

# STANDING STRONG EMBRACING RESILIENCE

ANNUAL REPORT 2025



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## OUR MISSION

Service Excellence  
Product Excellence  
Partnering Our Customers!

## OUR VISION

Every Kitchen, A Q'son.

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The contact person for the Sponsor is Mr. Mah How Soon at 36 Robinson Road, #10-06 City House, Singapore 068877, Email: [sponsor@rhtgoc.com](mailto:sponsor@rhtgoc.com).

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Singapore Kitchen Equipment Limited (the "Company", together with its subsidiaries, collectively "SKE" or the "Group"), operating with the trade name Q'son Kitchen Equipment Pte Ltd ("Q'son"), is one of Singapore's leading commercial and industrial kitchen solutions providers for the Food & Beverages ("F&B") and hospitality services industries.



Since its inception, SKE has grown to become a one-stop kitchen solutions provider that is synonymous with quality, efficiency and reliability and a value proposition that is widely-recognised in the industry. SKE's expertise lies in its fabrication and servicing competencies. Redefining Chinese restaurant kitchens in Singapore, the Group has changed the commercial kitchen scene from an expensive and elaborate set up to a streamlined and economical one that promises the same level of food quality. Venturing beyond Chinese kitchens, SKE has also contributed to the success of various F&B and hospitality establishments in Singapore and overseas within the private and public sectors including central kitchens, restaurants, integrated resorts, hotels and government agencies.

Providing one-stop kitchen solutions for its commercial and industrial kitchen customers, SKE specialises in design and consultancy services, equipment fabrication, installation and distribution. The Group also operates one of Singapore's largest maintenance and servicing team to support the growing F&B and hospitality services industries in Singapore. With a proven track record, SKE's maintenance and servicing customers extends beyond its fabrication project customers. Priming for growth via scale and scope, SKE has been listed on the Catalist Board of the Singapore Exchange Securities Trading Limited since 22 July 2013.

### GREAT KITCHENS. WE MAKE IT HAPPEN!



SKE is committed to delivering quality in every aspect of its operations, from the products it provides to the services it delivers. By upholding high standards of reliability and performance, and placing customers at the heart of its business, SKE, driven by the strength of its flagship brand Q'son, continues to build long-term relationships founded on trust, responsiveness and consistent service excellence.



# GREAT KITCHENS BY Q'SON

Notwithstanding a strong commitment to excellence, Q'son Kitchen Equipment Pte Ltd was not immune to the economic headwinds of FY2025. The aftermath was underwhelming projects and service revenue, not seen since the Covid years of FY2020 - FY2022.

Jobs were not only few but margins were challengingly thin. As our business was dependent on tourist arrivals, opening of new F&B outlets, establishment of central and production kitchens as well as after-sales service for these types of kitchens, we took a huge hit when the tourists did not turn up on our shore and openings did not happen or were severely delayed.

While economic conditions may change, Qson's ethical business fundamentals—providing quality, reliable, and smart kitchen hardware, along with efficient after-sales service support—remain unchanged.

Q'son has been encouraged by the strong support of our customers, many of whom have become brand advocates. This has also led to new client referrals.

Below are snippets featuring both long-time and new customers who have contributed to and uplifted Qson's revenue. We appreciate your support and look forward to continuing this journey together.



## Strategic Diversification

To drive revenue growth, SKE has ventured into synergistic business activities, reducing its exposure to risks within the commercial kitchen equipment segment. This strategic move was undertaken to mitigate industry headwinds experienced since January 2025.

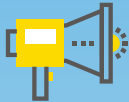
In 2025, under the trade name Tic Toc Kopi, SKE expanded into the F&B space, operating one café, Sync Haus, and one upcoming lifestyle coffeeshop, Tic Toc @ Alkaff. This expansion brings its portfolio to two lifestyle coffeeshops—Chill Bar (since January 2025) and Tic Toc @ Alkaff (opening in April 2026)—and two cafés—To U @ Senang (since February 2025) and Sync Haus (since September 2025). Together, these outlets generated approximately \$1 million in revenue.

This contributed approximately 0.5% to SKE's FY2025 revenue. SKE remains agile in addressing on-the-ground challenges. With a strong team across sales, technical, service and executive functions, the Group is well-positioned to deliver improved performance in 2026 and return to profitability.

# OUR BUSINESS



One of the leading kitchen equipment maintenance and servicing providers in Singapore



On-the-job training for newly recruited technicians and periodic in-house training



Urgent repairs, cleaning and degreasing of kitchen equipment



Growing service team; strong operational fleet of 34 vehicles

## FABRICATION AND DISTRIBUTION SEGMENT

Sticking to what we do best, SKE is able to leverage on our fundamental strength to expand and grow the business. Its subsidiary Q'son established in 1996 has become a strong fabricator of stainless steel products for the commercial kitchens. Many of the processes are automated which save resources and reduce waste. Output had increased by up to 100 times since 1996. With a factory space of approximately 25,000 sq ft and 52 production workers, the Group had made provisions for anticipated increase in output capacity.

Designing of the stainless steel products had been given a boost with upgraded skills and certification by our inhouse designers to satisfy higher end requirements.

To complement the suite of offerings, SKE imports and distributes kitchen products and systems. We work with other manufacturers for better pricing, quality control and training support.

As a progression of our experience and capability, SKE also value adds by way of offering consultancy and design of entire kitchen fit-out based on clients' specifications and requirements.

## MAINTENANCE AND SERVICING SEGMENT

Our subsidiary Q'son has one of the largest servicing teams in Singapore providing kitchen equipment maintenance and technical servicing. Under the Group's annual preventive maintenance agreements, its servicing team undertakes preventive maintenance works and repairs on kitchen equipment to ensure that they are in functioning and good working condition.

SKE also provides equipment servicing capabilities on an ad-hoc basis and for urgent repairs, cleaning and degreasing of kitchen equipment, including exhaust hoods, ducts, and exhaust motors. The technical servicing team is certified and licensed by the relevant authorities to construct and repair gas pipes and fittings, as well as install, repair and test gas appliances and gas meters.

THE GROUP'S TWO KEY BUSINESS SEGMENTS ARE **FABRICATION AND DISTRIBUTION SEGMENT** AND **MAINTENANCE AND SERVICING SEGMENT**.

## HOUSE BRANDS



**InnoFlame**  
(Chinese cooking range)



## THIRD PARTY / OEM BRANDS

**Distributor**



**Qoolux**  
(Industrial refrigeration products)



**Third Party  
Kitchen Equipment**



# CHAIRMAN & CEO'S STATEMENT



**LIM CHEE SAN**  
CHAIRMAN &  
INDEPENDENT NON-EXECUTIVE DIRECTOR



**CHUA CHWEE CHOO SALLY**  
EXECUTIVE DIRECTOR &  
CHIEF EXECUTIVE OFFICER

## DEAR SHAREHOLDERS,

On behalf of the Board of Directors, we are pleased to present to you the performance and key strategies put in place for Singapore Kitchen Equipment Limited (“SKE”, together with its subsidiaries, collectively the “Group”) for the financial year ended 31 December 2025 (“FY2025”).

The past year was a challenging year for the Group as we navigated a difficult operating environment characterised by global economic uncertainty, rising raw material prices, persistent supply chain disruptions and an acute shortage of skilled manpower. These factors, coupled with higher fuel, rental and labour costs across our key markets, namely the food and beverages and hospitality industries, gave rise to a more cautious spending environment for many businesses.

Further compounding these challenges, intense competition within our industry placed pressure on pricing and resulted in narrower margins. Industry players continued to compete vigorously for market share amid a softer demand environment.

Despite these headwinds, the Group remained resilient and continued to deliver quality projects and services to our customers while strengthening our operational capabilities.

Notwithstanding our efforts, the continued slowdown in the F&B industry inevitably weighed on demand in our core fabrication and distribution segment, while cold room system installations activity also moderated during the year. As a result, Group revenue declined by 25.5% to S\$24.3 million in FY2025, compared with S\$32.6 million in FY2024. The weaker revenue in turn impacted our profitability, resulting in a net loss of S\$3.3 million in FY2025.

On a positive note, our new venture in FY2024 – the food & beverage segment recorded more than threefold increase in revenue, registering S\$1.0 million in FY2025, compared with S\$0.3 million in FY2024, mainly driven by increased food and beverages sales during the year. We believe that our strategically-located lifestyle eating house, Chill Bar, in close proximity to both industrial and residential areas, will continue to gain stronger traction within the food community.

## CHAIRMAN & CEO'S STATEMENT



THE GROUP MAINTAINED A STRONG CASH AND CASH EQUIVALENTS POSITION WITH S\$8.0 MILLION AS AT 31 DECEMBER 2025, UNDERPINNED BY PRUDENT FINANCIAL MANAGEMENT AND DISCIPLINED CAPITAL ALLOCATION. THIS HEALTHY LIQUIDITY PROVIDES THE GROUP WITH FINANCIAL FLEXIBILITY TO SUPPORT ONGOING OPERATIONS, PURSUE GROWTH OPPORTUNITIES, AND MEET ITS OBLIGATIONS AS THEY FALL DUE.



# CHAIRMAN & CEO'S STATEMENT

## STANDING TALL, EMBRACING RESILIENCE

While overall revenue was lower, we strategically secured high-value projects that not only mitigated the impact, but also strengthened our earnings momentum going forward.

During the year, the Group successfully inked several significant projects including contracts with Singapore Prison Service, NTUC FoodFare, Tan Ser Seng Herbs Turtle Restaurant, Mohammed Mustafa, Daisho Development, OUE Rempapa Restaurant and Ruth House, amongst others. These projects collectively drove the Group's revenue, underscoring our capability to deliver large-scale and complex kitchen projects.

Furthermore, the Group maintained a strong cash and cash equivalents position with S\$8.0 million as at 31 December 2025, underpinned by prudent financial management and disciplined capital allocation. This healthy liquidity provides the Group with financial flexibility to support ongoing operations, pursue growth opportunities, and meet its obligations as they fall due. This also ensures adequate working capital to support operations while providing a buffer against potential market volatility.

## ADVANCING DIGITALISATION, ENHANCING CAPABILITIES

During the year under review, the Group continued to enhance operational efficiency through technology adoption and digitalisation initiatives. Our digital transformation journey, which began in 2021, remains an important foundation for improving workflow, operational reliability and cybersecurity. As we build on this momentum, we intend to further strengthen our systems through the adoption of cloud computing technologies.

In addition, the Group also introduced productivity-enhancing kitchen equipment and solutions designed to improve efficiency and reduce resource consumption. Government grants supporting such technologies helped generate interest among customers, although new purchases remained moderated due to cautious business sentiment.

Marketing efforts were also enhanced through increased use of digital and social media platforms such as Instagram, TikTok, LinkedIn and Facebook. These initiatives significantly improved brand awareness and generated new customer leads, while lowering marketing costs and increasing visitor traffic and sales by more than 40% compared to previous marketing approaches.

The Group will remain committed to enhancing digitalisation and strengthening organisational capabilities. Through the adoption of technology and process improvements, we seek to improve operational efficiency and position the Group for sustainable growth in an increasingly digital landscape.

## EMPOWERING PEOPLE, MANAGING CHALLENGES

The Group continues to face structural challenges common across the industry, particularly shortages of skilled technical manpower and ongoing supply chain disruptions.

To address these issues, the Group has implemented structured training and incentive programmes to encourage employees to upgrade their technical skills. During FY2025, our employees participated in various training and upskilling programmes, averaging 26 hours of training per staff member, covering areas such as critical thinking, technical skills and operational capabilities.

Technical staff are also rewarded with additional compensation of up to 10% of their basic salary for each newly acquired skill set, supporting continuous professional development while enhancing our operational strengths. Since our inception, our people remain central to the Group's success, and will continue to be instrumental in solidifying our capabilities and resilience.

While freight costs remain elevated compared to pre-pandemic levels, supply chain conditions have gradually improved. The Group continues to monitor global developments closely and work with partners to mitigate potential disruptions.

# CHAIRMAN & CEO'S STATEMENT



## DRIVING SUSTAINABILITY, DELIVERING VALUE

As we look into the future, the Group remains cautiously optimistic about the outlook for the F&B and hospitality industries. The expected recovery in tourist arrivals and hotel occupancy rates is likely to support increased dining activity, which in turn should stimulate demand for commercial kitchen equipment and services.

In addition, with an ageing population, the Group anticipates stronger demand from institutional sectors, particularly for kitchen renovations in day care centres, elder care centres, community hospitals and factory facilities. These projects are expected to provide additional growth opportunities for our business in the coming year.

For over three decades, the Group has remained guided by its core mission of Product Excellence, Service Excellence and Partnering Our Customers. These principles continue to underpin our business strategy and differentiate us in a competitive marketplace.

By consistently delivering quality products, reliable service and long-term partnerships with our customers, we have built strong and enduring relationships. This approach has allowed us to

maintain a loyal customer base while attracting new customers through referrals and project recommendations. These valuable attributes will continue to put us in good stead as we pursue sustainable growth and deliver long-term value to our stakeholders.

## IN APPRECIATION

In closing, we would like to express our sincere appreciation to our employees for their dedication and commitment during a challenging year. We also extend our gratitude to our customers and partners for their continued trust and support. Last but not least, we would like to thank our shareholders for your confidence and faith in us.

With a resilient business foundation, strong customer relationships and a clear strategic direction, we remain confident in the Group's ability to navigate future challenges and pursue sustainable growth in the years ahead.

### MR LIM CHEE SAN

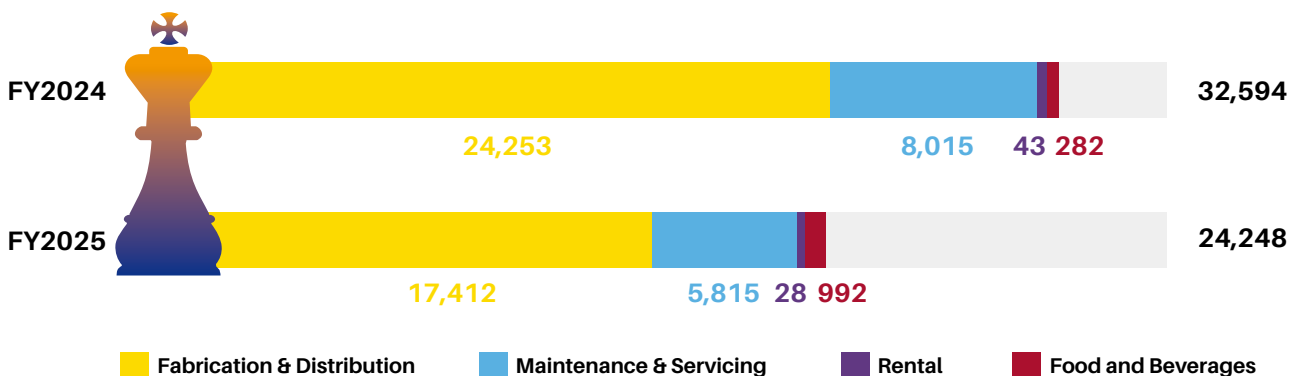
Chairman & Independent Non-Executive Director

### MS CHUA CHWEE CHOO SALLY

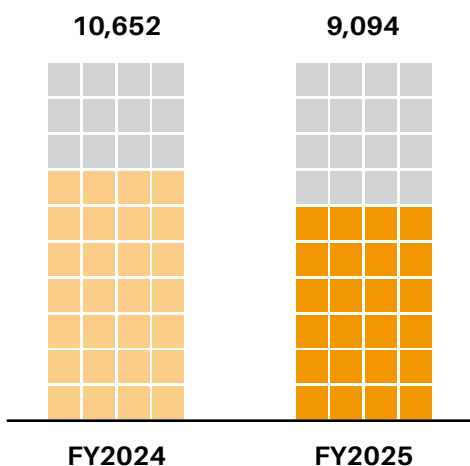
Executive Director & Chief Executive Officer

# FINANCIAL HIGHLIGHTS

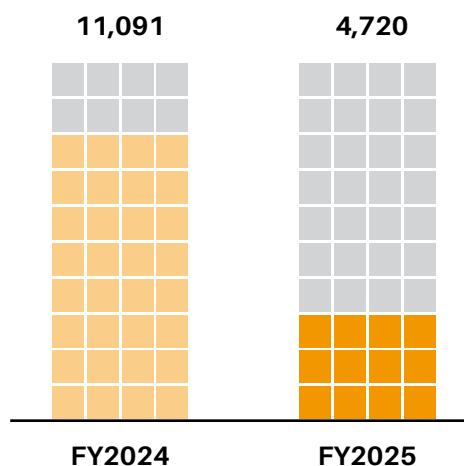
## REVENUE (\$\$'000)



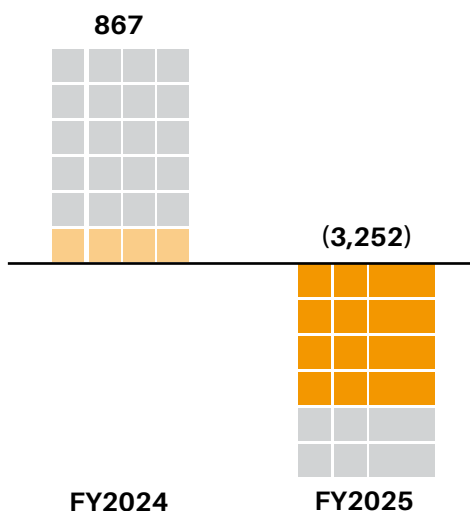
## TOTAL EXPENSES (\$\$'000)



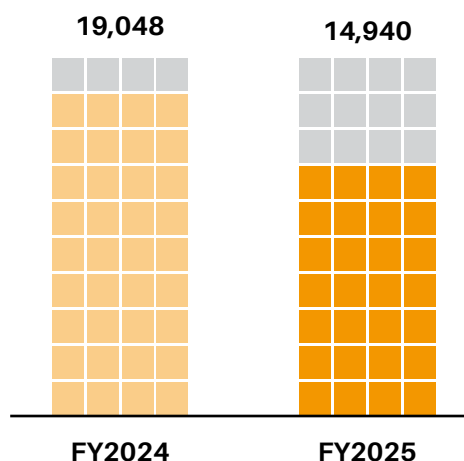
## GROSS PROFIT (\$\$'000)



## NET PROFIT/(LOSS) (\$\$'000)



## TOTAL SHAREHOLDERS' EQUITY (\$\$'000)



# OPERATIONS AND FINANCIAL REVIEW

## A YEAR OF TENACITY & RESOLVE

FY2025 presented significant challenges for Singapore Kitchen Equipment Limited (the “Group”) as macroeconomic uncertainties and continued softening in the food and beverages sector weighed on industry demand. Businesses across the hospitality and dining segments faced persistent headwinds including rising operating costs, labour shortages, inflationary pressures and cautious capital spending.

Against this backdrop, the Group braced through the challenges by remaining focused on sustaining operational resilience, strengthening customer relationships and maintaining disciplined cost management. While the operating environment affected new project installations and equipment purchases, the Group continued to secure several notable projects during the year and remained committed to delivering quality kitchen solutions and services to its clients. In FY2025, the Group has four reportable operating segments as follows:

- a. Fabrication and distribution business
- b. Maintenance and servicing business
- c. Rental business
- d. Food and beverages business

The fabrication and distribution business sells and manufactures standard and customised kitchen facilities as well as kitchen equipment to customers in the F&B and hospitality services industries. The maintenance and servicing business segment, on the other hand, provides preventive maintenance works and repairs on kitchen equipment to ensure that they are in good working condition and functioning properly. Our rental business leases out kitchen equipment to customers on a short-term basis (about two to five years). This caters to customers who prefer equipment rental, as purchase would require a much higher initial capital outlay. Under the food and beverages business, the Group operates cafes and a food court, including the subleasing of food court stalls to lessees and the self-operation of a food court stall.

## REVENUE

In FY2025, many restaurant operators deferred new kitchen setups or opted to purchase second-hand equipment to manage costs amid rising rental, manpower and utility expenses. These factors contributed to reduced new project installations and equipment sales.

Amidst weaker demand in the Fabrication and Distribution segment, as well as fewer cold room systems installations, the Group recorded revenue of S\$24.3 million, representing a 25.5% decrease compared to S\$32.6 million in FY2024.

## FY2025 REVENUE BY SEGMENTS



FABRICATION &  
DISTRIBUTION SEGMENT



MAINTENANCE &  
SERVICING SEGMENT



RENTAL  
SEGMENT



FOOD AND BEVERAGES  
SEGMENT

# OPERATIONS AND FINANCIAL REVIEW

## COST OF SALES & GROSS PROFIT

In line with the lower revenue, the Group's cost of sales decreased by S\$2.0 million from S\$21.5 million in FY2024 to S\$19.5 million in FY2025. Correspondingly, gross profit declined to S\$4.7 million, compared to S\$11.1 million in the previous year, reflecting lower sales volume and pricing pressures within the industry.

## OTHER OPERATING INCOME

Other operating income increased by S\$0.1 million from S\$0.9 million in FY 2024 to S\$1.0 million in FY2025 mainly due to foreign exchange gains.

## OPERATING EXPENSES

### Selling and Distribution Expenses

Selling and distribution expenses decreased by approximately S\$0.9 million from S\$4.1 million in FY2024 to S\$3.2 million in FY2025, mainly due to lower business travel expenses and commission which were in line with the decrease in revenue.

### Administrative Expenses

Administrative expenses dropped by S\$0.4 million from S\$6.0 million in FY2024 to S\$5.6 million in FY2025, mainly due to reduction in bonuses of staffs which were in line with the decrease in revenue.

### Finance Costs

Finance costs also decreased by S\$0.1 million from S\$0.5 million in FY2024 to S\$0.4 million in FY2025 due to lower interest rates from mortgage loans and trade financing.

## LOSS FOR THE FINANCIAL YEAR

Despite the Group's cost management measures, the decline in revenue led to a net loss after tax of approximately S\$3.3 million for FY2025 compared with a net profit after tax of S\$0.9 million in FY2024.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### Non-current Assets

The Group's non-current assets increased by S\$0.3 million to S\$15.9 million as at 31 December 2025, mainly due to more leases from food and beverages business (31 December 2024: S\$15.6 million).

### Current Assets

The Group's current assets amounted to approximately S\$19.0 million as at 31 December 2025, compared with S\$23.1 million as at 31 December 2024.

The Group's trade receivables decreased by S\$3.4 million from S\$8.7 million as at 31 December 2024 to S\$5.3 million as at 31 December 2025 due to decrease in revenue during FY2025.



# OPERATIONS AND FINANCIAL REVIEW

The Group's inventories decreased by S\$1.3 million from S\$3.7 million as at 31 December 2024 to S\$2.4 million as at 31 December 2025 due to lower inventories stock up.

The Group's contract assets increased by S\$0.03 million as at 31 December 2025 due to retention sum from projects.

## Current Liabilities

The Group's current liabilities position increased by S\$0.1 million from S\$10.0 million as at 31 December 2024 to S\$10.1 million as at 31 December 2025.

The decrease in current borrowings by approximately S\$0.4 million is mainly due to repayment of mortgage loan and payments made for trust receipts and enterprise loan.

The increase in contract liabilities by S\$1.9 million is mainly due to advance trade receipts.

The decrease in trade and other payables by S\$1.4 million is mainly due to lesser payment to suppliers in line with the decrease in revenue.

## Non-current Liabilities

The Group's non current liabilities increases slightly from S\$9.7 million to S\$9.8 million due to increase in lease liabilities from food and beverages business.

## Shareholders' Equity

As at 31 December 2025, the Group's shareholders' equity amounted to S\$14.9 million which is lower than the shareholders' equity of S\$19.0 million as at 31 December 2024, due to loss for the year and dividend paid.

## CONSOLIDATED STATEMENT OF CASH FLOWS

Notwithstanding the loss recorded during the year, the Group maintained a positive operating cash flow of approximately S\$3.3 million, supported by improved collections from projects and lower inventory holdings.

As at 31 December 2025, the Group's cash and cash equivalents stood at approximately S\$8.0 million, compared to S\$7.6 million as at 31 December 2024, providing a stable liquidity position to support ongoing operations.

## Net Cash Generated from Operating Activities

The Group's net cash generated from operating activities was approximately S\$3.3 million. This is mainly due to increase in cash collection from projects together with lower inventories held.



## Net Cash Flows Generated from Investing Activities

Net cash generated from investing activities during FY2025 amounted to approximately S\$0.1 million as a result of interest from fixed deposit, as proceeds from finance lease receivables are offset by purchase of property, plant and equipment.

## Net Cash Flows Used in Financing Activities

Net cash used in financing activities during FY2025 was approximately S\$3.0 million mainly due to repayment of borrowings and placement of fixed deposit.

## STAYING FOCUSED, STAYING RESILIENT

Looking ahead, the Group remains cautiously optimistic and steadfast. Improving tourism arrivals, increased renovation activities in institutional sectors such as healthcare and community facilities, and continued demand for maintenance services are expected to support business recovery.

As we continue to advance our digital transformation journey, our innovative solutions will drive our strong commitment to product excellence, service excellence and long-term customer partnerships, the Group remains well positioned to navigate industry cycles and pursue sustainable growth in the years ahead.

# BOARD OF DIRECTORS



## **LIM CHEE SAN**

**Chairman and  
Independent Non-Executive Director**

Lim Chee San was appointed to our Board as Independent Non-Executive Director on 28 August 2021. On 20 September 2021, he assumed the position of Chairman of the Board. He has been an accountant, a banker and a lawyer at different times during the last 44 years. Before he practised law for many years, he was the Head of Banking Operations in a large regional bank. He also has many years of experience as an auditor in large international accounting firms. He is a barrister-at-law and a chartered certified accountant. He was among the top candidates in his accountancy and law examinations.

## **CHUA CHWEE CHOO**

**Executive Director and  
Chief Executive Officer**

Chua Chwee Choo Sally is one of 3 founding members. She was appointed to the Board on 9 May 2013. Besides overseeing daily operations, spearheading innovation in hardware and software aspects of operations and oversight of both the Sales and Marketing divisions, Sally also conceptualises strategic plans for implementation and execution for both short-term and long-term goals. Under her leadership, SKE successfully garnered the prestigious Singapore Prestige Brands Award (SPBA) Established Brand category, under the auspices of Spring Singapore for its Q'son brand, in October 2015. This is in recognition of the high level of coordinated branding of Q'son locally.

## BOARD OF DIRECTORS



### **LEE CHONG HOE**

#### **Executive Director**

Lee Chong Hoe Alan is our cofounder and Executive Director (Technical and Maintenance Service) and was appointed to the Board on 9 May 2013. Alan heads the Technical Department since inception. With rapid advancement in technological usage in the commercial kitchen equipment, Alan continually upgrades the technical competencies of his technical department to meet the challenges. Under the leadership of Alan, our technical department had grown to be the largest in Singapore.



### **ANG CHIANG MENG**

#### **Independent Non-Executive Director**

Ang Chiang Meng was appointed to our Board as Independent Non-Executive Director on 4 August 2021.

Chiang Meng is currently a co-founder and Managing Partner of Argile Partners, an Asian based consultancy firm, and a co-founder and Managing Director of R&O Company, which is a regional debt and corporate services firm.

Chiang Meng started his career as a corporate and investment banker before joining an international risk and financial advisory firm, where he also headed the China practice of this international risk and financial advisory firm.



### **CHOO KOK KIONG**

#### **Independent Non-Executive Director**

Choo Kok Kiong, Alvin was appointed to our Board as Independent Non- Executive Director on 28 August 2021. Alvin is an Executive Director and Group Chief Financial Officer of Gallant Venture Limited, an investment holding company with focus on regional growth opportunities.

His position at Gallant Venture Limited gives him direct oversight on Gallant Venture Corporate office in Singapore, allowing him to oversee regional businesses covering Industrial Parks, Resorts, Ferry Services, Property Development, Infrastructure Developments, City Planning, Tourism, Vehicle Dealership, Financing Services and Logistic Services.

With over twenty-eight years of experience in managerial and financial related functions, including sixteen years of senior management positions, Alvin has a multi-disciplined experience across industrial segments as well as specialised areas such as project management, mergers & acquisitions and corporate restructuring.

Chiang Meng holds a Bachelor of Science (Real Estate) degree from National University of Singapore. He is a Chartered Valuer and Appraiser, a Senior Accredited Director of the Singapore Institute of Directors and a Practising Management Consultant of the Singapore Business Advisors & Consultants Council.

# KEY MANAGEMENT

## **KOH SAI ENG CHARLENE**

**Senior Manager**

Charlene Koh is our Senior Manager. She joined the Group in May 2007 as a Service Coordinator and is currently responsible for the general administration of the Group. Charlene Koh began her career as a secretary with Macroserve Pte Ltd, from 1979 to 1985. Thereafter, she joined Systems Technology Pte Ltd as a Marketing and Promotions Executive. Prior to joining the Group, she worked as a Secretary with Total Peripherals Pty Ltd for ten years and its associate company, JJW Pte Ltd as an Administrative Manager for nine years. Charlene Koh attained her GCE A Level certificate in 1975.

## **CHONG WUN LEONG SKY**

**Group Chief Financial Officer ("CFO")  
Chief Risk Officer**

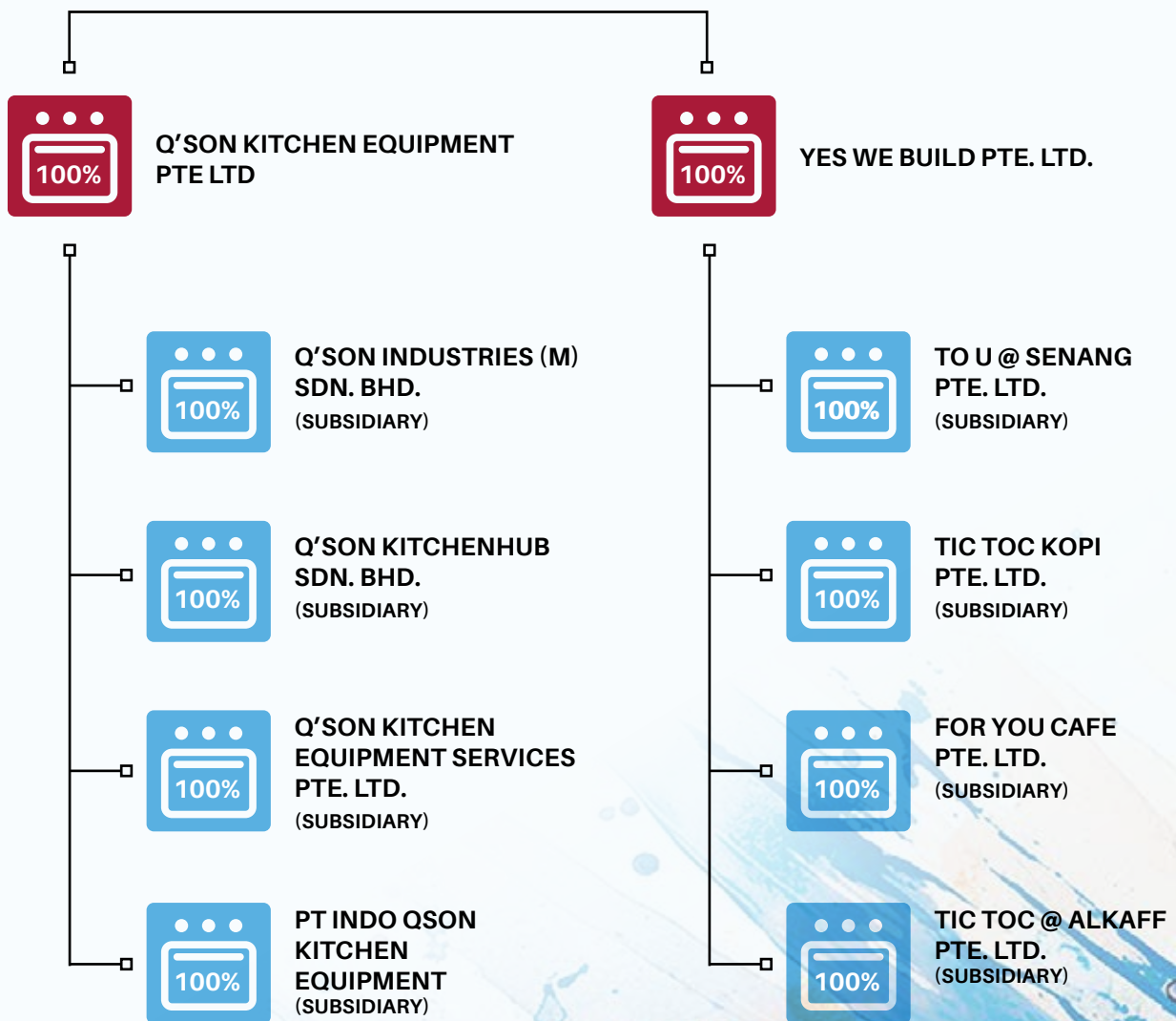
Sky Chong joined the Group in February 2022 as Group CFO. He is responsible for overall financial management and accounting functions, including corporate finance, tax, regulatory compliance, budgetary control and treasury functions for the Group. Sky Chong has acquired vast hospitality industry experience with local companies such as Breadtalk, Singapore Island Country Club, & Raffles Marina. Other prior experience include working as the Regional Finance Manager for Palfinger Marine and Operations Controller for Schlumberger, a major oil & gas company & based in Dubai serving the worldwide shipments of drilling fluids/chemicals.

He is appointed as Chief Risk Officer with effect from 8 August 2022 and oversees the risk management of the Group and reports to the Audit and Risk Management Committee. Sky Chong holds a Bachelor's Degree in Accountancy from RMIT University and is a member of CPA Australia.

# CORPORATE STRUCTURE



## SINGAPORE KITCHEN EQUIPMENT LIMITED



# SUSTAINABILITY REPORT

## BOARD STATEMENT

Singapore Kitchen Equipment Limited (the “Company”, together with its subsidiaries, collectively the “Group”) is pleased to present its Sustainability Report for the financial year ended 31 December 2025 (“FY2025”).

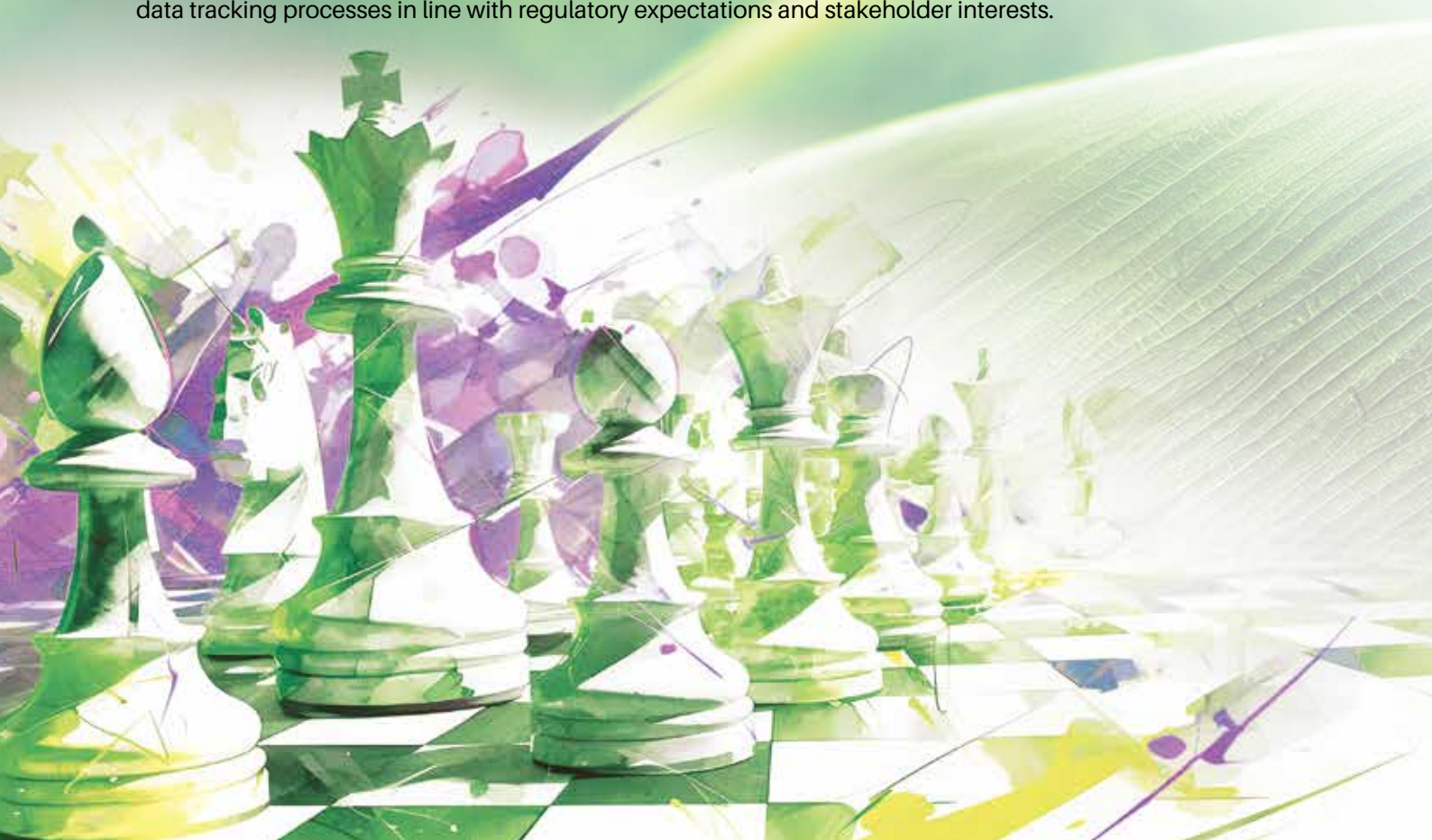
The Board of Directors (the “Board”) acknowledges its responsibility for overseeing the Group’s sustainability direction, including the identification, evaluation and management of material environmental, social and governance (“ESG”) factors. The Board ensures that sustainability considerations are integrated into the Group’s business strategy, risk management framework and operational decision-making processes.

During FY2025, there were no significant changes to the Group’s sustainability governance structure, reporting standards or material ESG factors. The Board continues to review and approve the material ESG factors and oversee the Group’s sustainability performance.

In FY2025, the Group placed greater emphasis on tracking energy consumption to support year-on-year comparison and continuous improvement. Operational measures implemented include the use of energy-efficient lighting, maintaining air-conditioning systems at 25°C, and switching off equipment and lighting in non-operational areas.

The Group operated in a challenging business environment, recording revenue of approximately S\$24.2 million and a net loss of approximately S\$3.3 million. Despite these challenges, the Group maintained positive operating cash flow of approximately S\$3.3 million, reflecting prudent cost management and operational resilience.

The Board remains committed to strengthening sustainability practices, enhancing disclosures and improving data tracking processes in line with regulatory expectations and stakeholder interests.



# SUSTAINABILITY REPORT

## ABOUT THIS REPORT

This Sustainability Report outlines the Group's sustainability strategy, material ESG factors, management approach and performance for FY2025.

This report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards (Core option) and with reference to the Singapore Exchange ("SGX") Sustainability Reporting Guide.

The content of this report has been determined based on a structured and documented materiality assessment process, taking into consideration:

- The likelihood and significance of ESG impacts on the economy, environment and people; and
- The relevance of ESG factors to the Group's business strategy and operations

This report covers the Group's principal operations in Singapore and Malaysia for the period from 1 January 2025 to 31 December 2025 and is published on an annual basis.

The Group has established internal processes to collect and validate ESG data. Certain disclosures may be based on reasonable estimates where direct measurement is not available. The data and information in this report have been reviewed and verified by the internal auditors.

This report has not been externally assured. The Group will continue to enhance its data collection and reporting processes over time.

## OUR BUSINESS

### Business Overview

Singapore Kitchen Equipment Limited is an integrated provider of commercial and industrial kitchen solutions under the "Q'son" brand.

The Group offers end-to-end services including design, fabrication, installation, maintenance and equipment rental, supported by food and beverages operations.

In addition, the Group adopts a synergistic approach to diversify its operations through the development and operation of a lifestyle coffeeshop and café concepts. This diversification supports recurring income streams and enhances operational resilience.

### Operational Footprint and Structure

The Group's operations are primarily based in Singapore, with a manufacturing facility located in Johor Bahru, Malaysia, which supports fabrication and production activities.

The Malaysia facility represents the Group's primary manufacturing footprint and includes:

- Automated fabrication equipment
- Structured production processes (planning, welding, polishing and assembly)
- Workforce training and quality control systems

The Group adopts a coordinated operational structure, where fabrication and production activities are aligned with project execution, installation and servicing operations in Singapore.



# SUSTAINABILITY REPORT

## Business Performance and FY2025 Review

During FY2025, the Group operated in a challenging environment characterised by reduced demand and industry-wide slowdown.

### Financial Performance Summary

Income Statement	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues (S\$'000)	27,774	33,955	41,670	32,594	24,248
Profit/(loss) after tax (S\$'000)	338	844	3,384	867	(3,260)
Earnings/(loss) per share (Cents)	0.22	0.54	2.18	0.56	(2.10)
Dividend per share (Cents)	NA	0.75	0.50	0.50	0.50
Staff head count (In Numbers)	164	184	201	186	170
Productivity per employee (S\$)	169,354	183,332	207,313	175,235	142,635

The decline in performance was primarily attributable to:

- Lower demand for fabrication and distribution services
- Reduction in installation projects, particularly cold room systems
- Continued softness in the F&B sector

Despite these challenges, the Group maintained positive operating cash flow, reflecting effective working capital management and cost control measures.

### Product Quality and Customer Satisfaction

The Group is committed to delivering high-quality products and services that meet customer expectations and support its business performance.

The Group maintains industry-recognised certifications and technical competencies, including LGSW (City Gas), bizSAFE Star, ISO 45001, Confined Space Assessor, Work-at-Height Supervisor and Safety Officer certifications, to ensure consistent quality and operational standards.

Its Malaysia manufacturing operations are supported by a stable, full-time workforce, enabling continuity in technical expertise and production reliability. The Group also invests in research and development to enhance product design and operational efficiency.

Product quality and service standards are supported by its installation, maintenance and after-sales capabilities, ensuring timely delivery and responsiveness to customer needs.



# SUSTAINABILITY REPORT

## Business Risks, Strategy and Performance Monitoring

The Group identifies and manages key business risks that may impact its operational performance and sustainability outcomes. These include market demand fluctuations, cost and margin pressures, supply chain disruptions, operational execution risks and workforce constraints.

To address these risks, the Group adopts a disciplined and forward-looking strategy focused on:

- Enhancing operational efficiency and cost management
- Strengthening recurring revenue streams through servicing and rental
- Optimising procurement and supply chain arrangements
- Improving workforce productivity and capabilities

These strategic priorities are integrated into the Group's business operations and support its ability to respond to changing market conditions while maintaining operational resilience.

The Group monitors its performance through a combination of financial, operational and ESG-related key performance indicators ("KPIs"). These include revenue trends, cost management, project delivery, resource utilisation and environmental and workforce metrics.

Performance is reviewed periodically by Management and reported to the Board. This enables timely identification of risks and issues, alignment of strategy with operational outcomes and continuous improvement in both business performance and sustainability practices.

## STAKEHOLDER ENGAGEMENT

### Stakeholder Identification

The Group identifies its key stakeholders based on their influence on the Group's operations and the impact of the Group's business activities on them.

Key stakeholder groups include shareholders and investors, customers, employees, suppliers, regulators, the local community and industry partners. These stakeholders are prioritised based on their relevance to the Group's business strategy, operational activities and sustainability performance.

Stakeholder identification is reviewed periodically by Management as part of the Group's ESG framework.

### Engagement Methods

The Group engages its stakeholders through a combination of formal and informal channels to understand their concerns and expectations.

These include corporate disclosures, meetings, operational interactions, employee communication platforms and participation in industry and community activities. Engagement is conducted on a regular and ongoing basis, depending on the nature of the stakeholder group.

# SUSTAINABILITY REPORT

## Key Concerns and Responses

The key areas of concern raised by stakeholders and the Group's corresponding responses are summarised below:

Stakeholders	Engagement Platforms	Frequency	Key Concerns	Group's Response
<b>Shareholders &amp; Investors</b>	Annual General Meeting, Annual Report, Financial Results Announcements, Corporate Disclosures	Annually Quarterly Regularly	Financial performance, business strategy, sustainability	Timely disclosures, transparent reporting and Board oversight
<b>Customers &amp; Consumers</b>	Corporate website, events and functions, email queries, hotline, customer surveys	Daily Annually Timely	Product quality, service delivery, responsiveness	Quality assurance, customer support and continuous improvement
<b>Employees</b>	Morning briefings, departmental meetings, HOD meetings, work plans, staff activities, training and seminars	Daily Weekly Monthly Periodic	Workforce capability, employee welfare, development, workplace safety	Training programmes, safety measures and employee engagement initiatives
<b>Suppliers &amp; Service Providers</b>	Emails, face-to-face meetings, performance reviews and feedback	Daily Monthly Quarterly	Quality, reliability, cost management, delivery and payment terms	Supplier engagement, procurement management and timely communication
<b>Government &amp; Regulators</b>	SGX submissions, ACRA filings, engagement with government agencies	As required Periodic	Regulatory compliance, disclosures, economic contribution	Compliance with laws and regulations and internal control processes
<b>Local Community</b>	Donations, social and charitable activities, community events	Annually Periodic	Corporate responsibility and community contribution	Community initiatives and responsible corporate practices
<b>Industry &amp; Business Partners</b>	Trade events, collaborations, forums	Periodic	Industry developments, partnerships and business opportunities	Industry engagement and collaboration initiatives

The Group is committed to maintaining transparent and timely communication with shareholders and investors.

The Group engages shareholders through annual general meetings, corporate disclosures, financial results announcements and its annual report. These platforms provide stakeholders with updates on the Group's financial performance, business developments and sustainability initiatives.

The Group aims to ensure that shareholders are provided with relevant, accurate and timely information to support informed decision-making.

## MATERIAL ESG FACTORS

### Materiality Assessment Process

The Group adopts a structured and documented approach to identify and assess material ESG factors. This process was initially conducted in earlier sustainability reporting cycles and remains relevant for FY2025, with no significant changes to the identified material ESG factors.

The assessment considers:

- Stakeholder feedback and engagement outcomes
- Likelihood and significance of ESG impacts on the economy, environment and people
- Relevance to the Group’s business strategy, operations and long-term performance

The material ESG factors are prioritised based on their potential impact on:

- Operational performance
- Financial outcomes
- Regulatory compliance
- Stakeholder expectations

Management performs periodic reviews, and the results are presented to and approved by the Board.

### Material ESG Factors

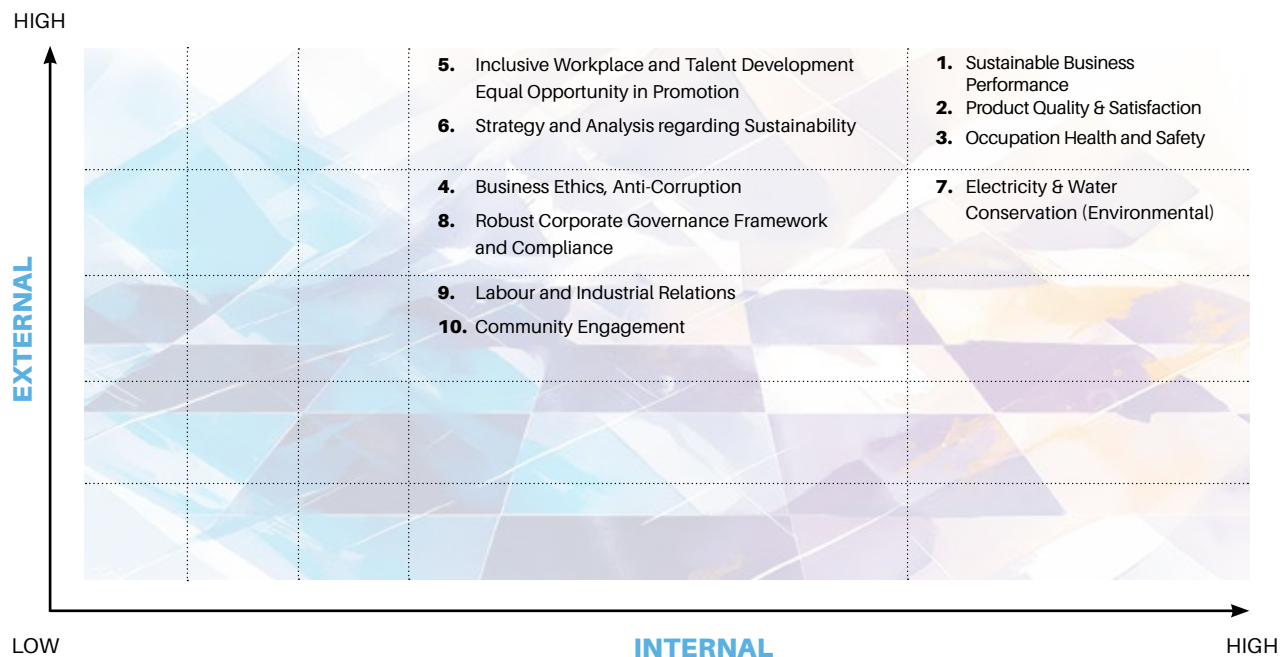
The Group has identified the following 10 material ESG factors for FY2025:

1. Sustainable Business Performance
2. Product Quality and Customer Satisfaction
3. Occupational Health and Workplace Safety
4. Business Ethics and Anti-Corruption Practices
5. Workforce Development and Equal Opportunity
6. Sustainability Strategy and Integration
7. Energy and Water Efficiency
8. Corporate Governance and Regulatory Compliance
9. Labour Practices and Employee Relations
10. Community Investment and Engagement

### Materiality Matrix

The materiality matrix below illustrates the prioritisation of ESG factors based on their importance to stakeholders and the significance of their impact on the Group’s business strategy and operations.

Each factor is assessed based on the likelihood and significance of its actual and potential impacts on the economy, environment and people, and mapped accordingly within the matrix.



**Figure 2** Materiality Assessment by our Stakeholders and their priority

The material ESG factors have been reviewed and approved by the Board and are monitored on an ongoing basis.

# SUSTAINABILITY REPORT

## ESG Impact and Management Approach

The Group adopts a structured approach to managing its material environmental, social and governance (“ESG”) factors, taking into consideration their impact on the economy, environment and people, as well as their relevance to the Group’s business operations and stakeholders.

For each material ESG factor, the Group has established appropriate management approaches, including policies, operational controls and performance monitoring measures. These approaches are designed to mitigate risks, capture opportunities and support sustainable value creation.

The Group’s management approach includes:

- Identification of ESG risks and opportunities
- Implementation of policies and operational controls
- Monitoring through ESG-related key performance indicators (“KPIs”)
- Periodic review by Management and reporting to the Board

This ensures that ESG considerations are integrated into the Group’s business strategy, risk management framework and day-to-day operations.

The following table summarises the Group’s material ESG factors, corresponding KPIs, performance and targets, aligned with its sustainability strategy and management approach.

Material ESG Factor	KPI	FY2025 Performance	FY2025 Target	Performance vs Target	Remarks
<b>Environmental</b>					
Energy & Resource Efficiency	Energy consumption; intensity	115,081 kWh; 0.0135 kWh/MYR	Maintain or improve efficiency	<b>Met</b>	Energy usage remained stable, supported by operational controls
Emissions	Scope 2 emissions; intensity	45.2 tCO <sub>2</sub> e; 0.0053 MT/MYR’000	Monitor and reduce in line with energy usage	<b>Met</b>	Emissions tracked in line with energy consumption trends
Waste Management	Waste generated; disposal	Managed via licensed contractors	Maintain proper disposal practices	<b>Met</b>	No non-compliance noted

# SUSTAINABILITY REPORT

Material ESG Factor	KPI	FY2025 Performance	FY2025 Target	Performance vs Target	Remarks
<b>Social</b>					
Occupational Health & Safety	Workplace incidents	No major incidents	Maintain safe working environment	<b>Met</b>	Safety measures remained effective
Workforce Development	Training hours	~20 hours per employee	Maintain or improve training levels	<b>Met</b>	Training programmes sustained despite business conditions
Labour Practices & Diversity	Workforce stability	Stable, multi-national workforce	Maintain diversity and retention	<b>Met</b>	No significant turnover issues observed
Product Quality & Customer Satisfaction	Service performance	Maintained standards	Maintain service quality	<b>Met</b>	Service delivery remained consistent
Community Engagement	CSR activities	Ongoing initiatives	Continue community support	<b>Met</b>	Continued participation in community efforts
<b>Governance</b>					
Business Ethics & Anti-Corruption	Number of incidents	0 cases	Maintain zero tolerance	<b>Met</b>	No incidents reported
Regulatory Compliance	Number of breaches	0 breaches	Maintain full compliance	<b>Met</b>	Full compliance maintained
Risk Management & Internal Controls	Risk reviews	Conducted	Continue periodic review	<b>Met</b>	Regular reviews completed
Board & ESG Oversight	ESG review	Conducted	Continue oversight	<b>Met</b>	Oversight processes maintained
Data Protection & Cybersecurity	Data breaches	0 incidents	Maintain zero incidents	<b>Met</b>	No breaches recorded
<b>Economic</b>					
Sustainable Business Performance	Financial performance	Revenue: S\$24.3M; Net loss: (S\$3.26M); Cash flow: S\$3.2M	Improve profitability and stability	<b>Not met</b>	Lower demand impacted revenue and profitability despite positive cash flow

# SUSTAINABILITY REPORT

The Group's FY2025 performance reflects a challenging operating environment, with lower demand impacting revenue and profitability. Despite this, the Group maintained positive operating cash flows and continued to uphold strong governance, operational resilience and sustainability practices.

Across its environmental, social and governance factors, the Group has achieved its targets, maintaining stable performance and compliance with established policies and controls. No material ESG-related incidents or breaches were recorded during the year.

The Group will continue to strengthen its ESG performance through disciplined cost management, operational efficiency and the implementation of sustainability initiatives aligned with its business strategy.

The Group will also continue to refine its KPIs and targets over time to enhance the relevance, measurability and comparability of its ESG disclosures, in line with evolving regulatory expectations in Singapore.



## Environmental Approach and Governance

The Group recognises the importance of managing its environmental impact and is committed to improving energy and resource efficiency across its operations.

Environmental impact is primarily associated with electricity and water consumption at the Group's manufacturing facility in Malaysia, which represents the Group's main operational footprint.

The Group adopts a structured approach to environmental management through the implementation of operational controls, resource optimisation measures and performance monitoring. Environmental considerations are integrated into the Group's business operations and decision-making processes.

Performance is monitored through environmental metrics and ESG-related key performance indicators ("KPIs") and is reviewed periodically by Management and reported to the Board as part of the Group's sustainability governance framework.

## Energy and Resource Management

The Group monitors energy consumption and implements measures to improve efficiency across its manufacturing facility and offices.

Key initiatives implemented during FY2025 include:

- Installation of energy-efficient LED lighting
- Maintaining air-conditioning systems at approximately 25°C
- Switching off lighting and equipment during non-operational periods (e.g. lunch and breaks)
- Promoting employee awareness on energy conservation practices

Energy consumption in FY2025 decreased in line with lower production and business activity. The Group will enhance its monitoring of energy performance to support year-on-year comparison and continuous improvement.

# SUSTAINABILITY REPORT

## Energy Consumption and Intensity

Year	Actual Consumption (kWh)	Turnover	(kWh/MYR)
2020	99,812	4,736,181	0.0211
2021	123,498	8,829,970	0.0140
2022	116,177	10,167,419	0.0114
2023	117,082	8,510,004	0.0138
2024	128,393	8,681,266	0.0148
2025	115,081	8,500,000	0.0135
Average	116,700	8,800,000	0.0141

## Emissions

The Group's indirect greenhouse gas emissions (Scope 2) arise primarily from electricity consumption at its manufacturing facility.

The Group continues to track emissions intensity based on energy usage, consistent with prior reporting methodology. While emissions are not currently a primary material factor due to the nature of operations, the Group adopts a precautionary approach in monitoring its environmental footprint.

## Emissions Intensity

Year	Total indirect CO <sub>2</sub> or Carbon Equivalent Emissions (Metric Tons)	Turnover	Emissions Intensity (MT/MYR'000)
2020	70.6	4,736,181	0.0149
2021	53.4	8,829,970	0.0061
2022	50.3	10,167,419	0.0049
2023	50.7	8,510,004	0.0060
2024	50.4	8,681,266	0.0060
2025	45.2	8,500,000	0.0053

The Group will progressively enhance its emissions tracking and reporting capabilities in line with evolving regulatory expectations.

## Waste Management

The Group adopts responsible waste management practices to minimise environmental impact.

Waste generated from fabrication and operational processes is handled by licensed contractors to ensure proper disposal in accordance with regulatory requirements. Scrap materials and discharges are managed through controlled processes, and guidance is provided to customers on proper disposal or decommissioning of equipment where applicable.

The Group does not generate significant hazardous waste and continues to monitor its waste management practices to ensure compliance with environmental regulations.

# SUSTAINABILITY REPORT

## Supply Chain and Environmental Considerations

The Group incorporates environmental considerations into supplier selection and procurement processes. Suppliers are evaluated based on business conduct, labour practices, workplace safety and environmental compliance, supported by internal assessment procedures.

In FY2025, ongoing geopolitical uncertainties continued to impact global supply chains. The Group implemented proactive measures, including inventory planning, early procurement and diversification of sourcing arrangements, to mitigate disruptions and maintain continuity of operations.

These measures support operational resilience and efficient resource utilisation.

## Environmental Compliance and Monitoring

The Group is committed to complying with applicable environmental laws and regulations in the jurisdictions in which it operates.

During FY2025:

- No material environmental breaches were recorded
- Operations remained in compliance with relevant regulatory requirements

To support compliance, the Group maintains internal policies and procedures, including monitoring environmental practices across operations, ensuring supplier compliance where applicable and promoting employee awareness of environmental responsibilities.

Environmental performance is monitored through energy and resource consumption metrics, emissions data and ESG-related KPIs. Performance is reviewed periodically by Management and reported to the Board as part of the Group's sustainability governance framework.

## CLIMATE-RELATED DISCLOSURES

Following the issuance of the IFRS Sustainability Disclosure Standards by the International Sustainability Standards Board ("ISSB"), the Group has adopted a phased approach to enhance its climate-related disclosures and progressively align with these requirements. The Group will continue to strengthen its disclosures, data processes and governance practices over time.

FY2025 marks the first year in which the Group has prepared this Report with reference to the ISSB Standards, namely IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures), in line with regulatory expectations in Singapore.

## Governance

The Board has overall oversight of sustainability-related risks and opportunities, including climate-related matters, as part of its responsibility for the Group's long-term strategy and risk management.

Management supports the Board in identifying, assessing and managing climate-related risks and opportunities, and is responsible for implementing relevant initiatives, monitoring performance and reporting to the Board on a regular basis.

## Strategy

The Group has assessed that its operations are not carbon-intensive, given the nature of its kitchen equipment business. Nevertheless, climate-related risks and opportunities — including changes in energy costs, evolving regulatory requirements and potential supply chain disruptions — may impact the Group's financial performance, position and future prospects.

To address these considerations, the Group continues to implement measures to improve resource efficiency, including energy conservation initiatives and operational optimisation. Climate-related considerations are progressively incorporated into the Group's operational planning and business strategy.

# SUSTAINABILITY REPORT

The Group adopts a phased approach in assessing climate-related risks and opportunities and will continue to enhance its assessment of potential impacts, including transition and physical risks, over time.

## Risk Management

Climate-related risks and opportunities are integrated into the Group's overall enterprise risk management framework.

Key risks identified include:

- **Transition risks**, such as evolving regulatory requirements, compliance obligations and potential increases in energy and operating costs; and
- **Physical risks**, including disruptions to operations and supply chains arising from climate-related events.

These risks are monitored and managed through established operational controls, supplier management practices and procurement strategies.

## Metrics and Targets

The Group monitors its sustainability-related performance using relevant metrics, including energy consumption and greenhouse gas ("GHG") emissions.

For FY2025:

- **Scope 1** emissions are assessed to be not material to the Group's operations;
- **Scope 2** emissions are measured and disclosed; and
- **Scope 3** emissions are not currently measured and remain under review as part of ongoing enhancements to data collection processes.

The Group has not established formal climate-related targets at this stage and will progressively evaluate appropriate metrics and targets as it advances its alignment with IFRS S2.

## Climate KPI Summary (FY2025)

	FY2025
Energy Consumption	115,081 kWh
Energy Intensity	0.0135 kWh/MYR
Scope 2 Emissions	45.2 tCO <sub>2</sub> e
Emissions Intensity	0.0053 MT/MYR'000

Climate-related performance is monitored as part of the Group's ESG KPI framework and disclosed in the Environmental section of this report.

## Ongoing Improvements

The Group remains committed to enhancing the quality, consistency and comparability of its climate-related disclosures in line with IFRS S1 and IFRS S2, taking into consideration guidance issued by the Singapore Exchange Regulation ("SGX RegCo") and evolving industry best practices.



# SUSTAINABILITY REPORT



## SOCIAL

### Workforce Overview

During FY2025, the Group continued to invest in workforce training, including upskilling and reskilling initiatives, particularly within the design and technical functions.

However, in view of the weaker economic environment, reduced project activity and lower revenue levels, the Group adopted a prudent cost management approach. This included:

- Freezing staff wages during FY2025
- Reducing expenditure on large-scale staff engagement activities

Despite these constraints, departmental heads organised smaller-scale and lower-cost activities to support employee morale and team cohesion.

### Staff Statistics

Staff statistics presented in this section cover the Group's key operating entities, namely:

- **QKE** - Q'son Kitchen Equipment Pte Ltd (Singapore)
- **YWB** - Yes We Build Pte. Ltd. (formerly known as Q'son International Pte. Ltd.)
- **QIM** - Q'son Industries Sdn. Bhd. (Malaysia)

These entities represent the Group's principal operations, encompassing manufacturing, project delivery, servicing and supporting functions.

The tables below provide a breakdown of the Group's workforce by function, gender, age profile and nationality. This information supports the monitoring of workforce composition, diversity and operational capacity.

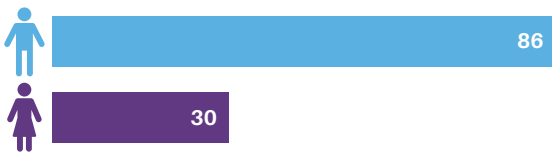
Workforce data is reviewed periodically by Management and forms part of the Group's ESG performance monitoring framework, particularly in relation to labour practices, workforce stability and productivity.

### Work Force Statistics (QKE+YWB)

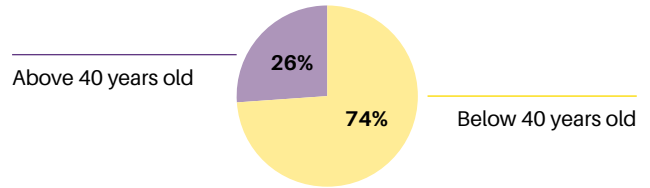
	2024	2025
<b>Work Force (Group)</b>		
Senior Management	4	4
Sales & Marketing	11	10
Procurement	3	3
Service & Maintenance	69	62
Administration	13	12
Finance	10	9
Project & Production	20	18
Design	4	4
General Support	0	0
<b>Workers Ratio</b>		
Male	99	86
Female	35	30
<b>Age Profile</b>		
Below 40 years old	98	86
Above 40 years old	36	30
<b>Nationality</b>		
Singaporean	38	34
Malaysian	41	35
Indonesian	0	0
Burmese	3	4
Bangladeshi	3	3
Filipino	2	2
Vietnamese	0	0
Chinese (PRC)	41	30
Nepalese	0	17
Indian	6	6
<b>Entry-Level Employee Wages</b>		
Local Employees	S\$2,500	S\$2,500 (SG) / RM2,500 (MY)
Foreign Workers	S\$1,400	RM1,700

# SUSTAINABILITY REPORT

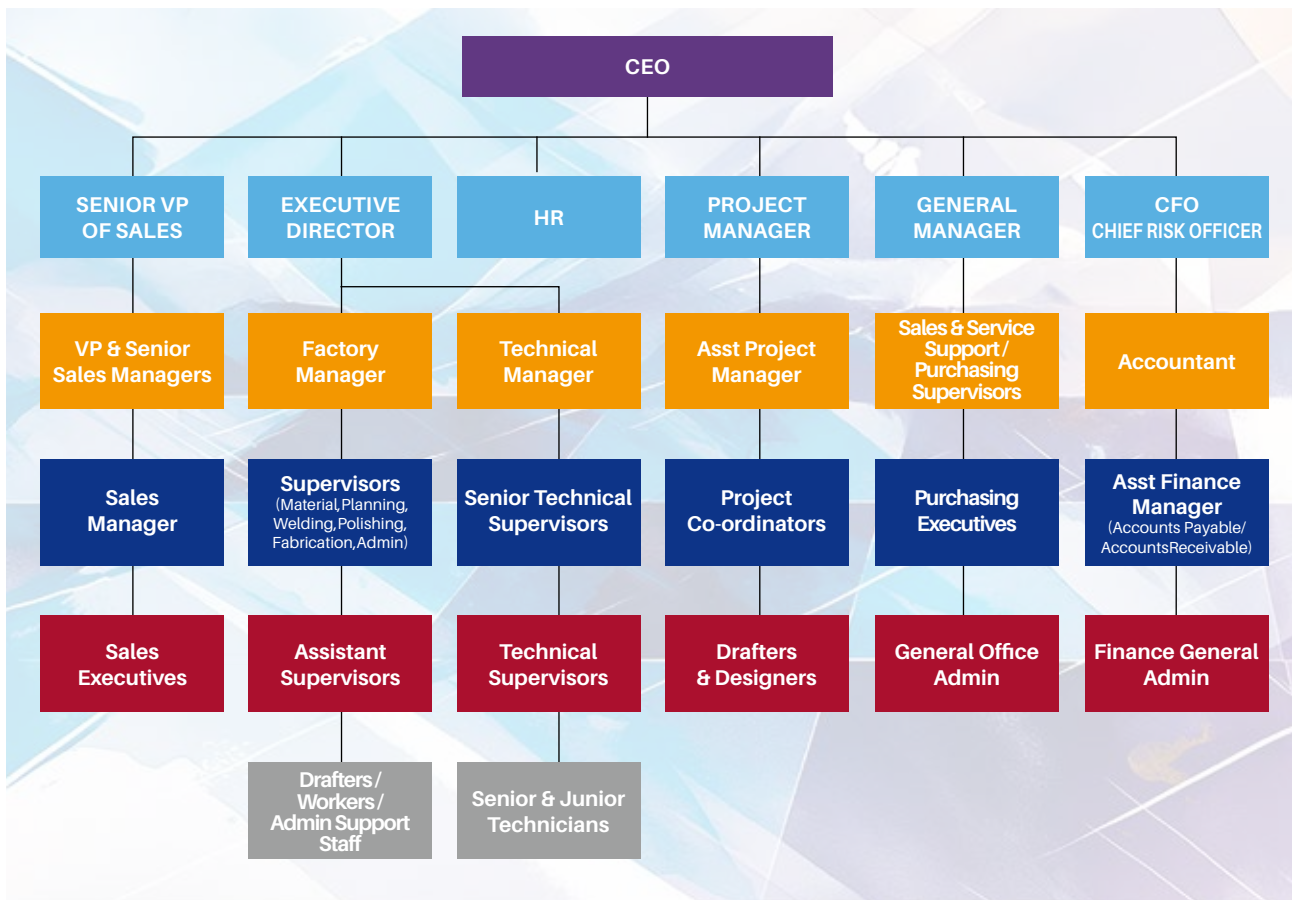
## Workers Ratio (FY2025)



## Age Profile (FY2025)



## Staff Organisation Chart of SKE Group



## Our Labour Force (Malaysia Plant)

The Group's kitchen equipment products are primarily manufactured at its facility in Johor Bahru (Plentong), Malaysia. The factory is equipped with automated production machinery and operates daily across key functions including planning, fabrication, welding and polishing.

The plant workforce comprises a mix of local and foreign employees, supporting operational flexibility and continuity. The Group adopts structured operational practices, including the Japanese Kaizen management system, to ensure efficiency and consistency across production processes.

Employees undergo structured training and on-the-job coaching to enhance technical skills and productivity. The Group maintains a relatively young and diverse workforce, enabling adaptability and effective coordination across operations.

In response to changing market conditions, the Group continues to optimise its procurement and operational strategies to support cost management and supply chain resilience.

# SUSTAINABILITY REPORT

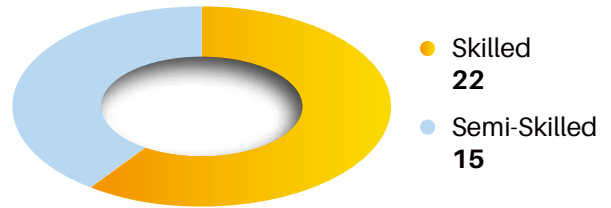
## Labour Force (Malaysia Plant)

	2024	2025
<b>All Employees</b>		
Management Staff	5	5
Production Workers	47	39
<b>Age</b>		
Below 40 years old	41	35
Above 40 years old	11	9
<b>Diversity / Nationality</b>		
Malaysian	22	17
Vietnamese	1	0
Bangladeshi	7	5
Burmese	4	4
Chinese (PRC)	1	1
Nepalese	17	17
<b>Most Commonly-used Languages</b>		
Mandarin	18	18
Malay	34	26
<b>Production Workers</b>		
Skilled	37	22
Semi-Skilled	7	15
Unskilled	8	3
<b>Production Worker Ratio</b>		
Male	49	42
Female	3	2
<b>Job Functions</b>		
Supervisors	11	10
Equipment Fabrication Workers	5	4
Material Planning	10	9
Office Workers	5	4
Polishing Workers	7	6
Welding Workers	14	11
<b>Employee Entry Wages</b>		
Malaysian Locals	RM2,000	RM2,500
Foreign Workers	RM1,500	RM1,700

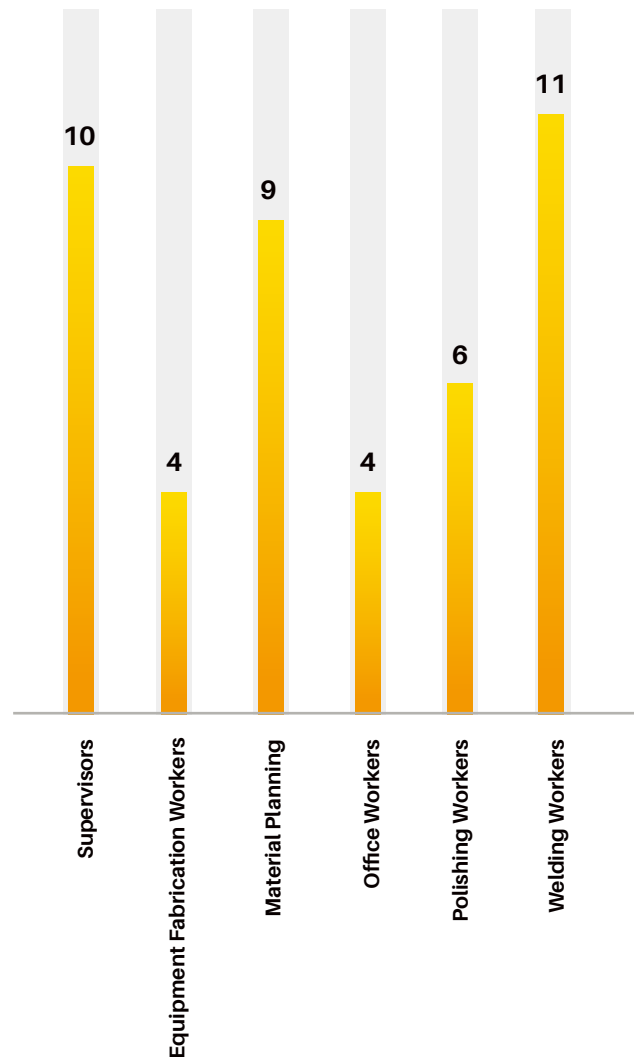
## All Employees (FY2025)



## Production Workers @ Malaysia Plant (FY2025)

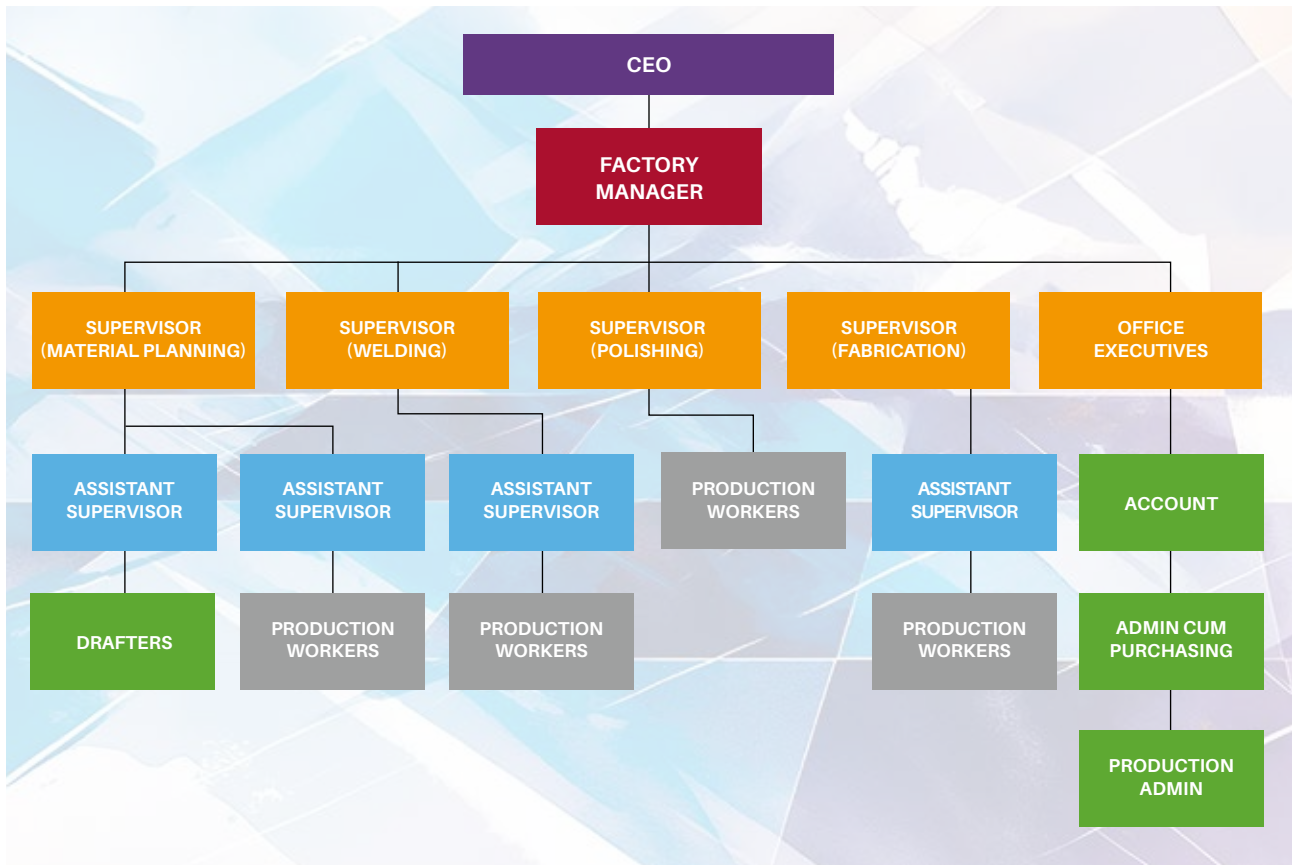


## Job Functions of Production Workers (FY2025)



# SUSTAINABILITY REPORT

**Q'son Industires (M) Sdn. Bhd. Staff Organisation Chart**



## Occupational Health and Safety

The Group adopts a structured approach to managing workplace health and safety and maintains relevant certifications, including ISO 45001 and bizSAFE Star. Safety measures include regular inspections, training and daily toolbox briefings.

The Group adopts a zero-tolerance approach towards workplace injuries. Safety performance is monitored through incident tracking and reviewed periodically by Management.

## Training and Development

The Group invests in training and development to enhance workforce capability and operational efficiency. Employees receive structured training through on-the-job coaching and formal programmes, with an average of approximately 20 hours of training per year.

## Employees' Benefits and Labour Practices

The Group complies with applicable wage regulations in Singapore and Malaysia and is committed to providing fair and competitive remuneration to attract and retain skilled employees.

In FY2025, entry-level wages were S\$2,500 for local employees in Singapore and approximately S\$1,400 for foreign workers, while in Malaysia, wages were RM2,500 for local employees and RM1,700 for foreign workers, in line with the Malaysia Minimum Wages Order 2024. The Group maintains a relatively stable workforce and ensures that all employment terms and benefits comply with applicable labour laws and regulations.

## Workforce Diversity

The Group values diversity and maintains a multi-national workforce across its operations. Employees are recruited based on merit and capability, without discrimination based on gender, age or nationality.

# SUSTAINABILITY REPORT

The workforce comprises employees from various nationalities, including Singaporean, Malaysian, Chinese, Bangladeshi, Filipino, Burmese and Nepalese, and communicates in multiple languages such as English, Mandarin and Malay.

This diverse workforce supports operational flexibility and effective collaboration across the Group's operations.

At the Board level, the Group maintains gender diversity, with four male directors and one female director in FY2025. The Group also had 9 female employees in managerial roles, reflecting its commitment to an inclusive workplace.

## Corporate Social Responsibility

The Group contributes to the community through initiatives such as its bursary programme supporting students at the Singapore Institute of Technology.

## Performance Monitoring

Social performance is monitored through workforce metrics, training and safety indicators, and ESG-related KPIs. Performance is reviewed periodically by Management and reported to the Board as part of the Group's ESG framework.



## GOVERNANCE

### Corporate Governance

The Group is committed to maintaining high standards of corporate governance to support long-term sustainability and value creation.

The Board of Directors (the "Board") is responsible for overseeing the Group's governance framework, including risk management, internal controls and sustainability matters. This includes oversight of climate-related risks and opportunities as part of the Group's broader environmental, social and governance ("ESG") considerations.

The Board reviews and approves the Group's material ESG factors and ensures that sustainability, including climate-related considerations, is integrated into the Group's business strategy and operations.

All Directors have successfully completed the mandatory training on sustainability matters.

### Board Oversight of ESG and Climate-Related Matters

The Board oversees ESG matters, including climate-related risks and opportunities, as part of its overall responsibility for risk management and corporate governance.

Management supports the Board by:

- Monitoring ESG and climate-related performance, including energy consumption and emissions
- Identifying and assessing climate-related risks and opportunities
- Implementing appropriate measures to manage such risks

ESG and climate-related updates are reported periodically to the Board, enabling informed decision-making and oversight.

### Risk Management and Internal Controls

The Group maintains a system of risk management and internal controls to safeguard its assets and ensure the reliability of financial reporting.

Key risks, including operational, financial and climate-related risks, are identified, assessed and managed as part of the Group's risk management framework. Climate-related risks are considered alongside other business risks and are monitored through operational and ESG indicators.

The Board, with the support of Management, reviews the adequacy and effectiveness of the Group's internal controls and risk management systems on an ongoing basis.

# SUSTAINABILITY REPORT

## Compliance and Regulatory Practices

The Group complies with applicable laws and regulations in the jurisdictions in which it operates, including environmental and climate-related regulatory requirements where applicable.

During FY2025, there were no material breaches of laws or regulations. The Group maintains policies and procedures to ensure compliance and monitors regulatory developments, including those relating to sustainability and climate, to ensure timely implementation.

## Business Ethics and Whistleblowing

The Group maintains a zero-tolerance approach towards fraud, bribery and corruption. There were no reported incidents of whistleblowing or corruption during FY2025.

The Group's whistleblowing, risk management and investor relations practices remain unchanged during the reporting period, with existing frameworks continuing to operate effectively.

## Data Protection and Cybersecurity

The Group recognises the importance of safeguarding data and maintaining cybersecurity across its operations.

Measures are implemented to protect sensitive information, including customer data, and to mitigate risks associated with cybersecurity threats. The Group continues to enhance its systems and controls to address evolving risks.



## Sustainability Governance and Performance Monitoring

Sustainability is integrated into the Group's governance framework, with ESG and climate-related matters overseen by the Board and supported by Management.

Performance is monitored through ESG-related key performance indicators ("KPIs"), including environmental metrics such as energy consumption and emissions. These are reviewed periodically by Management and reported to the Board.

This ensures that sustainability and climate considerations are aligned with the Group's business strategy, risk management and operational processes.

## Governance KPIs and Targets

The Group has established governance-related KPIs to monitor compliance, ethical conduct and governance effectiveness. Performance is monitored periodically by Management and reported to the Board.

### Governance KPI

Area	KPI	FY2025	FY2026 Target
Regulatory Compliance	Number of material breaches	0	Maintain zero
Business Ethics	Corruption or misconduct cases	0	Maintain zero
Risk Management	Review of key risks	Conducted	Continue review
Board Oversight	ESG and climate review	Conducted	Continue oversight
Cybersecurity	Data breaches	0	Maintain zero

# SUSTAINABILITY REPORT

## GRI STANDARDS CONTENT INDEX

<b>Statement of use</b>	Singapore Kitchen Equipment Limited has reported the information cited in this GRI content index for the financial year ended 31 December 2025 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

<b>GRI Standard</b>	<b>Disclosure / Description</b>	<b>Location</b>
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	Our Business, page 19-21
	2-2 Entities included in reporting	Social (Staff Statistics), page 30-32
	2-3 Reporting period, frequency, contact point	About This Report, page 19
	2-4 Restatements of information	About This Report, page 19
	2-5 External assurance	About This Report, page 19
	2-6 Activities, value chain	Our Business, page 29-21
	2-7 Employees	Social, page 30-34
	2-8 Workers who are not employees	Social, page 30-34
	2-9 Governance structure	Governance, page 34-35
	2-10 Nomination and selection of Board	Corporate Governance Report
	2-11 Chair of Board	Corporate Governance Report
	2-12 Role of Board in impacts	Board Statement, page 18
	2-13 Delegation of responsibility	Governance, page 34-35
	2-14 Role of Board in sustainability reporting	Board Statement, page 18
	2-15 Conflicts of interest	Corporate Governance Report
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	2-17 Collective knowledge of Board	Corporate Governance Report
	2-18 Evaluation of Board performance	Corporate Governance Report
	2-19 Remuneration policies	Corporate Governance Report
	2-20 Process to determine remuneration	Corporate Governance Report
	2-21 Compensation ratio	Corporate Governance Report
	2-22 Statement on sustainable development strategy	Board Statement, page 18
	2-23 Policy commitments	Governance, page 34-35

# SUSTAINABILITY REPORT

GRI Standard	Disclosure / Description	Location	
	2-24	Embedding policy commitments	ESG Management Approach, page 23-26
	2-25	Processes to remediate impacts	Governance, page 34-35
	2-26	Mechanisms for advice and concerns	Governance, page 34-35
	2-27	Compliance with laws and regulations	Page 26-29, 24-35
	2-28	Membership associations	Singapore Business Federation
	2-29	Stakeholder engagement	Section 4: Stakeholder Engagement
	2-30	Collective bargaining agreements	Not applicable
<b>GRI 3: MATERIAL TOPICS 2021</b>	3-1	Process to determine material topics	Page 23-26
	3-2	List of material topics	Page 23-26
	3-3	Management of material topics	Page 23-26
<b>GRI 200: ECONOMIC</b>	201-1	Economic performance	Page 19-21
	201-2	Climate risks	Page 28-29
<b>GRI 300: ENVIRONMENTAL</b>	302-1	Energy consumption	Page 26-28
	305-2	Scope 2 emissions	Emissions
	305-1	Scope 1 emissions	Not material
	305-3	Scope 3 emissions	Under review
	306-1	Waste generation	Waste management
<b>GRI 400: SOCIAL</b>	401-1	Employment	Page 30-34
	401-2	Benefits	Page 30-34
	403-1	OHS management system	Workplace safety
	403-2	Hazard identification	Safety measures
	403-3	Occupational health services	Employee health
	403-5	Safety training	Training programmes
	403-9	Work-related injuries	Incident monitoring
<b>GRI 200/400: GOVERNANCE &amp; ETHICS</b>	205-1	Anti-corruption risk	Governance
	205-2	Anti-corruption communication	Governance
	205-3	Corruption incidents	Governance KPIs

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Lim Chee San**  
(Chairman and  
Independent Non-Executive Director)

**Chua Chwee Choo**  
(Executive Director and Chief Executive Officer)

**Lee Chong Hoe**  
(Executive Director)

**Ang Chiang Meng**  
(Independent Non-Executive Director)

**Choo Kok Kiong**  
(Independent Non-Executive Director)

## AUDIT AND RISK MANAGEMENT COMMITTEE

**Ang Chiang Meng**  
(Chairman)

**Lim Chee San**  
**Choo Kok Kiong**

## NOMINATING COMMITTEE

**Lim Chee San**  
(Chairman)

**Choo Kok Kiong**  
**Ang Chiang Meng**

## REMUNERATION COMMITTEE

**Choo Kok Kiong**  
(Chairman)

**Ang Chiang Meng**  
**Lim Chee San**

## COMPANY SECRETARY

**Wong Yoan Har**

## REGISTERED OFFICE

207 Henderson Road #01-01  
Henderson Industrial Park  
Singapore 159550  
Tel: (65) 6472 7337  
Fax: (65) 6472 6497

## SHARE REGISTRAR

**Boardroom Corporate & Advisory Services Pte. Ltd.**

1 Harbourfront Avenue,  
#14-07 Keppel Bay Tower,  
Singapore 098632  
Tel: (65) 6536 5355  
Fax: (65) 65361360

## SPONSOR

**RHT Capital Pte. Ltd.**

36 Robinson Road, #10-06,  
City House,  
Singapore 068877

## INDEPENDENT AUDITOR

**Foo Kon Tan LLP**

Public Accountants and  
Chartered Accountants  
1 Raffles Place  
#04-61/62 One Raffles Place, Tower 2  
Singapore 048616

Partner-in-charge:

**Cheong Wenjie**

(Appointed with effect for the financial year  
ended 31 December 2021)

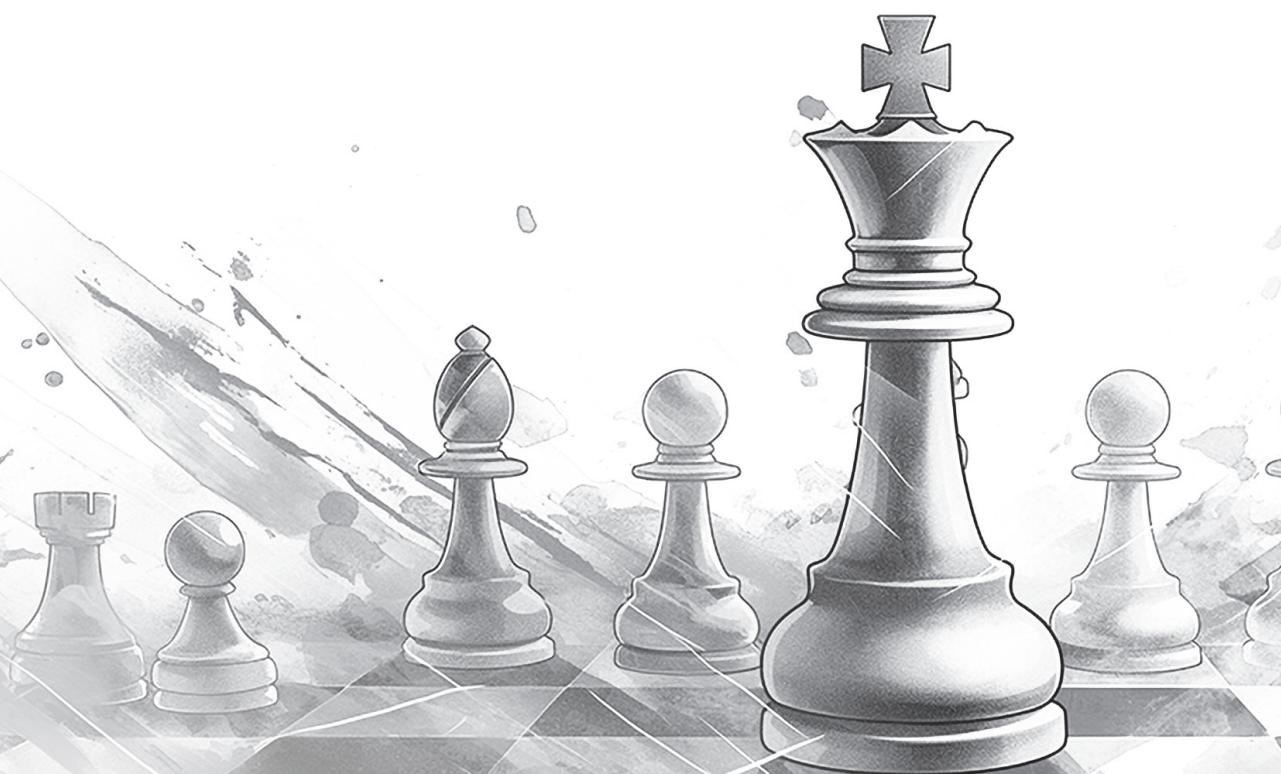
## PRINCIPAL BANKERS

DBS Bank Ltd  
United Overseas Bank Limited  
Standard Chartered Bank (Singapore) Limited  
Malayan Banking Berhad  
Bank of China  
CIMB Bank  
Citibank Singapore Limited

Company Registration Number: 201312671M

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# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

The Board of Directors (the “**Board**”) of Singapore Kitchen Equipment Limited (the “**Company**”) is committed to maintain a high standard of corporate governance within the Company and its subsidiaries (the “**Group**”).

The Company recognises the importance of good governance and is committed to ensure that the principles and provisions in corporate governance as set out in the Code of Corporate Governance 2018 (the “**Code**”) are observed and practised throughout the Group so that the affairs of the Group are conducted with integrity and professionalism with the objective of safeguarding shareholders’ investment, interests and ultimately enhancing shareholders’ value. Where the Company’s practices vary from any provisions of the Code, the Company has provided explanations for the departures and measures that the Company has taken or intends to take for the departed practices.

The Board will continue to take measures to improve compliance with the principles and provisions of the Code in the ensuing years.

## (A) 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 Company.**

The Terms of Reference of the Board are established to promote high standards of corporate governance. The Terms of Reference of the Board outline high level duties and responsibilities of the Board and matters that are specifically reserved for the Board. It is a comprehensive reference document for Directors on matters relating to the Board and its processes, as well as roles and responsibilities of the Board, its committees and management to ensure effective communication and decisions.

The Board has also established a Code of Business Conduct and Ethics for Directors (“**Code of Conduct**”). The Code of Conduct serves to guide the Directors on the areas of ethical risk and sets a framework where integrity and accountability are paramount as well as ethical conduct expected from the Directors in the performance of their duties. Where conflict of interest arises, the concerned Directors must recuse themselves from discussions and decisions involving the matter and abstain from voting on the matter.

Collectively, the Board discharged its duties and responsibilities and exercised due care and diligence in decisions for the business and affairs of the Company in the best interests of the Company.

The Board’s roles are to:

- (a) Provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
- (b) Establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders’ interests and the Group’s assets;
- (c) Review management performance;
- (d) Identify the key stakeholder groups and recognised that their perceptions affect the Group’s reputation;
- (e) Set the Group’s values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; and
- (f) Consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

The Board provides shareholders with a balanced and clear assessment of the Group's performance, financial position and prospects on a quarterly basis.

The Board delegates the formulation of business policies and day-to-day management to the Chief Executive Officer and the Executive Director as well as the key management personnel to ensure operations and performance of the Group are aligned with the strategies.

Matters which specifically require the Board's decision or approval include the following corporate matters:

- Annual budgets;
- Quarterly and year-end results announcements and the release thereof;
- Annual reports and financial statements for presentation at Annual General Meetings;
- Corporate strategies;
- Commitments to term loans and lines of credit;
- Issuance of shares;
- Material acquisitions and disposal of assets;
- Investment, divestment or capital expenditure exceeding S\$0.5 million;
- Convening of shareholders' meetings;
- Appointments to the Board and the various Board Committees;
- Declaration of interim dividends and proposal of final dividends;
- Interested person transactions; and
- Expenses incurred by Executive Directors (have to be approved by the Board's Independent Directors).

The Company has adopted and documented the internal guidelines setting for the matters that require the Board's decision or approval. Under the guidelines, all new investments, any increase in investment in businesses and subsidiaries, and any divestments by any of the Group's companies, and all commitments to term loans and lines of credit from banks and financial institutions by the Group require the approval of the Board.

In order for the Board to provide an independent oversight and to discharge its functions and responsibilities more efficiently, the Board has delegated certain functions to the following Board Committees which operate within clearly defined Terms of References and functional procedures:

- (a) Audit and Risk Management Committee ("**ARMC**");
- (b) Remuneration Committee ("**RC**"); and
- (c) Nominating Committee ("**NC**").

# CORPORATE GOVERNANCE REPORT

## For The Financial Year Ended 31 December 2025

The Chairman of the respective Board Committees will report to the Board on the outcome of their discussions and make recommendations on the specific agendas mandated to the respective Committees to the Board. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

The Board meets at least two times every year to coincide with the announcement of the Group's half-yearly result and year-end result. Ad-hoc Board meetings are called as and when deemed necessary by the Board to address any specific or significant matters that may arise. The Company's Constitution allows Directors to participate in meetings by means of conference telephone, video conferencing, audio visual or other electronic means of communication by which all persons participating in the meetings can hear one another contemporaneously, without having to be in the physical presence of each other.

Technology is effectively used in the Board and Board Committees' meetings and in communication with the Board, where the Directors may receive agenda and meeting materials online such as email and participate in meetings via audio or video conferencing. Management is often invited to be present and provide detailed explanation on any agenda at Board and Board Committees' meetings.

The number of meetings of the Board and Board Committees held during the financial year ended 31 December 2025 ("FY2025") and attendance of each Director are set out below:

Name of Directors	Board Meeting		Audit and Risk Management Committee		Remuneration Committee		Nominating Committee		Annual General Meeting
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	
Lim Chee San	2	2	3	3	1	1	2	2	1
Chua Chwee Choo	2	2	3	3*	1	1*	2	2*	1
Lee Chong Hoe	2	2	3	3*	1	1*	2	2*	1
Ang Chiang Meng	2	2	3	3	1	1	2	2	1
Choo Kok Kiong	2	2	3	3	1	1	2	2	1

\* By invitation

To enable the Board and Board Committees to fulfil their responsibilities, the Board relies on management to provide them with complete, adequate and timely information prior to the Board and Board Committees' meetings and on an ongoing basis. Subject to the management's disclosures, the Directors are provided with information pertaining to the Group's annual budgets, management accounts, Board papers and related materials, explanatory information relating to the matters, material events and transactions as well as minutes of the previous Board meeting and Board Committees' meeting including such other additional information as needed to make informed decisions to discharge their duties and responsibilities.

The Board has separate and independent access to the management, Company Secretary, the Sponsor and external advisers (where necessary) at the Company's expenses to facilitate further enquiries. The Board is assisted by a qualified and competent Company Secretary who plays a vital role in advising the Board on corporate and administrative matters, as well as facilitating orientation and professional development such as training as required.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

The Company Secretary or its representatives attend all meetings of the Board and Board Committees and assists the Board to ensure that proper procedures and all other rules and regulations applicable to the Company are complied with. The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole.

The Directors receive regular updates on relevant new laws and regulations from the Company's relevant advisors. The Directors have attended appropriate training courses on governance practices, enterprise risk management and relevant statutory and regulatory compliance issues. The Company encourages all Directors to receive regular training, particularly on new laws, regulations and commercial risk from time to time. The Directors keep themselves abreast with the changes and developments. Furthermore, the Company Secretary also highlights the relevant changes and guidelines on statutory and regulatory requirements from time to time to the Board. The External Auditor ("EA"), on the other hand, brief the Board on changes to the Singapore Financial Reporting Standards (International) that affect the Group's financial statements during the period. The Board also receive regular briefings and updates on the Group's business, operations and activities at the Board and Board Committees' meetings and when necessary or appropriate, the Board exchange views through informal meetings. When necessary, the Independent Non-Executive Directors will have discussions amongst themselves without the presence of the management.

Newly appointed Directors will receive a formal letter of appointment setting out his/her duties and responsibilities. Briefings and orientation will be given to the newly appointed Directors for him/her to familiarise with the business and operations of the Group, upon request. Rule 406(3)(a) of the Singapore Exchange Securities Trading Limited ("SGX-ST") this being the SGX-ST Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") requires a director who has no prior experience as a director of a company listed on the SGX-ST, to attend the training programmes conducted by the Singapore Institute of Directors ("**SID**") as prescribed in Practice Note 4D of the Catalist Rules.

All Directors have completed the mandated sustainability training course organised by SID and the Institute of Singapore Chartered Accountants ("**ISCA**") as required by the SGX-ST.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

## 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.

As at the date of this report, the Board currently comprises five (5) Directors as set out below:

Name of Directors	Designation	Date of Initial Appointment	Date of Last Re-election	Current Directorships in Listed Companies	Past Directorships in Listed Companies
Lim Chee San	Chairman and Independent Non-Executive Director	28 August 2021	24 April 2023	Chemical Industries (Far East) Limited Blackgold Natural Resources Limited Gallant Venture Ltd	Hupsteel Limited Sky One Holdings Limited Soon Lian Holdings Limited Colex Holdings Limited Allied Technologies Limited GS Holdings Limited
Chua Chwee Choo	Executive Director and Chief Executive Officer	9 May 2013	30 April 2024	-	-
Lee Chong Hoe	Executive Director	9 May 2013	30 April 2025	-	-
Ang Chiang Meng	Independent Non-Executive Director	4 August 2021	30 April 2024	mm2 Asia Limited	Agritrade Resources Axington Inc Limited
Choo Kok Kiong	Independent Non-Executive Director	28 August 2021	30 April 2025	Gallant Venture Ltd	QAF Limited

The Company has in place the Board Diversity Policy with a view to achieving a sustainable and balanced development as the Company sees diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, the Board has considered a number of aspects, including and not limited to gender, age, experience, educational background, knowledge and etc. All directors' appointments will be based on meritocracy and candidates will be considered against objective criteria and needs of the Board.

In recognition of the importance and value of gender diversity in the composition of the Board, the Company undertakes to have at least one representation of female director on the Board. The Board has one female director currently. Ms Chua Chwee Choo has been member of the Board since May 2013.

The Board is of the view that the current Board size is appropriate, taking into account the nature and scope of the Group's operations. Ms Chua Chwee Choo provides the Board with gender diversity that serves to bring value to the Board discussions from the different perspectives and approaches of a female Director.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

In addition, the Board consists of directors with ages ranging from mid-30s to mid-60s, who have served on the Board for different tenures. The Board members with their combined business, management and professional experience, knowledge and expertise, provide the core competencies to allow for diverse and objective perspectives on the Group's business and direction.

The NC will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval. It will also continue its identification and evaluation of suitable candidates to ensure there is diversity (including gender diversity) on the Board.

The NC has put in place a skills matrix which classifies into the following core competencies, skills, experiences and knowledge of Directors:

<b>Balance and Diversity of the Board</b>	<b>Number of Directors</b>	<b>Proportion of the Board</b>
<b>Core Competencies</b>		
Accounting & Finance	4	80%
Business and Management	5	100%
Industry	4	80%
Strategic Planning	5	100%
Human Resource Management	2	40%
Legal and Regulatory	1	20%
Others (eg. Taxation, banking, manufacturing)	1	20%
<b>Gender</b>		
Male	4	80%
Female	1	20%
<b>Age Group</b>		
31 - 40	1	20%
51 - 60	2	40%
61 - 70	2	40%
<b>Independence</b>		
Independent directors	3	60%
Non-Independent directors	2	40%
<b>Directors' Citizenship</b>		
Singapore Citizen	5	100%

The Board maintains an appropriate balance of expertise, skills and attributes among the Directors which is reflected in the diversity of backgrounds and competencies of the Directors. Such competencies include relevant industry knowledge, general commercial experience, accounting and finance related, business and management experience, corporate governance and strategic planning experience, all of whom as a group, provides the Board with a good mix of the necessary experience and expertise to direct and lead the Group.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

The NC and the Board have conducted the following assessments during the financial year under review to maintain and/or enhance its balance and diversity:

- Overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs;
- Performance of the Board Committees, namely, ARMC, NC and RC in terms of their roles and responsibilities and the conduct of their affairs; and
- Core competencies, attributes and skill set of each Director.

The NC will consider the results of such assessment in its recommendation for the appointment of new Director(s) and/or re-appointment of existing Directors, who are due for retirement.

When necessary, the Independent Non-Executive Directors will have discussions amongst themselves without the presence of the management.

With majority of the Board comprising Independent Non-Executive Directors, the composition of the Board ensures that the Independent Non-Executive Directors will be able to exercise independent judgement on the affairs of the Company. The Independent Non-Executive Directors will constructively challenge and assist in the development of the business strategies and review and monitor performance of the management to achieve the agreed goals and objectives.

Each Independent Non-Executive Director is required annually to complete a checklist, drawn up based on the criteria prescribed in the Code and its Practice Guidance and Catalist Rules, to confirm his/her independence for review by NC and the Board.

For FY2025, the relevant Independent Non-Executive Directors, namely, Mr Lim Chee San, Mr Ang Chiang Meng and Mr Choo Kok Kiong have confirmed their independence in accordance with the Code, its Practice Guidance and Rules 406(3)(d)(i) and (ii) of the Catalist Rules. The NC and the Board (save for the interested Independent Non-Executive Directors who abstained on their own review) have reviewed and are of the opinion that all Independent Non-Executive Directors are independent according to the Code and its Practice Guidance and Rules 406(3)(d)(i) and (ii) of the Catalist Rules.

The NC and the Board noted that none of the Independent Non-Executive Director has any relationship with the Company, its related corporation, substantial shareholders or officers, which could interfere or be perceived to interfere with the Director's independent judgement and are of the opinion that the Independent Non-Executive Directors consistently provided independent and objective judgement in all Board and Board Committees deliberations and are satisfied with their level of independence.

An independent Director shall immediately disclose to the NC any relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of his/her independent business judgement in the best interests of the Company.

None of the Independent Non-Executive Directors has served on the Board beyond nine (9) years from the date of his/her first appointment. The profile of the Directors can be found under the Directors' Profile section of this Annual Report.

To facilitate a more effective check on the management, the Independent Directors meet at least once a year, each with the Group's Internal and External Auditor without the presence of the management. Where necessary, the Company co-ordinates informal meeting sessions for Non-Executive Directors and Independent Directors to meet without the presence of the management. The Independent Directors also 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.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

## Principle 3: Chairman and CEO

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

There is a clear division of responsibilities between the Chairman and CEO, which ensures there is a balance of power and authority, such that no one (1) individual has a considerable concentration of power.

Currently, the Chairman and CEO of the Company are separate and distinct, each having their own areas of responsibilities. The Company believes that a distinctive separation of responsibilities between the Chairman and the CEO will ensure an appropriate balance of power, increased accountability and greater capacity for the Board to exercise independent decision-making.

Mr Lim Chee San is the Independent and Non-Executive Chairman of the Board while Ms Chua Chwee Choo is the Executive Director and CEO of the Group. Ms Chua Chwee Choo is not related to Mr Lim Chee San.

The Chairman's duties include:

- (a) leading the Board to ensure its effectiveness on all aspects of its role;
- (b) setting the agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (c) promoting a culture of openness and debate at the Board meetings;
- (d) ensuring that the directors receive complete, adequate and timely information;
- (e) ensuring effective communication with shareholders;
- (f) encourage constructive relations within the Board and between the Board and management;
- (g) facilitating the effective contribution of non-executive directors in particular; and
- (h) promoting high standards of corporate governance.

The CEO's duties include:

- (a) overseeing the daily running of the Group's operations;
- (b) charting the corporate strategies for future growth with the support of the management; and
- (c) executing strategies and policies adopted by the Board.

The Board is not required to appoint an independent director to be the lead independent director as:

- (a) The Chairman and the CEO are not the same person;
- (b) The Chairman and the CEO are not immediate family members;
- (c) The Chairman is not part of the management team; and
- (d) The Chairman is an independent director.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

## 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.**

The NC oversees matters related to the nomination of new Directors and re-appointment of Directors to the Board, reviews the required mix of skills, experience and other requisite qualities of Directors, annual assessment of the effectiveness of the Board as a whole, Board Committees and the contribution of each individual Director as well as identifies candidates to fill board vacancies and nominating them for approval by the Board.

The NC comprises at least three (3) members, all of whom are Independent Non-Executive Directors. The members of the NC during FY2025 and as at the date of this report are:

<u>Director</u>	<u>Designation</u>
Lim Chee San	Chairman
Ang Chiang Meng	Member
Choo Kok Kiong	Member

The principal functions of the NC based on its Terms of Reference are as follows:

- (a) Reviewing and suggest succession plans for directors, in particular for the Chairman of the Board and CEO to the Board;
- (b) Developing the performance evaluation framework and setting the objective performance criteria for the Board, Board Committees and individual Directors;
- (c) Recommending to the Board on the training programmes for new Directors and review training and professional development programmes for the Board to keep the Board apprised of relevant new laws, regulations and changing commercial risks;
- (d) Reviewing, assessing and making recommendations to the Board on appointment and re-appointment of Directors and senior management to the Company;
- (e) Reviewing, assessing and considering the competencies, commitment, contribution, performance and independence of the Directors before recommending Directors who are due to retire for re-appointment to be put forward to the shareholders for approval at the annual general meeting;
- (f) Determining, on an annual basis, the independence of the Directors in accordance with the Code and other salient factors; and
- (g) Deciding whether a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, in particular, when he/she has multiple board representations.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

The NC met twice in FY2025 and below is a summary of the key activities undertaken by the NC in discharge of its duties:

- (a) Reviewed the Terms of Reference;
- (b) Examined the Board's size and satisfied that it is appropriate for effective decision making, taking into account the nature and scope of the Group's operations. The Directors bring to the Board their related experiences and knowledge and also provide guidance in the various Board Committees as well as to the management of the Company;
- (c) Reviewed the independence of the Independent Directors and be satisfied that they are independent;
- (d) Conducted annual assessment of the Board, Board Committees and individual Directors; and
- (e) Reviewed and assessed on Directors who are subject to re-election.

As at the date of this report, there is no relationship or circumstance set forth in Provision 2.1 of the Code which puts the independence of the Independent Directors in question.

A summary on the procedures for appointing a new director is set out below:

Step 1 <Candidate identified>	Identify candidate on the recommendation of the existing Directors, senior management staff, network of contacts, third-party referrals, recruitment consultants to identify a broader range of candidates.
Step 2 <Assessment and evaluation to be conducted by the NC>	Assessment should be conducted based on, but not limited to experience, knowledge, gender, age, educational background, business interest that may result in a conflict of interest, independence of the candidate (for Independent Directors), skills and other criteria deem fit to the needs of the Board and whether the candidates will add diversity to the Board and have adequate time to discharge his/her duties.
Step 3 <Recommendation to be made by the NC to the Board>	Board to consider and discuss on the proposed new appointment.  Appoint an independent third party to source and screen candidates, if necessary.
Step 4 <Decision to be made by the Board on the proposed new appointment. Appointment of new member to the Board is at the Board's sole discretion>	If proposed appointment is approved, invitation or offer to be made to the proposed/potential candidate to join the Board and/ or Board Committees.  If the proposed appointment is rejected, the whole process to be re-commenced.

In deciding whether a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, each Director should hold no more than five (5) board appointments in public listed companies. However, in appropriate circumstances, the NC shall review and approve a different maximum number of board appointments for a director in public listed companies.

The Board has provided its commitment to the Company as evidenced by the attendance of Directors at Board and Board Committee meetings for FY2025 as disclosed in this Annual Report.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

Pursuant to Article 98 of the Constitution of the Company, at least one-third of the Directors (including CEO/MD) for the time being shall retire from office by rotation at the Annual General Meeting (“AGM”) of the Company whilst, Article 99 provides that the retiring Directors are eligible to offer themselves for re-election. Article 102 of the Constitution of the Company provides that all newly appointed Directors shall retire from office at the next AGM following their appointments. Rule 720(4) of the Catalist Rules requires listed companies to have all directors submit themselves for re-nomination and reappointment at least once every three (3) years.

The NC has reviewed and recommended the re-election of the following Directors who are retiring under Article 98 of the Company’s Constitution at the forthcoming AGM:

<u>Director</u>	<u>Designation</u>
Mr Lim Chee San	Non-Executive Independent Chairman
Mr Ang Chiang Meng	Independent Non-Executive Director

Please refer for information required under Appendix 7F of the Catalist Rules in relation to the Directors nominated for re-election at the forthcoming AGM. Each Director abstains from making any recommendation and voting on any resolution in respect of the assessment of his own performance or re-appointment as a director.

As at the date of this report, there are no Alternate Directors in the Company.

## **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 is responsible for evaluating performance and effectiveness of the entire Board, the Board Committees and individual Director on a yearly basis. The performance evaluation framework is in the form of assessment questionnaires and the evaluation covers amongst others, Board and Board Committees’ compositions, processes in managing the Group’s performance, effectiveness of the Board and Board Committees as well as conduct, mix of skills, knowledge, competencies and contribution of each Director to the Company in discharging his/her function.

The questionnaires are completed by the members of the Board and Board Committees and each Director for self-assessment. The completed questionnaires are collated by the Company Secretary for deliberation by the NC. The NC led by its Chairman, reviews the outcome of the evaluation and recommends to the Board on areas for continuous improvement as well as for them to form the basis of recommending relevant Directors for re-election at the AGM. The Chairman will act on the results of the performance evaluation and in consultation with the NC, propose, where appropriate, new members to be appointed to the Board or seek the resignation of directors.

During FY2025, the NC assessed the Board, Board Committees and individual Directors. The NC was satisfied with the outcome of the evaluations and both NC and the Board are of the view that the Board has met its performance objectives for FY2025. The NC was also satisfied that sufficient time and attention have been provided by the Directors to the Group. No external facilitator was engaged in the performance assessment.

All NC members have abstained from deliberation and voting on their own performance assessment.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

## (B) 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 or her own remuneration.**

The RC is responsible for recommending to the Board the remuneration principles and framework for members of the Board and senior management. The RC comprises at least three (3) members, all of whom are Independent Non-Executive Directors. The composition of members of the RC during FY2025 and as at the date of this report are:

<u>Director</u>	<u>Designation</u>
Choo Kok Kiong	Chairman
Ang Chiang Meng	Member
Lim Chee San	Member

The principal functions of the RC based on its Terms of Reference are as follows:

- (a) To recommend to the Board a general framework of remuneration policy for the Board, determine specific remuneration packages and terms of employment for each Executive Director, the CEO and key management personnel and submit such recommendations for endorsement by the entire Board covering all aspects of remuneration, including but not limited to Director's fees, salaries, allowances, bonuses, options and benefits in kind;
- (b) To perform annual review of the remuneration of employees related to the Executive Directors, CEO and substantial or controlling shareholders to ensure that their remuneration packages are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities which include to review and approve any bonuses, pay increases and/or promotions for these employees; and
- (c) To review and recommend to the Board the terms of renewal for Executive Directors and key management personnel whose employment contracts will expire or have expired to ensure that such contracts contain fair and reasonable termination clauses which are not overly generous but ensure fairness and avoid rewarding poor performance.

The RC ensures that a formal and transparent procedure is in place for fixing the remuneration packages of individual Directors and key management personnel. The recommendations of the RC are submitted to the Board for endorsement. All aspects of remuneration, including, but not limited to, Directors' fees, salaries, allowances, bonuses, termination terms, options and benefits-in-kinds are reviewed by the RC to ensure they are fair. Each RC member will abstain from participating in the deliberations of and voting on any resolution in respect of his remuneration package or that of employees related to him, if applicable.

The RC will be provided with access to expert professional advice on remuneration matters, as and when necessary. The expenses of such services shall be borne by the Company. No remuneration consultant was engaged in the remuneration matters.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

## Principle 7: Level and 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.**

The Group's remuneration policy is to ensure that the remuneration offered is competitive and sufficient to attract, retain and motivate Directors and key management personnel with the required experience and expertise. The remuneration policy is also structured to link rewards to corporate and individual's performance.

In setting the remuneration packages of the Executive Directors and key management personnel, the Company takes into account the performance of the Group and of the individual, which are aligned with long term interests of the Group, the risk policies of the Company and the eligibility for benefits under long term incentive schemes. The RC ensures that the Directors are adequately but not excessively remunerated as compared to the market conditions. The RC also ascertained that Independent Directors are not overly-compensated to the extent that their independence may be compromised.

The Executive Directors do not receive directors' fees and are paid based on their Service Agreements entered with the Company on 1 June 2013 as disclosed in the Company's Prospectus dated 12 July 2013. The Service Agreements took effect on the date of admission of the Company to Catalist for an initial period of three (3) years and shall be renewed automatically on a yearly basis thereafter. The Service Agreements entered into between the Executive Directors and the Company were renewed on 1 June 2023 for a period of three (3) years.

The RC is of the view that it is currently not necessary to use contractual provisions to allow the Group to reclaim incentive components of remuneration from the Executive Directors and key management personnel in exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Group. Executive Directors owe a fiduciary duty to the Group. The Group should be able to avail itself to remedies against the Executive Directors and key management in the event of such exceptional circumstances and breach of fiduciary duties.

Independent Directors do not have service agreements with the Company. The Independent Directors received directors' fees which were approved at the Company's AGM, based on their effort, time spent, commitment and responsibilities.

The RC met once in FY2025 and below is a summary of the key activities undertaken by the RC in discharge of its duties:

- (a) Reviewed the Terms of Reference;
- (b) Reviewed the remuneration package of the Executive Directors and key management personnel;
- (c) Reviewed and recommended the Directors' Fees payable to the Independent Non-Executive Directors of the Company to the Board; and
- (d) Reviewed and set the key performance target for the Executive Directors and key management personnel.

The Directors' Fees for Independent Non-Executive Directors are determined by the Board with the approval from the shareholders at the AGM. No individual Director is involved in fixing his/her own remuneration.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

## Principle 8: Disclosure on Remuneration

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

A breakdown of the Directors' remuneration for FY2025 is as follows:

Name	Salary S\$	Bonus S\$	Other Benefits S\$	Directors' Fees + S\$	Total S\$
Chua Chwee Choo	411,810	185,378	80,636		677,824
Lee Chong Hoe	324,240	129,069	113,884		567,193
Lim Chee San				50,000	50,000
Ang Chiang Meng				45,000	45,000
Choo Kok Kiong				40,000	40,000

+ The Directors' Fees for the Independent Non-Executive Directors are subject to approval by shareholders at the forthcoming Annual General Meeting.

Taking note of competitive pressures in the talent market, the Board has, on review, decided not to disclose the exact remuneration of the key management personnel. A breakdown (in percentage terms) of remuneration of the top two (2) key management personnel (who are not Directors of the Company) for FY2025 is as follows:

Name	Below S\$250,000 (S\$)	Salary %	Bonus %	Total %
Chong Wun Leong Sky	✓	100	-	100
Koh Sai Eng Charlene	✓	100	-	100

Note:

The annual aggregate amount of the total remuneration paid to the top two (2) key management personnel in FY2025 is approximately S\$391,038.

The Company is of the view that its practices of disclosing the remuneration of the key management personnel in bands of S\$250,000 are consistent with the intent of provision 8 of the Code, taking into account the strategic objectives of the Company pursuant to Principle 8 of the Code.

There are no termination or retirement benefits that are granted to the Directors and key management personnel.

Ms Chua Chwee Choo, Executive Director and CEO of the Company, is the wife of Mr Lee Chong Hoe, Executive Director of the Company, and their individual remuneration has exceeded S\$100,000. Other than the above, no employee of the Company and its subsidiaries was an immediate family member of any Director or CEO or a controlling shareholder and whose remuneration has exceeded S\$100,000 during FY2025.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

## (C) ACCOUNTABILITY AND AUDIT

### **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 notes that all internal control systems contain inherent limitations and no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error losses, fraud or other irregularities.

Having considered the present Group's size, nature and scope of the Group's operations, the Board is satisfied that the ARMC is able to assume the responsibility of the risk management function and oversees the overall adequacy and effectiveness of the Group's risk management systems and procedures. As such, no separate Risk Committee is established.

The Board is accountable to shareholders for the proper management of the Group. The Board will provide a balanced and understandable assessment of the Group's performance, position and prospects through half-yearly and full-year results announcements as well as timely announcements of other matters as prescribed by the relevant rules and regulations. Management is accountable to the Board by providing the Board with fair and true financial information for the discharge of its duties.

For FY2025, the Board had received assurance from the following:

- (a) The CEO and the CFO, confirmed that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (b) The CEO, Executive Director and the key management personnel confirmed the adequacy and effectiveness of the Company's risk management and internal control systems.

The internal auditors, Baker Tilly Consultancy (Singapore) Pte Ltd, had been engaged to perform annual internal audit work to ARMC. The annual internal audit work includes review on the business processes for general control environment and financial management, procurement, payables and payments, bank and cash management and interested persons' transactions. The report presents a summary of issues identified, together with internal auditor's recommendations.

Based on the work carried out by the internal and external auditors, the discussion with the auditors and management including the assurance received from the CEO, Executive Director and CFO as described above, the Board opines, with the concurrence of the ARMC, that there are adequate and effective internal controls (including financial, operational, compliance and information technology controls) for FY2025.

Price sensitive information will be publicly released either before the Company meets with any group of investors or analysts or simultaneously with such meetings. Financial results and annual reports will be announced or issued within the legal prescribed periods or such periods as extended by the relevant authorities.

The Management has provided all members of the Board the necessary information will be provided on a regular basis and as the Board may require from time to time to enable the Board to make a balanced and informed assessment of the performance, financial position and prospects of the Group.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

## **Principle 10: Audit and Risk Management Committee (“ARMC”) The Board has an ARMC which discharges its duties objectively.**

The ARMC comprises at least three (3) members, all of whom are Independent Non-Executive Directors. The members of the ARMC during FY2025 and as at the date of this report are:

<u>Director</u>	<u>Designation</u>
Ang Chiang Meng	Chairman
Choo Kok Kiong	Member
Lim Chee San	Member

None of the members of the ARMC is a former partner or director of the Company’s auditing firm.

The members of the ARMC have relevant accounting and/or related financial management expertise or experience. The ARMC is chaired by Mr Ang Chiang Meng, who is an Independent Non-Executive Director with related financial management expertise and experience.

The role of the ARMC is to assist the Board in the discharge of its responsibility to safeguard the Group’s assets, maintain adequate accounting records, develop and maintain effective systems of internal controls with an overall objective to ensure that the management has created and maintained an effective control environment in the Group.

The ARMC may, at its discretion, invite any other Board members, management, external auditor, internal auditor or external consultants/personnel (where necessary) to the meeting to provide information or advice. The invitees may, at the discretion of the ARMC Chairman, attend the meeting as observers for the whole or part of the meeting, however, the invitees are not counted towards the quorum and shall not have voting rights. The principal functions of the ARMC based on its Terms of Reference are as follows:

- (a) Review the significant financial reporting issues and judgements so as to ensure the integrity of financial statements, and of announcements on the Company’s financial performance and recommend changes, if any, to the Board;
- (b) Review and report to the Board on the adequacy and effectiveness of the Company’s risk management and internal controls in relation to financial reporting and other financial-related risks and controls (and to the extent delegated to the ARMC by the Board);
- (c) Review the adequacy, effectiveness, independence, scope and results of the Company’s internal audit function;
- (d) Review the scope and results of the external audit, and the independence and objectivity of the EA. The ARMC shall then recommend to the Board the appointment, re-appointment and removal of the EA, and its remuneration and terms of engagement;
- (e) Review the Whistle-Blowing 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;
- (f) Review Interested Person Transactions; and
- (g) Undertake such other functions and duties as may be required by the Board under the Code, Catalyst Rules and Companies Act 1967 of Singapore from time to time.

# CORPORATE GOVERNANCE REPORT

## For The Financial Year Ended 31 December 2025

The ARMC met four times in FY2025 and below is a summary of the key activities undertaken by the ARMC in discharge of its duty:

- (a) Reviewed the Terms of Reference;
- (b) Reviewed with the EA the audit plan, their evaluation of the system of internal controls, their report, management letter and the management response;
- (c) Reviewed the interim and annual financial statements and results announcements before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and Catalyst Rules and any other relevant statutory or regulatory requirements;
- (d) Reviewed internal audit programmes and adequacy and effectiveness of the Group's internal audit function as well as to ensure coordination between the external auditor and internal auditor and management;
- (e) Reviewed and discussed with external auditor, any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;
- (f) Recommended the re-appointment of the EA and approve the remuneration and terms of engagement of the external auditors to the Board;
- (g) Reviewed non-audit services provided by EA to the Group, the nature, extent and cost effectiveness of such services to ensure that these services do not affect the independence and objectivity of the external auditor; and
- (h) Reviewed and deliberated on key audit matters and areas of emphasis highlighted by the EA.

The ARMC is briefed by the EA of changes to accounting standards and issues which have a direct impact on financial statements during the presentation of the audit planning memorandum and the audit report to the ARMC.

For the audit of the financial statements for FY2025, the following key audit matters were discussed by the ARMC:

Key Audit Matters	How the ARMC reviewed these
1. Revenue recognition	<p>The Audit and Risk Management Committee considered the internal controls established and maintained by the Management over project management, costing and revenue recognition. The Audit and Risk Management Committee noted the periodic reviews conducted by the Management in respect of long-term projects where the Group satisfies its performance obligations over time, which include the assessment of reasonableness of the estimated total budgeted costs of each project, and whether any provision for onerous contracts is required.</p> <p>Revenue recognition over time was also an area of focus for the External Auditors. The External Auditors had included this item as a key audit matter in their report for FY2025. Please refer to page 67 of this Annual Report.</p>

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

Key Audit Matters	How the ARMC reviewed these
2. Impairment testing of property, plant and equipment and right-of-use assets	<p>The Audit and Risk Management Committee considered the approach, methodology and inputs applied to the valuation model in assessing the impairment of property, plant and equipment and right-of-use assets. The Audit and Risk Management Committee concurred with the assessment of the Management and the valuers.</p> <p>The testing of impairment of property, plant and equipment and right-of-use assets was also an area of focus for the External Auditors. The External Auditors had included this item as a key audit matter in their report for FY2025. Please refer to page 67 of this Annual Report.</p>
3. Net realisable value of inventories	<p>The Audit and Risk Management Committee considered the approach and methodology in determining the estimated net realisable value of inventories, which is dependent upon the Group's expectations of future selling prices. In making its estimates of future selling prices, the Group takes into account the recently transacted prices and market conditions.</p> <p>Net realisable value of inventories was also an area of focus for the External Auditors. The External Auditors had included this item as a key audit matter in their report for FY2025. Please refer to page 68 of this Annual Report.</p>
4. Expected credit losses on finance lease receivables and trade receivables	<p>The Audit and Risk Management Committee considered the approach and methodology in determining the estimated expected credit losses on finance lease receivables and trade receivables, which is dependent upon the Group's expectations the collectability of finance lease receivables and trade receivables. In making its estimates of collectability of finance lease receivables and trade receivables, the Group takes into account the historical credit loss experience, adjusted for forward-looking factors specific to debtors and the economic environment.</p> <p>Expected credit losses on finance lease receivables and trade receivables was also an area of focus for the External Auditors. The External Auditors had included this item as a key audit matter in their report for FY2025. Please refer to page 68 of this Annual Report.</p>

The aggregate amount of fees paid to the EA, Foo Kon Tan LLP ("FKT"), for audit and non-audit services for FY2025 are as follows:

Fees rendered for the services of	Amount
Audit	S\$170,000
Non-audit*	S\$17,600
Total:	<u>S\$187,600</u>

\* Non-audit services relate to tax return preparation services.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

The ARMC is satisfied that the nature and extent of the non-audit services will not prejudice the independence and objectivity of the EA. The Board with the concurrence of the ARMC, is of the opinion that the independence and objectivity of the EA has not been affected. The ARMC has reviewed the independence of the EA and recommended the re-appointment of FKT to the Board for endorsement. The Board has endorsed the re-appointment of FKT as the Independent Auditor for shareholders' approval at the forthcoming AGM.

In FY2025, the Company outsourced its internal audit function to Baker Tilly Consultancy (S) Pte Ltd, as internal auditors ("IA"), to review the key business processes of the Company and its key subsidiaries, adequacy and effectiveness of the Company's internal controls, financial, operational and compliance controls as well as risk management. The IA reports primarily to the Chairman of the ARMC, although the IA also reports administratively to the CEO. The ARMC approves the hiring, removal, evaluation and compensation of the IA. The IA has unfettered access to all the Group's documents, records, properties and personnel, including access to the ARMC.

The IA has established a strong and reputable track record in the field of internal audit and risk advisory. The IA is also staffed with persons with the relevant qualifications and experience and carries out its function according to the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The IA partner, Mr Lim Wei Wei is a Chartered Accountant of Singapore, Certified Internal Auditor (CIA), Certified Financial Services Auditor (CFSA) and holds a Certification in Risk Management Assurance (CRMA). The ARMC is satisfied that the IA is independent, effective, adequately resourced and has the appropriate standing to fulfill its mandate.

The IA plans its internal audit schedules in consultation with, but independent of, the management. The audit plan is submitted to the ARMC for approval prior to the commencement of the internal audit work.

The ARMC reviews the activities of the IA on a regular basis, including overseeing and monitoring the implementation of the improvements required on internal control weaknesses identified.

For FY2025, the ARMC met once with the EA and IA without the presence of the management.

The Company complied with Rule 712 and Rule 715 of the Catalist Rules in relation to its independent auditor.

## WHISTLE-BLOWING POLICY

The Company has put in place a whistle-blowing policy by which staff may raise concerns about fraudulent activities, malpractices or improprieties within the Group and the independent investigation of such matters by the ARMC. The ARMC is responsible for the oversight and monitoring of the Company's whistle-blowing policy.

To ensure independent investigation of such matters and for appropriate follow up action, all whistle-blowing reports will be sent to the Chairman of the ARMC or other Independent Directors. Details of the whistle-blowing policy have been made available to all employees and published in the Company's website [singaporekitchenequipmentltd.com](http://singaporekitchenequipmentltd.com).

The ARMC shall ensure that internal investigations are conducted and review the findings of such internal investigations where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. There was no whistle-blowing letter received during the year.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

All reports and submissions will be treated fairly and confidential. Identity of the whistle blower will be protected and the Company ensures protection of the whistle blower against detrimental or unfair treatment. If the identity is to be revealed, the Company will discuss with the whistle blower before revealing his/her information.

## (D) SHAREHOLDER RIGHTS AND ENGAGEMENT

### **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 shareholders a balanced and understandable assessment of its performance, position and prospects.**

All shareholders are treated fairly and equitably to facilitate their ownership rights. In line with the continuing disclosure obligations of the Company pursuant to the Catalist Rules and the Companies Act 1967 of Singapore, the Board's policy is that all shareholders should be informed in a comprehensive manner and on a timely basis of all material developments of the Group and the information is communicated to them through various channels including the Annual Report, disclosures and announcements to the SGX-ST, press releases, and online investor relations on the Company's website at [www.singaporekitchenequipmentltd.com](http://www.singaporekitchenequipmentltd.com).

The AGM of the Company represents the primary platform for two-way interaction between the shareholders, the Board and management of the Group. In fostering effective participation and engagement with shareholders at the AGM, the Company held a physical annual general meeting on 30 April 2025 ("**2025 AGM**") with all Directors and external auditors present at the 2025 AGM. All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report.

To encourage participation of the shareholders, the Company strives to hold general meetings at venues which are accessible to shareholders. Notices of general meetings, annual reports and/or circulars are issued within the time notice period as prescribed by the relevant regulations to enable the shareholders to be well informed within the time frame given and allow them to have ample time in making necessary preparations to attend and participate effectively in person or by corporate representative, proxy or attorney. More importantly, it will enable the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting. Additional explanatory notes for relevant resolutions (where required) to be tabled at the general meeting will be provided to the shareholders. To enable the members to participate at the 2025 AGM and exercise their votes effectively, instructions on how to submit their questions in advance, submission of proxy form and etc. relating to the 2025 AGM was published at SGXNet and Company's website. All resolutions tabled at the 2025 AGM were conducted by poll pursuant to Rule 730A(2) of the Catalist Rules and counted by the Polling Agent as well as verified by the Scrutineer at the 2025 AGM. The poll results were announced by the Company via SGXNet on the same day for the benefit of all shareholders.

The Board concurred with the Code's recommendation that companies should avoid "bundling" resolutions unless the resolutions are interdependent and linked so as to form one significant proposal. Separate resolutions on each distinct issue are proposed at general meetings for approval. In situations where resolutions are inter-conditional, the Company will provide clear explanations.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

The Constitution of the Company does not allow for absentia voting at general meetings as authentication of shareholders' identity, integrity of the information and other related security issues remain a concern. Hence, the Board has decided not to implement voting in absentia by mail, email or fax, for the time being. The Constitution allows shareholders to vote in person or appoint not more than two (2) proxies to attend and vote on their behalf at general meetings unless the shareholder is a relevant intermediary (as defined in Section 181(6) of the Companies Act 1967 of Singapore. A relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder.

Minutes of general meetings with substantial and relevant comments or queries from shareholders relating to the agenda of the general meetings and responses from the Board and management will be published on SGXNet and the Company's website within one month after the general meeting. For the 2025 AGM, the minutes was published on the SGXNet and the Company's website within the prescribed timeline set by the SGX-ST.

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, general financial condition, results of operations, capital requirement, cash flow, general business condition, development plans and other factors as the Directors may deem appropriate. Any dividend payments are clearly communicated to the shareholders via announcements on SGXNet.

## **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 does not practice selective disclosure and is committed to treating all shareholders and stakeholders fairly and equitably. In line with continuous obligations of the Company pursuant to the Catalist Rules, the Board's policy is that all shareholders and stakeholders should be equally informed of all major developments and corporate activities which would likely impact on the Company and its price or value of its shares. Information is disseminated to shareholders on a timely basis through:

- Announcements and news releases via SGXNET;
- Annual Report prepared and issued to all shareholders with relevant information about the Group, future developments and disclosures required by the Companies Act 1967 of Singapore, Financial Reporting Standards and the Catalist Rules;
- Notices of general meetings are published in the local newspapers and announced via SGXNET; and
- Company's website for shareholders to access information pertaining to the Group.

Investor relations work was undertaken by in-house team including management. Shareholders may contact the Company through its website for response at <http://www.singaporekitchenequipmentltd.com>.

# CORPORATE GOVERNANCE REPORT

For The Financial Year Ended 31 December 2025

## (E) MANAGING STAKEHOLDERS RELATIONSHIPS

### 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 Company recognises the importance of stakeholder engagement to the long-term sustainability of its business. Engagement with stakeholders allows the Company to gain a more complete understanding of material issues and matters. Their positive suggestions and feedback would enable the Company to enhance its service quality and increase its capabilities. Please refer to the Company's sustainability report in this annual report for more information on the management of stakeholder relationships.

## (F) DEALINGS IN SECURITIES

The Company has adopted an Internal Code of Best Practice on Securities Transaction to provide guidance to all Directors and officers of the Company and its subsidiaries with regard to dealings in the Company's securities in compliance with the Rule 1204(19) of the Catalist Rules. This has been made known to Directors, officers, executives and any other persons as determined by the management that may possess unpublished material price-sensitive information of the Group.

Directors and officers of the Group are prohibited from dealing in the Company's shares while in possession of such unpublished material price-sensitive information of the Group, and during the period commencing two weeks before the announcement of the company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the company's full year financial statements and ending on the day after the announcement. All Directors and officers of the Group are also advised not to deal in the Company's securities on short-term considerations and to be mindful of the law on insider trading.

The Company has complied with Rule 1204(19) of the Catalist Rules in relation to dealings in the Company's securities by Directors and executives of the Company.

## (G) INTERESTED PERSON TRANSACTIONS

The Company has established a procedure to ensure that all transactions with interested persons are reported on a timely manner to the ARMC and the transactions are carried out on an arm's length basis and will not be prejudicial to the interests of the Company, the Group and its minority shareholders.

There were no interested person transactions exceeding S\$100,000 conducted by the Group during FY2025.

## (H) MATERIAL CONTRACTS

There was no material contracts entered into by the Company or any of its subsidiaries involving the interests of the CEO, any Director, or controlling shareholder either subsisting at the end of FY2025 or if not then subsisting, entered into since the end of the previous financial year.

## (I) NON-SPONSOR FEES

There were no non-sponsor fees paid/payable to the Company's sponsor, RHT Capital Pte. Ltd., during FY2025.

# DIRECTORS' STATEMENT

## For The Financial Year Ended 31 December 2025

We submit this annual report to the members together with the audited consolidated financial statements of Singapore Kitchen Equipment Limited (the "Company") and its subsidiaries (the "Group") and statement of financial position of the Company for the financial year ended 31 December 2025.

In our opinion,

- (a) the accompanying statements of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows, together with the notes thereon, 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 2025 and of the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, as disclosed in Note 2(a) to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

### Names of directors

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

Lim Chee San	(Chairman and Independent Director)
Chua Chwee Choo	(Executive Director and Chief Executive Officer)
Lee Chong Hoe	(Executive Director)
Ang Chiang Meng	(Independent Director)
Choo Kok Kiong	(Independent Director)

### Arrangements to acquire shares or debentures

During and at the end of the financial year, neither the Company nor any of its subsidiaries was a party to any arrangement of which the object was to enable the directors to acquire benefits through the acquisition of shares or debentures of the Company or any other corporate body, other than as disclosed in this statement.

# DIRECTORS' STATEMENT

## For The Financial Year Ended 31 December 2025

### Directors' interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act 1967, none of the directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in the name of director		Holdings in which director is deemed to have an interest	
	As at 1.1.2025	As at 31.12.2025 and 21.1.2026 #	As at 1.1.2025	As at 31.12.2025 and 21.1.2026 #
<b>The Company -</b>				
<u>Singapore Kitchen Equipment Limited</u>				
			<u>Number of ordinary shares</u>	
Chua Chwee Choo	995,000	<b>995,000</b>	122,491,500	<b>122,491,500</b>
Lee Chong Hoe	192,000	<b>192,000</b>	122,491,500	<b>122,491,500</b>
<b>Holding company -</b>				
<u>QKE Holdings Pte. Ltd.</u>				
			<u>Number of ordinary shares</u>	
Chua Chwee Choo	1	<b>1</b>	-	-
Lee Chong Hoe	1	<b>1</b>	-	-

# There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2026.

### Share options

No options were granted during the financial year to take up issued shares of the Company or its subsidiaries.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

# DIRECTORS' STATEMENT

For The Financial Year Ended 31 December 2025

## Audit and Risk Management Committee

The Audit and Risk Management Committee at the date of this statement comprises the following members who are all independent and non-executive directors:

Ang Chiang Meng (Chairman)  
Lim Chee San  
Choo Kok Kiong

The Audit and Risk Management Committee performed the functions specified in Section 201B(5) of the Companies Act 1967 and the Singapore Code of Corporate Governance, including the following:

- (i) reviewing the audit plan and results of the external audit;
- (ii) reviewing the audit plan and results of the internal auditor's examination and evaluation of the Group's system of internal accounting controls;
- (iii) reviewing the Group's financial and operating results and accounting policies;
- (iv) reviewing the consolidated financial statements of the Group and the statement of financial position of the Company before their submission to the directors of the Company and the external auditor's report on those financial statements;
- (v) reviewing the half-yearly and annual announcements on the results of the Group and financial positions of the Group and the Company;
- (vi) ensuring the cooperation and assistance given by the management to the Group's internal and external auditors;
- (vii) making recommendation to the Board of Directors on the re-appointment of the Group's internal and external auditors; and
- (viii) reviewing the interested person transactions as required and defined in Chapter 9 of the Rules of Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") and ensuring that the transactions were on normal commercial terms and not prejudicial to the interests of the members of the Company.

The Audit and Risk Management Committee, having reviewed the external auditor's non-audit services (if any), confirmed that there were no non-audit services rendered that would affect the independence and objectivity of the external auditor.

The Audit and Risk Management Committee has full access to and has the cooperation of the management and has been given the resources required for it to discharge its functions properly. It also has full discretion to invite any director and executive officer to attend its meetings. The internal and external auditors have unrestricted access to the Audit and Risk Management Committee.

The Audit and Risk Management Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the external auditor, Foo Kon Tan LLP, be nominated for re-appointment as auditor at the forthcoming Annual General Meeting of the Company.

# **DIRECTORS' STATEMENT**

## **For The Financial Year Ended 31 December 2025**

### **Independent auditor**

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

Chua Chwee Choo

Lee Chong Hoe

Dated: 15 April 2026

# INDEPENDENT AUDITOR'S REPORT

## To The Members Of Singapore Kitchen Equipment Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Singapore Kitchen Equipment 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 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements 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 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group 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"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also 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.

#### 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 period. 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.

# INDEPENDENT AUDITOR'S REPORT

## To The Members Of Singapore Kitchen Equipment Limited

### Key Audit Matters (Cont'd)

#### Revenue recognition (refer to Note 18 to the financial statements)

For the financial year ended 31 December 2025, revenue from contracts with customers amounted to S\$24,219,514. Revenue recognition is a significant risk area, particularly in respect of the risks of management override and cut-off of revenue, to depict the transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services before revenue is recognised.

Under SSA 240 *The Auditor's Responsibility to Consider Fraud in an Audit of Financial Statements*, revenue recognition is a presumed fraud risk. Material misstatement due to fraudulent financial reporting relating to revenue recognition often results from an overstatement of revenues through, for example, premature revenue recognition, recording fictitious revenues, or improperly shifting revenues to a later period. As such, we have determined that this is a key audit matter.

As part of our audit procedures, we evaluated the appropriateness of the Group's revenue recognition policies as detailed in Note 2(d) to the financial statements in accordance with SFRS(I) 15 *Revenue from Contracts with Customers*. We obtained an understanding of the revenue recognition processes, performed a walkthrough of the significant classes of transactions and evaluated the design and implementation and tested the operating effectiveness of the relevant internal controls. We tested revenue transactions on a sampling basis by assessing the recognition and measurement criteria based on SFRS(I) 15 and verifying to the relevant supporting documents. We also tested the cut-off of revenue as at 31 December 2025. In addition, we considered the adequacy of disclosures in the financial statements.

#### Impairment testing of property, plant and equipment and right-of-use assets (refer to Note 3 and Note 5 to the financial statements)

In view of the losses incurred by certain subsidiaries for the financial year ended 31 December 2025, management has assessed that there are indications of impairment in respect of its property, plant and equipment and right-of-use assets. Accordingly, the assets are tested for impairment. The impairment testing is considered to be a significant risk area due to the judgemental nature of key assumptions and the significance of the carrying amounts of these assets in the statement of financial position of the Group. As such, we have determined that this is a key audit matter.

As part of our audit procedures, we considered the higher of value in use and fair value less costs of disposal. We assessed the methodologies and appropriateness of the key assumptions used by the management's expert, understood and reviewed the assumptions in the input data from management and the management's expert through discussions, comparisons to industry peers and independent external data sources, and agreed to supporting documentation and historical trends. We also evaluated the competence, capabilities and objectivity of the management's expert. We involved auditor's expert to assist us in the above. We evaluated the competence, capabilities and objectivity of the auditor's expert, and the adequacy of the work performed by the experts. We also considered the adequacy of disclosures in the financial statements.

# INDEPENDENT AUDITOR'S REPORT

## To The Members Of Singapore Kitchen Equipment Limited

### Key Audit Matters (Cont'd)

#### Net realisable value of inventories (refer to Note 8 to the financial statements)

As at 31 December 2025, the Group had inventories with carrying amount of S\$2,351,544, which included an allowance for slow-moving and obsolete inventories of S\$665,048. Inventories comprise raw materials, work in progress, finished goods and spare parts. The determination of write-down on inventories requires management to exercise significant judgement in identifying slow-moving and obsolete inventories and make estimates of net realisable values to determine an appropriate level of allowance required. As such, we have determined that this is a key audit matter.

As part of our audit procedures, we evaluated the assessments made by management in the estimation of write-down on inventories, based on the expected demand of inventories, identification of slow-moving and obsolete inventories, and assessment of net realisable values of inventories. We tested the net realisable values of inventories on a sampling basis by comparing the carrying amounts of the inventories to the latest selling prices. We attended and observed management's physical stock count process, including identification of slow-moving and obsolete inventories. In addition, we assessed the adequacy of disclosures in the financial statements.

#### Expected credit losses on finance lease receivables and trade receivables (refer to Note 7 and Note 10 to the financial statements)

As at 31 December 2025, the Group's finance lease receivables and trade receivables from third parties amounted to S\$271,806 and S\$3,859,907, respectively, and constituted an aggregate of 12% of the Group's total assets. Included in this amount is a loss allowance on trade receivables of S\$629,748. The Group determines the impairment of finance lease receivables and trade receivables by making debtor-specific assessment of expected credit losses ("ECLs") and applies a provision matrix for the remaining group of debtors that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Due to the significant judgements and estimates applied by management in the measurement of ECLs, we have determined this area to be a key audit matter.

As part of our audit procedures, we evaluated the assessments made by management in the estimation of ECLs on finance lease receivables and trade receivables, and considered the ageing to identify collection risks. We requested for confirmations from debtors and checked for evidence of receipts subsequent to the end of the financial year on a sampling basis. We discussed with management about the status of long outstanding balances and management's consideration of debtors' specific profiles and credit risks. We also evaluated management's inputs used in the computation of historical loss rates and assessed the reasonableness of management's assumptions used in establishing the forward-looking adjustments. In addition, we assessed the adequacy of disclosures in the financial statements.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, 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.

# INDEPENDENT AUDITOR'S REPORT

## To The Members Of Singapore Kitchen Equipment Limited

### 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.
- 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.

# INDEPENDENT AUDITOR'S REPORT

## To The Members Of Singapore Kitchen Equipment Limited

### Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

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

### 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 subsidiary corporations 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 Cheong Wenjie.

Foo Kon Tan LLP  
Public Accountants and  
Chartered Accountants  
Singapore

15 April 2026

# STATEMENTS OF FINANCIAL POSITION

As At 31 December 2025

	Note	The Group		The Company	
		2025	2024	2025	2024
		S\$	S\$	S\$	S\$
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	3	14,200,362	14,570,916	-	-
Intangible assets	4	43,087	77,636	-	4,117
Right-of-use assets	5	1,594,052	730,112	-	-
Subsidiaries	6	-	-	10,000	10,000
Finance lease receivables	7	46,023	256,638	-	-
		<b>15,883,524</b>	<b>15,635,302</b>	<b>10,000</b>	<b>14,117</b>
<b>Current Assets</b>					
Finance lease receivables	7	225,783	201,086	-	-
Inventories	8	2,351,544	3,743,429	-	-
Contract assets	9	34,033	-	-	-
Trade and other receivables	10	5,349,925	8,704,681	4,839,042	4,129,092
Prepayments		187,719	149,339	12,613	11,468
Cash and bank deposits	11	10,821,522	10,334,012	224,445	122,023
		<b>18,970,526</b>	<b>23,132,547</b>	<b>5,076,100</b>	<b>4,262,583</b>
<b>Total assets</b>		<b>34,854,050</b>	<b>38,767,849</b>	<b>5,086,100</b>	<b>4,276,700</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and Reserves</b>					
Share capital	12	5,124,790	5,124,790	5,124,790	5,124,790
Reserves	13	9,814,710	13,922,811	(180,334)	(978,590)
Total equity		<b>14,939,500</b>	<b>19,047,601</b>	<b>4,944,456</b>	<b>4,146,200</b>
<b>Non-Current Liabilities</b>					
Borrowings	14	8,748,523	9,117,696	-	-
Lease liabilities	15	1,060,425	499,672	-	-
Deferred tax liabilities	16	-	56,678	-	-
		<b>9,808,948</b>	<b>9,674,046</b>	<b>-</b>	<b>-</b>
<b>Current Liabilities</b>					
Contract liabilities	9	2,690,331	848,001	-	-
Borrowings	14	1,580,183	1,992,414	-	-
Lease liabilities	15	720,282	540,401	-	-
Trade and other payables	17	5,109,550	6,455,642	138,345	130,500
Current tax payable		5,256	209,744	3,299	-
		<b>10,105,602</b>	<b>10,046,202</b>	<b>141,644</b>	<b>130,500</b>
<b>Total liabilities</b>		<b>19,914,550</b>	<b>19,720,248</b>	<b>141,644</b>	<b>130,500</b>
<b>Total equity and liabilities</b>		<b>34,854,050</b>	<b>38,767,849</b>	<b>5,086,100</b>	<b>4,276,700</b>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Financial Year Ended 31 December 2025

	Note	2025 S\$	2024 S\$
Revenue	18	<b>24,247,973</b>	32,593,746
Cost of sales		<b>(19,528,237)</b>	(21,502,355)
Gross profit		<b>4,719,736</b>	11,091,391
Other income	19	<b>969,982</b>	852,359
Impairment losses on trade receivables reversed/(recognised)	10	<b>167,841</b>	(73,979)
Selling and distribution expenses		<b>(3,194,737)</b>	(4,100,045)
Administrative expenses		<b>(5,581,511)</b>	(5,936,553)
Other operating expenses	20	<b>(46,760)</b>	(5,769)
Finance costs	21	<b>(438,741)</b>	(535,160)
(Loss)/Profit before taxation	22	<b>(3,404,190)</b>	1,292,244
Taxation	23	<b>151,881</b>	(425,048)
<b>(Loss)/Profit for the year</b>		<b>(3,252,309)</b>	867,196
<b>Other comprehensive (loss)/income:</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign currency translation differences on consolidation		<b>(80,792)</b>	22,357
<b>Other comprehensive (loss)/income for the year, net of tax of nil</b>		<b>(80,792)</b>	22,357
<b>Total comprehensive (loss)/income for the year attributable to owners of the Company</b>		<b>(3,333,101)</b>	889,553
<b>(Loss)/Earnings per share attributable to owners of the Company (Singapore cents)</b>			
- Basic and diluted	24	<b>(2.10)</b>	0.56

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 December 2025

	Share capital S\$	Foreign currency translation reserve S\$	Merger reserve S\$	Retained earnings S\$	Total equity S\$
<b>Balance at 1 January 2024</b>	5,124,790	(155,838)	1,310,753	12,653,343	18,933,048
Profit for the year	-	-	-	867,196	867,196
Other comprehensive income for the year					
- Foreign currency translation differences	-	22,357	-	-	22,357
<b>Total comprehensive income for the year</b>	-	22,357	-	867,196	889,553
<b>Contributions by and distributions to owners</b>					
- Dividends (Note 31)	-	-	-	(775,000)	(775,000)
<b>Transactions with owners in their capacity as owners</b>	-	-	-	(775,000)	(775,000)
<b>Balance at 31 December 2024</b>	<u>5,124,790</u>	<u>(133,481)</u>	<u>1,310,753</u>	<u>12,745,539</u>	<u>19,047,601</u>
<b>Balance at 1 January 2025</b>	5,124,790	(133,481)	1,310,753	12,745,539	19,047,601
Loss for the year	-	-	-	(3,252,309)	(3,252,309)
Other comprehensive loss for the year					
- Foreign currency translation differences	-	(80,792)	-	-	(80,792)
<b>Total comprehensive loss for the year</b>	-	(80,792)	-	(3,252,309)	(3,333,101)
<b>Contributions by and distributions to owners</b>					
- Dividends (Note 31)	-	-	-	(775,000)	(775,000)
<b>Transactions with owners in their capacity as owners</b>	-	-	-	(775,000)	(775,000)
<b>Balance at 31 December 2025</b>	<u>5,124,790</u>	<u>(214,273)</u>	<u>1,310,753</u>	<u>8,718,230</u>	<u>14,939,500</u>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For The Financial Year Ended 31 December 2025

	Note	2025 S\$	2024 S\$
<b>Cash Flows from Operating Activities</b>			
(Loss)/Profit before taxation		(3,404,190)	1,292,244
Adjustments for:			
Amortisation of intangible assets	4	44,546	53,269
Depreciation of property, plant and equipment	3	622,704	570,226
Depreciation of right-of-use assets	5	766,762	675,519
Finance costs	21	438,741	535,160
Finance income on net investments in finance leases	7	(17,713)	(16,252)
Finance lease receivables written off	7	45,723	5,338
Gain on disposal of property, plant and equipment	19	(721)	-
Gain on finance leases	7	(43,808)	(133,154)
Impairment losses on trade receivables (reversed)/recognised	10	(167,841)	73,979
Interest income on fixed deposits	19	(82,287)	(88,781)
Inventories written off	8	-	33,686
Loss/(Gain) on termination of leases	19/20	790	(776)
Property, plant and equipment written off	20	247	431
Selling profit on finance leases	7	-	(24,611)
Write-down on inventories recognised/(reversed)	8	197,836	(152,755)
Operating (loss)/profit before working capital changes		(1,599,211)	2,823,523
Changes in inventories		1,154,676	831,123
Changes in trade and other receivables		3,447,023	1,503,211
Changes in contract assets		(34,033)	-
Changes in prepayments		(43,559)	(19,752)
Changes in contract liabilities		1,838,862	(539,454)
Changes in trade and other payables		(1,405,853)	1,021,633
Cash generated from operations		3,357,905	5,620,284
Income taxes paid		(53,324)	(619,558)
<b>Net cash generated from operating activities</b>		<b>3,304,581</b>	<b>5,000,726</b>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For The Financial Year Ended 31 December 2025

	Note	2025 S\$	2024 S\$
<b>Cash Flows from Investing Activities</b>			
Interest received from fixed deposits		98,892	63,070
Payments for intangible assets	4	(9,997)	(110,500)
Proceeds from disposal of property, plant and equipment		29,249	-
Proceeds from finance lease receivables		223,796	182,383
Purchase of property, plant and equipment	3	(263,105)	(558,989)
<b>Net cash generated from/(used in) investing activities</b>		<b>78,835</b>	<b>(424,036)</b>
<b>Cash Flows from Financing Activities</b>			
Bank deposits pledged		(47,300)	(1,659,786)
Dividends paid		(775,000)	(775,000)
Interest paid		(438,741)	(535,160)
Proceeds from borrowings		5,084,383	5,620,385
Repayment of borrowings		(5,865,787)	(8,311,939)
Repayment of lease liabilities		(912,813)	(928,958)
<b>Net cash used in financing activities</b>		<b>(2,955,258)</b>	<b>(6,590,458)</b>
Net increase/(decrease) in cash and cash equivalents		428,158	(2,013,768)
Cash and cash equivalents at beginning of the year		7,602,627	9,603,354
Exchange differences on translation of cash and cash equivalents		12,052	13,041
<b>Cash and cash equivalents at end of the year</b>	11	<b>8,042,837</b>	<b>7,602,627</b>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For The Financial Year Ended 31 December 2025

## Reconciliation of movements of (assets)/liabilities to cash flows arising from financing activities

The Group	Note	At 1 January	Cash outflows			Non-cash changes			At 31 December
			Cash inflows	Principal paid	Interest paid	New leases	Lease modification	Lease termination	
		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>2025</b>									
<i>Assets</i>									
Bank deposits pledged	11	(2,731,385)	-	(47,300)	-	-	-	-	(2,778,685)
<i>Liabilities</i>									
Borrowings	14	11,110,110	5,084,383	(5,865,787)	(385,027)	-	-	385,027	10,328,706
Lease liabilities	15	1,040,073	-	(912,813)	(53,714)	1,663,158	31,489	(41,200)	1,780,707
		12,150,183	5,084,383	(6,778,600)	(438,741)	1,663,158	31,489	(41,200)	12,109,413
		9,418,798	5,084,383	(6,825,900)	(438,741)	1,663,158	31,489	(41,200)	9,330,728
<b>2024</b>									
<i>Assets</i>									
Bank deposits pledged	11	(1,071,599)	-	(1,659,786)	-	-	-	-	(2,731,385)
<i>Liabilities</i>									
Borrowings	14	13,801,664	5,620,385	(8,311,939)	(492,845)	-	-	-	11,110,110
Lease liabilities	15	1,194,469	-	(928,958)	(42,315)	877,704	(14,645)	(88,497)	1,040,073
		14,996,133	5,620,385	(9,240,897)	(535,160)	877,704	(14,645)	(88,497)	12,150,183
		13,924,534	5,620,385	(10,900,663)	(535,160)	877,704	(14,645)	(88,497)	9,418,798

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 1 General information

The financial statements of Singapore Kitchen Equipment Limited (the "Company") and its subsidiaries (the "Group") for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company is incorporated as a limited liability company and domiciled in the Republic of Singapore. The Company is listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is located at 207 Henderson Road, #01-01 Henderson Industrial Park, Singapore 159550.

The principal activities of the Company are those of an investment holding company. The principal activities of the subsidiaries are disclosed in Note 6.

The Company's holding company is QKE Holdings Pte. Ltd., a company incorporated in Singapore.

Chua Chwee Choo and Lee Chong Hoe are the ultimate group of controlling shareholders of the Company through their shareholdings in QKE Holdings Pte. Ltd.

## 2(a) Basis of preparation

The financial statements are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s"). The financial statements have been prepared under the historical cost convention except as otherwise described in the notes below.

The financial statements are presented in Singapore dollar ("S\$") which is the Company's functional currency. All financial information is presented in Singapore dollar, unless otherwise stated.

### **Significant accounting estimates and judgements**

The preparation of the financial statements in conformity with SFRS(I)s requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The significant accounting estimates and assumptions used and areas involving a high degree of judgement are described below.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(a) Basis of preparation (cont'd)

### Significant judgements in applying accounting policies

#### Going concern

The Group incurred a net loss of S\$3,252,309 (2024: net profit of S\$867,196) for the financial year ended 31 December 2025.

Notwithstanding this, as at 31 December 2025, the Group had net current assets and net assets of S\$8,864,924 (2024: S\$13,086,345) and S\$14,939,500 (2024: S\$19,047,601), respectively, while the Company had net current assets and net assets of S\$4,934,456 (2024: S\$4,132,083) and S\$4,944,456 (2024: S\$4,146,200), respectively. In addition, the Group generated net operating cash inflows of S\$3,304,581 (2024: S\$5,000,726) for the financial year ended 31 December 2025. Having regard to measures to tighten controls over expenses and to better manage the Group's and the Company's working capital, the directors believe that the Group and the Company are able to adequately manage their cash flows and continue to operate as going concern.

In assessing whether the Group and the Company can meet their debt obligations for at least 12 months from the end of the reporting period, management has prepared a financial budget and cash flow forecast for the financial year ending 31 December 2026. Based on the budget and forecast and having regard to the above, the directors believe that the Group and the Company have sufficient working capital and financial resources to enable them to meet their liabilities as and when they fall due and continue as going concern for 12 months from the end of the reporting period. Accordingly, the directors are of the view that the going concern assumption is appropriate for the preparation of the financial statements, and there is no material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of reported asset amounts or the amounts and classification of liabilities that would be required if the going concern basis is found to be inappropriate.

#### Income taxes

The Group has exposure to income taxes in various jurisdictions. Significant judgement and estimates are involved in determining group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will affect the current tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's deferred tax liabilities at the end of the reporting period and the Group's income taxes for the year are disclosed in Note 16 and Note 23, respectively, to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(a) Basis of preparation (cont'd)

### Significant accounting estimates and assumptions used in applying accounting policies

#### Depreciation of property, plant and equipment and right-of-use assets

The costs of property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over the estimated economic useful lives of the assets or based on the shorter period of lease term and useful life of the right-of-use asset. Management estimates the useful lives of property, plant and equipment and right-of-use assets to be 3 to 50 years and 1 to 5 years, respectively. The carrying amounts of the Group's and the Company's property, plant and equipment and right-of-use assets at the end of the reporting period are disclosed in Note 3 and Note 5, respectively, to the financial statements. The estimation of useful lives is based on assumptions about wear and tear, ageing, changes in demand and the Group's historical experience with similar assets. The Group performs annual reviews on whether the assumptions made on useful lives continue to be valid. As changes in the expected level of usage, maintenance programmes and technological developments could affect the economic useful lives and the residual values of these assets, future depreciation charges could be revised. If depreciation on the Group's property, plant and equipment and right-of-use assets increases/decreases by 10% from management's estimates, the Group's results for the year will decrease/increase by S\$62,270 (2024: S\$57,023) and S\$76,676 (2024: S\$67,552), respectively.

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

Property, plant and equipment and right-of-use assets are assessed at the end of each reporting period whether there is any indication of impairment. If any such indication exists, the recoverable amounts of the assets are estimated to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and value in use. Such impairment loss is recognised in profit or loss.

Significant judgement and estimates by management are required in the area of asset impairment, particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying amount of an asset can be supported by its market value based on comparable assets or the net present value of future cash flows which are estimated based on the continued use of the asset in the business; and (iii) the appropriate valuation techniques and inputs used in fair value measurement and the key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are extrapolated using a suitable growth rate and then discounted using an appropriate discount rate. Changing the assumptions selected by management to determine the level of impairment could materially affect the recoverable amount determined in the impairment test and as a result may potentially affect the Group's results. The carrying amounts of the Group's property, plant and equipment and right-of-use assets at the end of the reporting period and the basis used to determine fair value less costs of disposal are disclosed in Note 3 and Note 5, respectively, to the financial statements.

#### Allowance for inventory obsolescence

The Group reviews the ageing analysis of inventories at the end of each reporting period and applies judgement and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for sale. The net realisable values for such inventories are estimated based primarily on the latest invoice prices and current market conditions. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 8 to the financial statements. If the allowance for write-down of inventories increases/decreases by 10% from management's estimates, the Group's results for the year will decrease/increase by S\$66,505 (2024: S\$46,721).

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(a) Basis of preparation (cont'd)

### Significant accounting estimates and assumptions used in applying accounting policies (cont'd)

#### Revenue recognition over time

For the long-term projects where the Group satisfies its performance obligations over time, management has determined that the cost input method provides a faithful depiction of the Group's performance in transferring control to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred on the projects. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the projects. Significant judgement is required in determining the estimated total contract costs, as well as the recoverability of the contract costs incurred.

The estimation of total contract costs is based on historical experience and contractual arrangements with contractors/suppliers. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Where the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. The estimated total costs for each project are reviewed on a regular basis by the Group in order to determine the costs to be recognised in profit or loss at the end of each reporting period and to assess whether any provision for onerous contracts is required. Actual costs could differ from the estimates.

The carrying amounts of the Group's contract assets and contract liabilities at the end of the reporting period and the Group's revenue recognised over time in respect of the installation and construction of kitchen facilities for the year are disclosed in Note 9 and Note 18, respectively, to the financial statements.

#### Allowance for expected credit losses on trade and other receivables and finance lease receivables

The Group uses a provision matrix to calculate expected credit losses ("ECLs") for trade receivables and finance lease receivables. The provision rates are based on days past due for groupings of various customer segments that have similar risk characteristics. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At the end of each reporting period, historical default rates are updated and changes in the forward-looking estimates are analysed.

The Group and the Company apply the 3-stage general approach to determine ECLs for other receivables. ECL is measured as an allowance equal to 12-month ECL for stage-1 assets, or lifetime ECL for stage-2 or stage-3 assets. An asset moves from stage-1 to stage-2 when its credit risk increases significantly and subsequently to stage-3 as it becomes credit-impaired. In assessing whether credit risk has significantly increased, the Group and the Company consider qualitative and quantitative reasonable and supportable forward-looking information. Lifetime ECL represents ECL that will result from all possible default events over the expected life of a financial instrument whereas 12-month ECL represents the portion of lifetime ECL expected to result from default events possible within 12 months after the reporting date.

The assessment of the correlation between historical observed default rates, forecast of economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information relating to ECLs on the Group's and the Company's trade and other receivables and finance lease receivables is disclosed in Note 28.1. If the loss rates increase/decrease by 10% from management's estimates, the Group's allowance for impairment losses on trade receivables and finance lease receivables will increase/decrease by S\$448,966 (2024: S\$912,201) and S\$27,181 (2024: S\$45,772), respectively.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(b) Adoption of new or amended SFRS(I)s effective in 2025

On 1 January 2025, the Group adopted the following new or amended SFRS(I)s that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s.

Reference	Description
Amendments to SFRS(I) 1-21	Lack of Exchangeability

The adoption of these new or amended SFRS(I)s did not result in substantial changes to the Group's accounting policies or have any significant impact on these financial statements.

## 2(c) New or amended SFRS(I)s not yet adopted

The following are the new or amended SFRS(I)s issued that are not yet effective but may be early adopted for the current financial year. However, the Group has not early adopted the new or amended SFRS(I)s in preparing these financial statements:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be determined
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to SFRS(I) 9 and SFRS(I) 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 9 and SFRS(I) 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to SFRS(I) 1-21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Annual Improvements to SFRS(I)s - Volume 11		
- Amendments to SFRS(I) 1	Hedge Accounting by a First-Time Adopter	1 January 2026
- Amendments to SFRS(I) 7	Gain or Loss on Derecognition	1 January 2026
- Amendments to SFRS(I) 7	Disclosure of Deferred Difference between Fair Value and Transaction Price	1 January 2026
- Amendments to SFRS(I) 7	Introduction and Credit Risk Disclosures	1 January 2026
- Amendments to SFRS(I) 9	Derecognition of Lease Liabilities	1 January 2026
- Amendments to SFRS(I) 9	Transaction Price	1 January 2026
- Amendments to SFRS(I) 10	Determination of a 'De Facto Agent'	1 January 2026
- Amendments to SFRS(I) 1-7	Cost Method	1 January 2026

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(c) New or amended SFRS(I)s not yet adopted (cont'd)

Management does not anticipate that the adoption of the above new or amended SFRS(I)s in future periods will have a material impact on the financial statements of the Group and the Company in the period of their initial adoption.

### **SFRS(I) 18 *Presentation and Disclosure in Financial Statements***

SFRS(I) 18 which replaces SFRS(I) 1-1 *Presentation of Financial Statements*:

- introduces new categories and subtotals in the statement of profit or loss;
- requires disclosure of management-defined performance measures; and
- includes new requirements for the location, aggregation and disaggregation of financial information.

An entity will be required to:

- classify all income and expenses within its statement of profit or loss into five categories: operating, investing, financing, income taxes, and discontinued operations; and
- present subtotals for 'operating profit or loss' and 'profit or loss before financing and income taxes'.

An entity will need to assess whether it has a 'main business activity' of investing in assets or providing financing to customers, as specific classification requirements will apply to such entities. Determining whether an entity has such a specified main business activity depends on the facts and circumstances and may require significant judgement. An entity may have more than one main business activity.

SFRS(I) 18 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity. Furthermore, SFRS(I) 18 requires disclosure of information about all of an entity's MPMS within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by SFRS(I) 18 or another standard.

SFRS(I) 18 differentiates between 'presenting' information in the primary financial statements and 'disclosing' it in the notes, and introduces a principle for determining the location of information based on identified 'roles' of the primary financial statements and the notes. SFRS(I) 18 requires aggregation and disaggregation of information to be performed with reference to similar and dissimilar characteristics. Guidance is also provided for determining meaningful descriptions, or labels, for items that are aggregated in the financial statements.

SFRS(I) 18 and consequential amendments to other standards are effective for reporting periods beginning on or after 1 January 2027 and will apply retrospectively. Early adoption is permitted and must be disclosed.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information

### Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Group controls an investee if, and only if, the Group has all of the following:

- (i) power over the investee;
- (ii) exposure, or rights or variable returns from its involvement with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

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

### Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives, as follows:

Buildings	15 to 50 years
Plant and machinery	5 years
Computers and office equipment	3 to 5 years
Renovations	5 years
Furniture and fittings	5 years
Motor vehicles	5 years

Freehold land has indefinite useful life and is not depreciated.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. 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 asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Property, plant and equipment and depreciation (cont'd)

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before the expenditure was made will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the period in which it is incurred.

For acquisitions and disposals during the period, depreciation is recognised in profit or loss from the month that the property, plant and equipment are installed and are available for use, and to the month of disposal, respectively. Fully depreciated property, plant and equipment are retained in the accounts until they are no longer in use.

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at the end of each reporting period as a change in estimates.

### Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and amortisation method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets are written off where, in the opinion of the directors, no further future economic benefits are expected to arise. The Group does not have intangible assets with indefinite useful lives.

Gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in profit or loss when the asset is derecognised.

### Computer software

The costs relating to computer software acquired, which are not an integral part of the related hardware, are capitalised and amortised on a straight-line basis over their estimated useful lives of one to three years.

### Franchise rights

The costs relating to franchise rights acquired are capitalised and amortised on a straight-line basis over their estimated useful lives of three years.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Subsidiaries

In the Company's separate statement of financial position, subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis.

### Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### Financial assets

#### Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes party to the contractual provisions of the financial instruments. Financial assets are classified at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), and fair value through profit or loss ("FVTPL").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of financial asset not at FVTPL, transaction costs. 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. Refer to the accounting policy on "Revenue from contracts with customers".

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Financial assets (cont'd)

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

The Group does not hold any financial assets at FVOCI or financial assets at FVTPL.

#### *Financial assets at amortised cost (debt instruments)*

Subsequent measurement of debt instruments depends on the Group's business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual cash terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent SPPI 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 amortisation process.

The Group's financial assets at amortised cost comprise finance lease receivables, trade and other receivables (excluding advances to suppliers, current tax recoverable and net input taxes) and cash and bank deposits.

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

#### Derecognition

A financial asset is derecognised when the contractual rights to receive cash flows from the asset expire. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

#### Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ("ECLs") associated with its debt instruments carried at amortised cost. 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.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Financial assets (cont'd)

#### Impairment of financial assets (cont'd)

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 (12-month ECLs). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECLs).

For trade receivables and finance lease receivables, the Group measures the loss allowance at an amount equal to lifetime ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each reporting period. 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.

For other receivables, loss allowance is measured at an amount equal to 12-month ECLs. The 12-month ECLs are estimated by reference to the track record of the counterparties and their businesses and financial conditions.

The Group considers a financial asset in default when contractual payments are 90 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.

At the end of each reporting period, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### 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.

Financial liabilities are recognised initially at fair value minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

The Group's financial liabilities comprise borrowings, lease liabilities and trade and other payables (excluding provision for restoration costs and net output taxes).

#### Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVTPL, such as interest-bearing borrowings, 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. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

#### *Borrowings*

Borrowings due to be settled more than 12 months after the reporting period are included in non-current borrowings in the consolidated statement of financial position.

Borrowing costs are recognised in profit or loss using the effective interest method.

#### *Financial guarantees*

The Company has issued corporate guarantees to banks for the borrowings of a subsidiary. A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantees are recognised initially as liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantees. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of the loss allowance determined in accordance with the impairment model under SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

#### Derecognition

A financial liability is derecognised when the obligation under the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from a customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liability is recognised as revenue when the Group performs under the contract.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis, and includes all costs in bringing the inventories to their present location and condition.

Allowance is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and fixed deposits. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude bank deposits which are pledged.

### Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

### Dividends

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained earnings, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the articles of association of the Company grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### 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 a reliable estimate can be made of the amount of the obligation. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Present obligations arising from onerous contracts are recognised as provisions.

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. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs.

#### Provision for restoration costs

A provision for restoration is recognised when the Group is legally obligated to dismantle physical installations and to restore to its original state a property owned by external parties following decommissioning of the Group's operating facilities at the property. The costs of dismantling and restoration are capitalised as part of the Group's acquisition costs of the installations and are depreciated over their useful lives. The provision is initially recognised as the present value of the aggregate future costs. Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement and restoration costs are adjusted against the cost of the related installations, unless the decrease in the provision exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such a case, the excess of the decrease over the carrying amount of the asset, or the changes in the provision, is recognised in profit or loss immediately.

#### Provision for warranty

The Group provides warranties for general repairs of defects that existed at the time of sale. Provisions related to these assurance-type warranties are recognised when product is sold or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

### Leases

#### The Group as a lessee

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

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Leases (cont'd)

#### The Group as a lessee (cont'd)

##### *Lease liabilities*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

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

The lease liabilities are presented as a separate line item in the consolidated statement of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Leases (cont'd)

#### The Group as a lessee (cont'd)

##### *Right-of-use assets*

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. It is subsequently measured at cost less accumulated depreciation and any impairment loss.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Properties	1 to 3 years
Office equipment	5 years
Motor vehicles	2 to 3 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated from the commencement date of the lease over the useful life of the underlying asset, as follows:

Motor vehicles	5 years
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The right-of-use assets are presented as a separate line item in the consolidated statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

#### The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is a finance lease; if not, it is an operating lease. As part of this assessment, the Group considers certain indications such as whether the lease is for a major part of the economic life of the asset and/or transfers ownership of the asset to the lessee by the end of the lease term.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Leases (cont'd)

#### The Group as a lessor (cont'd)

##### *Operating lease*

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

##### *Finance lease*

The leased asset is derecognised and the present value of the lease receivable is recognised as finance lease receivable in the consolidated statement of financial position. The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Any initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognised over the lease term.

##### *Intermediate lessor in sublease*

When the Group is an intermediate lessor, it accounts for its interest in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies recognition exemption, it classifies the sublease as an operating lease.

### Income taxes

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 end of the reporting period.

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 an asset or liability in a transaction that is not a business combination and affects neither accounting or taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are recognised on transactions that, on initial recognition, give rise to equal amounts of deductible and taxable temporary differences, arising from leases.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities provided they intend to settle current tax liabilities and assets on a net basis or the assets will be realised and the liabilities will be settled simultaneously.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Income taxes (cont'd)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, 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 end of the reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

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 either in other comprehensive income or directly in equity.

### Value-added taxes

Revenues, expenses and assets are recognised net of the amount of value-added tax ("VAT"), except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authorities, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and except that trade receivables and trade payables are recorded with the amount of VAT included. The net amount of VAT recoverable from or payable to the taxation authorities are included as part of other receivables or other payables as net input taxes or net output taxes, respectively, in the statements of financial position.

### Employee benefits

#### Defined contribution plans

The Group participates in the defined contribution national pension schemes as provided by the laws of the countries in which it has operations. Pension contributions are provided at rates stipulated by the regulations and are contributed to pension funds managed by government agencies, which are responsible for administering these amounts for the Group's employees. The Company and its Singapore-incorporated subsidiaries make contributions to the Central Provident Fund, a defined contribution pension scheme regulated and managed by the Government of Singapore.

A defined contribution national pension scheme is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. The contributions to national pension schemes are charged to profit or loss in the period to which the contributions relate.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Employee benefits (cont'd)

#### Employee leave entitlements

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

### Related parties

A related party is defined as follows:

- a) A person or a close member of that person's family is related to the Group and the Company if that person:
  - (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Group or the Company or of a parent of the Company.
- b) An entity is related to the Group and the Company if any of the following conditions applies:
  - (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) both entities are joint ventures of the same third party.
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
  - (vi) the entity is controlled or jointly controlled by a person identified in (a).
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Related parties (cont'd)

#### Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. Directors and certain management executives are considered key management personnel.

### Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal and value in use, based on an internal discounted cash flow evaluation. Impairment loss recognised for a cash-generating unit is charged pro rata to the assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist or may have decreased.

Any impairment loss is charged to profit or loss.

An impairment loss is reversed if there is an indication that the impairment loss previously recognised for an asset may no longer exist or may have decreased, and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that an asset's or cash-generating unit's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

A reversal of an impairment loss is recognised as income in profit or loss.

### Revenue from contracts with customers

Revenue from the sale of goods and rendering of services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Revenue from contracts with customers (cont'd)

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

#### Fabrication and distribution business

Revenue from the sale of kitchen equipment which does not require specific installation is recognised at a point in time when control has been transferred to customers upon delivery of the kitchen equipment.

When kitchen facilities are constructed in accordance with customers' specifications and under customers' control at their premises, revenue is recognised over time by reference to the Group's progress, measured by comparing the actual costs incurred, which include the quantity of installed materials, with the total expected costs, which include the amount of materials to be installed to complete the construction of kitchen facilities. The Group has assessed that these construction contracts qualify for recognition of revenue over time as the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced, or the Group's performance does not create an asset with an alternative use to the Group unless significant costs are incurred to rework the asset and the Group has an enforceable right to payment for performance completed to date.

In connection with the sale of kitchen equipment and facilities, the Group also provides assurance warranty against manufacturing defects to customers for a period of 12 months or 24 months after delivery or construction.

#### Maintenance and servicing business

The Group provides maintenance and repair services on kitchen equipment sold to customers, comprising preventive maintenance of kitchen equipment performed on a periodic basis and ad-hoc servicing of kitchen equipment as requested by customers. In respect of preventive maintenance, revenue is recognised over time when the services are rendered, based on the fixed-price contracts. Customers are invoiced on a periodic basis when the services are rendered and accepted. In respect of ad-hoc servicing, revenue is recognised at a point in time when the services have been rendered.

#### Food and beverages business

Revenue from the sale of food and beverages is recognised at a point in time when control has been transferred to customers upon delivery of the food and beverages.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Rental income

Revenue from rental of kitchen equipment under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease.

### Interest income

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

### Government grants

Government grants are recognised as a receivable at their fair value where there is reasonable assurance that the grants will be received and all attaching conditions will be complied with.

Government grants received are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

### Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in Singapore dollar, which is also the functional currency of the Company.

### Conversion of foreign currencies

#### Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss.

Foreign currency gains and losses are reported on a net basis as either other income or other expenses depending on whether foreign currency movements are in a net gain or net loss position.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transactions. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 2(d) Material accounting policy information (cont'd)

### Conversion of foreign currencies (cont'd)

#### Group entities

The results and financial positions of all the entities (none of which has the currency of a hyperinflationary economy) within the Group that have a functional currency different from the presentation currency are translated into the presentation currency, as follows:

- (i) Assets and liabilities are translated at the closing exchange rates at the end of each reporting period;
- (ii) Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) are translated at exchange rates at the dates of the transactions; and
- (iii) All resulting currency translation differences are recognised as other comprehensive income in the foreign currency translation reserve in equity.

### Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Company's executive directors who are the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. Additional disclosures on each of these segments are shown in Note 27 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

Segment results that are reported to the executive directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

### Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period adjusted for own shares held.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the period adjusted for own shares held, for the effects of any dilutive potential ordinary shares.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 3 Property, plant and equipment

The Group	Freehold land	Buildings	Plant and machinery	Computers and office equipment	Renovations	Furniture and fittings	Motor vehicles	Total
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<u>Cost</u>								
At 1 January 2024	11,747,846	2,034,310	773,918	782,214	784,160	202,366	343,247	16,668,061
Additions	-	-	139,878	66,802	134,591	5,437	212,281	558,989
Transfer from right-of-use assets (Note 5)	-	-	-	-	-	-	1,464,010	1,464,010
Write-offs	-	-	(121,875)	(500)	-	-	-	(122,375)
Exchange difference on translation	4,216	17,174	13,351	2,517	9,396	4,182	-	50,836
At 31 December 2024	11,752,062	2,051,484	805,272	851,033	928,147	211,985	2,019,538	18,619,521
Additions	-	-	19,600	137,354	60,529	45,622	-	263,105
Disposals	-	-	-	-	-	-	(137,879)	(137,879)
Transfer from right-of-use assets (Note 5)	-	-	-	-	-	-	350,430	350,430
Write-offs	-	-	(3,387)	(308)	-	(519)	-	(4,214)
Exchange difference on translation	3,346	13,628	8,594	2,922	7,658	3,406	-	39,554
<b>At 31 December 2025</b>	<b>11,755,408</b>	<b>2,065,112</b>	<b>830,079</b>	<b>991,001</b>	<b>996,334</b>	<b>260,494</b>	<b>2,232,089</b>	<b>19,130,517</b>
<u>Accumulated depreciation</u>								
At 1 January 2024	-	217,254	642,237	517,878	300,906	93,985	337,333	2,109,593
Depreciation (Note 22)	-	115,011	49,882	125,220	217,191	33,520	29,402	570,226
Transfer from right-of-use assets (Note 5)	-	-	-	-	-	-	1,464,010	1,464,010
Write-offs	-	-	(121,875)	(69)	-	-	-	(121,944)
Exchange difference on translation	-	5,706	11,753	938	5,671	2,652	-	26,720
At 31 December 2024	-	337,971	581,997	643,967	523,768	130,157	1,830,745	4,048,605
Depreciation (Note 22)	-	115,304	73,706	107,179	244,542	44,754	37,219	622,704
Disposals	-	-	-	-	-	-	(109,351)	(109,351)
Transfer from right-of-use assets (Note 5)	-	-	-	-	-	-	350,430	350,430
Write-offs	-	-	(3,174)	(274)	-	(519)	-	(3,967)
Exchange difference on translation	-	4,826	7,654	1,279	5,478	2,497	-	21,734
<b>At 31 December 2025</b>	<b>-</b>	<b>458,101</b>	<b>660,183</b>	<b>752,151</b>	<b>773,788</b>	<b>176,889</b>	<b>2,109,043</b>	<b>4,930,155</b>
<u>Carrying amount</u>								
<b>At 31 December 2025</b>	<b>11,755,408</b>	<b>1,607,011</b>	<b>169,896</b>	<b>238,850</b>	<b>222,546</b>	<b>83,605</b>	<b>123,046</b>	<b>14,200,362</b>
At 31 December 2024	11,752,062	1,713,513	223,275	207,066	404,379	81,828	188,793	14,570,916

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 3 Property, plant and equipment (cont'd)

The Company	Computers and office equipment S\$
<u>Cost</u>	
At 1 January 2024, 31 December 2024 and 31 December 2025	<u>5,847</u>
<u>Accumulated depreciation</u>	
At 1 January 2024, 31 December 2024 and 31 December 2025	<u>5,847</u>
<u>Carrying amount</u>	
At 31 December 2025	<u>-</u>
At 31 December 2024	<u>-</u>

Details of the Group's freehold land and buildings are as follows:

Property location	Description	Gross land area	Tenure	The Group's effective equity interest
207 Henderson Road, #01-01 and #03-01 Henderson Industrial Park, Singapore	Three-storey industrial building	788 sqm	Freehold	100%
209 Henderson Road, #01-05 and #03-05 Henderson I ndustrial Park, Singapore	Three-storey industrial building	782 sqm	Freehold	100%
4 Jalan Sri Plentong 10, Taman Perindustrian Sri Plentong, Masai, Johor, Malaysia	One and a half-storey semi-detached factory building	1,884 sqm	Freehold	100%

### Impairment testing of property, plant and equipment and right-of-use assets

In view of the losses incurred by certain subsidiaries for the financial years ended 31 December 2025 and 31 December 2024, management has assessed that there are indications of impairment of its property, plant and equipment and right-of-use assets. Accordingly, the assets are tested for impairment.

Management has engaged independent professional valuers to carry out valuations on the property, plant and equipment and right-of-use assets to determine their recoverable amount based on fair value less costs of disposal, having considered the appropriate professional qualifications and recent experience of the valuers in the location and category of the plant and equipment and right-of-use assets being valued. In determining the fair values of the plant and equipment, the valuers used the cost approach. In determining the fair value of the right-of-use assets, the valuers used the market approach.

As the recoverable amounts of the assets exceed their carrying amounts as at 31 December 2025 and 31 December 2024, no impairment losses are recognised for the financial years ended 31 December 2025 and 31 December 2024.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 4 Intangible assets

The Group	Computer software S\$	Franchise rights S\$	Total S\$
<u>Cost</u>			
At 1 January 2024	425,104	-	425,104
Additions	74,000	36,500	110,500
At 31 December 2024	499,104	36,500	535,604
Additions	<b>9,997</b>	-	<b>9,997</b>
<b>At 31 December 2025</b>	<b>509,101</b>	<b>36,500</b>	<b>545,601</b>
<u>Accumulated amortisation</u>			
At 1 January 2024	404,699	-	404,699
Amortisation (Note 22)	46,172	7,097	53,269
At 31 December 2024	450,871	7,097	457,968
Amortisation (Note 22)	<b>32,379</b>	<b>12,167</b>	<b>44,546</b>
<b>At 31 December 2025</b>	<b>483,250</b>	<b>19,264</b>	<b>502,514</b>
<u>Carrying amount</u>			
<b>At 31 December 2025</b>	<b>25,851</b>	<b>17,236</b>	<b>43,087</b>
At 31 December 2024	48,233	29,403	77,636
<b>The Company</b>			
<u>Cost</u>			
At 1 January 2024	-	-	-
Additions	12,350	-	12,350
<b>At 31 December 2024 and 31 December 2025</b>	<b>12,350</b>	-	<b>12,350</b>
<u>Accumulated amortisation</u>			
At 1 January 2024	-	-	-
Amortisation	8,233	-	8,233
At 31 December 2024	8,233	-	8,233
Amortisation	<b>4,117</b>	-	<b>4,117</b>
<b>At 31 December 2025</b>	<b>12,350</b>	-	<b>12,350</b>
<u>Carrying amount</u>			
<b>At 31 December 2025</b>	-	-	-
At 31 December 2024	4,117	-	4,117

The Group's and the Company's intangible assets have a remaining amortisation period of 1.6 years (2024: 2.3 years) and nil (2024: 0.3 year), respectively.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 5 Right-of-use assets

The Group	Properties S\$	Office equipment S\$	Motor vehicles S\$	Total S\$
<u>Cost</u>				
At 1 January 2024	1,044,472	185,002	2,253,850	3,483,324
Additions	760,599	8,006	109,099	877,704
Derecognition	(82,253)	-	(19,012)	(101,265)
Lease modification	(14,645)	-	-	(14,645)
Lease termination	-	-	(197,712)	(197,712)
Transfer to finance lease receivables	(280,590)	-	-	(280,590)
Transfer to property, plant and equipment (Note 3)	-	-	(1,464,010)	(1,464,010)
Exchange difference on translation	922	-	-	922
At 31 December 2024	1,428,505	193,008	682,215	2,303,728
Additions	<b>1,663,158</b>	-	-	<b>1,663,158</b>
Derecognition	<b>(648,911)</b>	-	-	<b>(648,911)</b>
Lease modification	<b>31,489</b>	-	-	<b>31,489</b>
Lease termination	<b>(147,170)</b>	-	-	<b>(147,170)</b>
Transfer to finance lease receivables	<b>(52,555)</b>	-	-	<b>(52,555)</b>
Transfer to property, plant and equipment (Note 3)	-	-	<b>(350,430)</b>	<b>(350,430)</b>
Exchange difference on translation	<b>595</b>	-	-	<b>595</b>
<b>At 31 December 2025</b>	<b>2,275,111</b>	<b>193,008</b>	<b>331,785</b>	<b>2,799,904</b>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 5 Right-of-use assets (cont'd)

The Group	Properties S\$	Office equipment S\$	Motor vehicles S\$	Total S\$
<u>Accumulated depreciation</u>				
At 1 January 2024	441,937	33,917	2,119,255	2,595,109
Depreciation (Note 22)	523,055	39,224	113,240	675,519
Derecognition	(82,253)	-	(19,012)	(101,265)
Lease termination	-	-	(109,991)	(109,991)
Transfer to finance lease receivables	(22,213)	-	-	(22,213)
Transfer to property, plant and equipment (Note 3)	-	-	(1,464,010)	(1,464,010)
Exchange difference on translation	467	-	-	467
At 31 December 2024	860,993	73,141	639,482	1,573,616
Depreciation (Note 22)	<b>688,740</b>	<b>39,669</b>	<b>38,353</b>	<b>766,762</b>
Derecognition	<b>(648,911)</b>	-	-	<b>(648,911)</b>
Lease termination	<b>(105,180)</b>	-	-	<b>(105,180)</b>
Transfer to finance lease receivables	<b>(30,474)</b>	-	-	<b>(30,474)</b>
Transfer to property, plant and equipment (Note 3)	-	-	<b>(350,430)</b>	<b>(350,430)</b>
Exchange difference on translation	<b>469</b>	-	-	<b>469</b>
<b>At 31 December 2025</b>	<b>765,637</b>	<b>112,810</b>	<b>327,405</b>	<b>1,205,852</b>
<u>Carrying amount</u>				
<b>At 31 December 2025</b>	<b>1,509,474</b>	<b>80,198</b>	<b>4,380</b>	<b>1,594,052</b>
At 31 December 2024	567,512	119,867	42,733	730,112

Properties relate to the Group's factory, warehouse, food court, office and hostel premises under leasing arrangements, which are used for its operations.

The properties are mainly located at 1 Clementi Loop #01-01, 201 Henderson Road #03-18 and 207 Henderson Road #01-08.

Details of the impairment testing performed in respect of the Group's plant and equipment and right-of-use assets are disclosed in Note 3 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 6 Subsidiaries

<b>The Company</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
<u>Unquoted equity investments, at cost</u>		
At 1 January and 31 December	<b>10,000</b>	10,000

Details of the subsidiaries are as follows:

<b>Name</b>	<b>Country of incorporation/ Principal place of business</b>	<b>Percentage of equity interest</b>		<b>Principal activities</b>
		<b>2025</b>	<b>2024</b>	
		%	%	
<u>Held by the Company</u>				
Yes We Build Pte. Ltd. <sup>(i)</sup>	Singapore	<b>100</b>	100	Operation of food court
Q'son Kitchen Equipment Pte Ltd <sup>(i)</sup>	Singapore	<b>100</b>	100	Designing, fabricating and installation of stainless-steel kitchenware and commercial kitchens
<u>Held by Q'son Kitchen Equipment Pte Ltd</u>				
Q'son Industries (M) Sdn. Bhd. <sup>(ii)</sup>	Malaysia	<b>100</b>	100	Manufacturing and distribution of kitchen equipment
Qson Kitchenhub Sdn. Bhd. <sup>(ii)</sup>	Malaysia	<b>100</b>	100	Property investment and sale of kitchen equipment
Q'son Kitchen Equipment Services Pte. Ltd. <sup>(i)</sup>	Singapore	<b>100</b>	100	Wholesaling of commercial food service equipment (not yet commenced business)
PT Indo Qson Kitchen Equipment <sup>(iii)</sup>	Indonesia	<b>100</b>	100	Trading, distribution, sales, servicing repair and maintenance of commercial and residential kitchen equipment and related supplies (dormant)

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 6 Subsidiaries (cont'd)

Details of the subsidiaries are as follows (cont'd):

Name	Country of incorporation/ Principal place of business	Percentage of equity interest		Principal activities
		2025 %	2024 %	
<u>Held by Yes We Build Pte. Ltd.</u>				
To U @ Senang Pte. Ltd. <sup>(i)</sup>	Singapore	100	100	Operation of cafes
For You Cafe Pte. Ltd. <sup>(iii)</sup>	Singapore	100	-	Operation of cafes (dormant)
Tic Toc Kopi Pte. Ltd. <sup>(i)</sup>	Singapore	100	-	Operation of cafes
Tic Toc @ Alkaff Pte. Ltd. <sup>(iii)</sup>	Singapore	100	-	Operation of cafes (not yet commenced business)

<sup>(i)</sup> Audited by Foo Kon Tan LLP

<sup>(ii)</sup> Audited by ShineWing TY Teoh PLT, Malaysia

<sup>(iii)</sup> Not required to be audited

On 1 November 2024, the Company, through its wholly-owned subsidiary, Yes We Build Pte. Ltd., had incorporated To U @ Senang Pte. Ltd., with an issued and paid-up capital of S\$2, comprising 2 ordinary shares of S\$1 each, with 2 ordinary shares held by the Company, representing 100% equity interest.

On 7 May 2025, the Company, through its wholly-owned subsidiary, Yes We Build Pte. Ltd., incorporated Tic Toc Kopi Pte. Ltd., with an issued and paid-up capital of S\$100,000, comprising 100,000 ordinary shares of S\$1 each, with 100,000 ordinary shares held by the Company, representing 100% equity interest.

On 12 August 2025, the Company, through its wholly-owned subsidiary, Yes We Build Pte. Ltd., incorporated For You Cafe Pte. Ltd., with an issued and paid-up capital of S\$1, comprising 1 ordinary share of S\$1.

On 26 August 2025, the Company, through its wholly-owned subsidiary, Yes We Build Pte. Ltd., incorporated Tic Toc @ Alkaff Pte. Ltd., with an issued and paid-up capital of S\$1, comprising 1 ordinary share of S\$1.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 7 Finance lease receivables

The Group	2025 S\$	2024 S\$
Undiscounted lease payments to be received:		
- Year 1	233,420	217,350
- Year 2	50,220	205,440
- Year 3	-	58,840
	283,640	481,630
Less: Unearned interest cost	(11,834)	(23,906)
	271,806	457,724
Represented by:		
- Non-current	46,023	256,638
- Current	225,783	201,086
	271,806	457,724

The following table presents the amounts included in profit or loss:

The Group	2025 S\$	2024 S\$
Finance income on net investments in finance leases (Note 19)	17,713	16,252
Finance lease receivables written off (Note 20)	(45,723)	(5,338)
Gain on finance leases (Note 19)	43,808	133,154
Selling profit on finance leases	-	24,611
	-	24,611

Gain on finance leases relates to certain stalls in the food court leased by the Group which are in turn rented to third parties and accounted for as finance leases.

Selling profit on finance leases relates to kitchen equipment which are rented to customers and accounted for as finance leases.

The carrying amount and fair value of finance lease receivables at the end of the reporting period are as follows:

The Group	2025 S\$	2024 S\$
Carrying amount	271,806	457,724
Fair value	255,868	442,431

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 7 Finance lease receivables (cont'd)

The fair value is determined from the discounted cash flow analysis, using the discount rate based on the borrowing rate which management expects would be available to the Group at the end of the reporting period of 5.25%.

Finance lease receivables are denominated in Singapore dollar.

## 8 Inventories

	2025	2024
The Group	S\$	S\$
Raw materials, at cost	65,914	80,437
Work in progress, at cost	43,054	8,294
Finished goods, at net realisable value	1,798,854	3,214,087
Spare parts, at net realisable value	443,722	435,623
Beverages, at cost	-	4,988
	<u>2,351,544</u>	<u>3,743,429</u>

Spare parts are sold to customers or consumed in the rendering of maintenance and repair services to customers.

The cost of inventories recognised as an expense and included in cost of sales for the financial year ended 31 December 2025 amounted to S\$11,683,991 (2024: S\$13,654,317) (Note 22).

The movement in allowance for write-down of inventories is as follows:

	2025	2024
The Group	S\$	S\$
At 1 January	467,212	619,967
Allowance made/(reversed) (Note 22)	197,836	(152,755)
At 31 December	<u>665,048</u>	<u>467,212</u>

For the financial year ended 31 December 2025, write-down of inventories amounting to S\$197,836 was recognised as an expense and included in cost of sales due to the decline in selling prices and the obsolescence of certain inventories.

For the financial year ended 31 December 2024, reversal of write-down on inventories of S\$152,755 was made by the Group when the related inventories were sold above their carrying amounts.

Inventories amounting to S\$nil (2024: S\$33,686) (Note 22) were written off in profit or loss during the financial year ended 31 December 2025.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 9 Contract assets and liabilities

<b>The Group</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
Contract assets	<b>34,033</b>	-
Contract liabilities	<b>2,690,331</b>	848,001

As at 1 January 2024, the Group's gross contract assets and contract liabilities related to revenue from contracts with customers amounted to S\$nil and S\$1,387,455, respectively.

The contract assets relate to the Group's rights to consideration for work completed but are not billed at the end of the reporting period. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customers.

The contract liabilities relate to the Group's obligations to perform services to customers for which considerations are paid by or due from the customers. Contract liabilities are recognised as revenue when the Group performs under the contracts.

Significant changes in contract assets and contract liabilities during the financial year are as follows:

<b>The Group</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
Revenue recognised in contract assets	<b>34,033</b>	-
Revenue recognised that was included in contract liabilities at beginning of the year	<b>848,001</b>	1,387,455
Consideration received in advance, excluding amounts recognised as revenue during the year	<b>2,690,331</b>	848,001

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 10 Trade and other receivables

	The Group		The Company	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Trade receivables from third parties	<b>4,489,655</b>	9,122,007	-	-
Less: Allowance for impairment losses	<b>(629,748)</b>	(1,347,485)	-	-
	<b>3,859,907</b>	7,774,522	-	-
Amount due from a subsidiary (non-trade)	-	-	<b>2,427,269</b>	2,427,319
Deposits	<b>347,236</b>	334,092	<b>81,773</b>	81,773
Dividend receivable	-	-	<b>2,330,000</b>	1,620,000
Interest receivable	<b>19,210</b>	35,815	-	-
Other receivables	<b>12,841</b>	41,659	-	-
Financial assets at amortised cost	<b>4,239,194</b>	8,186,088	<b>4,839,042</b>	4,129,092
Advances to suppliers	<b>1,039,311</b>	439,018	-	-
Current tax recoverable	<b>25,166</b>	79,575	-	-
Net input taxes	<b>46,254</b>	-	-	-
Total trade and other receivables	<b>5,349,925</b>	8,704,681	<b>4,839,042</b>	4,129,092

Trade receivables are unsecured and non-interest bearing. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group generally extends credit period of 30 to 90 days (2024: 30 to 90 days) to customers, depending on the length of business relationship, payment history, background and financial strength of the customers. The Group actively reviews the trade receivable balances and follows up on outstanding debts with the customers.

The movement in allowance for impairment losses on trade receivables during the financial year is as follows:

	2025	2024
The Group	S\$	S\$
At 1 January	<b>1,347,485</b>	1,307,674
Allowance (reversed)/made	<b>(167,841)</b>	73,979
Allowance utilised	<b>(549,896)</b>	(34,168)
At 31 December	<b>629,748</b>	1,347,485

Trade receivables that have been determined to be impaired at the end of the reporting period relate to debtors that are in financial difficulties or have defaulted on payments. These trade receivables are not secured by any collateral or credit enhancements.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 10 Trade and other receivables (cont'd)

Based on historical default rates, the Group believes that no further impairment allowance is necessary in respect of trade receivables as they mainly arise from creditworthy customers that have a good payment record with the Group.

The analysis of ageing and loss allowance of trade receivables are set out in Note 28.1 to the financial statements.

The Company's non-trade amount due from a subsidiary, which represents advances to and payments on behalf of the subsidiary, is unsecured, interest-free and repayable on demand.

Deposits mainly relate to rental deposits and deposits placed in respect of performance bonds for projects.

Trade and other receivables (excluding advances to suppliers, current tax recoverable and net input taxes) are denominated in the following currencies:

	The Group		The Company	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Singapore dollar	3,258,815	7,587,538	4,839,042	4,129,092
Malaysian ringgit	967,976	258,423	-	-
Euro	2,438	-	-	-
Renminbi	2,931	-	-	-
United States dollar	7,034	340,127	-	-
	<b>4,239,194</b>	<b>8,186,088</b>	<b>4,839,042</b>	<b>4,129,092</b>

## 11 Cash and bank deposits

	The Group		The Company	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Cash on hand	67,860	38,033	-	-
Cash at banks	6,956,785	7,828,789	224,445	122,023
Fixed deposits	3,796,877	2,467,190	-	-
	<b>10,821,522</b>	<b>10,334,012</b>	<b>224,445</b>	<b>122,023</b>

Cash at banks is held in current accounts and is non-interest bearing. Fixed deposits bear interest at fixed rates ranging from 0.78% to 1.20% (2024: 2.18% to 2.40%) per annum with maturity ranging from 3 to 12 months (2024: 5 to 7 months) from the end of the reporting period.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 11 Cash and bank deposits (cont'd)

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

<b>The Group</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
Cash on hand	67,860	38,033
Cash at banks	6,956,785	7,828,789
Fixed deposits	3,796,877	2,467,190
	<b>10,821,522</b>	<b>10,334,012</b>
Less:		
Bank deposits pledged	(2,778,685)	(2,731,385)
	<b>8,042,837</b>	<b>7,602,627</b>

Cash and bank deposits are denominated in the following currencies:

	<b>The Group</b>		<b>The Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Singapore dollar	10,241,408	9,850,157	224,445	122,023
Euro	42,976	77,952	-	-
Malaysian ringgit	465,442	141,199	-	-
United States dollar	71,696	264,704	-	-
	<b>10,821,522</b>	<b>10,334,012</b>	<b>224,445</b>	<b>122,023</b>

## 12 Share capital

<b>The Group and the Company</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>Number of ordinary shares</b>		<b>S\$</b>	<b>S\$</b>
<u>Issued and fully paid, with no par value</u>				
At 1 January and 31 December	<b>155,000,000</b>	155,000,000	<b>5,124,790</b>	5,124,790

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per share without restriction at shareholders' meetings. All shares rank equally with regard to the Company's residual assets.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 13 Reserves

	The Group		The Company	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Foreign currency translation reserve	(214,273)	(133,481)	-	-
Merger reserve	1,310,753	1,310,753	-	-
Accumulated profits/(losses)	8,718,230	12,745,539	(180,334)	(978,590)
	<b>9,814,710</b>	<b>13,922,811</b>	<b>(180,334)</b>	<b>(978,590)</b>

### Foreign currency translation reserve

Foreign currency translation reserve represents the exchange differences arising from the translation of the financial statements of foreign operations, whose functional currencies are different from that of the Group's presentation currency.

### Merger reserve

Merger reserve represents the excess of the share capital of subsidiaries acquired under common control over the consideration paid/transferred.

## 14 Borrowings

	2025	2024
The Group	S\$	S\$
Commercial property loans	9,112,283	9,491,025
Term loan	-	872,775
Trust receipts	1,216,423	746,310
	<b>10,328,706</b>	<b>11,110,110</b>
Represented by:		
- Non-current	8,748,523	9,117,696
- Current	1,580,183	1,992,414
	<b>10,328,706</b>	<b>11,110,110</b>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 14 Borrowings (cont'd)

### Commercial property loans

During the financial year ended 31 December 2022, a commercial property loan of S\$4,880,000 was obtained by the Group to finance the purchase of a freehold land and building. The tenure of the loan is 20 years and interest is charged at a fixed rate of 1.50% per annum for the first two years and 2.25% below the bank's commercial financing rate per annum thereafter.

During the financial year ended 31 December 2023, a commercial property loan of S\$5,440,000 was obtained by the Group to finance the purchase of a freehold land and building. The tenure of the loan is 20 years and interest is charged at 0.88% over the compounded SORA reference rate per annum for the first year, 1.08% over the compounded SORA reference rate per annum for the second year, and 2.00% over the compounded SORA reference rate per annum thereafter.

### Term loan

During the financial year ended 31 December 2020, a term loan of S\$5,000,000 was obtained by the Group under the Enterprise Financing Scheme. The purpose of the loan was for working capital to support the Group's operational needs. The tenure of the loan was five years and interest was charged at a fixed rate of 2.25% per annum on monthly rest. The term loan was fully repaid during the financial year ended 31 December 2025.

### Trust receipts

Trust receipts bear interest ranging from 2.54% to 2.60% (2024: 4.33% to 4.38%), with a weighted average effective interest rate of 2.56% (2024: 4.36%). Trust receipts have maturity of 52 to 78 days (2024: 31 to 76 days).

Borrowings are secured by corporate guarantees from the Company and/or legal mortgages over the Group's freehold land and buildings.

Borrowings are denominated in Singapore dollar.

### Carrying amounts and fair values

The carrying amounts of short-term borrowings approximate their fair values. The carrying amounts and fair values of long-term borrowings at the end of the reporting period are as follows:

	Carrying amount	Fair value
The Group	S\$	S\$
<b>2025</b>		
Commercial property loans	<u>9,112,283</u>	<u>7,928,163</u>
<b>2024</b>		
Commercial property loans	<u>9,491,025</u>	<u>8,234,635</u>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 14 Borrowings (cont'd)

### Carrying amounts and fair values (cont'd)

The fair values are determined from the discounted cash flow analyses, using the discount rate based on the borrowing rate which management expects would be available to the Group at the end of the reporting period, as follows:

<b>The Group</b>	<b>2025</b>	<b>2024</b>
	<b>%</b>	<b>%</b>
Commercial property loans	<b>5.25</b>	5.25

## 15 Lease liabilities

<b>The Group</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
Undiscounted lease payments due:		
- Not later than one year	<b>778,347</b>	554,287
- Later than one year and not later than five years	<b>1,107,325</b>	555,990
	<b>1,885,672</b>	1,110,277
Less: Unearned interest cost	<b>(104,965)</b>	(70,204)
	<b>1,780,707</b>	1,040,073
Represented by:		
- Non-current	<b>1,060,425</b>	499,672
- Current	<b>720,282</b>	540,401
	<b>1,780,707</b>	1,040,073

The lease liabilities relate to the Group's properties comprising factory, warehouse, food court, office and hostel premises, office equipment and motor vehicles, which are secured by the lessors' title to the leased assets.

Interest expense on lease liabilities of S\$53,714 (2024: S\$42,315) (Note 21) is recognised in profit or loss for the financial year ended 31 December 2025 under finance costs.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 15 Lease liabilities (cont'd)

Lease payments not included in the measurement of lease liabilities but recognised within administrative expenses in profit or loss are set out below.

The Group	2025 S\$	2024 S\$
Short-term leases	-	4,675

Total cash outflow for leases amounted to S\$966,527 (2024: S\$975,948), comprising lease liabilities and short-term leases of S\$966,527 (2024: S\$971,273) and S\$nil (2024: S\$4,675), respectively, for the financial year ended 31 December 2025.

Lease liabilities are denominated in the following currencies:

The Group	2025 S\$	2024 S\$
Singapore dollar	1,708,012	1,029,275
Malaysian ringgit	72,695	10,798
	1,780,707	1,040,073

## 16 Deferred tax liabilities

The Group	2025 S\$	2024 S\$
At 1 January	56,678	45,523
Recognised in profit or loss (Note 23)	(56,678)	11,155
At 31 December	-	56,678

Deferred tax (assets)/liabilities are attributable to the following:

The Group	Property, plant and equipment S\$	Right-of-use assets S\$	Lease liabilities S\$	Unused tax losses S\$	Total S\$
At 1 January 2024	52,735	132,935	(140,147)	-	45,523
Recognised in profit or loss	47,445	(43,835)	7,545	-	11,155
At 31 December 2024	100,180	89,100	(132,602)	-	56,678
Recognised in profit or loss	(3,141)	(4,463)	4,835	(53,909)	(56,678)
<b>At 31 December 2025</b>	<b>97,039</b>	<b>84,637</b>	<b>(127,767)</b>	<b>(53,909)</b>	<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 17 Trade and other payables

	The Group		The Company	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Trade payables to third parties	<b>3,195,966</b>	3,742,398	-	-
Accrued staff costs	<b>1,221,202</b>	1,862,521	-	-
Accrued professional fees	<b>212,744</b>	188,596	<b>92,569</b>	90,476
Other accrued expenses	<b>93,624</b>	41,231	-	-
Other payables	<b>141,900</b>	120,963	<b>45,776</b>	40,024
Financial liabilities at amortised cost	<b>4,865,436</b>	5,955,709	<b>138,345</b>	130,500
Provision for restoration costs	<b>30,000</b>	30,000	-	-
Net output taxes	<b>214,114</b>	469,933	-	-
Total trade and other payables	<b>5,109,550</b>	6,455,642	<b>138,345</b>	130,500

Trade and other payables are non-interest bearing and have credit period of 30 to 90 days (2024: 30 to 90 days).

Provision for restoration costs relates to the estimated costs of dismantlement, removal or restoration of leased properties to their original condition as stipulated in the term and conditions of the lease contracts.

Trade and other payables (excluding provision for restoration costs and net output taxes) are denominated in the following currencies:

	The Group		The Company	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Singapore dollar	<b>3,486,537</b>	5,291,349	<b>138,345</b>	130,500
Malaysian ringgit	<b>819,043</b>	578,904	-	-
British pound sterling	<b>465,454</b>	-	-	-
Euro	<b>9,781</b>	31,066	-	-
Renminbi	<b>42,936</b>	54,390	-	-
United States dollar	<b>41,685</b>	-	-	-
	<b>4,865,436</b>	5,955,709	<b>138,345</b>	130,500

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 18 Revenue

<b>The Group</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
<i>Revenue from contracts with customers</i>		
Fabrication and distribution business		
- Sale of kitchen equipment	<b>17,378,356</b>	23,401,495
- Installation and construction of kitchen facilities	<b>34,033</b>	850,957
	<b>17,412,389</b>	24,252,452
Maintenance and servicing business		
- Maintenance and repair services on kitchen equipment	<b>5,815,255</b>	8,015,212
Food and beverages business		
- Sale of food and beverages	<b>991,870</b>	282,802
	<b>24,219,514</b>	32,550,466
<i>Other revenue</i>		
Rental business		
- Rental of kitchen equipment	<b>28,459</b>	43,280
	<b>24,247,973</b>	32,593,746
<i>Timing of transfer of goods and services in respect of revenue from contracts with customers</i>		
At a point in time		
- Sale of kitchen equipment	<b>17,378,356</b>	23,401,495
- Repair services on kitchen equipment	<b>5,433,828</b>	7,572,439
- Sale of food and beverages	<b>991,870</b>	282,802
	<b>23,804,054</b>	31,256,736
Over time		
- Installation and construction of kitchen facilities	<b>34,033</b>	850,957
- Maintenance services on kitchen equipment	<b>381,427</b>	442,773
	<b>415,460</b>	1,293,730
	<b>24,219,514</b>	32,550,466

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 19 Other income

	2025	2024
The Group	S\$	S\$
Finance income on net investments in finance leases (Note 7)	17,713	16,252
Foreign exchange gain, net	415,867	76,789
Gain on disposal of property, plant and equipment	721	-
Gain on finance leases (Note 7)	43,808	133,154
Gain on termination of leases	-	776
Government grants	143,321	193,496
Insurance claims received	91,366	175,307
Interest income on fixed deposits	82,287	88,781
Scrap sales	20,960	33,519
Sundry income	72,967	59,379
Utilities recharged	80,972	74,906
	<b>969,982</b>	<b>852,359</b>

## 20 Other operating expenses

	2025	2024
The Group	S\$	S\$
Finance lease receivables written off (Note 7)	45,723	5,338
Loss on termination of leases	790	-
Property, plant and equipment written off	247	431
	<b>46,760</b>	<b>5,769</b>

## 21 Finance costs

	2025	2024
The Group	S\$	S\$
Interest expense on:		
- borrowings	385,027	492,845
- lease liabilities	53,714	42,315
	<b>438,741</b>	<b>535,160</b>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 22 (Loss)/Profit before taxation

The Group	Note	2025 S\$	2024 S\$
(Loss)/Profit before taxation has been arrived at after charging:			
Amortisation of intangible assets	4	44,546	53,269
Cost of inventories recognised in cost of sales	8	11,683,991	13,654,317
Depreciation of property, plant and equipment	3	622,704	570,226
Depreciation of right-of-use assets	5	766,762	675,519
Inventories written off	8	-	33,686
Subcontractor fees		2,237,255	2,112,635
Write-down on inventories recognised/(reversed)	8	197,836	(152,755)
Audit fees			
- Auditor of the Company		170,000	150,000
- Other auditors		5,129	4,909
Non-audit fees			
- Auditor of the Company		17,600	17,300
<u>Staff costs</u>			
Directors of the Company:			
Directors' fees		135,000	135,000
Directors' remuneration other than fees			
- Salaries and other related costs		1,216,967	1,140,921
- Contributions to defined contribution plan		28,050	27,030
		<u>1,380,017</u>	<u>1,302,951</u>
Directors of subsidiaries:			
- Directors' fees		69,608	66,622
Key management personnel (other than directors):			
- Salaries and other related costs		358,800	412,099
- Contributions to defined contribution plans		32,238	31,900
		<u>391,038</u>	<u>443,999</u>
Total key management personnel compensation		<u>1,840,663</u>	<u>1,813,572</u>
Other than key management personnel:			
- Salaries and other related costs		7,492,462	8,174,326
- Contributions to defined contribution plans		992,402	1,157,686
		<u>8,484,864</u>	<u>9,332,012</u>
Total staff costs		<u>10,325,527</u>	<u>11,145,584</u>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 23 Taxation

	2025	2024
The Group	S\$	S\$
Current taxation		
- Current year	16,285	223,161
- Changes in estimates in respect of prior years	(111,488)	190,732
	<u>(95,203)</u>	<u>413,893</u>
Deferred taxation (Note 16)		
- Origination and reversal of temporary differences	(58,483)	11,155
- Changes in estimates in respect of prior years	1,805	-
	<u>(56,678)</u>	<u>11,155</u>
	<u>(151,881)</u>	<u>425,048</u>

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on (loss)/profit before taxation as a result of the following:

	2025	2024
The Group	S\$	S\$
(Loss)/Profit before taxation	<u>(3,404,190)</u>	<u>1,292,244</u>
Tax at Singapore tax rate of 17% (2024: 17%)	(578,712)	219,681
Effect of different tax rates in foreign jurisdictions	(26,860)	(7,575)
Tax effect on non-deductible expenses	203,980	178,719
Tax effect on non-taxable income	(18,044)	(1,333)
Tax exemption	-	(56,575)
Deferred tax assets on temporary differences not recognised	362,670	26,784
Utilisation of deferred tax assets previously not recognised	-	(113,356)
Changes in estimates of current taxation in respect of prior years	(111,489)	190,732
Changes in estimates of deferred taxation in respect of prior years	1,805	-
Others	14,769	(12,029)
	<u>(151,881)</u>	<u>425,048</u>

Non-deductible expenses mainly relate to corporate professional fees and depreciation of non-qualifying property, plant and equipment. Non-taxable income mainly relates to government grants.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 23 Taxation (cont'd)

### Singapore

The corporate income tax rate applicable to the Company and the Singapore-incorporated subsidiaries is 17% (2024: 17%) for the financial year ended 31 December 2025.

### Malaysia

The corporate income tax rate applicable to O'son Industries (M) Sdn. Bhd. and Oson Kitchenhub Sdn. Bhd. is 24% (2024: 24%) for the financial year ended 31 December 2025.

### Indonesia

The corporate income tax rate applicable to PT Indo Oson Kitchen Equipment is 22% (2024: 22%) for the financial year ended 31 December 2025.

### Unrecognised deferred tax assets

<b>The Group</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
At 1 January	<b>321,167</b>	423,816
Deferred tax assets on temporary differences not recognised	<b>362,670</b>	26,784
Utilisation of deferred tax assets not recognised previously	-	(113,356)
Exchange difference on translation	<b>12,353</b>	(16,077)
At 31 December	<b>696,190</b>	321,167

Unrecognised deferred tax assets are attributable to the following temporary differences:

<b>The Group</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
Unused tax losses	<b>703,102</b>	314,532
Unutilised capital allowances	<b>(4,339)</b>	(8,886)
Others	<b>(2,573)</b>	15,521
	<b>696,190</b>	321,167

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 23 Taxation (cont'd)

At the end of reporting period, the Group has unused tax losses of approximately S\$3,531,626 (2024: S\$1,460,970) and unutilised capital allowances of approximately S\$18,078 (2024: S\$37,027), which are allowed to be carried forward and used to offset against future taxable profits of the subsidiaries in which the tax losses arose, subject to agreement by the relevant tax authorities and compliance with the applicable tax regulations in the respective countries in which the Company and its subsidiaries operate. Deferred tax assets have not been recognised due to the uncertainty whether future taxable profits will be available against which the Company and its subsidiaries can utilise the benefits.

The unused tax losses and unutilised capital allowances have no expiry date under the respective tax jurisdictions, except for the following amounts of unused tax losses:

<b>The Group</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
Expiring in the financial year:		
- 2028	<b>231,675</b>	222,600
- 2030	<b>413,058</b>	396,877
- 2033	<b>1,397</b>	1,342
- 2034	<b>337,648</b>	324,422
- 2035	<b>483,731</b>	-
	<b>1,467,509</b>	945,241

## 24 (Loss)/Earnings per share

The calculation of basic and diluted (loss)/earnings per share is based on the (loss)/profit attributable to the ordinary shareholders of the Company of S\$3,252,309 (2024: S\$867,196) and the weighted average number of ordinary shares outstanding of 155,000,000 (2024: 155,000,000).

The diluted earnings per share is the same as the basic earnings per share as the Group does not have any dilutive potential ordinary shares during the reporting period.

## 25 Significant related party transactions

Other than as disclosed elsewhere in the financial statements, there were no other significant related party transactions during the financial years ended 31 December 2025 and 31 December 2024.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 26 Leases

*Where the Group is the lessee,*

The Group leases factory, warehouse, food court and office premises for operations and hostel premises to house its workers. The leases typically run for a period of one to three years, with option to renew the leases after the dates. Lease payments are renegotiated every few years to reflect market rentals. There are no externally imposed covenants on the lease arrangements. The Group also leases office equipment and motor vehicles with contract terms of two to five years. In addition, the Group leases motor vehicles under hire purchase arrangements with lease period of seven years.

Information about leases for which the Group is a lessee is presented in Note 5 and Note 15 to the financial statements.

Amounts recognised in profit or loss under SFRS(I) 16 are as follows:

<b>The Group</b>	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
Interest expense on lease liabilities (Note 21)	<b>53,714</b>	42,315

*Where the Group is the lessor,*

### Finance lease

The Group has entered into lease arrangements as lessor for rental of kitchen equipment and sublease of food court stalls to customers for a period ranging from two to five years. The leases are classified as finance lease as they transfer substantially all the risks and rewards incidental to ownership of the kitchen equipment and food court stalls to the customers.

The Group's finance income, gain and selling profit from the finance lease arrangements as a lessor are disclosed in Note 7.

## 27 Operating segments

The Group has the following strategic divisions, which are its reportable segments. These divisions offer different products and services and are managed separately. The Company's executive directors who are the Group's chief operating decision maker review internal management reports of each division on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- a) Fabrication and distribution business
- b) Maintenance and servicing business
- c) Rental business
- d) Food and beverages business

Under the fabrication and distribution business, the Group sells and manufactures standard and customised kitchen facilities as well as kitchen equipment to food and beverages and hospitality services industries.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 27 Operating segments (cont'd)

Under the maintenance and servicing business, the Group provides preventive maintenance works and repairs on kitchen equipment to ensure that they are in good working condition and functioning properly.

Under the rental business, the Group leases out kitchen equipment to customers for a certain period, ranging from two to five years, depending on the type of kitchen equipment. This business segment is to cater for customers which prefer to go for rental, as by way of purchase would require an outlay of a lump sum of money.

Under the food and beverages business, the Group operates cafes and a food court, including the subleasing of food court stalls to lessees and the self-operation of a food court stall.

Management monitors the operating results of each segment separately for the purposes of making decisions about resources to be allocated and assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

The accounting policies of the operating segments are the same of those described in Note 2(d) to the financial statements. There is no asymmetrical allocation to reportable segments. Management evaluates performance on the basis of profit or loss from operation before tax expense not including non-recurring gains and losses.

There is no change from prior periods in the measurement methods used to determine reported segment profit or loss. The Group does not have inter-segment sales or transfers.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate transactions which are not directly attributable to a particular reportable segment.

Segment assets comprise primarily property, plant and equipment, intangible assets, right-of-use assets, inventories, operating receivables and cash and bank deposits, and exclude current tax recoverable. Segment liabilities comprise borrowings, lease liabilities and operating liabilities, and exclude deferred tax liabilities and current tax payable.

Segment capital expenditure is the total cost incurred during the reporting period to acquire segment assets that are expected to be used for more than one reporting period.

The Group does not allocate segment assets and liabilities as the chief operating decision maker does not measure and rely on the financial information to make decision about resources to be allocated to the segment and assess its performance. The discrete financial information is not available for the allocation of segment assets and liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 27 Operating segments (cont'd)

	Fabrication and distribution business		Maintenance and servicing business		Rental business		Food and beverages business		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>Segment revenue</b>												
External revenue	17,412,389	24,252,452	5,815,255	8,015,212	28,459	43,280	991,870	282,802	-	-	24,247,973	32,593,746
<b>Results</b>												
Segment results	(1,538,906)	672,934	1,341,114	1,502,304	37,150	27,199	(2,676,148)	(63,757)	(128,659)	(321,276)	(2,965,449)	1,827,404
Finance costs	(307,495)	(391,196)	(101,883)	(128,892)	-	-	(29,273)	(15,072)	(90)	-	(438,741)	(535,160)
(Loss)/Profit before taxation	(1,846,401)	281,738	1,239,231	1,373,412	37,150	27,199	(2,705,421)	(68,829)	(128,749)	(321,276)	(3,404,190)	1,292,244
Taxation							-				151,881	(425,048)
(Loss)/Profit for the year											(3,252,309)	867,196
<b>Non-cash items</b>												
Amortisation of intangible assets	(22,111)	(34,475)	(7,335)	(11,394)	-	-	(15,100)	(7,400)	-	-	(44,546)	(53,269)
Depreciation of property, plant and equipment	(307,920)	(370,359)	(127,730)	(122,400)	-	-	(140,881)	(77,467)	(46,173)	-	(622,704)	(570,226)
Depreciation of right-of-use assets	(343,713)	(507,722)	(168,712)	(167,797)	-	-	(43,692)	-	(210,645)	-	(766,762)	(675,519)
Finance lease receivables written off	-	-	-	-	(45,723)	(5,338)	-	-	-	-	(45,723)	(5,338)
Impairment losses on trade receivables reversed/ (recognised)	196,347	(55,603)	-	(18,376)	-	-	(28,506)	-	-	-	167,841	(73,979)
Inventories written off	-	(33,686)	-	-	-	-	-	-	-	-	-	(33,686)
Property, plant and equipment written off	(247)	(431)	-	-	-	-	-	-	-	-	(247)	(431)
Write-down on inventories reversed/ (recognised)	148,560	(114,811)	49,276	(37,944)	-	-	-	-	-	-	197,836	(152,755)

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 27 Operating segments (cont'd)

	Fabrication and distribution business		Maintenance and servicing business		Rental business		Food and beverages business				Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>Capital expenditure</b>														
Property, plant and equipment	58,903	226,962	-	74,029	-	-	204,202	257,998	-	-	-	-	263,105	558,989
Intangible assets	5,519	66,100	-	-	-	-	4,478	44,400	-	-	-	-	9,997	110,500
Right-of-use assets	466,037	659,684	115,312	218,020	-	-	1,081,809	-	-	-	-	-	1,663,158	877,704
<b>Assets and liabilities</b>														
Segment assets	6,736,523	10,942,713	1,821,748	2,835,836	246,400	284,574	1,751,101	824,364	24,273,112	23,800,787	34,828,884	38,688,274	25,166	79,575
Current tax recoverable	25,166	79,575	-	-	-	-	-	-	-	-	-	-	34,854,050	38,767,849
Segment liabilities	8,950,215	7,628,257	472,755	178,330	-	-	147,106	270,706	10,339,218	11,376,533	19,909,294	19,453,826	-	56,678
Deferred tax liabilities	-	42,599	-	14,079	-	-	-	-	-	-	-	-	-	209,744
Current tax payable	5,256	157,644	-	52,100	-	-	-	-	-	-	-	-	5,256	209,744
	8,955,471	7,828,500	472,755	244,509	-	-	147,106	270,706	10,339,218	11,376,533	19,914,550	19,720,248	-	-

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 27 Operating segments (cont'd)

### Geographical information

Revenue is based on the country in which the customer is located. Non-current assets comprise property, plant and equipment, intangible assets and right-of-use assets, and exclude finance lease receivables. Non-current assets are shown by the geographical area in which the assets are located.

	Revenue		Non-current assets	
	2025	2024	2025	2024
The Group	S\$	S\$	S\$	S\$
<u>Principal markets</u>				
Singapore	24,026,710	32,372,483	15,512,275	14,889,895
Malaysia	44,897	44,897	325,226	488,769
Others	176,366	176,366	-	-
	<b>24,247,973</b>	<b>32,593,746</b>	<b>15,837,501</b>	<b>15,378,664</b>

### Information about major customers

The Group's customers comprise service providers who operate primarily in the food and beverages and hospitality services industries, such as central kitchens, restaurants, integrated resorts, membership clubs and hotels, as well as government agencies, developers and owners of residential properties. Due to the diverse base of customers to whom the Group sells its products in each reporting period, the Group is not reliant on any customer for its revenue, and no single customer has accounted for 10% or more of the Group's total revenue for each reporting period.

## 28 Financial risk management objectives and policies

The Group has documented financial risk management policies. These policies set out the Group's overall business strategies and its risk management philosophy. The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks. Market risk exposures are measured using sensitivity analysis for interest rate risk (Note 28.3) and foreign currency risk (Note 28.4).

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 28 Financial risk management objectives and policies (cont'd)

### 28.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's exposure to credit risk arises primarily from trade and other receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

The Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

The Group has established a credit policy under which the creditworthiness of each new customer is evaluated individually before the Group grants credit to the customer. Credit limits are established for each customer, which represents the maximum open amount without requiring approval from the directors. Payments will be required to be made upfront by customers which do not meet the Group's credit requirements.

Amounts due from customers are closely monitored and reviewed on a regular basis to identify any non-payment or delay in payment, and to understand the reasons, so that appropriate actions can be taken promptly. Through ongoing credit monitoring and existing collection procedures in place, credit risk is mitigated substantially.

Amount not paid after the credit period granted will be considered past due. The credit terms granted to customers are based on the Group's assessment of their creditworthiness and in accordance with the Group's policy.

The Group and the Company have trade and other receivables, finance lease receivables, and cash and bank deposits that are subject to impairment under the expected credit loss ("ECL") model. While cash and bank deposits are subject to the impairment requirements of SFRS(I) 9, the identified impairment loss is insignificant.

#### **Trade receivables**

The Group applies the SFRS(I) 9 simplified approach to measuring ECLs which uses a lifetime ECL allowance for all trade receivables.

To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade receivables. The Group has identified the gross domestic product of the countries in which it operates to be the most relevant factor and accordingly adjusts the historical loss rates based on expected changes in this factor.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 28 Financial risk management objectives and policies (cont'd)

### 28.1 Credit risk (cont'd)

#### Trade receivables (cont'd)

The following table provides information about credit risk exposure and ECLs on the Group's trade receivables:

The Group	Gross amount S\$	Impairment loss allowance S\$	Carrying amount S\$
<b>2025</b>			
Customers collectively assessed			
- Not past due	736,080	-	736,080
- Past due 1 to 30 days	1,233,053	(35,738)	1,197,315
- Past due 30 to 60 days	804,793	(45,826)	758,967
- Past due 60 to 90 days	655,659	(19,116)	636,543
- Past due over 90 days	640,983	(109,981)	531,002
	<b>4,070,568</b>	<b>(210,661)</b>	<b>3,859,907</b>
Credit-impaired customers	419,087	(419,087)	-
	<b>4,489,655</b>	<b>(629,748)</b>	<b>3,859,907</b>
<b>2024</b>			
Customers collectively assessed			
- Not past due	1,775,844	-	1,775,844
- Past due 1 to 30 days	2,986,393	(72,675)	2,913,718
- Past due 30 to 60 days	1,664,222	(76,031)	1,588,191
- Past due 60 to 90 days	767,054	(7,645)	759,409
- Past due over 90 days	1,287,023	(549,663)	737,360
	<b>8,480,536</b>	<b>(706,014)</b>	<b>7,774,522</b>
Credit-impaired customers	641,471	(641,471)	-
	<b>9,122,007</b>	<b>(1,347,485)</b>	<b>7,774,522</b>

Trade receivables are written off when there is no reasonable expectation of recovery. Indications that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the Group.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 28 Financial risk management objectives and policies (cont'd)

### 28.1 Credit risk (cont'd)

#### **Finance lease receivables**

Management estimates the loss allowance on finance lease receivables at an amount equal to lifetime ECLs. In determining the ECLs on finance lease receivables, management takes into account the historical default experience and the future prospects of the industries in which the lessees operate, as appropriate. The credit risk associated with finance lease receivables is mitigated as they are secured over the leased assets. In consideration of the above and that none of the finance lease receivables at the end of the reporting period is past due, management has determined that no loss allowance is necessary in respect of finance lease receivables.

There has been no change in the estimation techniques or significant assumptions made during the financial year in assessing the loss allowance for finance lease receivables.

#### **Other receivables**

Loss allowance for other receivables is measured at an amount equal to 12-month ECLs. The ECLs on other receivables are estimated by reference to the track record of the counterparties, their businesses and financial conditions where information is available, knowledge of any events or circumstances impeding recovery of the amount, and assessment of the current and future wider economic conditions and outlook of the industries in which the counterparties operate. At the end of the reporting period, no loss allowance for the Group's and the Company's other receivables is required.

#### **Amount due from a subsidiary (non-trade)**

The non-trade amount due from a subsidiary is considered to have low credit risk as the Company has control over the operating, investing and financing activities of its subsidiaries. The use of advances to assist with the subsidiaries' cash flow management is in line with the Group's capital management. There has been no significant increase in the credit risk of the non-trade amount due from the subsidiary since initial recognition.

In determining the ECL, management has taken into account the financial position of the subsidiary and a forward-looking analysis of the financial performance of operations of the subsidiary. In respect of the non-trade amount due from the subsidiary which is repayable on demand, management has considered the availability of accessible and highly liquid assets of the subsidiary for repayment if it is demanded at the end of the reporting period. Management has assessed that the Company is not exposed to significant credit loss in respect of the non-trade amount due from the subsidiary.

#### **Cash and bank deposits**

Bank deposits are held with banks which are regulated. Impairment on cash and bank deposits has been measured on the 12-month ECL basis and reflects the short maturities of the exposures. The Group and the Company consider that their bank deposits have low credit risk based on the external credit ratings of the counterparties. The amount of the loss allowance on cash and bank deposits is negligible.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 28 Financial risk management objectives and policies (cont'd)

### 28.1 Credit risk (cont'd)

#### Exposure to credit risk

Concentrations of credit risk exist when changes in economic, industry or geographic factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group determines its concentration of credit risk by monitoring its trade and other receivables on an ongoing basis.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position, except for letters of financial support and corporate guarantees issued by the Company to and on behalf of subsidiaries.

At the end of the reporting period, the Company has issued corporate guarantees amounting to S\$24,470,000 (2024: S\$24,470,000) to banks in respect of banking facilities granted to a subsidiary. The related borrowings amounted to S\$10,328,706 (2024: S\$11,110,110) at the end of the reporting period. The credit risk, being the principal risk to which the Company is exposed, represents the loss that would be recognised upon a default by the subsidiary.

The current interest rates charged by the banks on the borrowings of the subsidiary are at market rates and are consistent with the borrowing costs of the subsidiary without any corporate guarantee.

There has been no default in repayment or terms and conditions since the utilisation of the banking facilities. At the end of the reporting period, the Company does not consider it probable that a claim will be made against it under the corporate guarantees.

To mitigate credit risk arising from corporate guarantees, management continually monitors the risk and has established processes including performing credit evaluations of the parties for which the Group provides corporate guarantees. Corporate guarantees are only for intra-group financing purposes and given by the Company on behalf of its subsidiaries.

The Group's and the Company's major classes of financial assets are trade and other receivables and cash and bank deposits. Bank deposits are held with established financial institutions. Further details of credit risks on trade and other receivables are disclosed in Note 10.

### 28.2 Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 28 Financial risk management objectives and policies (cont'd)

### 28.2 Liquidity risk (cont'd)

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows:

	Carrying amount	Contractual undiscounted cash flows	Less than 1 year	Between 1 and 5 years	More than 5 years
The Group	S\$	S\$	S\$	S\$	S\$
<b>2025</b>					
<u>Non-derivative financial liabilities</u>					
Borrowings (Note 14)	10,328,706	13,188,891	1,926,259	2,839,345	8,423,287
Lease liabilities (Note 15)	1,780,707	1,885,672	778,347	1,107,325	-
Trade and other payables * (Note 17)	4,865,436	4,865,436	4,865,436	-	-
	<b>16,974,849</b>	<b>19,939,999</b>	<b>7,570,042</b>	<b>3,946,670</b>	<b>8,423,287</b>
<b>2024</b>					
<u>Non-derivative financial liabilities</u>					
Borrowings (Note 14)	11,110,110	15,708,126	2,413,676	3,142,346	10,152,104
Lease liabilities (Note 15)	1,040,073	1,110,277	554,287	555,990	-
Trade and other payables * (Note 17)	5,955,709	5,955,709	5,955,709	-	-
	<b>18,105,892</b>	<b>22,774,112</b>	<b>8,923,672</b>	<b>3,698,336</b>	<b>10,152,104</b>
<b>The Company</b>					
<b>2025</b>					
<u>Non-derivative financial liabilities</u>					
Trade and other payables (Note 17)	138,345	138,345	138,345	-	-
Intra-group financial guarantees	<b>10,328,706</b>	<b>13,188,891</b>	<b>1,926,259</b>	<b>2,839,345</b>	<b>8,423,287</b>
<b>2024</b>					
<u>Non-derivative financial liabilities</u>					
Trade and other payables (Note 17)	130,500	130,500	130,500	-	-
Intra-group financial guarantees	<b>11,110,110</b>	<b>15,708,126</b>	<b>2,413,676</b>	<b>3,142,346</b>	<b>10,152,104</b>

\* Excluding provision for restoration costs and net output taxes

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 28 Financial risk management objectives and policies (cont'd)

### 28.2 Liquidity risk (cont'd)

Except for the Company's cash flows arising from its intra-group corporate guarantees, it is not expected that the cash flows included in the maturity analysis of the Group and the Company could occur significantly earlier, or at significantly different amounts.

At the end of the reporting period, the Company does not consider it probable that a claim will be made against it under the intra-group corporate guarantees.

There are no terms and conditions attached to the guarantee contracts that would have a material effect on the amount, timing and uncertainty of the Company's future cash flows.

The Group and the Company ensure that there are adequate funds to meet all their obligations in a timely and cost-effective manner. The Group and the Company maintain sufficient levels of cash and bank deposits and have available adequate amount of committed credit facilities from banks to meet their working capital requirements.

### 28.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from commercial property loans at floating rates. Finance lease receivables, fixed deposits, term loan, trust receipts and lease liabilities bear interest at fixed rates. All other financial assets and liabilities are interest-free.

As the Company does not hold any financial assets or liabilities that are subject to interest, the Company is not exposed to any significant interest rate risk.

At the end of the reporting period, the carrying amount of the interest-bearing financial instruments is as follows:

	2025	2024
The Group	S\$	S\$
<b>Fixed rate instruments</b>		
<b>Financial assets</b>		
- finance lease receivables (Note 7)	271,806	457,724
- fixed deposits (Note 11)	3,796,877	2,467,190
	<b>4,068,683</b>	<b>2,924,914</b>
<b>Financial liabilities</b>		
- term loan (Note 14)	-	(872,775)
- trust receipts (Note 14)	(1,216,423)	(746,310)
- lease liabilities (Note 15)	(1,780,707)	(1,040,073)
	<b>(2,997,130)</b>	<b>(2,659,158)</b>
	<b>1,071,553</b>	<b>265,756</b>
<b>Variable rate instruments</b>		
<b>Financial liabilities</b>		
- commercial property loans (Note 14)	(9,112,283)	(9,491,025)

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 28 Financial risk management objectives and policies (cont'd)

### 28.3 Interest rate risk (cont'd)

#### Fair value sensitivity analysis for fixed rate instruments

The Group does not have any fixed rate assets or liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

#### Cash flow sensitivity analysis for variable rate instruments

At the end of the reporting period, if interest rates had been 100 (2024: 100) basis points higher/lower with all other variables held constant, the Group's results net of tax and equity would have been S\$91,123 (2024: S\$94,910) lower/higher, arising mainly as a result of higher/lower interest expense from floating rate commercial property loans.

The magnitude represents management's assessment of the likely movement in interest rates under normal economic conditions. This analysis has not taken into account the associated tax effects and assumes that all other variables, in particular, foreign currency rates, remain constant.

The Company's policy is to obtain the most favourable interest rates available without increasing its interest rate exposure.

### 28.4 Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arises when transactions are denominated in foreign currencies.

The Group has transactional currency exposures arising from transactions that are denominated in a currency other than the respective functional currencies of group entities, namely Singapore dollar for the Company and its principal operating subsidiary incorporated in Singapore. The foreign currency in which these transactions are denominated is primarily British pound sterling, Euro, Renminbi and United States dollar. The Group's receivable and payable balances at the end of the reporting period have similar exposures.

Consequently, the Group is exposed to movements in foreign currency exchange rates. The Group does not use any financial derivatives such as foreign currency forward contracts, options or swaps for hedging purposes.

The Company is not exposed to significant foreign currency risk as transactions are primarily denominated in its functional currency, Singapore dollar.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 28 Financial risk management objectives and policies (cont'd)

### 28.4 Foreign currency risk (cont'd)

The Group's exposures in financial instruments to the various foreign currencies (other than the respective functional currencies of group entities) are mainly as follows:

The Group	British pound sterling S\$	Euro S\$	Renminbi S\$	United States dollar S\$
<b>2025</b>				
Trade and other receivables (Note 10)	-	2,438	2,931	7,034
Cash and bank deposits (Note 11)	-	42,976	-	71,696
Trade and other payables (Note 17)	(465,454)	(9,781)	(42,936)	(41,685)
Net exposure	<b>(465,454)</b>	<b>35,633</b>	<b>(40,005)</b>	<b>37,045</b>
<b>2024</b>				
Trade and other receivables (Note 10)	-	-	-	340,127
Cash and bank deposits (Note 11)	-	77,952	-	264,704
Trade and other payables (Note 17)	-	(31,066)	(54,390)	-
Net exposure	-	46,886	(54,390)	604,831

#### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the British pound sterling ("GBP"), Euro ("EUR"), Renminbi ("RMB") and United States dollar ("USD") exchange rates (against Singapore dollar), with all other variables held constant, on the Group's results net of tax and equity.

The Group	2025 S\$	2024 S\$
GBP - strengthened 10% (2024: 10%)	(46,545)	-
- weakened 10% (2024: 10%)	46,545	-
EUR - strengthened 10% (2024: 10%)	3,563	4,689
- weakened 10% (2024: 10%)	(3,563)	(4,689)
RMB - strengthened 10% (2024: 10%)	(4,001)	(5,439)
- weakened 10% (2024: 10%)	4,001	5,439
USD - strengthened 10% (2024: 10%)	3,705	60,483
- weakened 10% (2024: 10%)	(3,705)	(60,483)

This analysis is based on foreign currency exchange rate variances that the Group and the Company consider to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular, interest rates, remain constant, and does not take into account the associated tax effect.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 28 Financial risk management objectives and policies (cont'd)

### 28.5 Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices.

The Group and the Company do not hold any quoted or marketable financial instruments, hence, are not exposed to any movement in market prices.

## 29 Financial instruments

### Accounting classifications of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

<b>The Group</b>	<b>Financial assets at amortised cost S\$</b>	<b>Financial liabilities at amortised cost S\$</b>	<b>Total S\$</b>
<b>2025</b>			
<u>Financial assets</u>			
Finance lease receivables (Note 7)	271,806	-	271,806
Trade and other receivables * (Note 10)	4,239,194	-	4,239,194
Cash and bank deposits (Note 11)	10,821,522	-	10,821,522
	<u>15,332,522</u>	<u>-</u>	<u>15,332,522</u>
<u>Financial liabilities</u>			
Borrowings (Note 14)	-	10,328,706	10,328,706
Lease liabilities (Note 15)	-	1,780,707	1,780,707
Trade and other payables # (Note 17)	-	4,865,436	4,865,436
	<u>-</u>	<u>16,974,849</u>	<u>16,974,849</u>
<b>2024</b>			
<u>Financial assets</u>			
Finance lease receivables (Note 7)	457,724	-	457,724
Trade and other receivables * (Note 10)	8,186,088	-	8,186,088
Cash and bank deposits (Note 11)	10,334,012	-	10,334,012
	<u>18,977,824</u>	<u>-</u>	<u>18,977,824</u>
<u>Financial liabilities</u>			
Borrowings (Note 14)	-	11,110,110	11,110,110
Lease liabilities (Note 15)	-	1,040,073	1,040,073
Trade and other payables # (Note 17)	-	5,955,709	5,955,709
	<u>-</u>	<u>18,105,892</u>	<u>18,105,892</u>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 29 Financial instruments (cont'd)

### Accounting classifications of financial assets and financial liabilities (cont'd)

The Company	Financial assets at amortised cost S\$	Financial liabilities at amortised cost S\$	Total S\$
<b>2025</b>			
<u>Financial assets</u>			
Trade and other receivables (Note 10)	4,839,042	-	4,839,042
Cash and bank deposits (Note 11)	224,445	-	224,445
	<u>5,063,487</u>	-	<u>5,063,487</u>
<u>Financial liabilities</u>			
Trade and other payables (Note 17)	-	138,345	138,345
<b>2024</b>			
<u>Financial assets</u>			
Trade and other receivables (Note 10)	4,129,092	-	4,129,092
Cash and bank deposits (Note 11)	122,023	-	122,023
	<u>4,251,115</u>	-	<u>4,251,115</u>
<u>Financial liabilities</u>			
Trade and other payables (Note 17)	-	130,500	130,500

\* Excluding advances to suppliers, current tax recoverable and net input taxes

# Excluding provision for restoration costs and net output taxes

### Fair values

The face value less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year, comprising trade and other receivables (excluding advances to suppliers, current tax recoverable and net input taxes), cash and bank deposits, borrowings and trade and other payables (excluding provision for restoration costs and net output taxes), are assumed to approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group and the Company for similar financial instruments.

The fair value disclosure of lease liabilities is not required.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 29 Financial instruments (cont'd)

### Fair value hierarchy

Financial assets and financial liabilities measured or disclosed at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Financial assets and liabilities not measured at fair value but for which fair values are disclosed \*

	Level 1	Level 2	Level 3	Total
	S\$	S\$	S\$	S\$
<b>2025</b>				
<u>Financial liabilities</u>				
Commercial property loans	-	7,928,163	-	7,928,163
<u>Financial assets</u>				
Finance lease receivables	-	255,868	-	255,868
<b>2024</b>				
<u>Financial liabilities</u>				
Commercial property loan	-	8,234,635	-	8,234,635
<u>Financial assets</u>				
Finance lease receivables	-	442,431	-	442,431

\* Exclude financial assets and financial liabilities whose carrying amounts measured on the amortised cost basis approximate their fair values due to their short-term or repayable on demand nature and where the effect of discounting is immaterial.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 30 Capital management

The Group's and the Company's objectives when managing capital are:

- (a) To safeguard the Group's and the Company's ability to continue as going concern;
- (b) To support the Group's and the Company's stability and growth;
- (c) To provide capital for the purpose of strengthening the Group's and the Company's risk management capability; and
- (d) To provide an adequate return to shareholders.

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

There were no changes in the Group's and the Company's approach to capital management during the financial year.

The Group and the Company are not subject to externally imposed capital requirements.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises borrowings, lease liabilities and trade and other payables, less cash and bank deposits. Total capital represents equity attributable to owners of the Company.

	The Group		The Company	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Borrowings (Note 14)	10,328,706	11,110,110	-	-
Lease liabilities (Note 15)	1,780,707	1,040,073	-	-
Trade and other payables (Note 17)	5,109,550	6,455,642	138,345	130,500
Total debt	17,218,963	18,605,825	138,345	130,500
Less: Cash and bank deposits (Note 11)	(10,821,522)	(10,334,012)	(224,445)	(122,023)
Net debt/(cash)	6,397,441	8,271,813	(86,100)	8,477
Equity attributable to the owners of the Company	14,939,500	19,047,601	4,944,456	4,146,200
Total capital	14,939,500	19,047,601	4,944,456	4,146,200
Total capital and net debt	21,336,941	27,319,414	4,858,356	4,154,677
Gearing ratio	30%	30%	N.M.	0%

N.M.: Not meaningful due to net cash position

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2025

## 31 Dividends

	2025	2024
The Group and the Company	S\$	S\$
Final tax-exempt (one-tier) dividend of S\$0.0025 per share in respect of the previous financial year	<b>387,500</b>	387,500
Interim tax-exempt (one-tier) dividend of S\$0.0025 per share in respect of the current financial year	<b>387,500</b>	387,500
	<b><u>775,000</u></b>	<b><u>775,000</u></b>

## 32 Events after the reporting period

The Company's Board of Directors recommended a final dividend of S\$0.0025 per ordinary share amounting to S\$387,500 in respect of the financial year ended 31 December 2025 to be approved by shareholders at the Annual General Meeting to be held on 30 April 2025.

# STATISTICS OF SHAREHOLDINGS

As At 23 March 2026

Number of Issued Shares	:	155,000,000
Class of Shares	:	Ordinary
Voting Rights	:	One vote per share
Treasury Shares and Subsidiary Holdings	:	Nil

## DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	0	0.00	0	0.00
100 - 1,000	25	7.89	21,600	0.01
1,001 - 10,000	135	42.59	731,000	0.47
10,001 - 1,000,000	152	47.95	12,627,200	8.15
1,000,001 AND ABOVE	5	1.58	141,620,200	91.37
<b>TOTAL</b>	<b>317</b>	<b>100.00</b>	<b>155,000,000</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS

	Direct Interest	%	Deemed Interest	%
QKE Holdings Pte. Ltd. <sup>(1)</sup>	122,491,500	79.03	-	-
Chua Chwee Choo <sup>(2)</sup>	995,000	0.64	122,491,500	79.03
Lee Chong Hoe <sup>(2)</sup>	192,000	0.12	122,491,500	79.03
Cheng Chun Choi <sup>(2)</sup>	-	-	122,491,500	79.03

### Notes:

- (1) QKE Holdings Pte. Ltd. ("QKE Holdings") is an investment holding company incorporated in Singapore on 5 March 2013. It holds 122,491,500 shares in Singapore Kitchen Equipment Limited.
- (2) Chua Chwee Choo (Executive Director and Chief Executive Officer) and Lee Chong Hoe (Executive Director) and Cheng Chun Choi each hold approximately 33.33% of the issued share capital of QKE Holdings. As they each hold not less than 20.00% of the issued share capital in QKE Holdings, each of them is therefore deemed to have an interest in the Shares held by QKE Holdings pursuant to Section 7 of the Companies Act 1967 of Singapore.

# STATISTICS OF SHAREHOLDINGS

As At 23 March 2026

## TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	QKE HOLDINGS PTE. LTD.	122,491,500	79.03
2	SIRIUS VENTURE CAPITAL PTE LTD	6,710,500	4.33
3	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	5,418,200	3.50
4	NEO GROUP LIMITED	4,500,000	2.90
5	POON WAI	2,500,000	1.61
6	CHUA CHWEE CHOO	995,000	0.64
7	DBS NOMINEES (PRIVATE) LIMITED	841,200	0.54
8	HOLT ASIA INVESTMENT PTE LTD	652,000	0.42
9	PHILLIP SECURITIES PTE LTD	585,300	0.38
10	WONG HIN SUN EUGENE	500,000	0.32
11	MAK PAO YUN	450,000	0.29
12	ONG ENG LOKE	378,100	0.24
13	CHANG THIAM HOCK	375,000	0.24
14	AH HOT GERARD ANDRE	352,700	0.23
15	NURLIZA BTE ABDULLAH @ FLORDELIZA P OBANDO	350,000	0.23
16	ABN AMRO CLEARING BANK N.V.	316,300	0.20
17	NEO KAH KIAT	285,000	0.18
18	HO EE HWA @ MADELEINE HO	255,100	0.16
19	THAM SOK ING	250,000	0.16
20	LEE CHONG HOE	192,000	0.12
	<b>TOTAL</b>	<b>148,397,900</b>	<b>95.72</b>

## PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

As at 23 March 2026, 20.21% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst.

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Singapore Kitchen Equipment Limited (the “**Company**”) will be held at 207 Henderson Road #01-01, Henderson Industrial Park, Singapore 159550 on Thursday, 30 April 2026 at 10.00 a.m. for the following purposes:

## AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2025 together with the Independent Auditor’s Report thereon.  

(Resolution 1)
2. To declare a tax-exempt one-tier final dividend of 0.25 Singapore cent per ordinary share for the financial year ended 31 December 2025 (FY2024: 0.25 Singapore cent per ordinary share).  

(Resolution 2)
3. To re-elect Mr Lim Chee San who is retiring pursuant to Article 98 of the Constitution of the Company.  
*[See Explanatory Note (i)]*  

(Resolution 3)
4. To re-elect Mr Ang Chiang Meng who is retiring pursuant to Article 98 of the Constitution of the Company.  
*[See Explanatory Note (ii)]*  

(Resolution 4)
5. To approve the payment of Directors’ Fees of up to S\$135,000 for the financial year ending 31 December 2026, to be paid quarterly in arrears (FY2025: up to S\$135,000)  

(Resolution 5)
6. To re-appoint Foo Kon Tan LLP as the Independent Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.  

(Resolution 6)
7. 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 resolution as Ordinary Resolution, with or without any modifications:

### 8. Authority to issue new shares

That pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 806 of Section B of the Singapore Exchange Securities Trading Limited Listing Manual: Rules of Catalyst (the “**Catalist Rules**”), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in 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) options, 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 of the Company may in their absolute discretion deem fit; and

# NOTICE OF ANNUAL GENERAL MEETING

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
- (a) new shares arising from the conversion or exercise of any convertible securities;
  - (b) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (c) any subsequent consolidation or subdivision of shares;
- (3) 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 Singapore Exchange Securities Trading Limited) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority 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 earlier.

**[See Explanatory Note (iii)]**

**(Resolution 7)**

By Order of the Board

Chua Chwee Choo  
Executive Director and Chief Executive Officer  
Singapore, 15 April 2026

# NOTICE OF ANNUAL GENERAL MEETING

## Explanatory Notes:

- (i) Ordinary Resolution 3 proposed in item 3 above is to re-elect Mr Lim Chee San who is retiring pursuant to Article 98 of the Constitution of the Company. Mr Lim Chee San will, upon re-elected as Director of the Company, remain as Independent Non-Executive Director, Chairman of the Board, Chairman of the Nominating Committee and member of Audit and Risk Management Committee and Remuneration Committee and will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.
- (ii) Ordinary Resolution 4 proposed in item 4 above is to re-elect Mr Ang Chiang Meng who is retiring pursuant to Article 98 of the Constitution of the Company. Mr Ang Chiang Meng will, upon re-elected as Director of the Company, remain as Independent Non-Executive Director, Chairman of the Audit and Risk Management Committee and Member of the Remuneration Committee and Nominating Committee and will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

Please refer to the Annual Report 2025 for the detailed information of Mr Lim Chee San and Mr Ang Chiang Meng.

- (iii) Ordinary Resolution 7 in item 8 above, if passed, will empower the Directors of the Company, effective 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 or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards and any subsequent consolidation or subdivision of shares.

## Notes:

1. Members of the Company are invited to **attend physically** at the Annual General Meeting (the “**Meeting**”). There will be no option for members to participate virtually. Printed copies of the Annual Report 2025, Notice of Annual General Meeting and Proxy Form will be sent to members and are also available on the Company’s corporate website [www.singaporekitchenequipmentltd.com](http://www.singaporekitchenequipmentltd.com) and SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. A member who is not a relevant intermediary, is entitled to appoint one or two proxies to attend, speak and vote at the Meeting. Where such member appoints two (2) proxies, the proportion of the 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 name in the Depository Register and any second named proxy as an alternate to the first named.
3. Members who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore), including CPF or SRS investors should approach their respective relevant intermediary or CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the Meeting, **by 5.00 p.m. on 20 April 2026**.

A member who is a relevant intermediary, is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, 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 ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

4. Duly completed and signed instrument appointing the proxy or proxies must either be submitted to the Company in the following manner:
  - (a) if submitted by post, to be deposited at the registered office address of the Company at 207 Henderson Road #01-01, Henderson Industrial Park, Singapore 159550; or
  - (b) if submitted electronically, to be submitted via email to [skeProxyReg@singaporekitchenequipmentltd.com](mailto:skeProxyReg@singaporekitchenequipmentltd.com).

**in either case, by 10.00 a.m. on 28 April 2026 (being not less than forty-eight (48) hours before the time appointed for the Meeting).**

# NOTICE OF ANNUAL GENERAL MEETING

A member who wishes to submit an instrument of proxy must first complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. The proxy form is available for download at the SGXNet and the Company's website at the URL [www.singaporekitchenequipmentltd.com](http://www.singaporekitchenequipmentltd.com).

Members are strongly encouraged to submit completed proxy forms electronically via email to [skeProxyReg@singaporekitchenequipmentltd.com](mailto:skeProxyReg@singaporekitchenequipmentltd.com).

5. Members may submit questions related to the resolutions to be tabled for approval at the Meeting in advance of the Meeting **by 10.00 a.m. on 23 April 2026:**

(a) by post to the registered office address of the Company at 207 Henderson Road #01-01, Henderson Industrial Park, Singapore 159550; or

(b) by email to [skeProxyReg@singaporekitchenequipmentltd.com](mailto:skeProxyReg@singaporekitchenequipmentltd.com).

The Board of Directors of the Company will endeavour to address all substantial and relevant questions received from shareholders prior to the Meeting by publishing the responses to those questions on SGXNet and the Company's website at the URL [www.singaporekitchenequipmentltd.com](http://www.singaporekitchenequipmentltd.com), at least forty-eight (48) hours prior to the closing date and time for the lodgement of the proxy forms.

The Company will also address any subsequent clarifications sought or follow-up questions in respect of substantial and relevant matters at the Meeting. The Company will publish the minutes of the Meeting, which will include responses from the Board or management on substantial and relevant queries from shareholders relating to the agenda of the Meeting, via SGXNet on SGX website and the Company's website within one (1) month from the date of the Meeting.

## Personal data privacy:

By submitting an instrument appointing proxy(ies) or the Chairman of the Meeting as proxy to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company 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, administration and analysis by the Company (or its agents or service providers) of the appointment of proxy(ies) or the Chairman of the Meeting as proxy for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared for the Meeting. Accordingly, the personal data of a member of the Company (such as his name, his presence at the Meeting and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

At The Forthcoming Annual General Meeting Pursuant To Article 98 Of The Company's Constitution

Name	: Lim Chee San	Ang Chiang Meng
Date Of Appointment	: 28 August 2021	4 August 2021
Age	: 66	41
Country Of Principal Residence	: Singapore	Singapore
Date of last re-appointment (if applicable)	: 24 April 2023	30 April 2024
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	: The Board, having considered the recommendation of the Nominating Committee, assessed the qualification and experience of Mr Lim Chee San, and is of the view that Mr Lim has the requisite experience and capabilities to assume the duties and responsibilities as an Independent Director of the Company.	The Board, having considered the recommendation of the Nominating Committee, assessed the qualification and experience of Mr Ang Chiang Meng, and is of the view that Mr Ang has the requisite experience and capabilities to assume the duties and responsibilities as an Independent Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	: Independent Non-Executive	Independent Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	: Independent Non-Executive Director, Chairman of the Board, Chairman of the Nominating Committee and member of Audit and Risk Management Committee and Remuneration Committee	Independent Non-Executive, Chairman of Audit & Risk Management Committee and Member of Nominating and Remuneration Committee
Professional qualifications	<ul style="list-style-type: none"> <li>a) Member of the Chartered Association of Certified Accountants since 1982</li> <li>b) Member of the Institute of Singapore Chartered Accountants since 1985</li> <li>c) Bachelor of Law (Honors) from University of London in 1992</li> <li>d) Barrister at Law (Lincoln's Inn) England since 1999</li> </ul>	<ul style="list-style-type: none"> <li>a) Bachelor of Science (Real Estate), National University of Singapore</li> <li>b) Associate Member of the Insolvency Practitioners of Singapore</li> <li>c) Member of INSOL International</li> <li>d) Chartered Valuer and Appraiser</li> </ul>
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	: None	None
Conflict of interest (including any competing business)	: No	No

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

**At The Forthcoming Annual General Meeting Pursuant To Article 98 Of The Company's Constitution**

Name	: Lim Chee San	Ang Chiang Meng
Working experience and occupation(s) during the past 10 years	: 2004 to Present - Director of Panaudit Business Services Pte Ltd  2004 to 31 March 2026 - Partner of TanLim Partnership  2007 to Present - Director of Rees Property Consultants Pte Ltd  2010 to Present - Director of Pan Services Pte Ltd	May 2019 to Present - Managing Partner of Argile Partners Pte Ltd  Jun 2015 to April 2019 - Director of Borrelli Walsh Pte Ltd  July 2010 to May 2015 - AVP of DBS Bank Ltd
Undertaking submitted to the listed issuer in the form of Appendix 7H (Catalist Rule 704(6))	: Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	: None	None
Shareholding Details	: Not Applicable	Not Applicable
Other Principal Commitments Including Directorships	: <u>Present</u> Pan Services Pte Ltd Panaudit Business Services Pte Ltd Rees Property Consultants Pte Ltd Gallant Venture Ltd Chemical Industries (Far East) Limited Blackgold Natural Resources Limited  <u>Past (for past 5 years)</u> GS Holdings Limited 4ward Pte Ltd Allied Technologies Limited Colex Holdings Limited	<u>Present</u> Argile Partners Pte. Ltd. Hundred Thoughts Pte. Ltd. Argile Asia Partners Pte. Ltd. PT Argile Asia Partners Eagle Landing Pte. Ltd. R&O Corporate Services Pte. Ltd. Red & Orange Company Pte. Ltd. R&O Trust and Agency (HK) Limited Axington Vietnam Limited Fidelis Gourmet Kitchen Pte. Ltd. mm2 Asia Limited R&O (SG) Pte. Ltd. R&O Assets Pte. Ltd. Apex Lead Investment Holdings Limited Argile Malaysia Sdn Bhd AP Transactions Pte. Ltd. Shanghai Nizi Guanli Zixun Co., Ltd  <u>Past (for past 5 years)</u> Argile Partners Sdn Bhd PT CFLD Karawang New Industry City Development CFLD Investment XVI Pte. Ltd. CFLD Investment XVII Pte. Ltd. Agritrade Resources Limited Audex Governance Sdn Bhd Axington Inc. Axington Singapore Pte. Ltd. TWS Branding Pte. Ltd. PT Pollux Barelang Megasuperblok Success Elegant Limited Brewin Mesa Pte. Ltd. SEA Special Situations Pte. Ltd. Lava Marketing Holding Pte Ltd

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

At The Forthcoming Annual General Meeting Pursuant To Article 98 Of The Company's Constitution

Name	: Lim Chee San	Ang Chiang Meng
<p>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?</p>	: No	No
<p>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?</p>	: No	<p>As part of his role as a restructuring professional with Borrelli Walsh Pte. Limited ("Borrelli"), Mr. Ang was appointed as a director of Opus Offshore Pte. Ltd., Opus Offshore Drilling M.E. Pte. Ltd., Opus Offshore Drilling India Pte. Ltd., Opus Offshore Ventures Pte. Ltd., Opus Venus Pte. Ltd., Opus Mercur Pte. Ltd., and Songa Opus Offshore Drilling Pte. Ltd. (collectively known as the "Opus Entities") in February 2017 to drive the restructuring of the Opus group of companies. Mr. Ang resigned as a director of the Opus Entities following his resignation from Borrelli in April 2019. Subsequent to Mr. Ang's resignation, the restructuring of the Opus group of companies did not materialise given the state of the oil and gas industry, and the Opus Entities were subsequently either dissolved via compulsory winding up (insolvency) or creditors' voluntary winding up, or in liquidation via creditors' voluntary winding up.</p> <p>As part of his role as a restructuring professional with Argile Partners Pte. Ltd., Mr Ang was appointed as a director of Agritrade Resources Limited ("ARL"), which was placed under soft-touch provisional liquidation for restructuring purposes by the Bermuda courts in June 2020, in August 2021 to drive the restructuring of the ARL group of companies. The restructuring of the ARL group of companies did not materialise and ARL was placed under full provisional liquidation by the Bermuda courts in January 2022.</p> <p>As part of his role as a restructuring professional with Argile Partners Pte. Ltd., Mr Ang was appointed as a director of mm2 Asia Limited ("mm2") in August 2025 to drive the restructuring of the mm2 group of companies. mm2 was placed under a moratorium by the Singapore courts in December 2025 and the restructuring is still underway.</p>

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

**At The Forthcoming Annual General Meeting Pursuant To Article 98 Of The Company's Constitution**

Name	:	Lim Chee San	Ang Chiang Meng
Whether there is any unsatisfied judgment against him?	:	No	No
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
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
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
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

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

At The Forthcoming Annual General Meeting Pursuant To Article 98 Of The Company's Constitution

Name	Lim Chee San	Ang Chiang Meng
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
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
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	Save for the matters disclosed by the Company in previous announcements dated 11 August 2021 and 11 April 2022, no	Save for the matters disclosed by the Company in previous announcements dated 11 August 2021 and 11 April 2022, 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, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

At The Forthcoming Annual General Meeting Pursuant To Article 98 Of The Company's Constitution

Name	: Lim Chee San	Ang Chiang Meng
<p>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?</p>	<p>: Yes.</p> <p>Mr Lim has been the subject of a past complaint to the Law Society Singapore about conflict of interest. The complaint was dismissed at the Inquiry Committee Stage in May 2018.</p> <p>Mr Lim has also been issued a public reprimand by SGX RegCo in March 2025 for breaching Catalist Rules in or about 2023 for failure to cause a listed company to have in place formal documentation of adequate and effective systems of internal controls and risk management and for failure to cause the listed company to promptly disclose material information pertaining to termination of an agreement although Mr Lim as an independent director of the listed company did follow-up with the management on the status of the announcement when there was a delay by management in announcing the material information.</p> <p>Save for the above, there is no investigation against Mr Lim, and he has not been the subject of any current or past disciplinary proceeding and have not been reprimanded or issued any warnings by the Monetary Authority of Singapore or any other regulatory authority, SGX-ST, professional body or government agency, whether in Singapore or elsewhere.</p>	<p>No</p>
<p>Any prior experience as a director of an listed issuer listed on the Exchange?</p> <p>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.</p> <p>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)</p>	<p>: Not applicable as this relates to the re-election of Director.</p>	<p>Not applicable as this relates to the re-election of Director.</p>

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**SINGAPORE KITCHEN EQUIPMENT LIMITED**

Company Registration No. 201312671M  
(Incorporated In The Republic of Singapore)

**ANNUAL GENERAL MEETING  
PROXY FORM****IMPORTANT:**

1. The Annual Report and Notice of AGM dated 15 April 2026 have been made available on SGX website at the URL <https://www.sgx.com/securities/company-announcements> and the Company's website at URL [www.singaporekitchenequipmentltd.com](http://www.singaporekitchenequipmentltd.com).
2. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see note 4 for the definition of "relevant intermediary").
3. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 15 April 2026.

I/We, \_\_\_\_\_

of \_\_\_\_\_

being a member/members of Singapore Kitchen Equipment Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both persons referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held at 207 Henderson Road #01-01, Henderson Industrial Park, Singapore 159550 on Thursday, 30 April 2026 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or to abstain for voting of the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	Resolutions relating to:	Number of Votes For <sup>(1)</sup>	Number of Votes Against <sup>(1)</sup>	Number of Votes Abstain <sup>(1)</sup>
<b>ORDINARY BUSINESS:</b>				
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2025			
2	Declaration of a tax-exempt one-tier final dividend			
3	Re-election of Mr Lim Chee San as Director			
4	Re-election of Mr Ang Chiang Meng as Director			
5	Approval of Directors' Fees of up to S\$135,000 for the financial year ending 31 December 2026, to be paid quarterly in arrears			
6	Re-appointment Foo Kon Tan LLP as Independent Auditors and to authorise the Directors of the Company to fix their remuneration			
<b>SPECIAL BUSINESS:</b>				
7	Authority to issue new shares			

<sup>(1)</sup> If you wish to exercise all your votes "For" or "Against" or "Abstain" a Resolution, please tick [✓] or [X] within the "For" or "Against" or "Abstain" box provided. Alternatively, please indicate the number of votes "For" or "Against" or "Abstain" in the relevant Resolution.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

Total number of shares in:	No. of shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature of Shareholder(s)  
or, Common Seal of Corporate Shareholder

\* Delete where inapplicable

**IMPORTANT: PLEASE READ NOTES OVERLEAF**



#### Notes:

1. Please insert the total number of shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend, speak and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend, speak and vote instead of the member, 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 proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

**"Relevant intermediary"** means:

- (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 to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board established by the Central Provident Fund 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 Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
5. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act 1967 of Singapore (including Supplementary Retirement Scheme ("**SRS**") investors and holders under depository agents) and who wish to exercise their votes should approach their respective relevant intermediaries (including their respective SRS Operators or depository agents) to submit their voting instructions in the Proxy Forms at least seven (7) working days before the Meeting, **by 5.00 p.m. on 20 April 2026**.
  6. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
  7. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to 207 Henderson Road #01-01, Henderson Industrial Park, Singapore 159550 or by scanning and sending it by email to [skeProxyReg@singaporekitchenequipmentltd.com](mailto:skeProxyReg@singaporekitchenequipmentltd.com) as soon as possible, in either case, to arrive: (a) by post to the office of the Company's Registered Office at the above address, or (b) by email to an email address as mentioned **forty-eight (48) hours before the time fixed for the AGM, no later than 10.00 a.m. on 28 April 2026**.
  8. This proxy form must be under the hand of the appointor or of his attorney duly authorised in writing. Where this proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.
  9. Where this proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this proxy form, failing which this proxy form shall be treated as invalid.

#### 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 Annual General Meeting dated 15 April 2026.

#### GENERAL:

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. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.



**SINGAPORE KITCHEN EQUIPMENT LIMITED**

207 Henderson Road,  
#01-01 Henderson Industrial Park,  
Singapore 159550

Tel: (65) 6472 7337  
Fax: (65) 6472 6497

[www.singaporekitchenequipmentltd.com](http://www.singaporekitchenequipmentltd.com)