitability of Mr Lo for re-election as an Independent Director of the Company and concluded that Mr Lo possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board. The Board considers Mr Lo to be independent for the purpose of Rule 704(7) of the Catalist Rules.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director and Non-Executive Chairman, Chairman of the AC and member of the NC and the RC	Independent Director, Chairman of the NC and member of the AC and the RC
Professional qualifications	Diploma in Marine Engineering, Singapore Polytechnic Bachelor of Science in Applied Accounting (Upper Second Class Honours), Oxford Brookes University Fellow Member of The Association of Chartered Certified Accountants (ACCA, UK) Chartered Accountant of Singapore, Institute of Singapore Chartered Accountants Senior Accredited Director of Singapore Institute of Directors	Advocate & Solicitor (Singapore) Master of Laws

	Lawrence Chen Tse Chau	Lo Kim Seng
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of Interest (including any competing business)	No	No
Working experience and occupation(s) during the past 10 years	- September 2020 to present: Managing Partner at Prime Accountants LLP (formerly known as Unity Advance LLP) - September 2020 to March 2021: Audit Partner at JSL & Associates - September 2020 to August 2021: Director at Athel Accounting Pte. Ltd. - October 2020 to November 2021: Director at Prime Accountants Public Accounting Corporation - November 2020 to November 2022: Director at Athel Assurance Public Accounting Corporation - March 2021 to November 2021: Director at Radiant Management Services Pte. Ltd. - September 2020 to September 2021: Public Accountant Employee at Acumen Assurance, Acumen Associates LLP and SYA Public Accounting Corporation. - October 2018 to September 2020: Assurance Associate Director at Nexia TS Public Accounting Corporation - December 2017 to October 2018: Group Financial Controller at ecoWise Holdings Limited - August 2016 to December 2017: Assistant Group Financial Controller at ecoWise Holdings Limited - January 2013 to June 2016: Audit Senior Manager at RSM Chio Lim LLP	Advocate & Solicitor (Singapore) - 2018 to Present: Director, Bayfront Law LLC - 2013 to 2018: Director, Morgan Lewis Stamford LLC
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	No	No

<table>
<tr><th></th><th>Lawrence Chen Tse Chau</th><th>Lo Kim Seng</th></tr>
<tr><td colspan="3">Other Principal Commitments* Including Directorships#
* "Principal Commitments" has the same meaning as defined in the Code
# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704 (9) or Catalist Rule 704 (8).</td></tr>
<tr><td>Past (for the last 5 years)</td><td>- Nexia TS Public Accounting Corporation
- ecoWise Holdings Limited
- RSM Chio Lim LLP
- SCI E-commerce Group Limited
- JSL & Associates
- Unity Advance LLP
- Radiant Management Services Pte. Ltd.
- Athel Accounting Pte. Ltd.
- Acumen Assurance
- Acumen Associates LLP
- SYA Public Accounting Corporation
- Athel Assurance Public Accounting Corporation</td><td>- Fragrance Group Ltd
- CFM Holdings Ltd
- ecoWise Holdings Limited</td></tr>
<tr><td>Present</td><td>- Zixin Group Holdings Ltd
- Prime Accountants LLP
- Athel Assurance Public Accounting Corporation</td><td>- Bromat Holdings Ltd.
- Bayfront Law LLC
- AGE Intertrade Singapore Pte Ltd
- Miyoshi Limited
- Vidor Services Pte Ltd
- Karin Technology Holdings Limited</td></tr>
<tr><td colspan="3">Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.</td></tr>
<tr><td>(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?</td><td>No</td><td>No</td></tr>
</table>

	Lawrence Chen Tse Chau	Lo Kim Seng
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

	Lawrence Chen Tse Chau	Lo Kim Seng
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

	Lawrence Chen Tse Chau	Lo Kim Seng
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:		
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

	Lawrence Chen Tse Chau	Lo Kim Seng
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of a listed company? **If yes, please provide details of prior experience.** **If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.** **Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).**	N.A. Mr Chen is proposed to be re-elected as a Director of the Company.	N.A. Mr Lo is proposed to be re-elected as a Director of the Company.

The NC has assessed independently on the continued appointments of Mr Lawrence Chen Tse Chau and Mr Lo Kim Seng and recommended their continued appointments to the Board, and the Board has endorsed their re-election by shareholders at the forthcoming AGM. The abovementioned directors have offered themselves for re-election as Directors of the Company.

Mr Lawrence Chen Tse Chau will, upon re-election as Director of the Company, remain as Independent Director and Non-Executive Chairman of the Company, the Chairman of the AC and a member of the NC and RC. Mr Chen does not have any relationship including immediate family relationship with other Directors, the Company or its substantial shareholders (as defined in the Code). The Board considers Mr Chen to be independent for the purposes of Rule 704(7) of the Catalist Rule.

Mr Lo Kim Seng will, upon re-election as Director of the Company, remain as Independent Director of the Company, the Chairman of the NC and a member of the AC and RC. Mr Lo does not have any relationship including immediate family relationship with other Directors, the Company or its substantial shareholders (as defined in the Code). The Board considers Mr Lo to be independent for the purposes of Rule 704(7) of the Catalist Rule.

The key information of the Directors as at the date of this Annual Report is set out below:

Name of Directors	Date of Initial Appointment as Director/ Date of Last Re-election / Re-appointment as Director	Directorship in Other Listed Companies		Principal Commitments
		Current	Past 3 Years	
Lim Xiu Fang, Vanessa (Executive Director)	8 September 2021 / 26 April 2024	–	–	Executive Director of the Company
Lawrence Chen Tse Chau (Independent Director and Non-Executive Chairman)	1 April 2021 / 28 April 2023	Zixin Group Holdings Ltd	–	Prime Accountants LLP Athel Assurance Public Accounting Corporation
Lo Kim Seng (Independent Director)	15 November 2022 / 28 April 2023	Miyoshi Limited Bromat Holdings Ltd. Karin Technology Holdings Limited	Fragrance Group Ltd CFM Holdings Ltd ecoWise Holdings Limited	Bayfront Law LLC
Tan Yew Heng, Terrence (Independent Director)	15 November 2022 / 26 April 2024	China Environment Ltd	–	Hopeshine Ventures Pte Ltd TSCGroup Pte Ltd Galactic Advisors Pte Ltd Lux Entertainment Pte Ltd

None of the Directors of the Company have any relationships including immediate family relationships between himself/herself and the other Directors, the Company and its substantial shareholders, that could interfere or to be reasonably perceived to interfere with the exercise of independent judgments.

There were no new directors appointed during FY2024.

As at the date of this Annual Report, the Company does not have any alternate directors.

After conducting the annual review, the NC is satisfied that the current Directors have been able to devote adequate time and attention to the affairs of the Company and that they are able to satisfy their duties as Directors of the Company. Notwithstanding this, the NC would continue to review from time to time the board representations and directorships in other listed companies and principal commitments of each Director to ensure that the Directors continue to meet the demands of the Group and are able to discharge their duties effectively and adequately.

Further information about each Director's listed companies board directorships and principal commitments can be found in the profile of the Board of Directors section of this Annual Report.

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board committees and individual directors.

The NC has established a process for assessing the effectiveness of the Board as a whole, each Board Committee and for assessing the contributions of each individual Director to the effectiveness of the Board.

The NC also decides on how the Board's and individual Directors' performance is to be evaluated and proposes objective performance criteria, subject to the approval of the Board, which addresses how the Board and individual Directors could enhance long-term shareholders value. It focuses on a set of criteria which include Board's conduct of meetings, maintenance of independence, board accountability, communication with Management, etc.

This assessment is conducted by the NC at least once a year by way of a Board evaluation where the Directors complete a questionnaire seeking their views on various aspects of Board performance, such as Board composition, information and process. Each member of the NC (and the Board, as the case may be) shall abstain from voting on any resolutions in respect of the assessment of his/her performance or re-nomination as a Director. The Board will act on the results of the performance evaluation, and in consultation with the NC, propose, where appropriate, that new members be appointed to the Board or seek the resignation of Directors.

To assess the effectiveness of the Board as a whole, the factors evaluated by the NC include but are not limited to:

- the size and composition of the Board;
- the discussion and decision-making processes of the Board (including the conduct of meetings by the Board);
- the Board's access to information;
- the accountability of the Board to the shareholders;
- the observation of risk management and internal control policies by the Board's access to information; and
- the performance of the Board (including the Board's performance in relation to the discharge of its principal responsibilities in term of the quantitative and qualitative performance criteria).

To assess the contribution of each individual Director, the factors evaluated by the NC include but are not limited to:

- his/her participation at the meetings of the Board and Board Committee(s);
- his/her ability to constructively challenge and contribute effectively to the discussion conducted by the Board and Board Committee(s);
- his/her ability to evaluate the Company's strength and weaknesses and make informed business decisions;
- his/her ability to interpret the Company's financial reports and contribute to the formulation of strategies, budgets and business plans that are compatible with the Group's vision and existing business strategy;
- his/her compliance with the policies and procedures of the Group;
- his/her performance of specific tasks delegated to him/her;
- his/her disclosure of any related person transactions or conflicts of interest; and
- for independent Directors, his/her independence from the Group and the Management.

To assess the contribution of each Board Committee, the factors evaluated by the NC are adapted from and in line with the terms of reference of the various Board Committees.

The Board and the NC have reviewed and are satisfied that each member of the Board had been effective during the year having regard to the preparedness, active participation and contribution of each Board member during each Board and Board Committee meeting. The NC is of the view that the Board has met its performance objectives.

All NC members have abstained from the voting or review process of any matters in connection with the assessment of his performance.

No external facilitator has been engaged for the purposes to assess the Board's performance for FY2024.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of Individual Directors and key management personnel. No Director is involved in deciding his/her own remuneration.

Principle 7: Level of Mix of Remuneration

The level and structure of remuneration of the Board and key Management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the Company.

As at the date of this Annual Report, the RC comprises three (3) Directors, all of whom are independent.

Tan Yew Heng, Terrence	Chairman and Independent Director
Lawrence Chen Tse Chau	Independent Director
Lo Kim Seng	Independent Director

The RC has access to internal and external experts and/or professional advice on human resources and remuneration of Directors, amongst other matters, whenever there is a need for such consultation.

The RC is established for, *inter alia*, the purposes of ensuring that there are formal and transparent procedures for fixing the remuneration package of individual Directors. It reviews the remuneration packages of executive directors and Key Management to ensure it is structured so as to incorporate an element of linking rewards to corporate and individual performance. The overriding principle is that no Director should be involved in deciding his/her own remuneration.

The RC has adopted written terms of reference that defines its membership, roles and functions and administration. The terms of reference of the RC includes:

(a) to advise the Board on the framework of remuneration policies for the Directors and Key Management;

(b) to review and recommend to the Board in consultation with Management a framework of remuneration for the Board and Management;

(c) to review and recommend to the Board the specific remuneration packages for each director and Management; and

(d) to recommend to the Board the Management's and other employees' incentive schemes.

The annual review covers all aspects of remuneration including salaries, fees, allowances, bonuses, options and benefits-in-kind, taking into consideration the long-term interests of the Group. The RC also reviews termination terms, to ensure that they are fair. In setting remuneration packages, the RC will take into account the performance of the Group as well as whether the Executive Directors and Management align their interests with those of shareholders and linking rewards to corporate and individual performance as well as industry benchmarks. The RC's recommendations are made taking into account feedback from the Executive Directors of the Company, where relevant and submitted for endorsement by the entire Board. The RC subsequently approves the proposed remunerations which are also tabled and approved at Board level. No Director shall participate in decisions on his/her own remuneration. The payment of Directors' fees is subject to the approval of the shareholders.

Remuneration matters of the Directors are the responsibility of the RC who will review and make necessary recommendations to the Board for approval. In respect of remuneration matters relating to Management team, the CEO (or other personnel with equivalent authority) will make recommendations for the RC's consideration and review. The RC's role also includes the review of Executive Directors and Key Management's termination clause in contracts, to ensure that the terms of which are fair and reasonable.

There was no remuneration consultant engaged for the financial year in review.

The remuneration of the Independent Directors is in the form of a fixed fee which is fixed after taking into consideration factors such as effort, time spent and responsibilities of such Directors. The fees are subject to shareholders' approval at the annual general meeting.

Annual reviews are carried out by the RC to ensure that Key Management is appropriately rewarded, having due regard to the financial and commercial health and business needs of the Group.

The Company does not have any contractual provisions which allow it to reclaim incentives from the Executive Directors and Key Management in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the Group and/or Company (and not on forward-looking results) as well as the actual results of its Executive Directors and Management, "claw-back" provisions in the service agreements may not be relevant or appropriate.

Principle 8: Disclosure on Remuneration

Every Company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedures for setting remuneration, in the Company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to Directors and Key Management personnel, and performance.

The Group adopts a remuneration policy for staff comprising both fixed and variable components. The fixed component is in the form of a base salary and the variable component is in the form of a variable bonus that is linked to the Company's and individual's performance. Certain employees are also entitled to other benefits. The Key Management moderates and allocates the variable bonus based on the individual performance of employees and their contributions towards the achievement of the Company's performance targets.

The remuneration package of Executive Directors and Key Management consists of:

(1) Fixed salary / Director's Fee - Fixed salary is determined based on the complexity of the required responsibilities and tasks, along with data on market and sector comparatives.

(2) Bonus and Incentives - Variable salaries which comprise sales incentives (as applicable) and variable bonus.

(3) Other Benefits - Other benefits comprise transport allowances, country club memberships, and benefits-in-kind.

The Non-Executive Directors (including Independent Directors) are entitled to Director's fees. The level of fees is reviewed for reasonableness, taking into account the size of the Company as well as the additional duties and responsibilities, effort and time spent by the Non-Executive Directors (including Independent Directors).

The breakdown of the total remuneration (in amount and %) of the Director (including the CEO) of the Company for FY2024 is set out below:

Name	Remuneration (S$)	Salary (%)	Director's Fee (%)	Bonus and Incentives* (%)	Total (%)
Executive Directors					
Hong Eng Leong, Jeffrey [(1)]	40,670	100	–	–	100
Lim Xiu Fang, Vanessa [(2)]	–	–	–	–	–
Independent Directors					
Lawrence Chen Tse Chau	50,000	–	100	–	100
Lo Kim Seng	35,000	–	100	–	100
Tan Yew Heng, Terrence	35,000	–	100	–	100

* Bonus and incentives include bonuses based on annual assessment and incentives of securing new contacts.

Notes:

(1) Mr Hong Eng Leong, Jeffrey resigned as CEO and Executive Director of the Company on 15 March 2024.

(2) Ms Lim Xiu Fang, Vanessa is the Executive Director of the Company. Her duties and responsibilities are to seek, evaluate and propose new business to the Company. As the Design & Build businesses which she introduced to the Company only first financial year profit making in FY2024, Ms Lim volunteered to forfeit her salary until such time the businesses turn profitable.

In FY2024, the Company had four (4) key management personnel (who is not a Director or the CEO). The breakdown for the remuneration of the Company's key management personnels (who are not Directors or the CEO) in FY2024 is as follows:

Name	Designation	Salary (%)	Bonus and Incentives* (%)	Total (%)
Remuneration Band up to $250,000				
Management Team				
Tang Yao Zhi [(1)]	Group Operation Director	94	6	100
Cheung Ka Ho	Chief Financial Officer	100	–	100
Stanny Chai	Head of Construction	44	56	100
Irene Kiew [(2)]	Head of Design & Sales	100	–	100

* Bonus and incentives include bonuses based on annual assessment and incentives for securing new contacts.

Notes:

(1) Mr Tang Yao Zhi was the Head of Business Development Director until 28 February 2024 and was promoted to Group Operation Director with effect from 1 March 2024.

(2) Ms Irene Kiew resigned as the Head of Design & Sales on 31 July 2024.

The performance conditions used to determine the entitlement of the Executive Directors and the four (4) Key Management comprise qualitative and quantitative conditions. Examples of quantitative conditions are target sales, target profit, sales growth and years of service. Examples of qualitative conditions are on the job performance, leadership, teamwork, etc. The performance conditions of the Directors are set by the RC. The RC has reviewed and is satisfied that the performance conditions of the Directors and Key Management were met for FY2024.

The total remuneration paid to the key management personnels above in FY2024 was approximately S$527,000.

For FY2024, there was no termination, retirement or post-employment benefits granted to the Directors and Key Management.

Given the highly competitive industry conditions, the Company is of the view that it is not in the best interests of the Company to fully disclose the details of the remuneration paid to each of the Key Management of the Group.

There is no other employee related to a Director or the CEO or a substantial shareholder of the Company whose remuneration exceeds S$100,000 in the Company's employment for FY2024.

The Company does not have an employee share scheme for the financial year in review.

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its Shareholders.

The Board is responsible for the overall risk governance, risk management and internal control framework of the Group and is fully aware of the need to put in place a system of internal controls within the Group to safeguard shareholders' interests and the Group's assets and to manage risks. With the assistance of the AC, the Board reviews the risk management processes and framework, oversees the formulation, update and maintenance of an adequate and effective risk management and internal control systems annually. In view of the fact that the size of the current Board is relatively small and the current operations of the Group is not complex, the Board decided that AC will assist the Board to identify significant risks of the Group and a separate risk committee is not required.

The Board acknowledges that no system of internal controls can provide absolute assurance against the occurrence of human and system errors, poor judgment in decision-making, losses, fraud or other irregularities.

Based on the internal controls established by the Group, its assessment of work performed by the external auditor and internal auditor, as well as the Assurances (as defined herein) obtained, the Board, with the concurrence of the AC, is of the view that the Group's internal controls in addressing the financial, operational, compliance and information technology risks and the risk management systems were effective and adequate for FY2024.

The system provides reasonable assurance against material financial misstatements or loss and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practices and the identification and management of business risks.

The Board has received assurance from the Executive Director and the Chief Financial Officer that the financial records for FY2024 have been properly maintained and the financial statements for the financial year under review give a true and fair view of the Company's operations and finances and the Company's risk management and internal control systems were adequate and effective as at 31 December 2024. The Company has also received assurance from the internal auditor that the Company's risk management and internal control systems are effective (the "**Assurances**").

Principle 10: Audit Committee

The Board has an Audit Committee which discharges its duties objectively.

As at the date of this Annual Report, the AC comprises three (3) Directors, all of whom are independent, None of the AC members were previous partners or directors of the Company's external audit firm within the last two (2) years and none of the AC members hold any financial interest in the external audit firm.

Lawrence Chen Tse Chau	Chairman and Independent Director
Lo Kim Seng	Independent Director
Tan Yew Heng, Terrence	Independent Director

The role of the AC is to, *inter alia*, assist the Board in discharging its responsibilities to safeguard the Company's assets, maintain adequate accounting records, develop and maintain effective systems of internal controls. The Board is of the opinion that the members of the AC have sufficient accounting and financial management expertise and experience in discharging their duties and responsibilities. The Board considers Mr Chen, who have extensive and practical accounting and financial management knowledge and experience, is well qualified to chair the AC.

The Company confirms its compliance with the Catalist Rules 712 and 715.

The functions and responsibilities of the AC include the following:

(a) to review adequacy and effectiveness of the Company's material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews and evaluation carried out by the internal auditor and external auditor and the assistance given to them by the Company's Management at least annually;

(b) to review the financial statements of the Company and the quarterly, half-yearly and full year financial results (where applicable) and the respective results announcements before submission to the Board;

(c) to review significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

(d) to review the assurance from the Executive Director and the Chief Financial Officer on the financial records and financial statements;

(e) to review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on, including providing oversight and monitoring of whistleblowing. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.

(f) to review and approve interested person transactions;

(g) making recommendations to the Board on (1) proposals to shareholders on the appointment and removal of external auditor; and (2) the remuneration and terms of engagement of the external auditor as well as to review the adequacy, independence, effectiveness, scope of audit plan and results of the internal auditor and external auditor of the Company;

(h) to review the nature and extent of non-audit services provided by the external auditor; and

(i) to meet with the external auditor, other Board committees, and Management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC.

In discharging the above duties, the AC confirms that it has full access to and co-operation from Management and is given full discretion to invite any Director or Management and staff to attend its meetings. In addition, the AC has also been given reasonable resources to enable it to perform its functions properly.

During FY2024, the AC has met once with the external auditor and internal auditor, without the presence of Management.

The AC also reviews all non-audit services provided by the external auditor to ensure that the provision of these services does not affect the independence of the auditors. For FY2024, PKF-CAP LLP ("**PKF**") provided services relating to the Enterprise Risk Management (ERM) framework to the Company other than audit services. The amount of fees paid or payable to auditors, PKF, in respect of audit and non-audit services for the year under review are S$118,000 and S$16,880, respectively. The AC has reviewed the non-audit services provided by PKF and is satisfied that the nature and extent of such services would not prejudice the independence and objectivity of the external auditor and accordingly, has recommended the re-appointment of PKF as auditors of the Company at the forthcoming AGM.

The Company has put in place a whistle-blowing process and has implemented a whistle-blowing policy for the Group, where it will ensure that the identity of the whistle-blower is kept confidential. The Company is committed to ensure protection of the whistle-blower against detrimental or unfair treatment and the AC is responsible for oversight and monitoring of whistle-blowing. The whistle-blowing policy is endorsed by the AC, where employees and other stakeholders of the Company may, in confidence, raise concerns about possible corporate improprieties in matters of financial reporting or other matters. The whistle-blowing policy of the Company is made available to the employees of the Company, for their information. The AC, upon receipt of complaints or allegations from any employee or stakeholder, determines if an investigation is necessary. If an investigation should be carried out, it will direct an independent investigation to be conducted by an independent function on the complaint received. The AC will receive a report on that complaint and findings of investigation as well as a follow-up report on actions taken. Reporting can be done through the Company's email to the attention of the AC at whistleblower@sevensatelier.com.

The AC is kept abreast by the Management, Company Secretary and/or the external auditor of changes to accounting standards, the Catalist Rules and other regulations which could have an impact on the Group's business and financial statements.

The Company has not put in place a Risk Management Committee. However, the Management regularly reviews the Company's business and operational activities to identify areas of significant business risks as well as appropriate measure to control and mitigate these risks. Management reviews all significant control policies and procedures and highlights all significant matters to the Board and the AC.

In the review of the financial statements for FY2024, the AC has discussed with the Management on the significant accounting principles that were applied and their judgement of items that might affect the accuracy and completeness of the financial statements.

The AC has deliberated on the key audit matters identified by the external auditor, i.e. revenue recognition on construction and renovation contracts; impairment assessment of goodwill, intangible assets, property, plant and equipment and right-of-use assets; and Expected Credit Losses (ECL) on trade receivables and contract assets. Full details of the key audit matter for FY2024 are provided in the Independent Auditors' Report in the Annual Report.

The AC is responsible for the appointment and assessment of the performance of the independent internal auditor. The Company has engaged Baker Tilly Consultancy (Singapore) Pte. Ltd. ("**IA**" or "**Baker Tilly**") as its internal auditor in 2024, to assist the AC to independently evaluate and improve the effectiveness of the system of internal controls using a risk-based approach.

The role of the outsourced internal audit function is to provide independent and objective reports on the organisation's key internal controls to the AC. Baker Tilly adopts the International Standards for the Professional Practice of Internal Auditing (the IIA Standards) as laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors. The AC will review annually the adequacy and effectiveness of the internal audit function.

The number of staff deployed for the internal audit assessment ranges from 3 to 4 staff per visit, including the engagement partner, Mr Lim Wei Wei ("**Mr Lim**"). Mr Lim has more than 20 years of auditing and advisory experience including 4 years of professional experience with Big 4 public accounting firms. Prior to joining Baker Tilly, he set up and headed an internal audit department of a NYSE listed company in the Peoples' Republic of China. He is also experienced in Business Process Reviews, Enterprise Risk Management and Sarbanes Oxley Act Compliance Advisory. In 2010, he completed the Leadership Development Program conducted by The University of Chicago-Booth School of Business. He currently serves on the Board of Trustees of Conservation International Singapore, a non-profit organisation.

Mr Lim holds degrees of Master of Business Administration from National University of Singapore and Bachelor of Accountancy (Honors) from Nanyang Technological University. He is also a member of Chartered Accountant of Singapore (CA Singapore), Certified Internal Auditor (CIA), Certified Financial Services Auditor (CFSA) and has Certification in Risk Management Assurance (CRMA).

Internal audits include evaluation of controls relating to significant risks. Such audits also ensure that instituted controls are appropriate, effectively applied and achieve acceptable risk exposures consistent with the Company's risk management and internal control framework. The IA would advise Management on areas for improvement and would subsequently carry out follow-up review on the status to which its recommendations have been implemented. The internal audit reports which contained the relevant audit finding and recommendations are submitted to the AC for deliberation.

The IA's primary line of reporting is to the Chairman of the AC. On an annual basis, the IA prepares and executes a risk-based audit plan taking into consideration the risks identified as approved by the AC, so as to review the adequacy and effectiveness of the system of internal controls of the Group. Key audit findings are presented to the AC and the results of the findings are also shared with the external auditor. In addition, the AC meets with the internal auditor separately, at least once a year, without the presence of Management, to review the outsourced internal audit function and to assure itself on the soundness of internal control system.

During FY2024, the AC reviewed the reports submitted by the IA relating to the audits conducted to assess the adequacy and the effectiveness of the Group's risk management and the internal control systems put in place, including financial, operational, compliance and information technology controls. Any material non-compliance or lapses in internal controls together with recommendation for improvement are reported to the AC. A copy of the report dated 1 October 2024 is also issued to the relevant department for its follow-up action. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored by the AC.

The Board, with the concurrence of the AC, is of the opinion that the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective in FY2024.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company treats all Shareholders fairly and equitably in order to enable them to exercise Shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives its Shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company encourages shareholders' participation at the Company's annual general meetings. The general meeting is the principal forum for dialogue with shareholders.

The Board ensures that the shareholders are treated fairly and equitably. All material information which would likely affect the price or value of the Company's shares shall be disclosed adequately and in a timely manner.

Notices of general meetings are dispatched to shareholders, together with the annual report and/or circulars within the time notice period as prescribed by the relevant regulations. Where necessary, additional explanatory notes will be provided for relevant resolutions which are to be tabled at general meetings to enable shareholders to exercise their vote on an informed basis. The Company strives to hold general meetings at venues which are accessible to shareholders. At general meetings, shareholders will be given the opportunity to voice their views and direct their questions to the Board regarding the Company. At the forthcoming AGM, the shareholders will be able to attend the meeting in person. All shareholders have the opportunity to participate effectively in, speak and vote at general meetings.

An independent polling agent is appointed by the Company for general meetings who will explain the rules, including the voting procedures, that govern the general meetings of shareholders. The results of the poll will be scrutinised by the appointed scrutineer.

The Company's Constitution allows a shareholder to appoint up to two (2) proxies to attend and vote in the shareholder's place at the general meetings. Registered shareholders who are unable to attend the general meetings are entitled to appoint up to two (2) proxies, unless the shareholder is a relevant intermediary (as defined in Section 181 of the Companies Act). A relevant intermediary may appoint more than two (2) proxies to participate in shareholders' meetings, but each proxy must be appointed to exercise rights attached to a different share or shares held by such shareholder.

All resolutions proposed at general meetings shall be put to vote by way of a poll. The voting results of each of the resolutions tabled are announced on the same day after the meetings. The total numbers of votes cast for or against the resolutions are also announced after the meetings via SGXNet.

The Company ensures that sufficient explanations of all resolutions are included in the notice of the annual general meeting. Separate resolutions on each distinct issue are tabled at general meetings. "Bundling" of resolutions are kept to a minimum and executed only where the resolutions are interdependent as to form one significant proposal and only where there are reasons and material implications involved and explained to shareholders accordingly.

The Chairman of the meeting and Chairman of the Board Committees as well as the Company's external auditor, shall attend annual general meetings to address shareholders' queries and receive feedback from shareholders.

The external auditor, PKF, shall also be invited to attend general meetings and will assist in addressing queries from the shareholders relating to the conduct of the audit and the preparation and content of the independent auditor's report.

The Chairman of the meeting will facilitate constructive dialogue between shareholders and the Board, the Management, the external auditor and other relevant professionals.

The Company will publish the minutes of the forthcoming annual general meeting via SGXNet and corporate website of the Company within one (1) month from the date of meeting. The minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

The Board does not implement absentia-voting methods by mail, e-mail or fax, until issues on security and integrity are satisfactorily resolved.

The Company does not have a fixed dividend policy. Nonetheless, Management will review, *inter alia*, the Group's performance in the relevant financial period, projected capital needs and working capital requirements and make appropriate recommendations to the Board on dividend declaration.

Principle 12: Engagement with Shareholders

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company endeavours to communicate regularly, effectively and fairly with its shareholders. In line with the continuous disclosure obligations under the relevant rules, the Board ensures that shareholders are promptly informed of all major developments that may have a material impact on the Group in a timely manner. Information is released to shareholders and investors on a timely basis via SGXNet as well as the Company's corporate website (https://www.sevensatelier.com).

Apart from the SGXNet announcements and its annual report, the Company may release press releases or organise media/analyst briefings to keep shareholders informed of corporate developments.

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material Stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

The stakeholders have been identified as those who are impacted by the Group's business and operations and those who are similarly able to impact the Group's business and operations. The identified key stakeholders of the Group include suppliers, customers, employees, community, investors and regulators. The engagement with material stakeholder groups, including key areas of focus and engagement channels, are disclosed in the Sustainability Report.

The Company regularly engages its stakeholders through various channels to ensure that the business interests are aligned with its stakeholders. Stakeholders of the Company will be able to communicate with the Company through the contact information provided in its corporate website.

The Company currently does not have an investor relations policy but considers advice from its continuing sponsor, corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders. Notwithstanding that the Company does not have a dedicated investor relations team or investor relations policy, Mr Tang Yao Zhi, the Group Operation Director is responsible for the Company's communication with shareholders. Shareholders and investors who have questions may reach out to Mr Tang at enquiry@sevensatelier.com. The said email address is also available at the Company's corporate website. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arise.

RISK MANAGEMENT

The Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as take appropriate measures to control and mitigate these risks. All significant control policies and procedures are reviewed by Management and all significant matters are tabled to the AC and the Board for review and deliberation.

DEALINGS IN SECURITIES

The Company has set out guidelines to the Directors, officers and staff of the Group in relation to dealings in the Company's securities. These guidelines prohibit the Company, its Directors, its officers and staff from dealing in the listed securities of the Company while in possession of material or price sensitive information and during the period commencing two weeks before the announcement of the company financial statements for each of the first three quarters of its financial year and one month one month before the announcement of the Company's full-year financial statements and ending on the date of announcement of the relevant financial results. The Company, its Directors and officers are also advised not to deal in the Company's securities on short-term considerations.

The Company, Directors and officers of the Company are also advised to observe insider trading laws at all times even when dealing in the Company's securities within the permitted trading period.

All Directors are also provided with proper guidance on disclosure of interests in securities, restrictions on disclosure of price sensitive information and disclosure of interests relating to the Group's businesses.

INTERESTED PERSON TRANSACTIONS POLICY

The Company has adopted an internal policy in respect of any transactions with interested persons and has set out the procedures for review and approval. The procedures governing all interest person transactions are to ensure that they are properly documented and reported on a timely manner to the AC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

There was no interested person transaction that is S$100,000 and above carried out during FY2024.

The Company does not have an existing general mandate pursuant to Rule 920 of the Catalist Rules.

MATERIAL CONTRACTS

Save for the service agreement entered into between the Company and the Executive Director, there are no material contracts entered into by the Group involving the interest of any Director or controlling shareholder, which are either still subsisting at the end of FY2024 or if not then subsisting, entered into since the end of the previous financial year.

CATALIST SPONSOR

No non-sponsor fees were paid to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. during FY2024.

USE OF PROCEEDS

The Company had on 20 May 2024 issued 714,285 new ordinary shares in respect of the subscription of the Company's shares by an investor in accordance with the subscription agreement dated 30 April 2024 and a supplemental agreement signed on 9 May 2024. The Company has raised net proceeds of approximately S$0.09 million from the allotment and issuance of 714,285 shares.

As at the date of this Annual Report, the proceeds have been utilised as follows:

Intended use of Net Proceeds	Amount allocated (S$'000)	Amount utilised (S$'000)	Balance S$'000
Marketing expenses	75	14	61
Working capital*	15	15	–
Total	**90**	**29**	**61**

Note :

*The breakdown of the total funding for working capital is as follows :

	S$'000
Travelling and related expenses	12
Insurance expenses	3
	15

The proceeds were utilised in accordance with its intended use.

SUSTAINABILITY REPORTING

The Company has in place a process to identify its various stakeholders and understand their viewpoints as well as actively communicating with them to align the Company's expectation and goals. The Group engages with the key stakeholders through various platforms. Details of the stakeholders engaged by the Group, areas of focus, approaches to stakeholder, including frequency of engagement by type and by stakeholder group and key feedback or issues that have been raised though stakeholder engagement and can be found in the Company's Sustainability Report 2024 section.

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Sevens Atelier Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statement of changes in equity of the Company for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024.

OPINION OF THE DIRECTORS

In the opinion of the directors,

(i) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors of the Company in office at the date of this statement are:

Lawrence Chen Tse Chau
Lo Kim Seng
Lim Xiu Fang, Vanessa
Tan Yew Heng, Terrence

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the reporting year had no interest in shares or in debentures of the Company and its related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act").

The directors' interest as at 21 January 2025 were the same as those at the end of the reporting year.

SHARE OPTIONS

During the financial year, no option to take up unissued shares of the Company or other body corporate in the Group was granted.

During the financial year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the financial year, there were no unissued shares under option.

AUDIT COMMITTEE

The members of the Audit Committee ("AC") at the date of this statement are as follows:

Lawrence Chen Tse Chau	(Independent Director and Non-Executive Chairman, Chairman of Audit Committee)
Lo Kim Seng	(Independent director and Chairman of Nominating Committee)
Tan Yew Heng, Terrence	(Independent director and Chairman of Remuneration Committee)

The AC has performed its functions in accordance with Section 201B(5) of the Act, including the following:

- Reviewed with the independent external auditor their audit plan;

- Reviewed with the independent external auditor on their evaluation of the Company's system of internal accounting controls relevant to their statutory audit, and their report on the financial statements and the assistance given by management to them.

- Reviewed with the internal auditor on the scope and results of the internal audit procedures (Including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to the internal auditor.

- Reviewed the financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption.

- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the AC are described in the report on Corporate Governance included in the annual report of the Company. It also includes an explanation of how the independent auditor's objectivity and Independence is safeguarded where the independent auditor provides non-audit services.

The AC convened four meetings during the year. The AC has also met with the independent auditors, without the presence of the Company's management, at least once a year. The attendance of the meetings is disclosed in the Corporate Governance Report in the Company's Annual Report.

It is the opinion of the Board of Directors with the concurrence of the AC that the system of internal controls, which addresses the Group's financial, operational, compliance and information technology risks, maintained by the Group is in place and adequate throughout the financial year and up to the date of this report.

The Company confirms that Rules 712 and 715 of the SGX-ST's Listing Manual have been complied with.

Further details regarding the AC are disclosed in the Corporate Governance Report in the Company's Annual Report.

DIRECTORS' OPINION ON THE ADEQUACY OF THE INTERNAL CONTROLS

Based on the internal controls established and maintained by the Company, work performed by the internal auditor and independent external auditor, and reviews performed by management, other committees of the board and the board, the AC and the board are of the opinion that the Company's internal controls, addressing financial, operational and compliance risks, are adequate as at the end of the reporting year 31 December 2024.

SUBSEQUENT DEVELOPMENTS

There are no significant developments subsequent to the release of the Group's and the Company's preliminary financial statements, as announced on 25 February 2025, which would materially affect the Group's and the Company's operating and financial performance as of the date of this report.

AUDITOR

The auditor, PKF-CAP LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

Lawrence Chen Tse Chau Director	Lim Xiu Fang, Vanessa Director

Singapore

11 April 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Sevens Atelier Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sevens Atelier Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of changes of equity of the Company for the year then ended, and notes to the financial statements, including material accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and the statement of changes of equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the financial statements. The Group incurred net operating cash outflows of $1,091,000 for the financial year ended 31 December 2024 and as at that date, the Group's and the Company's net current liabilities are $2,761,000 and $1,359,000 respectively. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as going concerns. Our opinion is not modified in respect of this matter.

Emphasis of Matter

Assistance in investigating by the Commercial Affairs Department ("CAD") and the Money Authority of Singapore ("MAS")

We draw your attention to Note 33 to the financial statements which describes the Company providing assistance in investigation by the CAD and the MAS.

Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the 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 Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

<u>Accounting for construction and renovation contracts</u>

Refer to Note 3(c) for the relevant accounting policy, Note 4(c) on significant accounting judgements and estimates and Note 5 on revenue.

For the financial year ended 31 December 2024, construction and renovation contracts recognised on a percentage of completion ("POC") method amounted to $9,099,000 as disclosed in Note 5 to the financial statements and represented 100% of the Group's total revenue.

Report on the Audit of the Financial Statements (Continued)

Key audit matters (Continued)

Accounting for construction and renovation contracts (Continued)

Construction and renovation contracts are recognised over time by reference to the Group's progress towards completing the contracts. The measurement of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs for the contracts.

Significant management's judgement is required to determine the estimated costs to completion for the construction and renovation contracts, based on their industry knowledge, past experiences on similar projects and current knowledge on the contracts. The determination of the estimated costs of completion is important as it in turn affects the POC computed for each contract, as well as the revenue and gross profit margin recognised for each contract.

Accordingly, we have assessed the accounting for construction and renovation contracts as a key audit matter.

We have performed the following audit procedures on a sample of significant projects to address the key audit matter:

In relation to total contract revenue for each project, our audit procedures include the following:

a) We verified total contract sums to contracts and variation orders entered into by the Group and its customers;

b) We recomputed the measure of progress of the construction contracts which is determined based on the proportion of contract costs incurred to date to the estimated total contract costs;

c) We assessed the reasonableness of the revenue recognised through discussions with the project teams and obtaining corroborating evidence such as relevant correspondences with the Group's customers;

d) We assessed the reasonableness of the provision for onerous contracts by independently recalculating the provision using management's underlying data and assumptions by verifying key inputs such as unavoidable costs, contractual obligations, and expected economic benefits against executed contracts, approved budgets, and historical trends; and

e) We recomputed the cumulative contract revenue and the contract revenue for the current reporting year for these projects, which were agreed to the accounting records.

In relation to contract costs for each project, our audit procedures include the following:

a) We reviewed the actual costs incurred by verifying to supplier invoices or sub-contractors progress billings; and

b) We reviewed management's estimates of total construction costs and costs to complete the projects by substantiating estimates to contracts entered with sub-contractors for subcontracting costs and reviewing the estimation of materials, labour and other construction costs with reference to the progress of the project.

Assessment of impairment of trade receivables and contract assets

Refer to Note 3(l) for the relevant accounting policy, Note 4(d) on significant accounting judgements and estimates and Note 19 on trade and other receivables and Note 18 on contract assets.

As at 31 December 2024, the Group had trade receivables of $1,189,000 and contract assets of $574,000 as disclosed in Note 19 and Note 18 to the financial statements respectively, which accounted for approximately 14% of the total assets of the Group. Approximately 96% of the trade receivables were due from five customers. Management has performed an impairment review based on the expected credit loss ("ECL") model.

The estimated credit loss allowance is based on the historical and forward-looking trends of the receivables from these customers, which includes an analysis of the age of these receivables, credit worthiness of the customers and future contestability.

Report on the Audit of the Financial Statements (Continued)

Key audit matters (Continued)

Assessment of impairment of trade receivables and contract assets (Continued)

We identified this as a key audit matter as the assessment of the determination of ECL requires management to exercise significant judgement and estimation. In determining the credit quality and whether any significant increase in credit risk occurs, both forward-looking and historical information need to be considered.

We have performed the following audit procedures to address the key audit matter:

a) We obtained an understanding of the Group's policies and procedures in assessing impairment of trade receivables and contract assets:

b) We evaluated the impairment assessment performed by management through the following:

    i. We discussed with management on the basis adopted by management in assessing the recoverability of the outstanding trade receivables for the Group's major customers, including enquiring of management the respective customers' financial standing. We also obtained confirmations from the major customers for the outstanding trade receivable balances at the end of the reporting year;

    ii. We assessed the credit risks of the customers by analysing the payment history and receipts subsequent to reporting year end of selected customers and considered events or indicators which resulted in increase in credit risk of those customers; and

    iii. We evaluated the adequacy of disclosures in the financial statements.

Assessment of impairment of goodwill

Refer to Note 3(k) for the relevant accounting policy, Note 4(b) on critical judgements, assumptions and estimation uncertainties and Note 14 on goodwill.

As at the year ended 31 December 2024, the carrying amount of goodwill was S$9,193,000, which represents approximately 73% of the Group's total assets. We considered this a key audit matter due to the materiality of the balance, and the significant judgements and estimates involved in management's assessment of the recoverable amount, including the estimation of future cash flows and the application of an appropriate discount rate.

Goodwill is assessed annually for impairment. Management used the value-in-use method to determine the recoverable amount of goodwill. The value-in-use calculation requires management of the Group to estimate the future cash flows expected to arise from the cash-generating unit ("CGU") as well as suitable discount rate in order to calculate present value. In estimating the future cash flows of the cash-generating unit, management forecasted the revenue, growth rates, margins based on presently available information.

We have performed the following audit procedures to address the key audit matter:

a. We engaged our internal valuation specialists to review and assess the methodology and assumptions applied by management in their value-in-use calculations;

b. We discussed with management the basis for key assumptions used in the forecasted cash flows;

c. We challenged management's estimates used in the discounted future cash flows through our knowledge of the CGU's operations and its past performance and performed sensitivity analysis on the outcome of the value-in-use of the CGU;

d. We assessed and tested key assumptions which the outcome of the impairment assessment is most sensitive to; and

e. We assessed the adequacy of the disclosures made in the financial statements.

Report on the Audit of the Financial Statements (Continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report 2024 but does not include the financial statements and our auditor's report thereon.

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 management.

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of management's 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Titus Kuan Tjian.

PKF-CAP LLP
Public Accountants and
Chartered Accountants

Singapore

11 April 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Financial Year Ended 31 December 2024

	Note	Group 2024 $'000	Group 2023 $'000
Revenue	5	9,099	14,330
Cost of sales		(7,313)	(12,122)
Gross profit		1,786	2,208
Other income and gains	6A	767	89
Marketing and distribution costs		(121)	(178)
Administrative expenses	7	(2,109)	(4,134)
Finance costs	9	(28)	(38)
Other losses	6B	–	(2,186)
Profit/ (Loss) before tax		295	(4,239)
Income tax credit	10A	16	186
Profit/ (Loss) for the year, representing total comprehensive income/ (loss) for the year attributable to equity holders of the Company		311	(4,053)
Earnings/ (Loss) per share		Cents	Cents
Basic and diluted	11	0.14	(1.89)

The accompanying notes form an integral part of these financial statements

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

	Note	Group		Company	
		2024	2023	2024	2023
		$'000	$'000	$'000	$'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	651	716	1	2
Right-of-use assets	13	300	515	–	–
Goodwill	14	9,193	9,193	–	–
Intangible assets	15	–	–	–	–
Investments in subsidiaries	16	–	–	10,905	10,905
		10,144	10,424	10,906	10,907
Current assets					
Other assets	17	65	74	1	–
Contract assets	18	574	163	–	–
Trade and other receivables	19	1,473	1,336	–	472
Cash and cash equivalents	20	380	1,692	72	27
		2,492	3,265	73	499
Total assets		12,636	13,689	10,979	11,406
LIABILITIES					
Non-current liabilities					
Deferred tax liabilities	10B	–	16	–	–
Other financial liabilities	23	9	61	–	–
Lease liabilities	24	201	320	–	–
		210	397	–	–
Current liabilities					
Provisions	22	108	148	–	–
Other financial liabilities	23	52	51	–	–
Contract liabilities	18	655	3,521	–	–
Lease liabilities	24	126	131	–	–
Trade and other payables	25	4,312	2,669	1,432	1,417
		5,253	6,520	1,432	1,417
Net current liabilities		(2,761)	(3,255)	(1,359)	(918)
Total liabilities		5,463	6,917	1,432	1,417
EQUITY					
Equity attributable to owners of the company					
Share capital	21	15,390	15,300	15,390	15,300
Accumulated losses		(8,217)	(8,528)	(5,843)	(5,311)
		7,173	6,772	9,547	9,989
Total equity and liabilities		12,636	13,689	10,979	11,406

The accompanying notes form an integral part of these financial statements

STATEMENTS OF CHANGES IN EQUITY

For The Financial Year Ended 31 December 2024

Group	**Share capital $'000**	**Accumulated losses $'000**	**Total equity $'000**
2024			
Balance at 1 January 2024	15,300	(8,528)	6,772
Issuance of ordinary shares (Note 21)	90	–	90
Total comprehensive income for the year	–	311	311
Balance at 31 December 2024	15,390	(8,217)	7,173
2023			
Balance at 1 January 2023	15,300	(4,475)	10,825
Total comprehensive loss for the year	–	(4,053)	(4,053)
Balance at 31 December 2023	15,300	(8,528)	6,772

Company	**Share capital** $'000	**Accumulated losses** $'000	**Total equity** $'000
2024			
Balance at 1 January 2024	15,300	(5,311)	9,989
Issuance of ordinary shares (Note 21)	90	–	90
Total comprehensive loss for the year	–	(532)	(532)
Balance at 31 December 2024	15,390	(5,843)	9,547
2023			
Balance at 1 January 2023	15,300	(3,727)	11,573
Total comprehensive loss for the year	–	(1,584)	(1,584)
Balance at 31 December 2023	15,300	(5,311)	9,989

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Financial Year Ended 31 December 2024

	Note	Group 2024 $'000	Group 2023 $'000
Cash Flows from Operating Activities:			
Profit/ (Loss) before tax		295	(4,239)
Adjustments for:			
Impairment loss on goodwill	6B	–	1,790
Amortisation of intangible assets	7	–	910
Depreciation of property, plant and equipment	7	169	194
Depreciation of right-of-use assets	7	225	367
Reversal of provision for onerous contracts	6A	(46)	–
Reversal of impairment loss of trade receivables	6A	(150)	–
Allowance for impairment on other receivables	6B	–	51
Allowance for impairment on trade receivables	6B	–	165
Interest expense	9	28	38
Loss on disposal of property, plant and equipment	6B	–	118
Operating cash flows before working capital changes		521	(606)
Changes in working capital:			
Trade and other receivables		13	203
Contract assets		(411)	77
Contract liabilities		(2,866)	105
Other assets		9	79
Provisions		–	51
Inventories		–	10
Trade and other payables		1,643	(116)
Net cash flows used in operating activities		(1,091)	(197)
Cash Flows from Investing Activities			
Proceeds from disposal of property, plant and equipment		–	118
Purchase of property, plant and equipment	12	(104)	(355)
Net cash flows used in investing activities		(104)	(237)
Cash Flows from Financing Activities			
Interest paid		–	(3)
Repayment of lease liabilities	20	(154)	(215)
Repayment of bank loan	20A	(53)	(58)
Proceeds from issuances of shares	21	90	–
Net cash flows used in financing activities		(117)	(276)
Net decrease in cash and cash equivalents		(1,312)	(710)
Cash and cash equivalents at beginning of the year		1,692	2,402
Cash and cash equivalents at end of the year	20	380	1,692

The accompanying notes form an integral part of these financial statements

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Sevens Atelier Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore.

The Company's principal activities are those of an investment holding company and provision of management services to its subsidiaries.

The Company is listed on Catalist which is a shares market on the Singapore Exchange Securities Trading Limited.

The principal activities of the subsidiaries are described in Note 16 below.

The registered office is 31 Joo Chiat Place Singapore 427755.

2. Material uncertainty related to going concern

The Group incurred net operating cash outflows of $1,091,000 for the financial year ended 31 December 2024 and as at that date, the Group's and the Company's net current liabilities are $2,761,000 and $1,359,000 respectively. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as going concerns.

The Board and the Management are of the opinion that the use of going concern in the preparation of these financial statements is appropriate, taking into account the following:

- The Group expects contracts secured to-date and potential new contracts to be secured will generate sufficient cashflows to support its operating expenses in the next 12 months from the date of approval of these financial statements, taking into account the improvement of the construction industry in Singapore.

- The Group is in the process of preparing and studying potential fundraising initiatives through corporate exercises. This may involve equity financing options such as private placements, rights issues, or other capital-raising mechanisms. The management is assessing market conditions, regulatory requirements, and investor appetite to determine the most suitable approach to strengthening the Group's financial position.

- The Group is actively exploring and evaluating various options for securing debt financing from financial institutions. This includes engaging with potential lenders, assessing the terms and feasibility of available credit facilities, and preparing the necessary financial documentation to support loan applications.

- The cash flow forecasts of the Group for the next 12 months and concluded that there will be sufficient cash flows and resources to allow the Group to continue its operations and meet its obligations for the foreseeable future. The Board has assessed the ability of the Group to meet its short-term obligations as and when it falls due and is also of the opinion that the Group will be able to raise the necessary funds for its working capital purposes when required.

If the Group and Company are unable to continue in operational existence for the foreseeable future, the Group or the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are now recorded in the statements of financial position. In addition, the reporting entities may have to provide for further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. No such adjustments have been made to these financial statements.

3. Material accounting policies

(a) Basis of Preparation

The financial statements have been drawn up in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars ($), which is the Company’s functional currency. All financial Information have been rounded to the nearest thousand ($’000), except when otherwise indicated.

The financial statements of the Company have been prepared on the basis that it will continue to operate as a going concern.

Application of new and revised SFRS(I)s and SFRS(I) INTs

On 1 January 2024, the Group and the Company adopted all the new or amended SFRS(I) and SFRS(I) Interpretations (“SFRS(I) INTs”) that are mandatory for application for the financial year. Changes to the Group’s and Company’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INTs. The adoption of these new or amended SFRS(I) and SFRS(I) INTs did not result in substantial changes to the Group’s and Company’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

SFRS(I)s and SFRS(I) INTs issued but not yet effective

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group’s accounting periods beginning after 1 January 2024 and which the Group has not early adopted:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-21: The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 Jan 2025
Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 Jan 2026
Annual Improvements to SFRS(I)s - Volume 11	1 Jan 2026
SFRS(I) 18: Presentation and Disclosure in Financial Statements	1 Jan 2027
SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures	1 Jan 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

3. Material accounting policies (Continued)

(b) Group Accounting

<u>Subsidiaries</u>

(i) Consolidation

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

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

3. Material accounting policies (Continued)

(b) Group Accounting (Continued)

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

(c) Revenue Recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is amount allocated to the satisfied performance obligation.

Construction and renovation contracts

For construction and renovation contracts and projects for constructing, manufacturing or developing an asset the customer value is created overtime during the contract period and it is accounted for as a single performance obligation that is satisfied over time. This is because the customer simultaneously receives and consumes the benefits of the entity's performance in processing each transaction as and when each transaction is processed; the performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or the performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. The revenue is recognised over time by using the input method. For the input method the revenue is recognised based on the efforts or inputs to the satisfaction of a performance obligation such as costs incurred relative to the total expected inputs to the satisfaction of that performance obligation.

The customer is invoiced on a milestone payment schedule. If the value of the construction contract services transferred by the Group exceed the payments, a contract asset is recognised. If the payments exceed the value of the construction contract services transferred, a contract liability is recognised.

(d) Employee benefits

(i) Defined contribution plans

The Group makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(e) Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

3. Material accounting policies (Continued)

(f) Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits similar to accounting for other tax credits where a deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

Goods and Services Tax (“GST”)

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

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST 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 GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3. Material accounting policies (Continued)

(g) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses, if any. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the matter intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation Is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Construction in process	- Not depreciated until the asset is ready for intended use
Leasehold land and properties	- Over the terms of lease that are approximately 2%
Office equipment	- 10% to 33.33%
Renovation	- 16.67%

Assets under construction included in property, plant and equipment are not depreciated as these are not yet available for use.

The residual value, useful lives and depreciation method are reviewed at least at the end of each financial period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

(h) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

3. Material accounting policies (Continued)

(h) Leases (Continued)

i. As lessee (Continued)

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. 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, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery (i.e. those 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 lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(ii) As lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Group's investment properties is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(i) Goodwill

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of joint ventures and associates represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associates and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, joint ventures and associates include the carrying amount of goodwill relating to the entity sold.

3. Material accounting policies (Continued)

(j) Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use. The useful lives are as follows:

Order backlog – 2 years

Identifiable intangible assets acquired as part of a business combination are initially recognised separately from goodwill if the asset's fair value can be measured reliably, irrespective of whether the asset had been recognised by the acquiree before the business combination. An intangible asset is considered identifiable only if it is separable or if it arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

(k) Impairment of non-financial assets

(i) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(ii) Intangible assets, property, plant and equipment, right-of-use assets, investments in subsidiaries

Intangible assets, property, plant and equipment, right-of-use assets and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

3. Material accounting policies (Continued)

(k) Impairment of non-financial assets (Continued)

(ii) Intangible assets, property, plant and equipment, right-of-use assets, investments in subsidiaries (continued)

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. Please refer to the paragraph "Property, plant and equipment" for the treatment of a revaluation decrease.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

(l) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

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

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

3. Material accounting policies (Continued)

(l) Financial assets (Continued)

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Group considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(m) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

3. Material accounting policies (Continued)

(n) 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 an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

<u>Onerous contracts</u>

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

<u>Dismantlement, removal or restoration of property, plant and equipment</u>

Provisions for asset dismantlement, removal or restoration are 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 amounts have been reliably estimated.

The Group recognises the estimated costs of dismantlement, removal or restoration of items of property, plant and equipment arising from the acquisition or use of assets. This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value of money.

Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs are adjusted against the cost of the related property, plant and equipment, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

(o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks which are subject to an insignificant risk of changes in value.

(q) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against the share capital.

3. Material accounting policies (Continued)

(r) Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by the governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regards as additional government grant.

(s) Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Group and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(t) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

4. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of investments in subsidiaries

Where an investee is in net equity deficit and/or has suffered losses, a test is made whether the Investment in the investee has suffered any impairment loss. This measurement requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as Industry and sector performance, and operational and financing cash flow. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the asset or liability affected. The carrying amount of the specific asset or liability (or class of assets or liabilities) at the end of the reporting year affected by the assumption is disclosed in Note 16.

4. Significant accounting judgements and estimates (Continued)

Key sources of estimation uncertainty (Continued)

(b) Impairment of goodwill

The carrying amount of goodwill as at 31 December 2024 amounted to $9,193,000, as disclosed in Note 14. In performing the impairment assessment of the carrying amount of goodwill, the recoverable amount of the cash generating unit ("CGUs") in which goodwill is attributable to, is determined using value-in-use ("VIU") calculation. Significant judgements are used to estimate the gross margin, average growth rates and discount rates applied in computing the recoverable amount of the CGU. In making these estimates, management has relied on past performance and the industry trends. Specific estimates are disclosed in Note 14.

(c) Accounting for construction and renovation contracts

The Group has revenue where the performance obligation is satisfied over time. Revenue is recognised over time by measuring the progress toward complete satisfaction of that performance obligation. A single method is applied consistently for measuring progress for each performance obligation satisfied over time. Judgment is required when measuring progress toward complete satisfaction of a performance obligation. Assessing the satisfaction of performance obligations over time requires judgment and the consideration of a few criteria that should be met to qualify such as whether the customer presently is obligated to pay for an asset, whether the customer has legal title, whether the entity has transferred physical possession of the asset, whether the customer has assumed the significant risks and rewards of ownership of the asset, and whether the customer has accepted the asset. Events and circumstances frequently do not occur as expected.

Even if the events anticipated under the assumptions occur, actual results are still likely to be different from the estimates since other anticipated events frequently do not occur as expected and the variation may be material. The related account balances at the end of the reporting year are disclosed in Notes 5 and 18 on revenue and contract assets and contract liabilities.

(d) Impairment of trade receivables and contract assets

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit losses. Trade receivables and contract assets that are assessed not to be impaired individually are also assessed for impairment on a collective basis. In measuring the expected credit losses, the management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward-looking information such as forecasts of future economic decisions.

The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amounts of trade receivables and contract assets at the end of the reporting year affected by the assumption are disclosed in Note 19 and Note 18 respectively.

5. Revenue

a) Revenue from contracts with customers:

	Group	
	2024	2023
	$'000	$'000
Recognised over time		
Revenue from construction contracts	7,717	10,605
Revenue from renovation contracts	1,382	3,725
	9,099	14,330

The long-term contracts vary between 1 to 3 years and are recognised over time by using the input method.

b) Revenue classified by duration of contracts:

	Group	
	2024	2023
	$'000	$'000
Long-term contracts - over 12 months	7,717	10,605
Short-term contracts - less than 12 months	1,382	3,725
	9,099	14,330

6A. Other income and gains

	Group	
	2024	2023
	$'000	$'000
Rental income	6	75
Consultancy fees [(a)]	240	–
Reimbursement from a sub-contractor [(b)]	188	–
Reversal of impairment loss of trade receivables (Note 19)	150	–
Reversal of provision for onerous contracts (Note 22)	46	–
Reversal of over accruals in prior year	90	–
Government grants	10	5
Others	37	9
	767	89

(a) Consultancy fees received with an ex-shareholder for professional services provide in project management and preliminary work related arrangements.

(b) Reimbursement from sub-contractors related to recovery of final claim on project fee settlement.

6B. Other losses

	Group	
	2024	2023
	$'000	$'000
Impairment of goodwill (Note 14)	–	(1,790)
Other losses	–	(62)
Allowance for impairment on other receivables (Note 19)	–	(51)
Allowance for impairment on trade receivables (Note 19)	–	(165)
Loss on disposal of property, plant and equipment	–	(118)
	–	(2,186)

7. Administrative expenses

The major components include the following:	Group	
	2024	2023
	$'000	$'000
Employee benefits expenses (Note 8)	938	1,591
Amortisation of intangible assets (Note 15)	–	910
Depreciation of property, plant and equipment (Note 12)	169	194
Depreciation of right-of-use assets (Note 13)	225	367
Audit fees paid/ payable to auditor of the Company	118	108
Other fees paid/ payable to auditor of the Company	8	16
Support service expenses [a]	–	390
Referral fees expenses	23	6
SGX fees expenses	20	21
AGM expenses	27	26
Tax Agent fees	27	8
Corporate secretarial fees	34	51
Professional fees for corporate exercise	60	
Sponsor expenses	60	77
Independent directors' fees	118	120

(a) Transaction with entities that are controlled by ex-shareholder of acquired subsidiaries.

8. Employee benefits expense

	Group	
	2024	2023
	$'000	$'000
Employee benefits expense	839	1,376
Contributions to defined contribution plan	99	212
Other benefits	–	3
	938	1,591

The employee benefits expense is charged under administrative expenses.

9. Finance costs

	Group	
	2024	2023
	$'000	$'000
Interest expense on bank loan	2	3
Interest on lease liabilities (Note 24)	20	30
Unwinding of discount on provision (Note 22(ii))	6	5
	28	38

10. Income tax credit

10A. Components of income tax credit recognised in profit or loss include:

	Group	
	2024	2023
	$'000	$'000
Current income tax	–	–
Deferred tax credit	(16)	(186)
	(16)	(186)

The reconciliation of the income tax credit and the product of accounting profit/ (loss) multiplied by the Singapore statutory income tax rate is as follows:

	Group	
	2024	2023
	$'000	$'000
Profit/ (loss) before tax	295	(4,239)
Tax at the statutory tax rate of 17% (2023: 17%)	50	(721)
Expenses not deductible for tax purpose	40	658
Income not subject to tax	(51)	(223)
Deferred tax assets not recognised	–	92
Utilisation of previously unrecognised tax losses	(51)	–
Others	(4)	8
	(16)	(186)

10. Income tax credit (Continued)

10B. Deferred tax balance in the statement of financial position:

Deferred income tax liabilities

	Accelerated tax depreciation $'000	Intangible assets $'000	Total $'000
At 1 January 2023	(113)	(202)	(315)
Credited/ (charged) to			
- profit or loss	(6)	202	196
At 31 December 2023	(119)	–	(119)
Credited/ (charged) to			
- profit or loss	119	–	119
At 31 December 2024	–	–	–

Deferred income tax assets

	Provisions $'000	Others $'000	Total $'000
At 1 January 2023	17	–	17
Credited/(charged) to profit or loss	11	75	86
At 31 December 2023	28	75	103
Credited/(charged) to profit or loss	(28)	(75)	(103)
At 31 December 2024	–	–	–

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of $1,712,000 (2023: $1,995,000) and capital allowances of $390,000 (2023: $390,000) at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements. The tax losses and capital allowances have no expiry date.

11. Earnings/ (loss) per share

Basic earnings/ (loss) per share

Basic earnings/ (loss) per share is calculated by dividing the net profit/ (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2024	2023
Net profit/ (loss) attributable to equity holders of the Company ($'000)	311	(4,053)
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	214,636	214,202
Basic earnings/ (loss) per share (cents per share)	0.14	(1.89)

There is no difference between the basic and diluted earnings/ (loss) per share.

12. Property, plant and equipment

Group	**Construction in-progress $'000**	**Office equipment $'000**	**Renovation $'000**	**Total $'000**
Cost				
At 1 January 2023	–	269	813	1,082
Additions	351	4	–	355
Disposals	–	(1)	(360)	(361)
At 31 December 2023	351	272	453	1,076
Additions	104	–	–	104
Transfer	(455)	–	455	–
At 31 December 2024	–	272	908	1,180
Accumulated depreciation				
At 1 January 2023	–	110	181	291
Depreciation for the year	–	74	120	194
Disposals	–	–	(125)	(125)
At 31 December 2023	–	184	176	360
Depreciation for the year	–	43	126	169
At 31 December 2024	–	227	302	529
Net carrying amount				
At 31 December 2023	351	88	277	716
At 31 December 2024	–	45	606	651

Company	**Office equipment $'000**	**Total $'000**
Cost		
At 1 January 2023	–	–
Additions	3	3
At 31 December 2023 and At 31 December 2024	3	3
Accumulated depreciation		
At 1 January 2023	–	–
Depreciation for the year	1	1
At 31 December 2023	1	1
Depreciation for the year	1	1
At 31 December 2024	2	2
Net carrying amount		
At 31 December 2023	2	2
At 31 December 2024	1	1

13. Right-of-use assets

The Group has lease contracts for office space and office equipment. These leases are for the purpose of back-end operation of the Group. The Group's obligations under these leases are secured by the lessor's title to the leased assets.

Group	Office space $'000	Office equipment $'000	Total $'000
Cost			
At 1 January 2023	1,245	11	1,256
Write-off	(42)	–	(42)
At 31 December 2023	1,203	11	1,214
Additions	–	10	10
Write-off	(133)	–	(133)
At 31 December 2024	1,070	21	1,091
Accumulated depreciation			
At 1 January 2023	369	5	374
Depreciation for the year	364	3	367
Write-off	(42)	–	(42)
At 31 December 2023	691	8	699
Depreciation for the year	220	5	225
Write-off	(133)	–	(133)
At 31 December 2024	778	13	791
Net carrying amount			
At 31 December 2023	512	3	515
At 31 December 2024	292	8	300

14. Goodwill

	Group 2024 $'000	Group 2023 $'000
Cost		
At beginning and end of the year	10,983	10,983
Accumulated impairment		
At the beginning of the year	1,790	–
Impairment charge (Note 6B)	–	1,790
At end of the year	1,790	1,790
At end of the year	9,193	9,193

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating unit ("CGU") identified according to business segments.

14. Goodwill (Continued)

Impairment tests for goodwill (Continued)

A segment-level summary of the goodwill allocation is as follows:

	2024 $'000	2023 $'000
Building construction and design	9,193	9,193

For the financial year ended 31 December 2024, The recoverable amount of a CGU was determined based on value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rate stated below.

Key assumptions used for value-in-use calculations:	**Group** **2024**
Gross profit margin	17.5% - 18.0%
Long-term growth rate	3%
Discount rate	8.25%

Management determined budgeted gross margin based on past performance and its expectations of market developments. The weighted average growth rates used were consistent with forecasts included in industry reports. The discount rates used were pre-tax and reflected specific risks relating to the relevant segments. Based on the key assumptions, no impairment is recognised during the financial year.

Management believes that any reasonably possible change in the key assumptions on which this segment's recoverable amount is based would not cause the carrying amount to exceed its recoverable amount. The value-in-use is a recurring fair value measurement (Level 3). The quantitative information about the value-in-use measurement using significant unobservable inputs for the CGU are consistent with those used for the measurement last performed.

The impairment test carried out as at 31 December 2024 revealed that the recoverable amount of the CGU is higher than its carrying amount. A further decrease in the gross profit margin by approximate of 1%, a decrease in the growth rate by approximate of 3% or an increase in the discount rate by approximate of 1.4 % would result in the recoverable amount of the CGU being equal to its carrying amount.

For the financial year ended 31 December 2023, the recoverable amount of the CGUs was based on fair value less costs of disposal ("FVLCD"), which was higher than the value-in-use ("VIU"), estimated using revenue multiple comparable method. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used.

The key assumptions used in the estimation of the recoverable amount are set out below.

	Group **2023**
Valuation technique and unobservable inputs	
Revenue multiple comparable method:	
Average of 3 years growth rates for maintainable revenue based on current industry trends	24%
EV/ Revenue multiple*	0.78x
Cost of disposal based on industry benchmarks	3%

* Net enterprise value ("EV") divided by revenue (median) of publicly-traded comparable companies

An impairment charge of $1,790,000 is included within "Other losses" (Note 6B) in 2023.

15. Intangible assets

Group	Order backlog $'000
Cost	
At 1 January 2023, 31 December 2023 and at 31 December 2024	1,365
Accumulated amortisation	
At 1 January 2023	455
Amortisation for the year	910
At 31 December 2023 and at 31 December 2024	1,365
Net carrying amount	
At 31 December 2023	–
At 31 December 2024	–

The amortisation is included in administrative expenses.

16. Investments in subsidiaries

	Company	
	2024 $'000	2023 $'000
Cost	12,000	12,000
Allowance for impairment	(1,095)	(1,095)
Carrying amount	10,905	10,905
Movement in allowance for impairment:		
At beginning of the year	1,095	–
Allowance for impairment	–	1,095
At end of the year	1,095	1,095

The subsidiaries are wholly owned by the Group.

The information on the subsidiaries are given below:

Name of subsidiaries	Country of business/ incorporation	Principal activities	Proportion (%) of ownership interest 2024 $'000	2023 $'000
Sevens Creation Pte. Ltd. [1]	Singapore	Management service	100	100
Held by Sevens Creation Pte Ltd				
Seven Build Pte. Ltd. [1]	Singapore	Building construction and interior design service	100	100
Seven Design Pte. Ltd. [1]	Singapore	Renovation and interior design service	100	100
Seven Meta Pte. Ltd. [2]	Singapore	Interior design service and development of software and application	100	100

(1) Audited by PKF-CAP LLP for FY2023 and for FY2024.

(2) Not audited, as it is dormant. The unaudited management financial statements as at 31 December 2024 have been used for consolidation purposes.

17. Other assets

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Current:				
Prepayments	28	20	1	–
Deposits to secure services	37	54	–	–
	65	74	1	–

18. Contract assets and contract liabilities

	Group	
	2024	**2023**
	$'000	**$'000**
Contract assets	574	163
Contract liabilities	(655)	(3,521)
	(81)	(3,358)

The contract assets are for the entity's rights to consideration for work completed but not billed at the reporting date on the contracts. The contract assets are transferred to the receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customers. The entity recognises revenue for each respective performance obligation when control of the product or service transfers to the customer.

The movement in contract assets (liabilities) are as follows:

	Group	
	2024	**2023**
	$'000	**$'000**
At beginning of the year	(3,358)	(3,176)
Consideration received or receivable	(5,660)	(14,482)
Performance obligation satisfied - revenue recognised	9,099	14,330
Amortisation of fair value adjustment	–	(30)
At the end of the year	(81)	(3,358)

Contract assets shown above are subject to the expected credit loss model under the financial reporting standard on financial Instruments. No loss allowance is necessary.

Set out below is the amount of revenue recognised from:

	Group	
	2024	**2023**
	$'000	**$'000**
Amounts included in contract liabilities at the beginning of the year	3,521	3,416

18. Contract assets and contract liabilities (Continued)

Unsatisfied Performance Obligation

Management expects that the transaction price allocated to remaining unsatisfied performance obligation as at 31 December 2024 and 2023 may be recognised as revenue in the next reporting periods as follows:

	2024	2025	2026	2027	Total
	$'000	$'000	$'000	$'000	$'000
Unsatisfied and partially unsatisfied performance obligations as at:					
31 December 2023	8,674	3,085	1,286	–	13,045
31 December 2024	–	8,076	3,873	199	12,148

19. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Trade receivables:				
Outside parties	1,204	1,497	–	–
Less allowance for impairment	(15)	(165)	–	–
	1,189	1,332	–	–
Other receivables:				
Subsidiaries	–	–	–	472
Outside parties [(a)]	284	322	–	–
Less allowance for impairment	–	(318)	–	–
	284	4	–	472
Total trade and other receivables	1,473	1,336	–	472

(a) Included in the above are other receivable of $Nil (2023: $200,000) due from an entity that is controlled by an ex-shareholder of the acquired subsidiaries. As at end of the financial year, allowance for impairment loss of the other receivable amounted to $Nil (2023: $200,000).

The non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Movements in trade receivables allowance:				
At beginning of year	165	–	–	–
Provision for expected credit loss (Note 6B)	–	165	–	–
Reversal (Note 6A)	(150)	–	–	–
At the end of year	15	165	–	–

19. Trade and other receivables (Continued)

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Movements in other receivables allowance:				
At beginning of year	318	330	–	30
Provision for expected credit loss (Note 6B)	–	51	–	–
Utilisation	(318)	(63)	–	(30)
At end of the year	–	318	–	–

(a) Ageing analysis of all trade receivables balances as at the end of reporting year:

31 December 2024	Current	1 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	Over 120 days	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Gross carrying amount - Trade receivables	412	347	279	–	–	166	1,204
Gross carrying amount - Other receivables	284	–	–	–	–	–	284
Loss allowance	–	–	–	–	–	(15)	(15)
31 December 2023							
Gross carrying amount - Trade receivables	648	484	67	6	–	292	1,497
Gross carrying amount - Other receivables	–	–	–	–	–	322	322
Loss allowance	–	–	–	–	–	(483)	(483)

20. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Cash at banks	380	1,692	72	27

The interest earning balances are not significant.

20A. Reconciliation of liabilities arising from financing activities:

			Non-cash changes		
	1 Jan 2024	Principal and interest payments	Addition	Interest expense (Note 9)	31 Dec 2024
	$'000	$'000		$'000	$'000
Bank loan	112	(53)	–	2	61
Leases liabilities	451	(154)	10	20	327

20A. Reconciliation of liabilities arising from financing activities: (Continued)

	1 Jan 2023	Principal and interest payments	Non-cash changes Interest expense (Note 9)	31 Dec 2023
	$'000	$'000	$'000	$'000
Bank loan	167	(58)	3	112
Leases liabilities	636	(215)	30	451

21. Share capital

	Group and Company			
	2024		2023	
	Number of ordinary shares		Number of ordinary shares	
	'000	$'000	'000	$'000
Ordinary shares issued and fully paid				
Beginning of financial year	214,202	15,300	214,202	15,300
Shares issued	714	90	–	–
End of financial year	214,916	15,390	214,202	15,300

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

On 30 April 2024, the Company entered into a share subscription agreement with individual who is not related to the Group to raise $90,000 by way of issuing 714,285 of new ordinary shares in the capital of the Company ("the subscription exercise") at an issue price of $0.14 for each subscription share for general working capital purposes. The subscription exercise was completed on 20 May 2024.

22. Provisions

	Group	
	2024	2023
	$'000	$'000
Provision for onerous contracts (i)	–	46
Provision for dismantling and removing (ii)	108	102
	108	148

22. Provisions

(i) Provision for onerous contracts

	Group	
	2024	2023
	$'000	$'000
At beginning of the year	46	–
Addition	–	46
Reversal (Note 6A)	(46)	–
At end of the year	–	46

Provision for onerous contracts are recorded in respect of certain construction contracts for which the estimated unavoidable costs to meet contractual obligations are expected to exceed the economic benefits to be received under it. As a result of the reassessment in 2024, the provision for onerous contracts was no longer required upon the successful completion of the projects.

(ii) Provision for dismantling and removing

	Group	
	2024	2023
	$'000	$'000
At beginning of the year	102	97
Unwinding of discount (Note 9)	6	5
At end of the year	108	102

The provision is based on the present value of costs to be incurred to remove the leasehold improvements from leased property based on quotations. The unexpired terms range is 6 years.

23. Other financial liabilities

	Group	
	2024	2023
	$'000	$'000
Non-current:		
Bank loan	9	61
Current:		
Bank loan	52	51
Total	61	112

The bank loan bears fixed interest rates as follows:

	Group	
	2024	2023
	%	%
Bank loan	2.5	2.5

Bank loan is repayable by equal monthly instalments over 5 years from March 2021.

24. Lease liabilities

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Lease liabilities - current	126	131	–	–
Lease liabilities – non-current	201	320	–	–
	327	451	–	–

	Group	
	2024	2023
	$'000	$'000
Amounts recognised in profit or loss		
Depreciation of right-of-use assets (Note 7)	225	367
Interest expense on lease liabilities (Note 9)	20	30

The Group had total cash outflows for leases of $134,000 (2023: $215,000).

The Group has lease contract that include extension option. This option is negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business need. Management exercise significant judgement in determining whether these extension options are reasonably certain to be exercised.

The weighted average incremental borrowing rate applies to the lease liabilities recognised are at 5.25% (2023: 4.15% to 5.25%) per year.

Company as a lessor

The Company has entered into operating lease agreement of the office from 1 December 2024 to 30 June 2027.

Rental income is recognised in profit or loss within "Other income and gains".

The future minimum rental receivable under non-cancellable operating leases contracted for at the reporting period are as follows:

	Group	
	2024	2023
	$'000	$'000
Not later than one year	36	–
Later than one year but not later than five years	54	–
	90	–

25. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
<u>Trade payables</u>				
Outside parties	3,187	1,211	87	56
Retention payable	785	729	–	–
Accrued liabilities	340	729	253	353
	4,312	2,669	340	409
<u>Other payables:</u>				
Subsidiaries	–	–	1,092	1,008
Total trade and other payables	4,312	2,669	1,432	1,417

Amounts due to subsidiaries are unsecured, non-interest bearing and repayable on demand.

26. Contingent liabilities

	Company	
	2024	2023
	$'000	$'000
Undertaking to support subsidiaries with deficits [a]	139	780

[a] Undertaking to support subsidiaries with deficits - The Company has undertaken to provide continued financial support to certain of its subsidiaries which had net capital deficit at the end of the reporting year.

27. Capital management

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

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital plus net debt. Net debt is calculated as total borrowings (including trade and other payables, lease liabilities, trade and other payables as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity, as shown in the statement of financial position.

	Group	
	2024	2023
	$'000	$'000
Trade and other payables	4,312	2,669
Lease liabilities	327	451
Other financial liabilities	61	112
Less: cash and cash equivalents	(380)	(1,692)
Net debt	4,320	1,540
Equity attributable to equity holders of the Company	7,173	6,772
Capital and net debt	11,493	8,312
Gearing ratio	38%	19%

28. Financial information by operating segments

28A. Information about reportable segment profit or loss, assets and liabilities

The Group has two primary strategic operating segments - (1) building, construction and design and (2) renovation and interior design. The results of all other activities, mainly investment holding and provision of management services to its subsidiaries are included in the other's segment. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system.

It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the Group Operations Director in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate a segment's operating results is gross profit.

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

28B. Profit or loss from operating segments and reconciliations

	Building construction and design		Renovation and interior design		Others		Unallocated		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue by segment										
External revenue	7,717	10,624	1,382	3,706	–	–	–	–	9,099	14,330
Cost of sales	(6,323)	(9,140)	(990)	(2,982)					(7,313)	(12,122)
Gross profit	1,394	1,484	392	724	–	–	–	–	1,786	2,208
Finance costs	(26)	(32)	(2)	(3)	–	(3)	–	–	(28)	(38)
Amortisation of intangible assets	–	(910)	–	–	–	–	–	–	–	(910)
Depreciation of property, plant and equipment	(168)	(194)	–	–	(1)	–	–	–	(169)	(194)
Depreciation of right-of-use assets	(122)	(116)	–	–	(103)	(251)	–	–	(225)	(367)
Employee benefits expenses	(327)	(327)	(138)	(417)	(473)	(847)	–	–	(938)	(1,591)
Other losses	–	–	–	–	–	(396)	–	–	–	(396)
Impairment of goodwill	–	(1,790)	–	–	–	–	–	–	–	(1,790)
Unallocated corporate expenses	–	–	–	–	–	(831)	(898)	(419)	(898)	(1,250)
Other income and gains	705	–	10	–	52	–	–	89	767	89
Loss before tax	–	–	–	–	–	–	–	–	295	(4,239)
Income tax credit	–	–	–	–	–	–	16	186	16	186
Profit/ (loss) from operating segments	–	–	–	–	–	–	–	–	311	(4,053)

28. Financial Information by operating segment (Continued)

28C. Assets, liabilities and reconciliations

	Building construction and design		Renovation and interior design		Others		Unallocated		Group	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Segment assets	5,421	12,724	98	525	7,117	440	–	–	12,636	13,689
Addition to:										
- Property, plant and equipment	104	355	–	–	–	–	–	–	104	355
Segment liabilities	4,967	5,752	229	721	267	444	–	–	5,463	6,917

28D. Revenue from major products and services

Revenue from external customers are derived mainly from the building constructions and design and renovation and interior design. The breakdown of the Group's revenue by products and services is provided under Note 5.

The Group's three business segments operate in Singapore.

29. Financial risk management

The Group's and the Company's activities is exposed to interest rate risk, credit risk and liquidity risk arising in the normal course of the Group's and the Company's business. The Group's and the Company's overall risk management strategy seeks to minimise potential adverse effects from the unpredictability of financial markets on the Group's and the Company's financial performance.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group and the Company. Risk management is carried out by the Group's executive management.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The interest from financial assets is not material. Interest rate risk arises on interest-bearing financial instruments.

The Group has insignificant interest rate risk as all the interest-bearing financial liabilities are at fixed rates.

(b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group's exposure to credit risk arises primarily from trade and other receivables and contract assets. For other financial assets (including cash), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group has adopted a policy of only dealing with creditworthy counterparties. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

29. Financial risk management (Continued)

(b) Credit risk (Continued)

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due or there is significant difficulty of the counterparty.

The Group categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

Trade receivables

For trade receivables, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECLs. The Group determines the ECLs by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

Information regarding loss allowance movement of trade receivables is disclosed in Note 19.

Exposure to credit risk

The Group has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

For the few customers with large balances the credit risk is graded individually. For these large balances, at the end of the reporting year a loss allowance is recognised if there has been a significant increase in credit risk since initial recognition. At every reporting date the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

At the end of the reporting year, 96% (2023: 72%) of the Group's trade receivables were due from five (2023: three) major customers.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 7 to 30 days (2023: 7 to 30 days), but some customers take a longer period to settle the amounts.

Other receivables

The Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets.

(c) Liquidity risk

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is about 60 days (2023: 60 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

29. Financial risk management (Continued)

(c) Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities (Continued)

The table below summaries the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	2024			
	Carrying amount	**Contractual cash flows**	**One year or less**	**One to five years**
	$'000	**$'000**	**$'000**	**$'000**
Group				
Financial liabilities:				
Other financial liabilities	61	62	53	9
Lease liabilities	327	350	140	210
Trade and other payables	4,312	4,312	4,312	–
Total undiscounted financial liabilities	4,700	4,724	4,505	219

	2023			
	Carrying amount	**Contractual cash flows**	**One year or less**	**One to five years**
	$'000	**$'000**	**$'000**	**$'000**
Group				
Financial liabilities:				
Other financial liabilities	112	115	53	62
Lease liabilities	451	493	151	342
Trade and other payables	2,669	2,669	2,669	–
Total undiscounted financial liabilities	3,232	3,277	2,873	404

	2024			
	Carrying amount	**Contractual cash flows**	**One year or less**	**One to five years**
	$'000	**$'000**	**$'000**	**$'000**
Company				
Financial liabilities:				
Trade and other payables	1,432	1,432	1,432	–

	2023			
	Carrying amount	**Contractual cash flows**	**One year or less**	**One to five years**
	$'000	**$'000**	**$'000**	**$'000**
Company				
Financial liabilities:				
Trade and other payables	1,417	1,417	1,417	–

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

30. Fair value of assets and liabilities

The fair value of current financial assets and liabilities at amortised cost approximate to their carrying amounts due to the short term to maturity.

31. Categories of financial assets and liabilities

The carrying amounts of the different categories of financial instruments are as follows:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets:				
Other assets	37	54	–	–
Trade and other receivables	1,473	1,336	–	472
Cash and cash equivalents	380	1,692	72	27
Financial assets at amortised cost	1,890	3,082	72	499
Financial liabilities:				
Other financial liabilities	61	112	–	–
Lease liabilities	327	451	–	–
Trade and other payables	4,312	2,669	1,432	1,417
Financial liabilities at amortised cost	4,700	3,232	1,432	1,417

32. Significant related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances.

Key management compensation

	Group	
	2024	**2023**
	$'000	**$'000**
Salaries and other short-term employee benefits	470	391
Contributions to defined contribution plan	57	52
	527	443

33. Assistance in investigation by the Commercial Affairs Department ("CAD") and the Monetary Authority of Singapore

The Company received an Order under Section 20 of the Criminal Procedure Code 2010 from the Commercial Affairs Department ("CAD") and the Monetary Authority of Singapore ("MAS") during the latter part of 2023. This Order required the submission of specified documents and information to assist with an investigation into a potential offence under the Securities and Futures Act 2001.

33. Assistance in investigation by the Commercial Affairs Department ("CAD") and the Monetary Authority of Singapore (Continued)

The requested materials included emails and attachments from the corporate accounts of Mr. Richard Koh Chye Heng (former Executive Chairman & Chief Executive Officer), Ms. Lim Xiu Fang Vanessa (Executive Director), and Mr. Tang Yao Zhi (Group Operations Director). Supporting documentation related to prior corporate announcements was also sought, covering matters such as (i) the appointment of a new controlling shareholder, (ii) the appointment of an Executive Director, and (iii) proposed corporate actions including diversification, acquisitions, disposals, and a name change.

In subsequent communications with the Singapore Exchange Trading Limit, the Company clarified that no other board directors or employees were notified to assist in the investigation. The Company further confirmed that the CAD/MAS letter did not identify the subject of the investigation and, to its knowledge, no charges have been brought against any Board members or executives, including Ms. Lim Xiu Fang Vanessa and Mr. Tang Yao Zhi. As of the date of this annual report, there have been no material updates or developments regarding the investigation, and the Company continues to cooperate fully with the authorities.

34. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Board of Directors of Sevens Atelier Limited on 11 April 2025.

STATISTIC OF SHAREHOLDINGS

As at 17 March 2025

NUMBER OF SHARES	:	214,916,321
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE FOR EACH ORDINARY SHARE
NUMBER OF TREASURY SHARES AND SUBSIDIARY HOLDINGS HELD	:	NIL

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	12	1.34	191	0.00
100 - 1,000	335	37.39	324,668	0.15
1,001 - 10,000	337	37.61	1,683,932	0.78
10,001 - 1,000,000	200	22.32	18,367,205	8.55
1,000,001 & ABOVE	12	1.34	194,540,325	90.52
TOTAL	896	100.00	214,916,321	100.00

TOP TWENTY SHAREHOLDERS AS AT 17 MARCH 2025	NO. OF SHARES	%
LIM WEI ZHI SYLVESTER	56,000,000	26.06
LEE TECK	31,818,000	14.80
WONG ZHI WEI (HUANG ZHI WEI)	29,391,500	13.68
LIM MUI LENG	27,273,000	12.69
PONG CHOON KWANG	14,053,000	6.54
CEDRIC YAP KUN HAO	10,596,000	4.93
TANG LENA (CHEN LENA)	8,772,800	4.08
TAN SOO KIA	6,602,000	3.07
PHILLIP SECURITIES PTE LTD	4,826,859	2.25
DBS NOMINEES PTE LTD	2,073,066	0.96
MAYBANK SECURITIES PTE. LTD.	1,714,100	0.80
GOH SZE YONG (WU SIRONG)	1,420,000	0.66
LIM HOCK CHAU	979,000	0.46
BNP PARIBAS NOMINEES SINGAPORE PTE LTD	948,000	0.44
KOH CHIN SAN JEREMY	907,000	0.42
LING THIAM POH	772,000	0.36
TANG YAO ZHI (CHEN YAOZHI)	753,700	0.35
CHAN XIN AN	751,700	0.35
HUANG GANG	714,285	0.33
OCBC SECURITIES PRIVATE LTD	650,648	0.30
	201,016,658	93.53

STATISTIC OF SHAREHOLDINGS

As at 17 March 2025

SUBSTANTIAL SHAREHOLDERS	DIRECT INTEREST NO. OF SHARES	%	DEEMED INTEREST NO. OF SHARES	%
LIM WEI ZHI SYLVESTER	56,000,000	26.06	–	–
LEE TECK	31,818,000	14.80	–	–
WONG ZHI WEI (HUANG ZHI WEI)	29,391,500	13.68	–	–
LIM MUI LENG	27,273,000	12.69	–	–
PONG CHOON KWANG	14,053,000	6.54	–	–

PERCENTAGE OF SHAREHOLDING HELD BY THE PUBLIC

At 17 March 2025, approximately 26% of the issued ordinary shares of the Company are held by the public. Accordingly, Rule 723 of the Listing Manual Section B : Rules of the Catalist issued by SGX-ST has therefore been complied with.

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Sevens Atelier Limited (the "**Company**") will be held at 2 Tanjong Katong Road #05-01 Paya Lebar Quarter 3 Singapore 437161, on Monday, 28 April 2025 at 4:00 p.m., for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended 31 December 2024 together with the Independent Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr Lawrence Chen Tse Chau, who is retiring pursuant to Regulation 101 of the Constitution of the Company, as director of the Company. **(Resolution 2)**

   (See Explanatory Note (i))

3. To re-elect Mr Lo Kim Seng, who is retiring pursuant to Regulation 101 of the Constitution of the Company, as director of the Company. **(Resolution 3)**

   (See Explanatory Note (ii))

4. To approve Directors' fees of S$120,000 for the financial year ending 31 December 2025 (FY2024: S$120,000). **(Resolution 4)**

5. To re-appoint Messrs PKF-CAP LLC, as the Auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

6. To transact any other ordinary business which may properly be transacted at an annual general meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:

7. **Authority for Directors to allot and issue shares and convertible securities** **(Resolution 6)**

   That pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**") and Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual (Section B: Rules of Catalist) ("**Catalist Rules**") and notwithstanding the provisions of the Constitution of the Company, authority be and is hereby given to the Directors of the Company (the "**Directors**") to:

   (a) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

   (b) (notwithstanding that the authority conferred by this Ordinary Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Ordinary Resolution was in force, provided that:

(i) the aggregate number of Shares to be issued pursuant to this Ordinary Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution) does not exceed 100% of the total number of issued shares in the capital of the Company excluding treasury shares and subsidiary holdings (as calculated in accordance with sub paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution) does not exceed 50% of the total number of issued shares in the capital of the Company excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of issued shares shall be based on the total number of issued shares in the capital of the Company excluding treasury shares and subsidiary holdings at the time of passing of this Ordinary Resolution, after adjusting for:

(1) new Shares arising from the conversion or exercise of any convertible securities;

(2) (where applicable) new Shares arising from exercise of share options or vesting of share awards which are outstanding or subsisting at the time of passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(3) any subsequent bonus issue, consolidation or subdivision of Shares;

any adjustments made in accordance with (b)(ii)(1) or (b)(ii)(2) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time this Resolution is passed;

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(iv) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.
(See Explanatory Note (iii))

BY ORDER OF THE BOARD

Lawrence Chen Tse Chau
Independent Director and Non-Executive Chairman

Date: 11 April 2025
Singapore

Explanatory Notes:

(i) Mr Lawrence Chen Tse Chau ("**Mr Lawrence**") will, upon re-election, remain as an Independent Director and Non-Executive Chairman, and the Chairman of the Audit Committee ("**AC**") and a member of the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"). Mr Lawrence is considered independent for the purpose of Rule 704(7) the Catalist Rules. There are no relationships (including immediate family relationships) between Mr Lawrence and the other Directors of the Company, the Company, its related corporations, its substantial shareholders or its officers which may affect his independence.

The detailed information of Mr Lawrence can be found under "Board of Directors" and "Corporate Governance Statement" in the Company's Annual Report 2024.

(ii) Mr Lo Kim Seng will, upon re-election, remain as an Independent Director, the Chairman of the NC and a member of the AC and the RC. Mr Lo is considered independent for the purpose of Rule 704(7) the Catalist Rules. There are no relationships (including immediate family relationships) between Mr Lo and the other Directors of the Company, the Company, its related corporations, its substantial shareholders or its officers which may affect his independence.

The detailed information of Mr Lo can be found under "Board of Directors" and "Corporate Governance Statement" in the Company's Annual Report 2024.

(iii) The Ordinary Resolution 6 proposed in item 7 above, if passed, is to empower the Directors to issue shares in the capital of the Company and/or instruments (as defined above). The aggregate number of shares to be issued pursuant to this Resolution 6 (including shares to be issued in pursuance of instruments made or granted) shall not exceed one hundred per cent. (100%) of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company, with a sub-limit of fifty per cent. (50%) for shares issued other than on a pro-rata basis (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) to shareholders with registered addresses in Singapore. For the purpose of determining the aggregate number of shares that may be issued, the percentage of the total number of issued shares excluding treasury shares of the Company will be calculated based on the total number of issued shares excluding treasury shares and subsidiary holdings of the Company at the time of the passing of this Resolution 6, after adjusting for (i) new shares arising from the conversion or exercise of any convertible securities; (ii) new shares arising from exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution 6, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and (iii) any subsequent bonus issue, consolidation or subdivision of shares.

IMPORTANT NOTICE FOR SHAREHOLDERS:

1. The Company's AGM is being convened, and will be held, in a wholly physical format, at 2 Tanjong Katong Road #05-01 Paya Lebar Quarter 3 Singapore 437161, on Monday, 28 April 2025 at 4:00 p.m.. **There will be no option for members to participate in the AGM virtually.**

   The Annual Report, Notice of AGM and the accompanying proxy form will be made available on the Company's website at https://www.sevensatelier.com and on the SGXNet at https://www.sgx.com/securities/company-announcements. A member will need an internet browser and PDF reader to view these documents. Printed copies of this Notice of AGM and the accompanying proxy form will be sent to members via post.

   Printed copy of the Annual Report will **NOT** be sent to members. A member who wishes to obtain a printed copy of the Annual Report should request the same via email to enquiry@sevensatelier.com no later than 4:00 p.m. on 16 April 2025 and provide his/her/its full name as per CDP/CPF/SRS records, NRIC/Passport Number/Company Registration Number, mailing address and the manner in which shares are held (e.g. via CDP, CPF or SRS, or physical script(s)) in the email. Failing which the request will not be processed.

2. Members (including Central Provident Fund ("**CPF**") Investment Scheme members ("**CPF Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**")) may participate in the AGM by:

   a. attending the AGM in person;

   b. raising questions at the AGM or submitting questions in advance of the AGM; and/or

   c. voting at the AGM (i) themselves personally; or (ii) through their duly appointed proxy(ies).

   CPF Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 4:00 p.m. on 16 April 2025, being seven (7) working days prior to the date of the AGM. Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process.

3. Members are encouraged to submit questions relating to the resolution to be tabled for approval at the AGM in advance in the following manner:

   (a) if submitted by post, to the Company's office at 31 Joo Chiat Place Singapore 427755, attention to SAL AGM; or

   (b) If submitted electronically, by email to enquiry@sevensatelier.com.

   All questions for the AGM must be submitted by 4:00 p.m. on 18 April 2025. After the cut-off time for the submission of questions, any subsequent clarifications sought or follow-up questions will be addressed at the AGM.

   Members will need to identify themselves when posing questions by email or by post by providing the following details:

   - the member's full name (for individuals)/company name (for corporations) as it appears on his/her/its CDP/CPF/SRS share records;
   - the member's NRIC/Passport/UEN number;
   - the member's contact number and email address; and
   - the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS or physical script(s)).

   The Company will endeavour to address all substantial and relevant questions submitted in advance of the AGM by publishing the responses to such questions on SGXNet and the Company's website at https://www.sevensatelier.com/investor-relations/, by 4:00 p.m. on 23 April 2025 (being not less than forty-eight (48) hours prior to the closing date and time for the lodgment of the proxy forms).

   Where substantial relevant questions submitted by Shareholders are unable to be addressed prior to the AGM, the Company will address them during the AGM. The Company shall only address relevant and substantial questions (as may be determined by the Company in its sole discretion) received. The Company will publish the minutes of the AGM on SGXNET and the Company's website at https://www.sevensatelier.com/investor-relations/ within one (1) month from the date of the AGM. The minutes would include the responses to the substantial and relevant questions addressed at the AGM.

4. A member who is not a Relevant Intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. Where such member appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his/her/its name in the Depository Register and any second named proxy as an alternate to the first named.

   A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant Intermediary**" has the meaning prescribed to it in Section 181 of the Companies Act:

   a. a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   b. a person holding a capital markets services licence holder to provide custodial services under the Securities and Futures Act 2001 and who holds shares in that capacity; or

   c. the CPF Board established by the CPF Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

   A member can appoint the Chairman of the AGM as his/her/its proxy **but** this is **not mandatory**.

   If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If no specific direction is given as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

5. A proxy need not be a member of the Company.

6. The instrument appointing proxy/proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be deposited:

   a) if sent personally or by post, be received by the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, attention to SAL AGM; or

   b) if submitted electronically, be received by the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com (e.g. a clear scanned signed form in PDF),

   in either case, by **4:00 p.m. on 25 April 2025** (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

   Members of the Company are encouraged to submit completed proxy forms electronically via email.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer, failing which the instrument of proxy may be treated as invalid. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.

8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies (such as in the case where the appointor submits more than one instrument appointing a proxy or proxies).

9. In the case of a member whose shares are entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), the Company may reject any instrument of proxy lodged if such member, being the appointer, is not shown to have any shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

"**Personal data**" in this Notice of AGM has the same meaning as "personal data" in the Personal Data Protection Act 2012, which includes your name, address and NRIC/Passport number.

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes to be prepared in respect of the AGM. Accordingly, the personal data of a member of the Company (such as his name, his presence at the AGM and any questions he may raise or any motions he may propose/second) may be recorded by the Company for such purpose.

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SEVENS ATELIER LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 197902790N)

PROXY FORM – ANNUAL GENERAL MEETING
(Please see notes overleaf before completing this Form)

This form of proxy has been made available on SGXNet.

IMPORTANT:
1. For investors who have used their Central Provident Fund ("**CPF**") and/or Supplementary Retirement Scheme ("**SRS**") monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. CPF and/or SRS investors are requested to contact their respective Agent Banks at least seven (7) working days before the AGM to specify voting instructions and to ensure that their votes are submitted.

I / We* ______________________ (Name) ______________________ (NRIC / Passport / Company Registration Number*)

of ____ (Address)

being a *member / members of **SEVENS ATELIER LIMITED** (the "**Company**"), hereby appoint

NAME	ADDRESS	NRIC or Passport No.	Proportion of Shareholdings	
			No. of Shares	%

*and/or

NAME	ADDRESS	NRIC or Passport No.	Proportion of Shareholdings	
			No. of Shares	%

or failing him / her / them*, the Chairman of the Annual General Meeting of the Company (the "**AGM**") as my / our* proxy(ies) to attend, speak and vote for me / us* on my / our* behalf at the AGM to be held at 2 Tanjong Katong Road #05-01 Paya Lebar Quarter 3 Singapore 437161, on Monday, 28 April 2025 at 4:00 p.m. and at any adjournment thereof. I / We* direct my / our* proxy(ies) to vote for or against or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy will vote or abstain from voting at his / her discretion.

All resolutions put to the vote at the AGM shall be decided by way of poll.

(If you wish your proxy to cast all your votes "For" or "Against" a resolution, please tick (√) in the "For" or "Against" box provided. Alternatively, please indicate the number of votes as appropriate. If you wish your proxy to abstain from voting on a resolution, please tick (√) in the "Abstain" box provided. Alternatively, please indicate the number of shares that your proxy is directed to abstain from voting in the "Abstain" box in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on the resolution if no voting instruction is specified, and on any other matter arising at the AGM and at any adjournment thereof. In the absence of specific directions in respect of the resolution, the appointment of the Chairman of the AGM as your proxy for the resolution will be treated as invalid.)

No.	Resolutions	For	Against	Abstain
	ORDINARY BUSINESS			
1.	Adoption of the Directors' Statement and Audited Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended 31 December 2024 together with the Independent Auditors' Report thereon			
2.	Re-election of Mr Lawrence Chen Tse Chau as a Director of the Company			
3.	Re-election of Mr Lo Kim Seng as a Director of the Company			
4.	Approval of the payment of Directors' fees of S$120,000 for the financial year ending 31 December 2025 (FY2024: S$120,000)			
5.	Re-appointment of Messrs PKF-CAP LLC as Auditor of the Company and to authorise the Directors to fix their remuneration			
	SPECIAL BUSINESS			
6.	Authority for Directors to allot and issue shares and convertible securities			

* Delete as appropriate.

Dated this __________ day of ______________ 2025.

Total Number of Shares in:	No. of shares
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Member(s)
or Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

NOTES TO PROXY FORM:

1. A member should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (as defi ned in Section 81SF of the Securities and Futures Act 2001), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members of the Company, he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members of the Company, he/she/it should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

2. A member who is not a Relevant Intermediary (as defined in Section 181 of the Companies Act 1967) is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. Where such member appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his/her/its name in the Depository Register and any second named proxy as an alternate to the first named.

3. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant Intermediary**" has the meaning prescribed to it in Section 181 of the Companies Act 1967:

   a. a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   b. a person holding a capital markets services licence holder to provide custodial services under the Securities and Futures Act 2001 and who holds shares in that capacity; or

   c. the CPF Board established by the CPF Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

   The proxy need not be a member of the Company. Please note that if any of your shareholdings are not specified in the list provided by the Relevant Intermediary to the Company, the Company has the sole discretion to disallow the participation of the said proxy at the AGM.

   A member can appoint the Chairman of the AGM as his/her/its proxy **but** this is **not mandatory**.

4. The instrument appointing a proxy or proxies must be executed under the hand of the appointor or of his/her/its attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

5. The instrument appointing a proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be deposited in the following manner:

   a. if sent personally or by post, be received by the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, attention to SAL AGM; or

   b. if submitted electronically, be received by the Company's Share Registrar, B.A.C.S. Private Limited, via email at main@zicoholdings.com (e.g. a clear scanned signed form in PDF),

   in either case, **by 4:00 p.m. on 25 April 2025** (being not less than seventy-two (72) hours before the time appointed for holding the AGM) and in default the instrument of proxy shall not be treated as valid.

   Members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

6. Please indicate with a tick [√] in the spaces provided whether you wish your vote(s) to be for or against the Resolution(s) or to abstain from voting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/she/they may think fit, as he/she/they will on any other matter arising at the meeting.

7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.

8. Completion and return of the Proxy Form by a member will not prevent him/her/it from attending, speaking and voting at the AGM if he/she/it so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

9. An investor who buys shares using CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) should not make use of this Proxy Form and should instead approach their respective Relevant Intermediary as soon as possible to specify voting instructions. CPF Investors / SRS Investors who wish to vote should approach their respective CPF Agent Bank / SRS Operator at least seven (7) working days before the AGM (i.e. by 16 April 2025), to ensure that their votes are submitted.

10. In the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the meeting as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 11 April 2025.