



SPREADING
POTENTIAL
**CULTIVATING
GROWTH**

2024
ANNUAL
REPORT

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

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



CORPORATE PROFILE



Progen Holdings Ltd ("**Progen**" or the "**Company**", together with its subsidiaries, the "**Group**") is an investment holding company and forms part of the Progen Group of Companies. With over four decades of experience, the Group specializes in the design, supply, installation and maintenance of air-conditioning and mechanical ventilation systems. The Group comprises of subsidiaries in Singapore and Malaysia.

Founded more than forty years ago by Mr Lee Ee @ Lee Eng, who started Progen Pte Ltd as the first company in the Group, Progen has evolved into a prominent player in the industry. The different subsidiaries enable it to serve as a comprehensive, one-stop service provider to a wide range of cooling solutions across industrial, medical, commercial and residential developments. We offer a complete spectrum of services, from expert pre-sales consultations to exceptional after-sales support, ensuring long-term customer satisfaction in both public and private sectors.

Progen's robust engineering expertise, combined with its market leadership, positions the Group at the forefront of the air-conditioning and mechanical ventilation industry. Our highly skilled engineering team designs customized systems to meet clients' specific needs. Alongside our after-sales service consultants, we help clients reduce long-term maintenance costs and extend the operational lifespan of their systems.

Driven by a commitment to professionalism, innovation, and sustainability, Progen continues to deliver energy-efficient and eco-friendly solutions. We prioritize the use of environmentally responsible refrigerants and strive to lead the industry in promoting sustainable practices. With our enduring dedication to excellence, Progen is poised to maintain its prominent position for years to come.



CHAIRMAN'S STATEMENT



On behalf of the Board of Directors, I would like to present to you the Group's performance for the financial year ended 31 December 2024 ("FY2024").

The Group's revenue for the financial year under review increased by S\$1.3 million or 29.3% from S\$4.4 million for the financial year ended 31 December 2023 ("FY2023") to S\$5.7 million in FY2024. With the higher revenue, the Group's loss net of tax decreased from S\$1.1 million in FY2023 to S\$0.7 million in FY2024.

The Group's loss per share reduced from 0.284 Singapore cents per share for FY2023 to 0.184 Singapore cents per share for FY2024; and the Group's net asset value per share dropped from 6.748 Singapore cents per share as at 31 December 2023 to 6.571 Singapore cents per share as at 31 December 2024.

Based on the press release¹ from the Ministry of Trade and Industry, in 2024, the construction sector expanded by 4.5 per cent, extending the 5.8 per cent expansion in 2023. According to the forecast for construction

demand published² by the Building and Construction Authority, a positive outlook for the construction sector is expected in 2025. Despite the positive growth of the industry, we will continue to face intense competition and thinning profit margin. The Group shall continue to exercise caution in taking on new projects and tighten its credit risk management. We shall continue to leverage our established track records and networks, together with our acquired experiences and expertise to enhance shareholders' value.

On behalf of the Board, I would like to express my sincere appreciation to the long-serving and new Directors, all shareholders, our valued customers and business associates for your continuous support. We are also grateful and thankful to the management and staff for their support, dedication, and positive contributions.

Yours Sincerely
Chee Wai Pong
Non-Independent Non-Executive Chairman

¹ <https://www.singstat.gov.sg/-/media/files/news/gdp4q2024.ashx>

² <https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2025/01/23/construction-demand-to-remain-strong-for-2025>

DEDICATED IN
SHAPING A
SUSTAINABLE
FUTURE FOR ALL



BOARD OF DIRECTORS



MR CHEE WAI PONG
NON-INDEPENDENT
NON-EXECUTIVE CHAIRMAN

Mr Chee was appointed to our Board of Directors on 16 January 2013 and was last re-elected on 25 April 2024. He is also a member of the Investment Review Committee.

Mr Chee joined the Legal Service and was appointed as a Deputy Public Prosecutor/State Counsel from 1971 to 1973. He was subsequently appointed as a Magistrate, then as a District Judge and the State Coroner between 1973 and 1976. Mr Chee then joined M/s Osborne Jones & Co as a Partner from August 1976 to December 1978 and was a Partner of M/s Ng Ong & Chee from January 1979 to December 2006. Mr Chee started his own practice under the name and style of Chee Wai Pong & Co on 1 January 2007 till 31 March 2025. With effect from 1 April 2025, Mr Chee has joined Tan Lee & Choo as a consultant. He holds a Bachelor of Law Degree (LL.B. Hons) from the University of Singapore.

Mr Chee's past directorships in the past three years include Tung Lok Restaurant (2000) Ltd. He is the honorary legal advisor to the Medical Alumni Association.

Mr Lee, our Managing Director, is the founder of the Group and was appointed to our Board of Directors on 13 July 1996 when the Company was incorporated. He was last re-appointed on 28 April 2023. Mr Lee is also the Chairman of the Investment Review Committee and a member of the Nominating Committee.

Mr Lee has more than 50 years of experience in the air-conditioning, refrigeration and climate control industry. He started his career in Amcol Pte Ltd in 1970 and later served as Engineering Sales Manager in Sime Darby (S) Pte Ltd and as Dealer Development Manager in York International. Mr Lee spent 10 years in private companies before setting up his own business, Progen Pte Ltd in 1981.



MR LEE EE @ LEE ENG
MANAGING DIRECTOR

BOARD OF DIRECTORS



MR LAU CHOO YEW
NON-INDEPENDENT NON-EXECUTIVE
DIRECTOR

Mr Lau was appointed to our Board of Directors on 9 February 2015 and was last re-elected on 28 April 2022.

Mr Lau holds an Honours Degree in Bachelor of Building from the University of New South Wales, Australia and is also a Chartered Quantity Surveyor, Chartered Builder and Registered Quantity Surveyor with professional institutions of Australia, United Kingdom, Malaysia and Brunei Darussalam. He has received several awards in the region including Outstanding Entrepreneur for the Asia Pacific Entrepreneurship Award in Brunei in 2008, 2010, 2012 and 2014 and Overseas Enterprise Award for SME One Asia Awards in Singapore in 2013.

Mr Lau is currently the Managing Director of LCY Development Sdn. Bhd. and holds directorships in several private companies in Australia, Brunei, Malaysia and Singapore that specialise in property development and investment.

Mr Hu was appointed to our Board of Directors on 28 April 2023 and was last re-elected on 25 April 2024. He serves as the Chairman of the Audit & Risk Committee and Remuneration Committee, and a member of the Nominating Committee and Investment Review Committee.

Mr Hu started his career in Ernst & Young LLP and has close to 20 years of experience in providing audit and business advisory services to clients across a wide range of industries. Mr Hu is a public accountant and a member of the Institute of Singapore Chartered Accountants, and he holds a Bachelor of Accountancy degree from Nanyang Technological University.

Mr Hu is presently a partner of Baker Tilly TFW LLP. He contributes to the non-profit sector, serving as Director of Children's Cancer Foundation.



MR HU WEISHENG
LEAD INDEPENDENT
NON-EXECUTIVE DIRECTOR

BOARD OF DIRECTORS



MR CHUA THIAN HUAT
INDEPENDENT NON-EXECUTIVE
DIRECTOR

Mr Chua was appointed to our Board of Directors on 25 August 2023 and was last re-elected on 25 April 2024. He serves as a member of the Audit & Risk Committee and Remuneration Committee.

Mr Chua started his career as an Electrical Engineer in 1966 at Jurong Shipyard Ltd. He joined Rankine & Hill (S) Pte Ltd as a Senior Electrical Engineer in 1973 and was appointed as the Managing Director in 1981. He continued as a Consultant of Rankine & Hill (S) Pte Ltd from 2006 to 2020. Mr Chua has close to 60 years of experience in the Mechanical & Electrical field of the Built Environment Industry. He was also accredited by the Construction Adjudicator Accreditation Committee of Singapore Mediation Centre as an adjudicator and a principal mediator.

Mr Chua holds a Bachelor of Engineering (Electrical 1966) University of Malaya and was a member of Registered Professional Engineer Singapore, Institute of Engineers Singapore and Institute of Engineers Malaysia.



MS HENG SU-LING MAE
INDEPENDENT NON-EXECUTIVE
DIRECTOR

Ms Heng was appointed to our Board of Directors on 6 May 2024. She serves as the Chairman of the Nominating Committee, and as a member of the Audit & Risk Committee and Remuneration Committee.

Ms Heng has more than 16 years of experience working at Ernst & Young LLP. She is an Independent Non-Executive Director of Chuan Hup Holdings Limited, Grand Venture Technology Limited, HRnetGroup Limited, ISDN Holdings Limited and Rex International Holding Limited, and is the chairperson or a member of these companies' various board committees. She is also a Non-Independent Non-Executive Director of Ossia International Limited. Ms Heng also holds directorships in her family-owned investment holding companies. She was also the former Audit Committee Chairman of an SGX-listed special purpose acquisition company, as well as a Bursa-listed pharmaceutical company.

Ms Heng holds a Bachelor of Accountancy degree from Nanyang Technological University. She is a Fellow Chartered Accountant with the Institute of Singapore Chartered Accountants and an ASEAN Chartered Professional Accountant.

MANAGEMENT PROFILE



MR DONG FAGEN is the Project Director. He joined the Group as the Import and Export Manager in 1995. Mr Dong holds a Diploma in Mechanical Engineering from Shanghai Jiaotong University, China, and is presently in charge of the project department of the Group.



MS HAN JING is the Marketing Director. She has been with the Group since 1998. Ms Han graduated with a Master's Degree in Mechanical Engineering from National University of Defense Technology, China in 1984 and is currently responsible for the marketing and business development for the Group.



MR ANDY LEE YUNG LI is the Senior Manager. He joined the Group in 2009 as Project Manager. Mr Lee graduated with a Bachelor in Electrical Engineering from University of Newcastle, Australia. He is presently responsible for product innovation and development and oversees a few projects in the Group.



MS CINDY LEE is the Admin and Corporate Affairs Director. She joined the Group as an Accountant in 1999. Ms Lee graduated from Nanyang Technological University with a Bachelor of Accountancy degree and is a member of the Institute of Singapore Chartered Accountants. She is currently in charge of the administrative matters and corporate affairs and oversees the finance department of the Group.



MR DESMOND LING is the Service Manager. He has been with the Group since 1986 and has close to 40 years of hands-on experience in servicing air-conditioning and mechanical ventilation ("ACMV") systems for residential, industrial and commercial developments. Mr Ling is currently overseeing and managing the servicing arm of the Group.

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CORPORATE GOVERNANCE

The Board of Directors (the “**Board**”) of Progen Holdings Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) are committed to maintaining high standards of corporate governance and place importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

This report outlines the Company’s corporate governance practices that were in place during the financial year ended 31 December 2024 (“**FY2024**”), with specific reference made to the principles of the Code of Corporate Governance 2018 (the “**Code**”), the Practice Guidance issued by the Monetary Authority of Singapore in August 2018 (“**PG**”) as well as the disclosure guide developed by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in January 2015 (the “**Guide**”).

Provision	Code and/or Guide Description	Company’s Compliance or Explanation
General	<p>(a) Has the Company complied with all the principles and guidelines of the Code?</p> <p>If not, please state the specific deviations and alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.</p> <p>(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines of the Code?</p>	<p>The Company has complied with the principles and guidelines as set out in the Code, PG and the Guide, where applicable.</p> <p>Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code, PG and/or the Guide.</p> <p>Not applicable. The Company did not adopt any alternative corporate governance practices in FY2024.</p>

BOARD MATTERS

The Board’s Conduct of Affairs

1.1	What is the role of the Board?	<p>At the date of this report, the Board comprised 6 members as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Table 1.1 – Composition of the Board</th> </tr> <tr> <th>Name of Director</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>Mr Chee Wai Pong (“Mr Chee”)⁽¹⁾</td> <td>Non-Independent Non-Executive Chairman</td> </tr> <tr> <td>Mr Lee Ee @ Lee Eng (“Mr Lee”)</td> <td>Managing Director</td> </tr> <tr> <td>Mr Hu Weisheng (“Mr Hu”)⁽²⁾</td> <td>Lead Independent Non-Executive Director</td> </tr> <tr> <td>Mr Chua Thian Huat (“Mr Chua”)</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>Ms Heng Su-Ling Mae (“Ms Heng”)⁽³⁾</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>Mr Lau Choo Yew (“Mr Lau”)</td> <td>Non-Independent Non-Executive Director</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) Mr Chee was re-designated from Independent Director and Non-Executive Chairman to Non-Independent Non-Executive Chairman on 25 April 2024.</p> <p>(2) Mr Hu was appointed as Lead Independent Non-Executive Director on 25 April 2024.</p> <p>(3) Ms Heng was appointed as Independent Non-Executive Director on 6 May 2024.</p> <p>The Board is entrusted to lead and oversee the Company, with the fundamental principle to act in the best interests of the Company. In addition to its statutory duties, the Board’s principal functions are, <i>inter alia</i>:</p> <ul style="list-style-type: none"> • setting the business direction for the Company; • monitoring and reviewing the financial performance of the Company; • safeguarding the Company’s assets; • protecting and enhancing shareholders’ value; • overseeing internal control of the Company; • holding Management accountable for performance; • putting in place a code of conduct and ethics; and • setting and approving the Company’s strategic plans, major investment and divestment proposals, values and standards. 	Table 1.1 – Composition of the Board		Name of Director	Designation	Mr Chee Wai Pong (“ Mr Chee ”) ⁽¹⁾	Non-Independent Non-Executive Chairman	Mr Lee Ee @ Lee Eng (“ Mr Lee ”)	Managing Director	Mr Hu Weisheng (“ Mr Hu ”) ⁽²⁾	Lead Independent Non-Executive Director	Mr Chua Thian Huat (“ Mr Chua ”)	Independent Non-Executive Director	Ms Heng Su-Ling Mae (“ Ms Heng ”) ⁽³⁾	Independent Non-Executive Director	Mr Lau Choo Yew (“ Mr Lau ”)	Non-Independent Non-Executive Director
Table 1.1 – Composition of the Board																		
Name of Director	Designation																	
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Mr Hu Weisheng (“ Mr Hu ”) ⁽²⁾	Lead Independent Non-Executive Director																	
Mr Chua Thian Huat (“ Mr Chua ”)	Independent Non-Executive Director																	
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Mr Lau Choo Yew (“ Mr Lau ”)	Non-Independent Non-Executive Director																	

CORPORATE GOVERNANCE

Provision	Code and/or Guide Description	Company's Compliance or Explanation																				
1.1	Where a director faces a conflict of interest, does he disclose this and recuse himself from meetings and decisions involving he issue?	Each director is required to promptly disclose any conflict or potential conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction as soon as practicable after the relevant facts have come to his or her knowledge. Unless the Board is of the opinion that such director's presence and participation is necessary to enhance the efficacy of the discussion, he shall not be present for meetings relating to the issue. Furthermore, he shall abstain from voting in relation to the conflict-related issue.																				
1.3	What are the types of material transactions which require approval from the Board?	Matters that require the Board's approval include, amongst others, the following: <ul style="list-style-type: none"> • approval of release of financial results to the SGX-ST; • approval of annual results and accounts; • declaration of interim and proposal of final dividends; • approval of corporate strategy; • convening of shareholders' meetings; and • authorisation of major transactions. 																				
1.4 4.2 6.2 10.2	Has the Board delegated certain responsibilities to committees? If yes, please provide details.	<p>The Board has delegated certain responsibilities to the Audit and Risk Committee (the "ARC"), the Remuneration Committee (the "RC"), the Nominating Committee (the "NC") and the Investment Review Committee (the "IRC") (collectively, the "Board Committees"). The compositions of the Board Committees at the date of this report are as follows:</p> <table border="1"> <caption>Table 1.4 – Composition of the Board Committees</caption> <thead> <tr> <th></th> <th>ARC⁽¹⁾</th> <th>NC⁽²⁾</th> <th>RC⁽³⁾</th> <th>IRC⁽⁴⁾</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>Mr Hu</td> <td>Ms Heng</td> <td>Mr Hu</td> <td>Mr Lee</td> </tr> <tr> <td>Member</td> <td>Ms Heng</td> <td>Mr Hu</td> <td>Ms Heng</td> <td>Mr Hu</td> </tr> <tr> <td>Member</td> <td>Mr Chua</td> <td>Mr Lee</td> <td>Mr Chua</td> <td>Mr Chee</td> </tr> </tbody> </table> <p><i>Notes:</i></p> <p>(1) The ARC comprises 3 members, all of whom are non-executive and independent.</p> <p>(2) The NC comprises 3 members, the majority of whom, including the Chairman, are independent.</p> <p>(3) The RC comprises 3 members, all of whom are non-executive and independent.</p> <p>(4) The IRC comprises 3 members.</p> <p>Investment Review Committee</p> <p>The duties of the IRC include the following:–</p> <ol style="list-style-type: none"> 1. to review all investment opportunities that may be identified for the purpose of short-listing investments that fit into the overall expansion plan of the Group; 2. to evaluate short-listed investments and table them for the approval of the Board; and 3. to prepare executive summaries on the investments for the Board. <p>The IRC shall be provided with adequate resources to carry out their duties.</p> <p>The Board Committees, which operate within clearly defined terms of reference, are actively engaged and play an important role in ensuring good corporate governance of the Group. All recommendations of the Board Committees are subsequently reviewed by the Board.</p> <p>Please refer to pages 23, 15 and 19 for the key terms of reference of ARC, NC, and RC respectively.</p>		ARC ⁽¹⁾	NC ⁽²⁾	RC ⁽³⁾	IRC ⁽⁴⁾	Chairman	Mr Hu	Ms Heng	Mr Hu	Mr Lee	Member	Ms Heng	Mr Hu	Ms Heng	Mr Hu	Member	Mr Chua	Mr Lee	Mr Chua	Mr Chee
	ARC ⁽¹⁾	NC ⁽²⁾	RC ⁽³⁾	IRC ⁽⁴⁾																		
Chairman	Mr Hu	Ms Heng	Mr Hu	Mr Lee																		
Member	Ms Heng	Mr Hu	Ms Heng	Mr Hu																		
Member	Mr Chua	Mr Lee	Mr Chua	Mr Chee																		

CORPORATE GOVERNANCE

Provision	Code and/or Guide Description	Company's Compliance or Explanation																																																						
1.5	Have the Board and Board Committees met in the last financial year?	<p>The Board and Board Committees meet on a regular basis, and/or as and when circumstances require. In FY2024, the number of Board and Board Committee Meetings and Annual General Meeting ("AGM") held and the attendance of each Board member are shown below.</p> <table border="1"> <caption>Table 1.5 – Board and Board Committee Meetings in FY2024</caption> <thead> <tr> <th></th> <th>Board</th> <th>ARC</th> <th>NC</th> <th>RC</th> <th>AGM</th> </tr> </thead> <tbody> <tr> <td>Number of Meetings Held</td> <td>3</td> <td>3</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <th>Name of Director</th> <th colspan="5">Number of Meetings Attended</th> </tr> <tr> <td>Mr Chee</td> <td>3</td> <td>3*</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>Mr Lee</td> <td>3</td> <td>3*</td> <td>1</td> <td>1*</td> <td>1</td> </tr> <tr> <td>Mr Hu</td> <td>3</td> <td>3</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>Mr Chua</td> <td>3</td> <td>3</td> <td>1*</td> <td>1</td> <td>1</td> </tr> <tr> <td>Ms Heng⁽¹⁾</td> <td>1</td> <td>1</td> <td>–</td> <td>–</td> <td>–</td> </tr> <tr> <td>Mr Lau</td> <td>3</td> <td>3*</td> <td>1*</td> <td>1*</td> <td>1</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Attendance by invitation of the respective Committees <p><i>Notes:</i> (1) Ms Heng was appointed as Independent Non-Executive Director of the Company, the Chairman of the Nominating Committee, a member of the Audit and Risk Committee and the Remuneration Committee on 6 May 2024 and attended the ARC and Board meetings held on 14 August 2024.</p> <p>The IRC did not hold any meetings during FY2024. Several investment proposals made by the Management were discussed at the Board Meetings during FY2024 and the IRC members contributed to the discussion and assessment during the Board Meetings. No extraordinary general meetings were held in FY2024.</p>		Board	ARC	NC	RC	AGM	Number of Meetings Held	3	3	1	1	1	Name of Director	Number of Meetings Attended					Mr Chee	3	3*	1	1	1	Mr Lee	3	3*	1	1*	1	Mr Hu	3	3	1	1	1	Mr Chua	3	3	1*	1	1	Ms Heng ⁽¹⁾	1	1	–	–	–	Mr Lau	3	3*	1*	1*	1
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1.6	What types of information does the Company provide to Independent Directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?	<p>Management provides the Board with key information that is complete, adequate and timely. The types of information which are provided by Management to Independent Directors are set out in the table below:</p> <table border="1"> <caption>Table 1.6 – Types of information provided by key management personnel to Independent Directors</caption> <thead> <tr> <th></th> <th>Information</th> <th>Frequency</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)</td> <td>Prior to Board Meetings (held at least half-yearly)</td> </tr> <tr> <td>2.</td> <td>Updates to the Group's operations and the markets in which the Group operates</td> <td>As and when necessary</td> </tr> <tr> <td>3.</td> <td>Budgets and/or forecasts (with variance analysis), management accounts</td> <td>Half yearly</td> </tr> <tr> <td>4.</td> <td>Reports on on-going or planned corporate actions</td> <td>As and when necessary</td> </tr> <tr> <td>5.</td> <td>Enterprise risk framework and internal auditors' report(s)</td> <td>Half yearly</td> </tr> </tbody> </table> <p>Management recognises the importance of circulating information on a timely basis to ensure that the Board has adequate time to review the materials to facilitate a constructive and effective discussion during the scheduled meetings. As such, Management endeavours to circulate information for the Board meetings at least 3 days prior to the meetings to allow sufficient time for the Directors' review.</p> <p>Key management personnel will also provide any additional material or information that is requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.</p>		Information	Frequency	1.	Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	Prior to Board Meetings (held at least half-yearly)	2.	Updates to the Group's operations and the markets in which the Group operates	As and when necessary	3.	Budgets and/or forecasts (with variance analysis), management accounts	Half yearly	4.	Reports on on-going or planned corporate actions	As and when necessary	5.	Enterprise risk framework and internal auditors' report(s)	Half yearly																																				
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CORPORATE GOVERNANCE

Provision	Code and/or Guide Description	Company's Compliance or Explanation
1.7	<p>Does the Board have access to the senior management and the Company Secretary?</p> <p>What is the role of the Company Secretary?</p> <p>Does the Board have access to professional advice?</p>	<p>The Board has separate and independent access to the senior management and the Company Secretary at all times.</p> <p>The Company Secretary or her representative attends Board and Board Committee meetings and is responsible to ensure that meeting procedures are followed and applicable rules and regulations are complied with. The appointment and removal of the Company Secretary is a matter that has to be decided by the Board as a whole.</p> <p>The Board also has access to independent professional advice in relation to the Company's affairs, where appropriate at the Company's expenses.</p>
1.2 1.6	<p>(a) Are new Directors given formal training? If not, please explain why.</p> <p>(b) What are the types of information and training provided to (i) new Directors and (ii) existing Directors to keep them up-to-date?</p>	<p>All newly appointed directors will be given briefings by Management on the history and business operations and corporate governance practices of the Company. The Company will, from time to time, organise briefing sessions for the directors to enable them to keep abreast with regulatory changes which have a material bearing on the Company and these sessions will be funded by the Company.</p> <p>A newly appointed director without experience as a director of SGX-listed company will be required to, within one year of appointment, attend relevant training seminars and courses organised by the Institute of Singapore Chartered Accountants and SAC Capital, or the Singapore Institute of Directors to familiarise themselves on compliance, regulatory and corporate governance matters, at the expense of the Company.</p> <p>Directors are provided with opportunities to develop and maintain their skills and knowledge at the Company's expense. During FY2024, the external auditor ("EA") had briefed the ARC on changes or amendments to accounting standards which have a direct impact on the Group's financial statements.</p> <p>The Company Secretary and Company's continuing sponsor will also provide updates on changes to applicable law and regulations as and when appropriate.</p>
Board Composition and Guidance		
2.2 2.3 3.3	<p>Does the Company comply with the Code on the proportion of Independent Directors and/or Non-Executive Directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.</p>	<p>The Chairman, though non-executive, is not deemed independent, having served on our board for more than nine (9) years, and the Board (including the Chairman) consists of three (3) Independent Non-Executive Directors and three (3) Non-Independent Directors. The Company is aware that it does not comply with the provision of the Code which requires that independent directors make up a majority of the Board where the Chairman is not independent. However, the Board is of the view that the appointment of a Lead Independent Director in FY2024 would effectively mitigate the potential risks associated with the non-compliance. The Lead Independent Director strengthens the Board's oversight function, ensures independent judgment, and promotes a high standard of corporate governance.</p> <p>The Company will continue to review the Board composition, including seeking suitable candidate(s) to ensure compliance with the Code and applicable Catalyst Rules, should opportunity arises.</p>
2.1 4.4	<p>Has the independence of the Independent Directors been reviewed in the last financial year?</p>	<p>The Board takes into account the existence of relationships or circumstances, including those identified by the Code, that are relevant in its determination as to whether a Director is independent. In addition, the NC reviews the individual directors' declaration in their assessment of independence.</p> <p>The NC has reviewed and confirmed the independence of the Independent Directors in accordance with the Code and PG. The Independent Directors have also confirmed their independence in accordance with the Code and PG.</p>

CORPORATE GOVERNANCE

Provision	Code and/or Guide Description	Company's Compliance or Explanation																								
	<p>(a) Is there any Director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent? If so, please identify the Director and specify the nature of such relationship.</p> <p>(b) What are the Board's reasons for considering him independent? Please provide a detailed explanation.</p>	<p>There is no Directors who is deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him or her not to be independent.</p>																								
2.1	<p>Has any Independent Director served on the Board for more than nine years since the date of his first appointment? If so, please identify the Director and set out the Board's reasons for considering him independent.</p>	<p>Mr Chee has served beyond nine years since the date of his first appointment on 16 January 2013. He was re-designated from Independent Director and Non-Executive Chairman to Non-Independent Non-Executive Chairman on 25 April 2024.</p>																								
2.4	<p>(a) What are the steps taken by the Board to progressively renew the Board composition?</p> <p>(b) What is the Board's policy with regard to diversity in identifying director nominees?</p> <p>(c) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.</p>	<p>Two new Independent Directors and another new Independent Director had been appointed to the Board in FY2023 and FY2024 respectively. The Chairman was also re-designated to Non-Independent Non-Executive Chairman on 25 April 2024 having served beyond nine (9) years. The Board will continue to review and consider opportunities to refresh the Board as and when deemed required. To meet the changing challenges in the industry and countries which the Group operates in, such reviews, which include considering factors such as the expertise, skills and perspectives which the Board needs against the competencies amongst existing Directors, would be done on an annual basis to ensure that the Board dynamics remain optimal.</p> <p>The Board's policy in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, taking into account gender diversity.</p> <p>The current Board of six (6) members has one (1) female Director. In addition, the current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:</p> <table border="1" data-bbox="721 1413 1430 1845"> <thead> <tr> <th colspan="3">Table 2.4 – Balance and Diversity of the Board</th> </tr> <tr> <th>Core Competencies</th> <th>Number of Directors</th> <th>Proportion of Board</th> </tr> </thead> <tbody> <tr> <td>– Accounting or finance</td> <td>2</td> <td>33%</td> </tr> <tr> <td>– Business management</td> <td>5</td> <td>83%</td> </tr> <tr> <td>– Legal or corporate governance</td> <td>3</td> <td>50%</td> </tr> <tr> <td>– Relevant industry knowledge or experience</td> <td>2</td> <td>33%</td> </tr> <tr> <td>– Strategic planning experience</td> <td>5</td> <td>83%</td> </tr> <tr> <td>– Customer based experience or knowledge</td> <td>6</td> <td>100%</td> </tr> </tbody> </table> <p>Details of the Directors' qualifications and experiences are set out on pages 4 to 6 of this Annual Report.</p>	Table 2.4 – Balance and Diversity of the Board			Core Competencies	Number of Directors	Proportion of Board	– Accounting or finance	2	33%	– Business management	5	83%	– Legal or corporate governance	3	50%	– Relevant industry knowledge or experience	2	33%	– Strategic planning experience	5	83%	– Customer based experience or knowledge	6	100%
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CORPORATE GOVERNANCE

Provision	Code and/or Guide Description	Company's Compliance or Explanation
	(d) What steps have the Board taken to achieve the balance and diversity necessary to maximise its effectiveness?	<p>The Board endeavours to achieve the balance and diversity necessary to maximise its effectiveness as part of its Board diversity policy which endorses the principle that its Board should have the balance of skills, knowledge, experience and other aspects of diversity that support the Company in the pursuit of its strategic and business objectives, and its sustainable development. The policy seeks to promote the inclusion of different perspectives, ideas and insights and ensures that the Company can benefit from all available sources of talent.</p> <p>In determining the optimum composition and size of the Board and each Board committee, the Board diversity policy provides for the Nominating Committee (NC) to consider a combination of factors such as skills, knowledge, professional experience, educational background, gender, age, and length of service. The skills, knowledge and experience to be considered include strategic, business decision, finance, risk management, legal, regulatory and human resource management.</p> <p>Suitable candidates will be identified, including, where necessary, through external search firms. External search firms that are to be engaged, will be informed that diversity is a key criterion in the search including gender diversity.</p> <p>Following its assessment of the candidates, the NC will then interview the short-listed candidates. The NC will thereafter make its recommendations to the Board including appointments to the appropriate Board committees after matching the candidates' skills-set to the needs of each Board committee. The Board, taking into account the views of the NC, will consider if its Directors meet the criteria under its Board diversity policy and possess the necessary competencies to govern the Company effectively.</p> <p>In terms of gender representation, the current Board consists of five male and one female (83% male and 17% female), and, as among the Independent Directors, the female gender representation is 33%.</p> <p>In terms of qualifications and competencies, members of the Board include seasoned professionals in business management and strategic planning. The Board believes that its members' different backgrounds, experience, age, tenure of service, and skillsets provide a diversity of perspectives which contributes to the quality of its decision-making. The profiles of the Directors are on pages 4 to 6 of the Annual Report.</p> <p>The Company remains committed to implementing its Board diversity policy and any further progress made towards the implementation of such policy will be disclosed in future Corporate Governance Reports, as appropriate.</p>
2.5	Have the Non-Executive Directors met in the absence of key management personnel in the last financial year?	The Non-Executive Directors have met at least once in the absence of key management personnel in FY2024. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.
Chairman and Chief Executive Officer		
3.1 3.2	Are the duties between Chairman and Chief Executive Officer ("CEO") segregated?	<p>The roles of the Chairman and the Managing Director are separate to ensure a clear division of their responsibilities, increased accountability and greater capacity of the Board for independent decision making. The Chairman is not related to the Managing Director.</p> <p>Mr Chee, the Non-Independent Non-Executive Chairman, leads the Board and facilitates its effectiveness on all aspects of its role. Mr Chee, in consultation with the Managing Director, schedules and sets the agenda for Board meetings. In addition, he sets guidelines on and ensures quality, quantity, accurateness, and timeliness of information flow between the Board, Management and shareholders of the Company. He encourages and builds constructive relations between the Board and Management, and facilitates the effective contribution of the Non-Executive Directors. He also undertakes a leading role in ensuring the Company's compliance with corporate governance guidelines.</p> <p>Mr Lee, the Managing Director, is responsible for the execution of the Company's strategies and policies made by the Board, and oversees the Company's daily operations.</p>

CORPORATE GOVERNANCE

Provision	Code and/or Guide Description	Company's Compliance or Explanation															
Board Membership																	
4.1	What are the duties of the NC?	<p>The NC is guided by key terms of reference as follows:</p> <ol style="list-style-type: none"> 1. to review, assess, make recommendations to the Board on the appointment of directors, including making recommendations on the composition of the Board and provide all newly appointed directors a formal letter setting out his or her terms of engagement, duties and obligations; 2. to regularly review the Board structure, size and composition having regard to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender and knowledge of the Company and the core competencies of the directors as a group; and make recommendations to the Board with regard to any adjustments that may be deemed necessary; 3. to review, assess and recommend nominees or candidates for appointment or re-election to the Board, and to consider his or her competencies, commitment, contribution, performance and whether he/she is independent; 4. to make plans for succession, in particular for the Chairman of the Board, Managing Director and key management personnel; 5. to prepare and recommend, for approval of the Board, written guidelines on the division of responsibilities of the Chairman of the Board and the Managing Director; 6. to determine, on an annual basis whether a director is independent; 7. to recommend directors who are retiring by rotation to be put forward for re-election; 8. to decide whether or not a director is able to and has been adequately carrying out his or her duties as a director of the Company, particularly when he has multiple listed company board representations and/or other principal commitments; 9. to recommend to the Board internal guidelines to address the competing time commitments faced by directors who serve on multiple listed company boards and the maximum number of listed company board representations which any Director may hold, if deemed appropriate; 10. to assess the effectiveness of the Board as a whole, and Board Committees and the contribution of each individual director to the effectiveness of the Board; and 11. to review the training and development programs for the Board. 															
4.3	Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.	<table border="1"> <thead> <tr> <th colspan="3">Table 4.3(a) – Process for the Selection and Appointment of New Directors</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Determination of selection criteria</td> <td> <ul style="list-style-type: none"> • The NC, in consultation with the Board, would identify the current needs of the Board in terms of skills/experience/knowledge to complement and strengthen the Board. </td> </tr> <tr> <td>2.</td> <td>Search for suitable candidates</td> <td> <ul style="list-style-type: none"> • The NC would consider candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary. </td> </tr> <tr> <td>3.</td> <td>Assessment of shortlisted candidates</td> <td> <ul style="list-style-type: none"> • The NC would deliberate on the competencies of each shortlisted candidate against the needs of the Board to select a candidate for the directorship role. </td> </tr> <tr> <td>4.</td> <td>Appointment of Director</td> <td> <ul style="list-style-type: none"> • The NC would recommend the selected candidate to the Board for consideration and approval. </td> </tr> </tbody> </table>	Table 4.3(a) – Process for the Selection and Appointment of New Directors			1.	Determination of selection criteria	<ul style="list-style-type: none"> • The NC, in consultation with the Board, would identify the current needs of the Board in terms of skills/experience/knowledge to complement and strengthen the Board. 	2.	Search for suitable candidates	<ul style="list-style-type: none"> • The NC would consider candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary. 	3.	Assessment of shortlisted candidates	<ul style="list-style-type: none"> • The NC would deliberate on the competencies of each shortlisted candidate against the needs of the Board to select a candidate for the directorship role. 	4.	Appointment of Director	<ul style="list-style-type: none"> • The NC would recommend the selected candidate to the Board for consideration and approval.
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		<table border="1" data-bbox="719 405 1434 757"> <thead> <tr> <th colspan="3" data-bbox="727 416 1426 445"><i>Table 4.3(b) – Process for the Re-election of Incumbent Directors</i></th> </tr> </thead> <tbody> <tr> <td data-bbox="727 456 775 495">1.</td> <td data-bbox="783 456 979 495">Assessment of Director</td> <td data-bbox="987 456 1426 622"> <ul style="list-style-type: none"> • The NC would assess the performance of the Director in accordance with the performance criteria set by the Board; and • The NC would also consider the current needs of the Board. </td> </tr> <tr> <td data-bbox="727 633 775 663">2.</td> <td data-bbox="783 633 979 672">Re-appointment of Director</td> <td data-bbox="987 633 1426 745"> <ul style="list-style-type: none"> • Subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the Director to the Board for its consideration and approval. </td> </tr> </tbody> </table> <p data-bbox="719 792 1434 958">Rule 720(4) of the Catalist Rules and Article 109 of the Company's Constitution requires one-third of directors to retire from office and submit themselves for re-nomination and re-election at the Company's forthcoming AGM, at least once every three years. In addition, Article 119 of the Company's Constitution provides that a director newly appointed by the Board must submit himself or herself for re-election at the AGM following his or her appointment.</p> <p data-bbox="719 987 1434 1126">The NC is of the view that each individual director has contributed to the effectiveness of the Board as a whole and has recommended the re-election of Mr Lee and Mr Lau pursuant to Rule 720(4) of the Catalist Rules and Article 109 of the Company's Constitution, and the re-election of Ms Heng pursuant to Article 119 of the Company's Constitution as aforementioned.</p> <p data-bbox="719 1155 1434 1514">Mr Lee is the Managing Director and controlling shareholder of the Company. Mdm Koh Moi Huang ("Mdm Koh"), a substantial shareholder of the Company, is the spouse of Mr Lee. Save as aforementioned, Mr Lee does not have any other relationships including immediate family relationships between himself and the Directors, the Company and its 5% shareholders. Save for his non-controlling shareholding interest in the Company's substantial shareholder, Golden Wang Pte. Ltd., Mr Lau does not have any other relationships including immediate family relationships between himself and the Directors, the Company and its other 5% shareholders. Ms Heng does not have any relationships including immediate family relationships between herself and the Directors, the Company and its 5% shareholders. The detailed information of these directors, including information as required under Appendix 7F of the Catalist Rules can be found on pages 30 to 34 of this Annual Report.</p> <p data-bbox="719 1543 1434 1738">Mr Lee will, upon re-election as a Director of the Company remain as Managing Director of the Company, and a member of the NC and IRC. Mr Lau will, upon re-election as a Director of the Company, remain as a Non-Executive Director. Mr Lau will be considered non-independent for the purposes of Rule 704(7) of the Catalist Rules. Ms Heng will, upon re-election as a Director of the Company remain as a Chairman of the NC and a member of the ARC and RC. Ms Heng will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.</p> <p data-bbox="719 1767 1434 1823">Mr Lee, Mr Lau and Ms Heng had abstained from participating in the discussion and recommendation on their respective nominations.</p>	<i>Table 4.3(b) – Process for the Re-election of Incumbent Directors</i>			1.	Assessment of Director	<ul style="list-style-type: none"> • The NC would assess the performance of the Director in accordance with the performance criteria set by the Board; and • The NC would also consider the current needs of the Board. 	2.	Re-appointment of Director	<ul style="list-style-type: none"> • Subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the Director to the Board for its consideration and approval.
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4.5	(a) What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?	The Board has not capped the maximum number of listed company board representations each Director may hold.
	(b) If a maximum has not been determined, what are the reasons?	The NC is of the view that such multiple listed board representations do not hinder the Directors from carrying out their duties as directors of the Company. These directors, through their directorships in other listed companies would also widen the experience of the Board and give it a broader perspective. The NC does not think that it is necessary to set the maximum number of listed board representations that any Director may hold as all the Directors are able to devote sufficient time and attention to the Company's affairs in light of their commitments. Also, setting a cap might deter the service of a good director candidate.
	(c) What are the specific considerations in deciding on the capacity of directors?	<p>The considerations in assessing the capacity of Directors include the following:</p> <ul style="list-style-type: none"> • Expected and/or competing time commitments of Directors; • Geographical location of Directors; • Size and composition of the Board; and • Nature and scope of the Group's operations and size. <p>The measures and evaluation tools in place to assess the performance and consider competing time commitments of the Directors include the following:–</p> <ul style="list-style-type: none"> • Declarations by individual Directors of their other listed company board directorships and principal commitments; • Annual confirmations by each Director on his or her ability to devote sufficient time and attention to the Company's affairs, having regard to his or her other commitments; and • Assessment of the Directors' performance based on the criteria set out in Section 5 of this corporate governance report.
	(d) Have the Directors adequately discharged their duties?	The NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, taking into account the multiple directorships and other principal commitments of each of the Directors (if any), and is satisfied that all Directors have discharged their duties adequately for FY2024.
	(e) Please provide Directors' key information.	The key information of the Directors, including their appointment dates, principal commitment(s) and directorships both current and those held in the past 3 years in other company(ies), are set out on pages 4 to 6 of this Annual Report.
PG 4	Are there alternate Directors?	The Company currently does not have any alternate directors.

CORPORATE GOVERNANCE

Provision	Code and/or Guide Description	Company's Compliance or Explanation										
Board Performance												
5.1 5.2	What are the performance criteria set to evaluate the effectiveness of the Board as a whole and its board committees, and for assessing the contribution by each Director to the effectiveness of the Board?	<p>Table 5 sets out the performance criteria, as recommended by the NC and approved by the Board, to be relied upon to evaluate the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution from each Director to the effectiveness of the Board. The evaluations are designed to assess the Board's effectiveness to enable the NC Chairman and Board to identify the areas of improvement or enhancement which can be made to the Board:</p> <table border="1"> <thead> <tr> <th colspan="2"><i>Table 5 – Performance Evaluation Criteria</i></th> </tr> <tr> <th>Board/Individual Directors</th> <th>Performance Criteria</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td> <ol style="list-style-type: none"> 1. Size and composition 2. Board conduct of affairs 3. Internal controls and risk management 4. Board accountability 5. Standards of conduct </td> </tr> <tr> <td>Board Committees</td> <td> <ol style="list-style-type: none"> 1. Membership and appointments 2. Quality of meetings 3. Adequacy of skills and training 4. Reporting to Board 5. Standards of conduct 6. Communications with shareholders </td> </tr> <tr> <td>Individual Directors</td> <td> <ol style="list-style-type: none"> 1. Commitment of time 2. Adequacy of preparation for meetings 3. Initiatives 4. Knowledge and abilities 5. Level of participations 6. Teamwork and effectiveness 7. Independence (if applicable) 8. Disclosure of interested person transactions 9. Declaration of conflict of interest 10. Attendance at Board and Board Committees meetings and general meetings. </td> </tr> </tbody> </table> <p>The NC would review the criteria periodically to ensure that the criteria is able to provide an accurate and effective performance assessment taking into consideration industry standards and the economic climate with the objective to enhance long term shareholders value, and thereafter propose amendments if any, to the Board for approval.</p> <p>The NC did not propose any changes to the performance criteria for FY2024 as compared to the previous financial year as the economic climate, overall Board dynamics and the Group's principal business activities remained similar.</p>	<i>Table 5 – Performance Evaluation Criteria</i>		Board/Individual Directors	Performance Criteria	Board	<ol style="list-style-type: none"> 1. Size and composition 2. Board conduct of affairs 3. Internal controls and risk management 4. Board accountability 5. Standards of conduct 	Board Committees	<ol style="list-style-type: none"> 1. Membership and appointments 2. Quality of meetings 3. Adequacy of skills and training 4. Reporting to Board 5. Standards of conduct 6. Communications with shareholders 	Individual Directors	<ol style="list-style-type: none"> 1. Commitment of time 2. Adequacy of preparation for meetings 3. Initiatives 4. Knowledge and abilities 5. Level of participations 6. Teamwork and effectiveness 7. Independence (if applicable) 8. Disclosure of interested person transactions 9. Declaration of conflict of interest 10. Attendance at Board and Board Committees meetings and general meetings.
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	(a) What was the process upon which the Board reached the conclusion on its performance for the financial year?	<p>The review of the performance of the Board and the Board Committees is conducted by the NC annually. The review of the performance of each Director is also conducted at least annually and when the individual Director is due for re-election.</p> <p>For FY2024, the review process was as follows:</p> <ol style="list-style-type: none"> 1. All Directors individually completed a board evaluation questionnaire on the effectiveness of the Board, the Board Committees, and the individual Directors based on criteria disclosed in Table 5 above; 2. The Company collated and submitted the questionnaire results to the NC Chairman in the form of a report; and 3. The NC discussed the report and concluded the performance results during the NC meeting. <p>All NC members have abstained from the voting or review process of any matters in connection with the assessment of his or her performance.</p> <p>No external facilitator was used in the evaluation process.</p>
	(b) Has the Board met its performance objectives?	Yes, the Board has met its performance objectives for FY2024.
REMUNERATION MATTERS		
Procedures for Developing Remuneration Policies		
6.1 6.3	What is the role of the RC?	<p>The RC is guided by key terms of reference as follows:</p> <ol style="list-style-type: none"> 1. to review and recommend to the Board, in consultation with the Chairman of the Board, a framework of remuneration and to determine the specific remuneration packages and terms of employment for each of the directors and key management personnel of the Group; 2. to recommend to the Board, share-based incentives or awards or any long-term incentive schemes which may be set up from time to time, reviewing whether directors and key management personnel should be eligible for such schemes, evaluating the cost and benefits of such schemes and to do all acts necessary in connection therewith; 3. to carry out its duties in the manner that it deemed expedient, subject to any regulations or restrictions that may be imposed upon the RC by the Board of Directors from time to time; and 4. to ensure all aspects of remuneration, including termination terms, are covered and that the terms are fair.
6.4	Were remuneration consultants engaged in the last financial year?	<p>No remuneration consultants were engaged by the Company in FY2024.</p> <p>The Company is of the view that the annual review by the RC, which includes the referencing of Directors and key management personnel's remuneration against comparable benchmarks and giving due regard to prevailing market conditions as well as the financial, commercial health and business needs of the Group, is currently sufficient to ensure the continued relevance of such remuneration packages to the Group's strategic business objectives and alignment with market practices. The RC will, if necessary, seek advice from external remuneration consultants on remuneration matters.</p>

CORPORATE GOVERNANCE

Provision	Code and/or Guide Description	Company's Compliance or Explanation							
Level and Mix of Remuneration									
7.1	What is the Company's remuneration policy?	The Company's remuneration policy which covers all aspects of remuneration, including but not limited to salaries, allowances, benefits-in-kind and bonuses, is one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. The policy articulates to staff the link that total compensation has to the achievement of organisational and individual performance objectives, and is benchmarked against relevant and comparative compensation in the market.							
7.1 7.3	Please describe how the remuneration received by Executive Directors and key management personnel has been determined by the performance criteria.	The remuneration received by the executive director(s) and key management personnel takes into consideration his or her individual performance and contribution towards the overall performance of the Group for FY2024. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary, fixed allowance and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.							
	What were the performance conditions used to determine their entitlement under the short-term and long-term incentive schemes?	<p>The following performance conditions for short-term incentives such as performance bonus were chosen for the Group to remain competitive and to motivate the executive director(s) and key management personnel to work in alignment with the goals of all stakeholders:</p> <table border="1" data-bbox="722 992 1430 1283"> <thead> <tr> <th><i>Table 7 – Performance Conditions for Short-term Incentives (such as performance bonus)</i></th> </tr> </thead> <tbody> <tr> <td>1. Leadership</td> </tr> <tr> <td>2. People development</td> </tr> <tr> <td>3. Commitment</td> </tr> <tr> <td>4. Teamwork</td> </tr> <tr> <td>5. Current market and industry practices</td> </tr> <tr> <td>6. Macro-economic factors</td> </tr> </tbody> </table>	<i>Table 7 – Performance Conditions for Short-term Incentives (such as performance bonus)</i>	1. Leadership	2. People development	3. Commitment	4. Teamwork	5. Current market and industry practices	6. Macro-economic factors
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1. Leadership									
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6. Macro-economic factors									
	Were all of these performance conditions met? If not, what were the reasons?	Yes, the RC has reviewed and is satisfied that the performance conditions were met for FY2024.							
7.2	Remuneration Structure of Non-Executive Directors	<p>The total remuneration of the Non-Executive Directors is reviewed annually, giving due regard to the financial and commercial health and business needs of the Group. Each of the Non-Executive Directors receives a base director fee. Non-Executive Directors who serve on the various Board Committees also receive additional fees in respect of each Board Committee that they serve on, with the Chairmen of the Board Committees receiving a higher fee in respect of their service as the Chairman of the respective Board Committees. The fees are subject to shareholders' approval at a general meeting. The fees for the financial year in review are determined in the current financial year, proposed by the Management, submitted to the RC for review and thereafter recommended to the Board for approval.</p> <p>The remuneration of Non-Executive Directors takes into consideration his or her effort made, time spent and responsibilities in the Board and Board Committees. The RC has reviewed and assessed that the remuneration of the Non-Executive Directors for FY2024 is appropriate, considering the effort, time spent and responsibilities.</p>							

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8.1 (a) 8.3	Has the Company disclosed each Director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	<p>The breakdown for the remuneration of the Directors for FY2024 is as follows:</p> <table border="1"> <caption>Table 8.1(a) – Directors' Remuneration</caption> <thead> <tr> <th rowspan="2">Name</th> <th colspan="2">Directors Fees</th> <th colspan="2">Salary</th> <th colspan="2">Bonus</th> <th colspan="2">Total</th> </tr> <tr> <th>S\$'000</th> <th>%</th> <th>S\$'000</th> <th>%</th> <th>S\$'000</th> <th>%</th> <th>S\$'000</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Mr Lee</td> <td>–</td> <td>–</td> <td>924</td> <td>99.8</td> <td>2</td> <td>0.2</td> <td>926</td> <td>100.0</td> </tr> <tr> <td>Mr Chee</td> <td>32</td> <td>100.0</td> <td>–</td> <td>–</td> <td>–</td> <td>–</td> <td>32</td> <td>100.0</td> </tr> <tr> <td>Mr Hu</td> <td>37</td> <td>100.0</td> <td>–</td> <td>–</td> <td>–</td> <td>–</td> <td>37</td> <td>100.0</td> </tr> <tr> <td>Mr Chua</td> <td>27</td> <td>100.0</td> <td>–</td> <td>–</td> <td>–</td> <td>–</td> <td>27</td> <td>100.0</td> </tr> <tr> <td>Ms Heng</td> <td>20</td> <td>100.0</td> <td>–</td> <td>–</td> <td>–</td> <td>–</td> <td>20</td> <td>100.0</td> </tr> <tr> <td>Mr Lau</td> <td>17</td> <td>100.0</td> <td>–</td> <td>–</td> <td>–</td> <td>–</td> <td>17</td> <td>100.0</td> </tr> </tbody> </table> <p>There is no termination, retirement or post-employment benefits granted to the Directors and the Managing Director.</p> <p>The Company does not have any employee share option or other long-term employee incentive scheme.</p>	Name	Directors Fees		Salary		Bonus		Total		S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	Mr Lee	–	–	924	99.8	2	0.2	926	100.0	Mr Chee	32	100.0	–	–	–	–	32	100.0	Mr Hu	37	100.0	–	–	–	–	37	100.0	Mr Chua	27	100.0	–	–	–	–	27	100.0	Ms Heng	20	100.0	–	–	–	–	20	100.0	Mr Lau	17	100.0	–	–	–	–	17	100.0
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8.1(b)	<p>(i) Has the Company disclosed each key management personnel's remuneration, in bands of S\$250,000 or more in detail, as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?</p> <p>(ii) Please disclose the aggregate remuneration paid to the top five key management personnel (who are not Directors or the CEO).</p>	<p>The breakdown for the remuneration of the Company's top 5 key management personnel (who are not Directors or the Managing Director) for FY2024 is as follows:</p> <table border="1"> <caption>Table 8.1(b) – Remuneration of Key Management Personnel</caption> <tbody> <tr> <td>Below \$250,000</td> </tr> <tr> <td>Han Jing</td> </tr> <tr> <td>Dong Fagen</td> </tr> <tr> <td>Cindy Lee</td> </tr> <tr> <td>AndyLee</td> </tr> <tr> <td>Desmond Ling</td> </tr> </tbody> </table> <p>The Company has not disclosed the breakdown of the remuneration paid to its top 5 key management personnel as it is of the opinion that it is not in the best interests of the Company and the employees to disclose such details due to the sensitive nature of such information.</p> <p>There is no termination, retirement or post-employment benefits granted to the top 5 key management personnel.</p> <p>The Company does not have any employee share option or other long-term employee incentive scheme.</p> <p>The total remuneration paid to the top 5 key management personnel for FY2024 was S\$585,000.</p>	Below \$250,000	Han Jing	Dong Fagen	Cindy Lee	AndyLee	Desmond Ling																																																																	
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Provision	Code and/or Guide Description	Company's Compliance or Explanation
8.2	Is there any employee who is a substantial shareholder of the Company, or an immediate family member of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the last financial year? If so, please identify the employee and specify the relationship with the relevant Director or the CEO.	Save for Cindy Lee (" Ms Lee ") and Andy Lee who are the daughter and son of the Company's Managing Director, Mr Lee, respectively, there is no other employee of the Group who is a substantial shareholder of the Company, or an immediate family member of a Director, Managing Director, or a substantial shareholder of the Company whose remuneration exceeds S\$100,000 in FY2024. The remunerations of Ms Lee and Andy Lee for FY2024 were within the band of S\$100,000 to S\$150,000.
8.3	(a) Please provide details of the employee share scheme(s).	The Company does not have an employee share scheme in FY2024 as the Company is of the view that performance bonuses are sufficient to reward high-performing employees for the time being given the current nature and scope of the Group's operations and size. The RC will periodically review the Company's remuneration tools and assess if share-based incentive schemes should be adopted going forward, giving due consideration to factors such as the prevailing market practice, Company's share price, size and scope of the Group's operations and relevant tax implications.
	(b) Are "claw-back" provisions provided for in the service agreements of Executive Directors and key management personnel?	The Company currently does not have any contractual provisions which allow it to reclaim incentives from the executive director and key management personnel in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the Group and/or Company (and not on forward-looking results) as well as the actual performance results of its executive director and key management personnel, "claw-back" provisions in the service agreements may not be relevant or appropriate.
ACCOUNTABILITY AND AUDIT		
Risk Management and Internal Controls		
9.1	Risk governance by the Board, identification of the Group's risks and management of risks	The Board, with the assistance of the ARC, is responsible for the overall risk governance, risk management and internal control systems and framework of the Group. The Board determines the nature and extent of significant risks which the Company is willing to take in achieving its strategic objectives. The Managing Director meets with key management personnel on a weekly basis to discuss operational, business and strategic matters. During these meetings, key projects and operational risks are identified and discussed, along with proposed mitigating measures to address these risks to ensure residual risks are mitigated to an acceptable level. Follow-ups are then performed in subsequent meetings to ensure mitigating actions are executed. Any significant issues identified from these meetings are brought to the attention of the Board and ARC. For FY2024, the Board and ARC has reviewed that the Group's key risks largely lie in the area of operational, information technology and data security, compliance and financial. They have been mitigated by way of enhancing and improving the Group's existing risk management and internal controls framework.

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Provision	Code and/or Guide Description	Company's Compliance or Explanation
9.2	<p>(a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.</p>	<p>The Board and the ARC are of the view that the Company's internal controls (including financial, operational, compliance, information technology controls and sustainability) and risk management systems were adequate and effective for FY2024.</p> <p>The bases for the Board and ARC's views are as follows:</p> <ol style="list-style-type: none"> 1. Assurance has been received from the Managing Director and Assistant Finance Manager (refer to Section 9.2(b) below); 2. Internal audits have been performed by the internal auditors ("IA") and significant matters highlighted to the ARC and key management personnel were appropriately addressed; 3. Key management personnel regularly evaluates, monitors and reports to the ARC on material risks; 4. Discussions were held between the ARC and the EA and the IA in the absence of the key management personnel to review and address any potential concerns; 5. Risk appetite statements with tolerance limits have been approved by the Board to contain risks within acceptable levels; and 6. ARC has spoken with the IA and EA and noted that there were no exceptional matters to be reported. <p>The Company considers sustainability as an important consideration for its operations and decision-making and is gradually implementing appropriate policies and programmes in phases.</p>
	<p>(b) In respect of the past 12 months, has the Board received assurance from the CEO and the Chief Financial Officer ("CFO") as well as the IA that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?</p>	<p>Yes, the Board has obtained such assurance from the Managing Director and Assistant Finance Manager in respect of FY2024 (the "Assurance").</p> <p>The Board has relied on the Assurance and the EA's report as set out in this Annual Report as assurance that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operating results and financial position.</p> <p>The Board has additionally relied on IA's report issued to the Company for FY2024 as assurance that the Company's risk management and internal control systems are effective.</p>
Audit Committee		
10.1 10.2 10.3	<p>What is the composition and the role of the ARC?</p>	<p>All members of the ARC are independent and non-executive directors who do not have relationships with any substantial shareholder of the Company; and do not have any management and business relationships with the Company. None of the ARC members were previous partners or directors of the Company's external audit firm within the last two years and none of the ARC members hold any financial interest in the external audit firm.</p> <p>The ARC is guided by the following key terms of reference:</p> <ol style="list-style-type: none"> 1. to review with the EA their audit plan, their evaluation of the system of internal accounting controls, their audit report and their management letter and the Management's response; 2. to ensure co-ordination where more than one audit firm is involved; 3. to review the half-yearly and annual financial statements before submission to the Board for approval; 4. to review any formal announcement relating to the Company's financial performance; 5. to discuss problems and concerns, if any, arising from the interim and final audits, in consultation with the EA and IA where necessary; 6. to meet with the EA and with the IA without the presence of Management, at least annually, to discuss any problems and concerns they may have;

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Provision	Code and/or Guide Description	Company's Compliance or Explanation
		<ol style="list-style-type: none"> 7. to review the assistance given by Management to the EA; 8. to review annually the scope and results of the external audit and its cost effectiveness as well as the independence and objectivity of the EA. Where the EA also provides non-audit services to the Company, to review the nature and extent of such services, in order to balance the maintenance of objectivity and value for money, and to ensure that the independence of the EA would not be affected; 9. to review the internal audit programme and the adequacy and effectiveness of the Company's internal audit function, as well as to ensure coordination between the IA and EA and the Management; 10. to review the adequacy and effectiveness of the Company's internal control system, including financial, operational, compliance and information technology controls and to report to the Board annually; 11. to review the scope and results of the internal audit procedures including the effectiveness of the internal audit function and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company; 12. to review and discuss with the EA, any suspected fraud or irregularity, or suspected infringement of any law, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and Management's response; 13. to investigate any matter within its Terms of Reference, with full access to and co-operation by Management and full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly; 14. to review arrangements by which staff of the Company, may in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow up actions to be taken; 15. to report to the Board its findings from time to time on matters arising and requiring the attention of the Board; 16. to review interested person transactions falling within the scope of the Catalist Rules; 17. to recommend to the Board the appointment, re-appointment and removal of the EA and approve the remuneration and terms of engagement of the EA; 18. to review the audit representation letters before consideration by the Board; 19. to review and advise the Board in formulating its risk policies including the parameters for risk assessments and methodology to be adopted; 20. to oversee the Management in the design and implementation and monitoring of the risk management system; 21. to determine the Company's level of risk tolerance; 22. to develop and guide the Board in establishing a process of effectively identifying and managing the implications of risks tolerance in internal controls and strategic transactions to be undertaken by the Company; 23. to oversee and advise the Board on the current risk exposures, overall risk tolerance, and overall risk strategy of the Company; 24. to annually review the adequacy and effectiveness of the Company's risk management system, including the overall risk assessment processes;

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Provision	Code and/or Guide Description	Company's Compliance or Explanation
		<p>25. to review periodically the risk limits established by the Company and where applicable, report on any material breach of such limits and the adequacy of proposed action(s) to be taken, and if necessary, make recommendations on further action to be taken;</p> <p>26. to recommend to the Board the statements to be included in the Company's annual report concerning the adequacy and effectiveness of the Company's internal control and risk management systems;</p> <p>27. to monitor the independence of the risk management function throughout the organisation;</p> <p>28. to review and monitor Management's responsiveness to EA's and IA's findings and proposed mitigating efforts undertaken by Management;</p> <p>29. to undertake such other reviews and projects as may be requested by the Board;</p> <p>30. to review assurance from the Managing Director and the Assistant Finance Manager on the financial records and financial statements;</p> <p>31. to undertake such other functions and duties as may be required by statute, the Code or the Catalist Rules;</p> <p>32. to oversee and monitor whistle-blowing function and reports;</p> <p>33. ensure that sustainability reporting integrates the process of monitoring and control;</p> <p>34. review the policy and arrangements for concerns of possible improprieties in sustainability reporting, including its monitoring and control, or other matters to be safely raised, independently investigated and appropriately followed upon;</p> <p>35. review the annual sustainability report before submission to the Board for approval;</p> <p>36. report to the Board its findings from time to time on matters arising and requiring the attention of the ARC;</p> <p>37. undertake sustainability related functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time. To undertake such other functions and duties as may be required by statute, the Code or the Catalist Rules, and by such amendments made thereto from time to time;</p> <p>38. review and ensure that the Group meets current and future requirements for external assurance on the sustainability report, where such external assurance is engaged;</p> <p>39. procure the provider of external assurance for sustainability report when the need arises;</p> <p>40. ensure that the provider of external assurance has direct and unrestricted access to the Chairman of the Board and the ARC; and</p> <p>41. where external assurance is engaged, evaluate the performance of the provider of external assurance and recommend to the Board (i) the proposal to the shareholders on the appointment/re-appointment and removal of the external assurance provider; and (ii) the remuneration and terms of engagement of the external assurance provider.</p> <p>In the review of the financial statements for FY2024, the ARC has discussed with the Management and the EA on the following key audit matter that has been identified for FY2024;</p> <p>1. Revenue recognition on construction contracts.</p> <p>The ARC has considered the approach and the procedures carried out by the EA during their audit. Following the discussions, the ARC is satisfied that the matter has been properly dealt with and properly supported by audit evidence.</p>

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Provision	Code and/or Guide Description	Company's Compliance or Explanation
10.2	Are the members of the ARC appropriately qualified to discharge their responsibilities?	Yes. Mr Hu is a certified public accountant and a member of the Institute of Singapore Chartered Accountants (ISCA) and a partner of an audit firm; Mr Chua was the managing director of an engineering consultant firm for more than 20 years, during which he gained experience in overseeing and implementing internal control measures to ensure operational efficiency and regulatory compliance; and Ms Heng is also a Fellow Chartered Accountant with the ISCA and ASEAN Chartered Professional Accountant (ASEAN CPA) and she has many years of experience as AC chairman and AC member in various listed companies. The Board believes that the ARC members are appropriately qualified to discharge their responsibilities.
10.5	Has the ARC met with the auditors in the absence of key management personnel?	Yes, the ARC has met with the IA and the EA at least once in the absence of key management personnel in FY2024.
10.1	Does the Company have a whistle-blowing policy?	<p>Yes. The Company has put in place a whistle-blowing framework, endorsed by the ARC. The whistle-blowing framework provides the avenue where employees of the Company may, in good faith and in confidence, raise concerns or observations about possible improprieties in financial reporting or other matters directly to members of the ARC. Copies of the whistle-blowing policy and procedures, including the contact details of the members of the ARC, have been made available to all employees. In the event that a whistle-blowing report is made against a Director, that Director will not be involved in the review and any decision making in respect of that whistle-blowing incident. The policy has a well-defined process which ensures independent investigation of possible improprieties with appropriate follow up action and provides assurance that complainants will be protected from retaliatory action within the limit of laws. The Company is committed in ensuring that no person should suffer reprisal or unfair treatment as a result of reporting a genuine concern made in good faith, even if they turn out to be mistaken and ensure that the identity of the whistle-blower will not be disclosed without prior consent (except where disclosure obligations are required under applicable laws and/or regulations). Where concerns are unable to be resolved without revealing the identity of the whistle-blower (e.g., if their evidence is required in court), a dialogue will be entered into with the whistle-blower as to whether and how to proceed.</p> <p>The ARC is responsible for oversight and monitoring of whistle-blowing and the ARC reviews all whistle-blowing complaints, if any, as soon as practicable to ensure independence through investigation and appropriate follow-up actions are taken.</p> <p>The ARC has the power to conduct or authorise investigations into any matter within the ARC's scope of responsibility. If it deems appropriate, independent advisors will be engaged at the Group's expense. No whistle-blowing reports were received for FY2024. Should there be any whistle-blowing cases reported, such cases would be handled in accordance with the Company's whistle-blowing policy. All complaints will be treated as confidential and handled directly by the ARC.</p> <p>The ARC will review the whistle-blowing policy and determine if it should be extended to external parties in FY2025.</p>

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Provision	Code and/or Guide Description	Company's Compliance or Explanation
Internal Audit		
10.4	Please provide details of the Company's internal audit function, if any.	<p>The Company's internal audit function is outsourced to Wensen Consulting Asia (S) Pte. Ltd. ("Wensen") that reports directly to the ARC Chairman on internal audit matters and to the Managing Director on administrative matters. The ARC is responsible for the hiring, removal, evaluation and compensation of the accounting or auditing firm or corporation which the internal audit function of the Company is outsourced to.</p> <p>The ARC reviews and approves the internal audit plan to ensure the adequacy of the scope of internal audit. Wensen has unfettered access to all the Group's documents, records, properties, and personnel, including the ARC. The ARC is satisfied that Wensen is independent, effective and adequately qualified (given, <i>inter alia</i>, its adherence to standards set by nationally/internationally recognised professional bodies) and resourced, and has the appropriate standing in the Company as demonstrated by its capacity to discharge its duties effectively.</p>
SHAREHOLDER RIGHTS AND ENGAGEMENT		
Shareholder Rights and Conduct of General Meeting		
11.1 11.2	(a) Are shareholders informed of the rules, including voting procedures, that govern general meetings of shareholders?	Shareholders are entitled to attend the general meetings of shareholders and are afforded the opportunity to participate effectively in and vote at general meetings of shareholders. An independent polling agent is appointed by the Company for general meetings who will explain the rules, including the voting procedures, that govern the general meetings of shareholders. All resolutions are tabled separately unless they are interdependent and linked, and the reasons and material implications are explained to shareholders.
11.1 11.4	(b) Are corporations which provide nominee or custodial services allowed to appoint more than two proxies?	<p>The Company's Constitution allows a shareholder to appoint up to two proxies to attend and vote in the shareholder's place at the general meetings of shareholders. Pursuant to the introduction of the multiple proxies regime under the Companies Act 1967, indirect investors who hold the Company's shares through a nominee company or custodian bank or through a Central Provident Fund agent bank may attend and vote at general meetings.</p> <p>Provision 11.4 of the Code provides that a company's constitution should allow for absentia voting at general meetings of shareholders (such as via mail, email or fax). Due to ongoing concerns regarding the authentication of shareholder's identity information and other related security issues, the Company has decided, for the time being, not to implement voting in absentia.</p>
11.3 11.5 13.3	How are the general meetings of shareholders conducted?	<p>The Company requires all Directors (including the respective chairman of the Board Committees) to be present at all annual general meetings of shareholders, unless in situation of exigencies. The EA is also required to be present to address shareholders' queries about the conduct of audit and the preparation and content of the independent auditor's report.</p> <p>The Directors present at the AGM held on 25 April 2024 were Mr Lee, Mr Chee, Mr Hu, Mr Chua and Mr Lau.</p> <p>All resolutions will be put to vote by poll, and their detailed results will be announced via SGXNET after the conclusion of the general meeting.</p> <p>All minutes of general meetings will be announced via SGXNet within one (1) month from the date of the general meetings.</p> <p>Currently, the Company does not have any corporate website. The Company will consider publishing the minutes on the corporate website when available.</p>

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11.6	Does the Company have a dividend policy?	<p>The Company does not have a fixed dividend policy. In considering the declaration of dividends, the Company will take into consideration the Group's profit growth, cash position, cash flows, projected capital requirements for business growth and other factors as the Board may deem relevant.</p> <p>The Board has not declared or recommended dividends for FY2024 as the Group would like to preserve resources for exploration of new business opportunities should they arise.</p>
Engagement with Shareholders		
12.2 12.3	Does the Company have an investor relations policy?	The Company currently does not have an investor relations policy but considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arises. Shareholders with questions may contact Ms Lee, the Company's Admin and Corporate Affairs Director, by telephone call or email as stated in the Corporate Information section of the Annual Report.
12.1	(a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?	<p>In line with the continuous disclosure obligations under the relevant Catalist rules, the Board informs shareholders promptly of all major developments that may have a material impact on the Group in a timely manner. Half-year and full year results and other major developments of the Company are published through the SGXNet, as required by the Catalist Rules, and/or press releases, where deemed necessary. The Company ensures that price-sensitive information is publicly released, and is announced within the mandatory period.</p> <p>In addition, if the need arises, the Company may organise media/analyst briefings to enable a better appreciation of the Group's performance and developments, which will also act as platforms to solicit and understand the views of shareholders and investors.</p>
	(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?	The Company does not have a dedicated investor relations team. Ms Lee, the Company's Admin and Corporate Affairs Director, is responsible for the Company's communication with shareholders.
	(c) How does the Company keep shareholders informed of corporate developments, apart from SGXNET announcements and the annual report?	Apart from the SGXNet announcements and its annual report, the Company may release press releases or organise media/analyst briefings to keep shareholders informed of corporate developments.
MANAGING STAKEHOLDERS RELATIONSHIPS		
Engagement with Stakeholders		
13.1 13.2	Does the company have arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups?	<p>The Company has identified its material stakeholder groups and has disclosed its engagement methods with these stakeholders in the Sustainability Report as set out on pages 35 to 42 of this Annual Report.</p> <p>The minutes of the AGM which capture the attendance of the Board members at the meeting, matters approved by shareholders and voting results will be prepared by the Company. The minutes of the AGM for FY2024 will be released on the SGXNet within one month after the AGM.</p>

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COMPLIANCE WITH APPLICABLE CATALIST RULES		
Catalist Rule	Rule Description	Company's Compliance or Explanation
720(5)	Information relating to Directors seeking re-election	The information relating to the Directors seeking re-election as per Appendix 7F of the Catalist Rules are set out in the Appendix 7F Requirements table on pages 30 to 34 of this Annual Report.
1204(6)(A)	Non-audit fees	Please refer to Note 22 of the Notes to the Financial Statements on page 71 of this Annual Report for the breakdown of the fees paid to the EA for audit and non-audit services for the financial year.
1204(6)(B)	Independence of the External Auditors ("EA")	The ARC has reviewed the non-audit services provided by the EA and is satisfied that the nature and extent of such services would not prejudice the independence of the EA, and has recommended the re-appointment of the EA at the forthcoming AGM. The non-audit services rendered by the EA during FY2024 were not substantial.
1204(6)(C)	Appointment of Auditors	The Company confirms its compliance with the Rules 712 and 715 of the Catalist Rules in relation to the appointment of its EA.
1204(8)	Material Contracts	There was no material contracts entered into by the Group involving the interest of the Managing Director, any Director, or controlling shareholder, which are either still subsisting at the end of FY2024 or if not then subsisting, entered into since the end of the previous financial year.
1204(10)	Confirmation of adequacy of internal controls	The Board and the ARC are of the opinion that the internal controls are adequate to address the financial, operational, compliance and information technology risks which the Group considers relevant and material to its current business scope and environment based on the following: <ul style="list-style-type: none"> internal controls and the risk management system established by the Company; work performed by the IA and EA; assurance from the Managing Director and Assistant Finance Manager; and reviews done by the various Board Committees and key management personnel.
1204(10)(B)	Adequacy of internal audit function	The ARC is of the opinion that the internal audit function is independent, effective and adequately resourced.
1204(17)	Interested Persons Transaction ("IPT")	The Group has procedures governing all IPTs to ensure that they are properly documented and reported in a timely manner to the ARC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. There were no IPTs transacted during FY2024.
1204(19)	Dealing in Securities	The Company has adopted a code of conduct to provide guidance to its officers in relation to dealings in the Company's securities. The Company, directors, officers and staff of the Group are not allowed to deal in the Company's securities during the period commencing one month before the announcement of the Company's full year or half-year results and ending on the date of the announcement of such results and at any time they are in possession of unpublished material price sensitive information in relation to these securities. Officers are also advised not to deal in the Company's securities on short-term considerations.
1204(21)	Non-sponsor fees	No non-sponsor fees were paid/payable to the Company's continuing sponsor, PrimePartners Corporate Finance Pte. Ltd. during FY2024.

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Information required under Appendix 7F of the Catalist Rules for Re-election of Directors under Rule 720(5) of the Catalist Rules

Appendix 7F Requirements			
Name of Director	Mr Lee Eng	Mr Lau Choo Yew	Ms Heng Su-Ling Mae
Date of Initial Appointment	13 July 1996	9 February 2015	6 May 2024
Date of last re-appointment	28 April 2023	28 April 2022	Not applicable
Age	74	64	54
Country of principal residence	Singapore	Brunei	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The NC has recommended and the Board has approved the re-election of Mr Lee as the Managing Director after evaluating his qualification, expertise, past experiences and overall contribution to the effectiveness of the Board as a whole.	The NC has recommended and the Board has approved the re-election of Mr Lau as a Non-Independent Non-Executive Director after evaluating his qualification, expertise, past experiences and overall contribution to the Company and to the effectiveness of the Board as a whole.	The NC has recommended and the Board has approved the re-election of Ms Heng as an Independent Non-Executive Director after evaluating her qualification, expertise, past experiences and overall contribution to the Company and to the effectiveness of the Board as a whole.
Whether the appointment is executive, and if so, the area of responsibility	Executive As Managing Director, Mr Lee is responsible for the execution of the Company's strategies and policies set by the Board, and the management of the Company's daily operations.	Non-executive	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	<ul style="list-style-type: none"> Managing Director IRC Chairman NC Member 	<ul style="list-style-type: none"> Non-Independent Non-Executive Director 	<ul style="list-style-type: none"> Independent Non-Executive Director NC Chairman ARC and RC Member
Professional qualifications	Diploma in Engineering	Honours Degree in Bachelor of Building	Bachelor of Accountancy
Working experience and occupation(s) during the past 10 years	1981 to Present Managing Director and founder of the Group	June 1998 to Present Managing Director of LCY Developments Sdn. Bhd.	June 1992 to November 2008 Senior Manager of Ernst & Young LLP
Shareholding interest in the listed issuer and its subsidiaries	Direct: 170,547,440 ordinary shares Deemed: 28,113,041 ordinary shares	Direct: 620,600 ordinary shares	NIL
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	<ul style="list-style-type: none"> Mdm Koh, substantial shareholder of the Company (spouse of Mr Lee) Ms Lee, Admin and Corporate Affairs Director (daughter of Mr Lee) Mr Andy Lee, Senior Manager (son of Mr Lee) 	Save for his non-controlling shareholding interest in the Company's substantial shareholder, Golden Wang Pte. Ltd., Mr. Lau does not have any other relationships including immediate family relationships between himself and the Directors, the Company and other substantial shareholders.	NIL
Conflict of interest (including any competing business)	NIL	NIL	NIL
Undertaking (in the format set out in Appendix 7H) under Rules 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

CORPORATE GOVERNANCE

Appendix 7F Requirements			
Name of Director	Mr Lee Eng	Mr Lau Choo Yew	Ms Heng Su-Ling Mae
Other Principal Commitments including Directorships	<p>Past (for the last 5 years)</p> <p>Directorships</p> <p><u>Listed companies</u></p> <ul style="list-style-type: none"> Nil <p><u>Non-listed companies</u></p> <ul style="list-style-type: none"> Greenview Residences Pte. Ltd. (<i>Members' voluntary winding-up</i>) <p>Present Directorships</p> <p><u>Listed companies</u></p> <ul style="list-style-type: none"> Nil <p><u>Non-listed companies</u></p> <ul style="list-style-type: none"> Engpro Sdn Bhd D.B. Progen Servicing Pte Ltd Polacel Manufacturing (S.E. Asia) Pte Ltd Progen Industrial Pte Ltd Progen Pte Ltd TSky Balmoral Pte. Ltd. 	<p>Past (for the last 5 years)</p> <p>Directorships</p> <p><u>Listed companies</u></p> <ul style="list-style-type: none"> Nil <p><u>Non-listed companies</u></p> <ul style="list-style-type: none"> Nil <p>Present Directorships</p> <p><u>Listed companies</u></p> <ul style="list-style-type: none"> Nil <p><u>Non-listed companies</u></p> <ul style="list-style-type: none"> LCY Development Sdn Bhd LCY Development (M) Sdn Bhd LCY Development Pty Ltd L&L Real Property Development Pty Ltd L&L One Holdings Pty Ltd L&L One Investment Pty Ltd Imperco Sdn Bhd Golden Dove Sdn Bhd Gamawan Sdn Bhd Golden Wang Holdings Pte Ltd Mega Project Development Sdn Bhd Binajuta Construction Sdn Bhd Binajuta Supplies Sdn Bhd Binajuta Logistics Sdn Bhd LCY One Investments Pty Ltd LCY Property Holding Pty Ltd LCY Mega Development Pty Ltd LCY Project Management Pty Ltd LCY Plumpton Development Pty Ltd LCY Hunter Investments Pty Ltd <p><u>Other Principal Commitments</u></p> <ul style="list-style-type: none"> Sole proprietor, Golden Dove Enterprise Sole proprietor, Golden Dove Contractor Sole proprietor, City One Lodge Partner, LCY Property Management 	<p>Past (for the last 5 years)</p> <p>Directorships</p> <p><u>Listed companies</u></p> <ul style="list-style-type: none"> Novo Tellus Alpha Acquisition (delisted from SGX Main Board on 22 February 2024) Apex Healthcare Berhad <p><u>Non-listed companies</u></p> <ul style="list-style-type: none"> Nil <p>Present Directorships</p> <p><u>Listed companies</u></p> <ul style="list-style-type: none"> Chuan Hup Holdings Limited Grand Venture Technology Limited HRnetGroup Limited ISDN Holdings Limited Ossia International Limited Rex International Holding Limited <p><u>Non-listed companies</u></p> <ul style="list-style-type: none"> Drew & Lee Holdings (Private) Limited Drew & Lee Investment (Private) Limited Drew & Lee Land Pte. Ltd. Rex International Investments Pte. Ltd.

CORPORATE GOVERNANCE

Appendix 7F Requirements			
Name of Director	Mr Lee Eng	Mr Lau Choo Yew	Ms Heng Su-Ling Mae
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No

CORPORATE GOVERNANCE

Appendix 7F Requirements			
Name of Director	Mr Lee Eng	Mr Lau Choo Yew	Ms Heng Su-Ling Mae
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

CORPORATE GOVERNANCE

Appendix 7F Requirements			
Name of Director	Mr Lee Eng	Mr Lau Choo Yew	Ms Heng Su-Ling Mae
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(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</p> <p>(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</p> <p>(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,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No	No
<p>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	No	No	No
Disclosure applicable to the appointment of Director only			
<p>Any prior experience as a director of an issuer listed on the Exchange? (Yes/No)</p> <p>If yes, please provide details of prior experience.</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>	Not applicable, as this is a re-election of a director.	Not applicable, as this is a re-election of a director.	Not applicable as this is a re-election of a director.

SUSTAINABILITY REPORT

About The Report

This Sustainability Report is issued by Progen Holdings Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) and focuses on the environmental, social and governance (“**ESG**”) factors that are identified as material to the businesses of the Group. The reporting period is from 1 January 2024 to 31 December 2024 (“**FY2024**”), which aligns with the financial reporting period of the Group. There is no re-statement of environmental, human capital and community performance. We reviewed sustainability risks related to our business context in FY2024, and our material sustainability factors are consistent and remained unchanged from the prior year. We have not sought external assurance for this sustainability report but have relied on internal verification to ensure data accuracy.

Board Statement

The Board of Directors (“**Board**”) is committed to creating long-term sustainable value and fostering business growth for all stakeholders, both internal and external. The Board oversees the Group’s overall climate-related strategy and is dedicated to conducting business responsibly, thereby enhancing societal well-being while pursuing business sustainability. The Board has integrated sustainability considerations into its business and strategy, identified the key material ESG factors, and has implemented oversight on the governance and reporting of sustainability through this Sustainability Report. Additionally, the Board is responsible in overseeing, managing and monitoring ESG factors.

Sustainability Governance Structure

The Boards sets the tone at the top and is accountable for ensuring that sustainability is embedded in the Group’s strategic planning. At the Board level, the Audit and Risk Committee (“**ARC**”) monitors and controls the management of material sustainability factors and works closely with the Sustainability Committee (the “**Committee**”) to ensure effective implementation of sustainability governance across various management levels. The Committee, chaired by the Managing Director, includes members from various operational functions and is responsible for ensuring that sustainability factors are continuously monitored and adequately managed. Any flagged sustainability risks will be promptly brought to the Board’s attention as needed. The Board is considering linking executive remuneration to sustainability performance in consultation with the Remuneration Committee, with a target implementation by FY2026.

Framework and Assurance

This Sustainability Report has been prepared with reference to Rule 711B and Practice Note 7F: Sustainability Reporting Guide of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) with reference to the Task Force on Climate-Related Financial Disclosures (“**TCFD**”) framework and the Global Reporting Initiatives (“**GRI**”) Universal standards (2021) (“**GRI Standards**”).

The Company noted on Singapore Exchange Regulation’s (“**SGX RegCo**”) requirement for all listed companies to start reporting Scope 1 and Scope 2 greenhouse gas (GHG) emissions beginning from financial year (“**FY**”) 2025. Furthermore, the climate-related disclosures must also start incorporating the climate-related requirements in the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board, which builds on the recommendations of the TCFD that SGX RegCo has mandated in phases since FY2022. In line with the requirement, the Company will incorporate the said requirement in its next Sustainability Report.

Stakeholder Engagement

The Group recognises the importance of our stakeholders’ interests and expectations for our long-term business success. The key stakeholder groups that have the most significant impact on the Group’s sustainability strategy are as follows:

Stakeholders	Key Topic of Concern	Engagement Methods	Frequency
Customers	<ul style="list-style-type: none"> – Availability and timely delivery of products and services – Pricing and quality of products and services 	<ul style="list-style-type: none"> – Emails – Phone calls – Customer visits – Virtual online meetings 	Throughout the year
Suppliers	<ul style="list-style-type: none"> – Timeliness of delivery of products and services – Compliance with regulations and customers’ specifications 	<ul style="list-style-type: none"> – Emails – Phone calls – Physical meetings – Virtual online meetings 	Throughout the year
Employees	<ul style="list-style-type: none"> – Work environment – Fair compensation and benefits – Training and education 	<ul style="list-style-type: none"> – Internal circulars and emails – Group chat – Discussion sessions 	Throughout the year
Investors	<ul style="list-style-type: none"> – Economic performance – Corporate governance – Shareholders’ returns 	<ul style="list-style-type: none"> – Annual general meeting – Announcements via SGXNET – Annual reports 	Periodically

SUSTAINABILITY REPORT

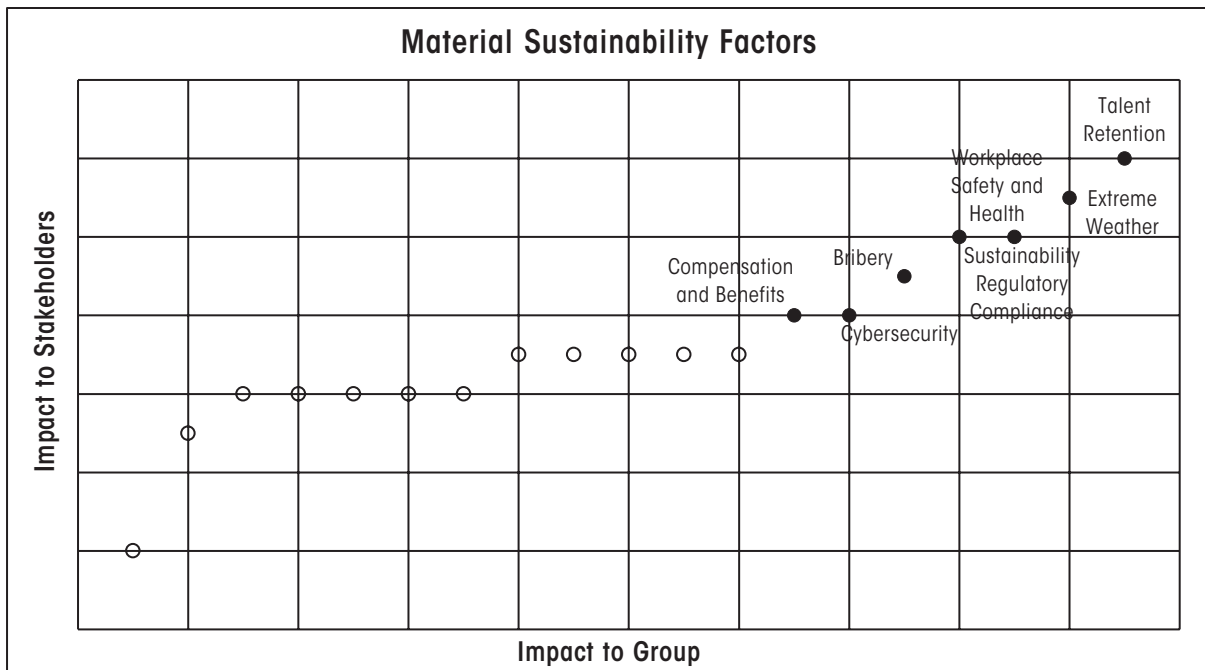
Materiality Analysis

The Group has gradually applied the materiality determination process. We incorporate stakeholder engagement results into our risk management review to enhance our analysis. Concerns stated by stakeholders can be more to business risks than sustainability risks. Therefore, in assessing sustainability risks, we filter the concerns. We review all business-related concerns under our business risks, while those identified as sustainability-related concerns are treated as sustainability risks. Using the GRI Standards as a guide, this filtering process focuses on sustainability issues. We conduct the assessment of sustainability risks by using sustainability risk ratings. The ratings consist of three types of ratings, i.e., impact, likelihood, and velocity. The impact rating considers the sustainability impact of each risk. The likelihood rating considers the occurrence likelihood of each risk, and the velocity rating assists us in determining the onset of each risk. The total score of each sustainability risk represents the materiality for Progen and Stakeholders. In FY2024, we reviewed the relevance of those risks and revisited the materiality of each sustainability risk.

The materiality determination process is as follows:

- (1) **Identify** – Identify sustainability issues from all issues stated in stakeholder engagement. Use GRI Standards as a reference.
- (2) **Rate** – Cluster similar issues into Environment, Social and Ethics, using the management perspective on issue relevance.
- (3) **Prioritise** – Prioritise based on likelihood, impact and velocity.
- (4) **Validate** – Review and validate by the Board.

For this report, we concentrate on the 7 most material factors and note that there has not been any material change in the impact of the material sustainability factors as compared to previous years. Similar to previous years, we will continue to monitor the risks with lower materiality as those risks can affect the Group’s operational performance at certain point in time.



Material ESG Factors	Key Stakeholders	Classification
Talent retention	Employees	Social
Extreme weather	Customers, employees	Environment
Workplace safety and health	Employees	Social
Sustainability regulatory compliance	Investors	Environment
Bribery	Customers, suppliers, investors	Ethics
Cybersecurity	Customers, employees	Ethics
Compensation and benefits	Employees	Social

SUSTAINABILITY REPORT

ENVIRONMENT

The Group considers risks and opportunities related to climate change and green procurement to minimise negative environmental impact. Our operations can, directly and indirectly, contribute to climate change. Our indirect impact stems from the installation of air-conditioning systems at various premises. Air-conditioners, by nature, will emit greenhouse gases which contribute to climate change. Whenever possible, we offer customers systems that meet the Green Mark requirements. The Green Mark Certification scheme¹, launched by the Building and Construction Authority in January 2005, rates a building's environmental impact. It provides a comprehensive framework for assessing the overall environmental performance of both new and existing buildings, promoting sustainable design and best practices in construction and operations in buildings. As part of our strategic transition to a lower carbon economy, we filter products from our suppliers and support green procurement. We also manage our direct impact on climate change by investing in green building technologies at our headquarter, including water conservation fittings, energy efficient lightings and high efficiency air conditioners. Additionally, the Group is negotiating with a vendor to install solar panel system for the Headquarters building. For FY2024, there were no violation of environmental laws and regulations that resulted in fines or sanctions. For FY2025, we target to have zero violation of environmental laws and regulations that will result in fines or sanctions.

Carbon Footprint

In FY2024, our team used MRT and buses for 96,594 km and 12,845 km of business travels respectively. Nationwide, travelling by electric buses or trains potentially cut carbon emissions by 70%² and 90%³ respectively, compared to driving internal combustion engine (ICE) cars.

In FY2023, the Group replaced some of its older, more pollutive diesel light commercial vehicles ("LCVs") to cleaner LCVs. Currently, under the Commercial Vehicle Emissions Scheme (CVES), 50% of our LCVs qualify as Band B LCVs. In FY2024, we set the target of having 65% of the Group's LCV qualify as Band B LCVs in anticipation of securing certain projects that would have required an expansion of the fleet through the purchase of additional vehicles and/or replacement of older vehicles. However, as the projects did not materialize, the plan to acquire more LCVs was subsequently shelved. Given this change in circumstances, the target has been adjusted to a more sustainable level of 50% for FY2025.

Water

Our water usage is tracked in conjunction with our tenants'. In FY2024, we consumed approximately 74.8% of the total annual water usage, while our tenants consumed 25.2%. Our consumption had increased in FY2024. At the launch of its annual water conservation campaign, the National water agency PUB had revealed that, for 2024, the household daily water consumption per resident had increased by 1 litre; and suggested that the increase could be due to 2024 being a warmer and drier year⁴. We have reminded and encouraged our employees on water conservation including putting up water conservation posters/stickers near water points. In FY2024, we failed to meet the target of maintaining or reducing water consumption. For FY2025, we target to maintain or reduce water consumption.

Electricity

Our electricity consumption is also tracked alongside with our tenants'. In FY2024, we consumed approximately 50.3% of the total annual consumption, while our tenants consumed 49.7%. In FY2024, we met the target to reduce electricity consumption by 17.3%. For FY2025, we target to maintain or further reduce electricity consumption. As part of our long-term conservation effort, we are negotiating with a vendor to install solar panel system for the Headquarters building.

¹ <https://www1.bca.gov.sg/buildsg/sustainability/green-mark-certification-scheme>

² <https://www.straitstimes.com/singapore/politics/budget-debate-lifespan-of-electric-cabs-extended-to-10-years-as-spore-sets-new-targets-to-electrify-public-transport>

³ <https://www.mot.gov.sg/news/details/parliamentary-ministerial-statement-by-minister-for-transport-mr-siswaran-on-meeting-the-transport-needs-of-singaporeans>

⁴ <https://www.straitstimes.com/singapore/each-persons-daily-water-use-crept-up-to-142-litres-in-2024-one-litre-higher-than-past-year>

SUSTAINABILITY REPORT

Climate-Related Disclosure

In line with TCFD recommendations, we have integrated climate risk into the Group's risk management. All risks are flagged to the Committee, which will convene to discuss mitigation measures. Any significant issues identified from the meetings will be brought to the Board's attention as appropriate.

Types of Climate Change Risk	Risks	Opportunities
Chronic	Sustained lower temperatures may reduce demand for our cooling system services. (Long-term)	Sustained higher temperatures may increase demand for our cooling system services. (Long-term)
Acute	Extreme weather may disrupt and delay on-site service deliveries. (Short-term) High outdoor temperatures may affect employee health and reduce productivity. (Medium-term)	N.A.
Transitional	Availability and feasibility of green technology for timely implementation. (Short-term) Implementation of carbon tax and other regulatory requirements will increase operating costs. (Long-term)	Broader markets opportunities in areas that impose Green Mark requirements. (Medium-term)

In the immediate horizon to mitigate these risks, we educate and encourage our employees to reduce water and electricity usage wherever possible and promote efficient conservation habits. We will also work with business associates, consultants and local authorities to ensure compliance with applicable environmental laws and regulations.

TCFD Recommended Disclosures	Description
Governance: Leadership and Accountability	
Describe the board's oversight of climate-related risks and opportunities.	The Board has considered sustainability issues including climate-related risks and opportunities in its business and strategy, determined the material ESG factors and implemented oversight on the sustainability reporting and governance of this Sustainability Report. All Board members have attended sustainability training.
Describe management's role in assessing and managing climate-related risks and opportunities.	The Sustainability Committee (the " Committee "), led by the Managing Director, includes members from various operational functions. Each of the operational functions incorporate climate-related risk and opportunities considerations in their respective decision-making scopes. The Committee continuously identifies, assesses and manages climate-related risks and opportunities.
Strategy: Integrating Climate Considerations	
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	The Company has identified risks as short, medium and long term, categorised as chronic, acute and transitional as per the table under "Climate-Related Disclosure" section above.
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Climate-related risks and opportunities influence decision making at all levels. We recognise the profound impact of climate change on our businesses, strategy, and financial planning. For example, for the conversion of part of the Headquarters building into a dormitory, we have chosen designs and materials that are more environmentally friendly. This approach not only mitigates climate risks but also positions us to capitalise on emerging opportunities in the transition to a low-carbon economy.
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Current scenarios: The Company encourages employees to reduce water and electricity usage wherever possible and promotes efficient conservation habits. We practice green procurement and propose systems that meet the Green Mark requirements to the customers. Our Headquarter building uses green building technologies including water conservation fittings, energy efficient lightings and high efficiency air conditioners to conserve water and energy. These efforts not only mitigate our environmental impact but also position us to thrive in various climate scenarios, including a 2°C or lower trajectory. Up to 2°C increase scenarios: The Government will likely impose stricter energy efficiency regulations. The Company ensures that we have the skills and capabilities to install and maintain systems that meet the highest energy efficiency standards. The Company will further invest in energy efficient fittings and fixtures for our Headquarter building.

SUSTAINABILITY REPORT

TCFD Recommended Disclosures	Description
Risk Management: Identifying and Mitigating Risks	
Describe the organisation's processes for identifying and assessing climate-related risks.	The Committee meets regularly to discuss operational, business and strategic matters. During these meetings, key operational risks, including climate-related risks are identified and discussed. Climate-related risks are identified through ongoing monitoring of environmental trends, regulatory changes, alongside internal assessments of the potential impact these factors could have on the Group's operations and long-term sustainability.
Describe the organisation's processes for managing climate-related risks.	Any climate-related risks flagged out during the Committee's meeting are analysed and mitigating actions will be sought and discussed. Follow-ups are performed in subsequent meetings to ensure effectiveness of mitigating actions.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Climate risks are integrated into the overall risk management processes across all operation functions. The Committee is represented by management of each operational function and will flag out any climate-related risks that are observed in the course of operation.
Metrics and Targets: Measuring and Reporting Progress	
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Stakeholders were engaged to identify sustainability risks, including climate-related risks. Identified risks were rated for impact, likelihood and velocity. The total score is calculated and risks with higher materiality are monitored and managed more closely. Please refer to the Materiality Sustainability Factors table under "Materiality Analysis" section above.
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	We traced sources of our carbon emissions. Scope 1 emission is from owned service fleets; and Scope 2 from our direct electricity consumption. For FY2024, Scope 1 and Scope 2 absolute emissions are 22,714 kg CO ₂ and 72,809 kg CO ₂ respectively. The Group will set FY2024 as the baseline year for Scope 1 and Scope 2 emissions as the Group plans to install solar panels at the Headquarters building which may affect electricity consumption significantly.
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	We have targeted and achieved zero incidence of environmental non-compliance for FY2024. For FY2025, we target to maintain zero incidence of environmental non-compliance. By maintaining zero incidence of environmental non-compliance, the Group can strengthen its internal risk management processes, minimizing the likelihood of penalties or legal challenges.

SOCIAL

People Development

Employees are essential assets to our business. They manage customers' and potential customers' expectations, propose systems that meet requirements, deliver agreed-upon designs and provide timely and effective after-sales service. The Group is committed to upskilling our workforce, to ensure regulatory compliance, support professional development, promote workplace safety and raise awareness of resource conservation. All employees receive regular reviews of their performance. Training opportunities are provided based on performance and job responsibilities regardless of age or other diversity factors. In FY2024, we met the 2 targets of (i) sending all of our technical workers to the related training and to have the associated certifications from authorities; and (ii) not having gender discrimination incidents related to training and development. For FY2024, total accumulated training hours amongst our workers amounted to 416 hours, bringing the average training hours per employee to 10. There were no reported incidents of gender discrimination related to training and development in FY2024. For FY2025, we target to (i) send all of our technical workers to the related training and to have the associated certifications from authorities; and (ii) not have gender discrimination incidents for training and development.

SUSTAINABILITY REPORT

Equality and Diversity

Employment, promotions, salary increment and training opportunities are given based on performance, skill sets and work attitude without regard to age, gender, race and nationality. We encourage our employees to continue working beyond the statutory retirement age of 63 and offer eligible employees re-employment opportunities within the Group till 67 or older. This approach enables older employees to share their knowledge with the younger generation. For FY2024, no report of discrimination based on age, gender, race or nationality was received. For FY2025, we target to maintain zero discrimination against employees based on age, gender, race or nationality.

	2023		2024	
	No.	%	No.	%
By Age Group				
< 30	12	25%	12	29%
30 – 39	12	25%	11	26%
40 – 49	9	19%	10	24%
50 – 59	9	19%	3	7%
> 60	6	13%	6	14%
	48	100%	42	100%
By Gender				
Male	37	77%	36	86%
Female	11	23%	6	14%
	48	100%	42	100%
By Nationality				
Singaporean and PR	20	42%	13	31%
Others	28	58%	29	69%
	48	100%	42	100%
By Year of Service				
< 5	26	54%	20	48%
5 – 9	3	6%	2	5%
10 – 14	9	19%	8	19%
15 – 19	4	8%	6	14%
20 – 24	1	2%	0	0%
> 25	5	10%	6	14%
	48	100%	42	100%

The Group's turnover rate for FY2023 and FY2024 were 4% and 2% respectively – meeting the target of maintaining the rate at below 10%. For FY2025, we target to maintain turnover rate at below 10%.

Occupational Health and Safety

The Group is committed to providing a healthy and safe working environment by managing health and safety risks through Occupational Health and Safety Management programmes. The objectives and targets of these programmes are to reduce and minimise workplace accidents, raise safety awareness among employees to minimise hazardous work environments, and ensure compliance with regulatory requirements. Our Group is certified under bizSAFE STAR, the highest rating of the bizSAFE programme by the Workplace Safety and Health Council. The bizSAFE STAR recognises that Progen's Workplace Safety and Health Management System (WSHMS) identifies, manages and controls workplace risks or hazards in compliance with the Workplace Safety and Health Act 2006 and international standards such as ISO 45001. Progen's ISO450001:2018 certification is valid till August 2026.

The bizSAFE programme, supported by the Ministry of Manpower, helps companies build workplace safety and health capabilities. The programme includes SGSecure elements to assist companies in implementing measures to manage potential safety threats.

The Group continues to monitor the Company Emergency Response Team ("CERT") as they implement safety measures and maintain the Emergency Response Plan ("ERP"). For FY2024, no significant safety-related incidents were reported, meeting the target set. For FY2025, we target to have zero significant work-related injury and zero work-related illness or health conditions resulting from exposure to hazards at work.

Regarding health management, we adhere to the guidelines of the Ministry of Health of Singapore and related authorities when assigning our people to different premises. We also provide spaces for our employees to socialise, rest and support each other, promoting both physical and mental well-being. Due to the anticipated high temperature, we remind employees – especially those working at construction sites – to stay hydrated throughout the day and seek shelter whenever possible.

SUSTAINABILITY REPORT

ETHICS

The Group has a whistle-blowing policy and maintains zero tolerance stance towards fraudulent activities, including bribery, money laundering and other forms of financial crime. Each employee has access to the Company’s standard of ethical conduct as outlined in our employee handbook. All employees have received training on our code of conduct. For further details, please refer to the Progen Annual Report FY2024 on page 26 for the whistle-blowing policy and anti-fraud incidents. We met the target of zero report on incident involving ethic or fraud in FY2024. For FY2025, we target to maintain zero ethic-related and fraud-related incidents.

The Group recognises the importance of cybersecurity to prevent the leakage and/or loss of confidential data, including but not limited to customers’ personal data and other commercial and financial data. The Group is committed to ensuring customers’ personal data are kept confidential in compliance with Singapore Personal Data Protection Act 2012. Additionally, the Group invests in necessary hardware and software to ensure regular and timely data backups.

GRI STANDARD		DISCLOSURE	PAGE
GRI 2: General Disclosures 2021			
Disclosure 2-1	Organisational details	Corporate Profile	1
Disclosure 2-2	Entities included in the sustainability reporting	About the Report	35
Disclosure 2-3	Reporting period, frequency and contact point	About the Report	35
		Corporate Information	back cover
Disclosure 2-4	Restatements of information	About the Report	35
Disclosure 2-5	External Assurance	About the Report	35
Disclosure 2-6	Activities, value chain and other business relationships	Corporate Profile	1
Disclosure 2-9	Governance structures and composition	Corporate Governance	9 to 29
Disclosure 2-10	Nomination of Selection of the Highest Governance Body	Corporate Governance	9 to 29
Disclosure 2-11	Chair of the highest governance body	Corporate Governance	9 to 29
Disclosure 2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance	9 to 29
		Board Statement	35
		TCFD Recommended Disclosure	38 to 39
Disclosure 2-13	Delegation of responsibility for managing impacts	Corporate Governance	9 to 29
		Sustainability Governance Structure	35
		TCFD Recommended Disclosure	38 to 39
Disclosure 2-14	Role of the highest governance body in sustainability reporting	Board Statement	35
Disclosure 2-15	Conflicts of interest	Corporate Governance	9 to 29
Disclosure 2-16	Communication of critical concerns	Corporate Governance	9 to 29
		Sustainability Governance Structure	35
		TCFD Recommended Disclosure	38 to 39
Disclosure 2-17	Collective knowledge of the highest governance body	Board Statement	35
		TCFD Recommended Disclosure	38 to 39
Disclosure 2-18	Evaluation of the performance of the highest governance body	Corporate Governance	9 to 29
Disclosure 2-22	Statement on sustainable development strategy	Sustainability Governance Structure	35
		TCFD Recommended Disclosure	38 to 39
Disclosure 2-25	Processes to remediate negative impacts	Board Statement	35
		TCFD Recommended Disclosure	38 to 39

SUSTAINABILITY REPORT

GRI STANDARD		DISCLOSURE	PAGE
Disclosure 2-26	Mechanisms for seeking advice and raising concerns	Board Statement	35
		Corporate Governance	9 to 29
		Sustainability Governance Structure	35
Disclosure 2-27	Compliance with Laws and Regulations	Framework and Assurance	35
		TCFD Recommended Disclosure	38 to 39
GRI 3: Material Topics 2021			
Disclosure 3-1	Process to determine material topics	Materiality Analysis	36
Disclosure 3-2	List of material topics	Materiality Analysis	36
Disclosure 3-3	Management of material topics	Materiality Analysis	36
		TCFD Recommended Disclosure	38 to 39
GRI 302: Energy 2016			
Disclosure 302-1	Energy consumption within the organisation	TCFD Recommended Disclosure	38 to 39
Disclosure 302-3	Energy intensity	Not applicable as the energy intensities will only be calculated in FY2025.	
Disclosure 302-4	Reduction of energy consumption	Environment	37
GRI 303: Water and Effluents 2018			
Disclosure 303-5	Water consumption	Environment	37
GRI 305: Emissions 2016			
Disclosure 305-2	Indirect (scope 2) GHG emissions	TCFD Recommended Disclosure	38 to 39
Disclosure 305-3	Other indirect (scope 3) GHG emissions	TCFD Recommended Disclosure	38 to 39
GRI 401: Employment 2016			
Disclosure 401-1	New employee hires and employee turnover	Social	39 to 40
GRI 404: Training and Education 2016			
Disclosure 404-1	Average hours of training per employee	Social	39 to 40
Disclosure 404-3	Percentage of employees receiving regular performance and career development reviews	Social	39 to 40
GRI 406: Non-Discrimination 2016			
Disclosure 406-1	Incidents of discrimination and corrective actions taken	Social	39 to 40

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited consolidated financial statements of Progen Holdings Ltd (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2024.

Opinion of the directors

In the opinion of the directors,

- (a) the accompanying balance sheets, consolidated statement of comprehensive income, statements of changes in equity, and consolidated cash flow statement together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date, and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Chee Wai Pong
 Lee Ee @ Lee Eng
 Hu Weisheng
 Chua Thian Huat
 Heng Su-Ling Mae (Appointed on 6 May 2024)
 Francis Lau Choo Yew

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Companies Act 1967, an interest in shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

Name of director	Direct interest			Deemed interest		
	1.1.2024	31.12.2024	21.1.2025	1.1.2024	31.12.2024	21.1.2025
The Company						
<i>Ordinary shares</i>						
Lee Ee @ Lee Eng	170,547,440	170,547,440	170,547,440	28,113,041	28,113,041	28,113,041
Francis Lau Choo Yew	620,600	620,600	620,600	–	–	–

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year and at 21 January 2025.

Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or has become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Options

The Company does not currently have an Employees' Share Option Scheme. The previous scheme had lapsed on 31 July 2010 and has since been discontinued.

DIRECTORS' STATEMENT

Audit & Risk Committee

The Audit & Risk Committee ("ARC") carried out its functions in accordance with Section 201B (5) of the Companies Act 1967. The functions performed are detailed in the Report on Corporate Governance.

The ARC recommends to the Board of Directors the nomination of Ernst & Young LLP as external auditor at the forthcoming annual general meeting of the Company.

Board's Opinion on Internal Controls

Based on the reports submitted by the internal auditor and the various management controls put in place, the Board with the concurrence of the ARC is of opinion that the internal controls and risk management systems of the Company are adequate in addressing its financial, operational, compliance and information technology risks.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:

Lee Ee @ Lee Eng
Director

Chee Wai Pong
Director

Singapore
20 March 2025

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2024

Independent auditor's report to the members of Progen Holdings Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Progen Holdings Ltd (the "Company") and its subsidiaries (collectively the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2024, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Revenue recognition on construction contracts

The Group is involved in construction projects and recognises the related contract revenue by reference to the stage of completion of the contract activity (i.e., performance obligation) at 31 December 2024. The stage of completion is measured by reference to the actual cost incurred to date relative to the total budgeted cost to the completion of the contract activity (i.e., input method). Significant management judgements are used in these assessments and they can significantly impact the results of the Group. For these reasons, we have determined this to be a key audit matter.

As part of our audit, we obtained an understanding of the Group's processes and procedures for recognising revenue from construction contracts, evaluated the effectiveness of management's controls over the revenue recognition process and assessed management's basis of recognising revenue over time. We reviewed the contractual terms and conditions and management's budgeted time and costs of individually significant projects, including their considerations of any additional time and costs needed for ongoing projects due to business disruptions and operational changes.

We evaluated management's application of the input method in determining the stage of completion of the construction contracts by reviewing the latest costs budgets and actual costs incurred up to the reporting date. We tested management's revenue calculations taking into consideration the estimated stage of completion and information on variation orders for the construction contracts. We assessed management's basis in determining whether there is a need to make provisions for onerous loss-making construction contracts. In connection with this, we discussed with management and the relevant project personnel to understand the progress of the projects and if there were any ongoing disputes with the Group's customers, and compared the contract revenue against the estimated total contract costs. We also evaluated the presentation and disclosures in relation to the material accounting policies for construction contracts, judgement and methods used in estimating revenue, contract assets and contract liabilities and transaction price allocated to remaining performance obligations in Note 21 *Revenue*.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2024

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.

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), 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2024

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

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, related safeguards.

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 Sharon Peh.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
20 March 2025

BALANCE SHEETS

As at 31 December 2024

	Notes	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Non-current assets					
Property, plant and equipment	4	17,774	18,519	34	46
Right-of-use asset	6	1,816	1,786	487	623
Fixed deposits	7	2,000	2,000	-	-
Investment in subsidiaries	8	-	-	8,987	8,987
Investment in an associated company	9	293	1,491	-	-
Investment securities	11	269	-	-	-
Amount due from subsidiary	12	-	-	23,375	23,127
Deferred tax asset	18	33	33	-	-
		22,185	23,829	32,883	32,783
Current assets					
Cash and cash equivalents	7	1,106	2,017	205	85
Fixed deposit	7	7,100	5,380	-	-
Trade receivables	10	1,205	913	-	-
Contract assets	21(c)	100	88	-	-
Prepayments		56	53	2	1
Deposits		40	51	6	6
Other receivables	14	158	126	-	-
Investment securities	11	75	60	-	-
Amounts due from subsidiaries	12	-	-	934	1,419
Inventories	13	134	172	-	-
		9,974	8,860	1,147	1,511
Current liabilities					
Trade payables	15	(596)	(531)	(40)	(43)
Deferred revenue		(82)	(86)	-	-
Other payables	16	(3,790)	(2,842)	(1,022)	(928)
Contract liabilities	21(c)	(210)	(1,089)	-	-
Income tax payable		(5)	(5)	(5)	(5)
Amounts due to subsidiaries	12	-	-	(202)	(459)
Lease liabilities	17	(40)	(37)	(135)	(131)
		(4,723)	(4,590)	(1,404)	(1,566)
Net current assets/(liabilities)		5,251	4,270	(257)	(55)
Non-current liabilities					
Lease liabilities	17	(1,776)	(1,748)	(373)	(508)
Net assets		25,660	26,351	32,253	32,220
Equity attributable to equity holders of the Company					
Share capital	19	32,390	32,390	32,390	32,390
Foreign currency translation reserve	20	(23)	(52)	-	-
Accumulated losses		(6,707)	(5,987)	(137)	(170)
Total equity		25,660	26,351	32,253	32,220

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

	Notes	Group	
		2024 \$'000	2023 \$'000
Revenue			
Products and installation		4,643	3,250
Servicing and maintenance		415	418
Rental income		640	738
Total revenue	21	<u>5,698</u>	<u>4,406</u>
Other items of income			
Share of results of an associated company		102	128
Other income	22	<u>357</u>	<u>420</u>
Total other items of income		<u>459</u>	<u>548</u>
Cost and expenses			
Cost of products and installation		(2,983)	(2,448)
Property operating expenses	22	(239)	(174)
Salaries and employee benefits	22	(2,068)	(2,073)
Depreciation expense		(833)	(164)
Other expenses	22	(691)	(1,114)
Finance cost	23	(63)	(95)
Total cost and expenses		<u>(6,877)</u>	<u>(6,068)</u>
Loss before tax		<u>(720)</u>	<u>(1,114)</u>
Income tax credit	24	<u>-</u>	<u>3</u>
Loss, net of tax, attributable to equity holders of the Company		<u>(720)</u>	<u>(1,111)</u>
Other comprehensive income			
Foreign currency translation		<u>29</u>	<u>(30)</u>
Total comprehensive income attributable to equity holders of the Company		<u>(691)</u>	<u>(1,141)</u>
Loss per share (cents per share)			
Basic	25	<u>(0.184)</u>	<u>(0.284)</u>
Diluted	25	<u>(0.184)</u>	<u>(0.284)</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2024

	2024 \$'000	2023 \$'000
Operating activities		
Loss before income tax	(720)	(1,114)
Adjustments for:		
Interest income	(287)	(335)
Finance costs	63	95
Gain on disposal of property, plant and equipment	–	(3)
Depreciation of property, plant and equipment	796	130
Depreciation of right-of-use asset	37	34
Bad debt expense	–	1
Write-back of allowance for stock obsolescence	–	(1)
Dividend income	(15)	–
Fair value loss on investment property	–	500
Fair value (gain)/loss on investment securities	(33)	2
Currency realignment	29	(30)
Share of results of an associated company	(102)	(128)
Operating cash flows before changes in working capital	(232)	(849)
(Increase)/decrease in trade and other receivables	(324)	962
(Increase)/decrease in contract assets	(12)	54
Decrease/(increase) in prepayments and deposits	8	(30)
Decrease in inventories	38	34
Increase/(decrease) in trade payables	65	(353)
(Decrease)/increase in deferred revenue	(4)	6
Increase/(decrease) in other payables	948	(231)
(Decrease)/increase in contract liabilities	(879)	585
Cash flows (used in)/generated from operations	(392)	178
Interest paid	–	(34)
Interest received	287	335
Net cash flows (used in)/generated from operating activities	(105)	479
Investing activities		
Purchase of property, plant and equipment	(86)	(279)
Proceeds from disposal of property, plant and equipment	35	51
Dividends received on investment securities	15	–
Dividends from associated company	940	–
Return on capital from associated company	360	–
Investment in debt instruments	(251)	–
Repayment of shareholder loan from associated company	–	8,630
Net cash flows generated from investing activities	1,013	8,402
Financing activities		
Payment of lease liabilities	(99)	(95)
Repayment of bank borrowings	–	(1,750)
Net cash flows used in financing activities	(99)	(1,845)
Net increase in cash and cash equivalents	809	7,036
Cash and cash equivalents at 1 January	7,397	361
Cash and cash equivalents at 31 December	8,206	7,397

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

1. CORPORATE INFORMATION

Progen Holdings Ltd (the "Company", and together with its subsidiaries, the "Group") is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is located at 28 Riverside Road, #04-01, Singapore 739085.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries and the associated company are disclosed in Note 8 and Note 9 to the financial statements respectively. There have been no significant changes in the nature of these activities during the financial year.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("SGD" or "\$") and all values in the tables are rounded to the nearest thousand ("S'000"), except when otherwise indicated.

As at 31 December 2024, the financial statements of the Company have been prepared on a going concern basis, notwithstanding that the Company was in a net current liabilities position of \$257,000. The subsidiaries of the Company maintain adequate cash and retained earnings and the Company has the right to call upon dividends from the subsidiaries.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

2.3 Standards issued but not effective

The Group has not adopted the following standards applicable to the Group that have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS (I) 9 Financial Instruments and SFRS(I) 7 Financial Instruments (Disclosures): Amendment to the Classification and Measurement of Financial Instruments	1 January 2026
SFRS(I) 18: Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as 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.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

2.5 Foreign currency

The financial statements are presented in SGD, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

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

(b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at average exchange rates for the year which approximate the exchange rates at the date of the transactions. The exchange differences arising on the translation are recognised initially in other comprehensive income and accumulated under currency translation reserve in equity. On disposal of a foreign operation, the cumulative amount recognised in currency translation reserve relating to that particular foreign operation is recognised in profit or loss.

2.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful life of the asset as follows:

Leasehold building	–	28 years
Plant and machinery	–	10 years
Furniture, fittings and equipment	–	4 to 10 years
Motor vehicles	–	5 years
Computers	–	3 years

The carrying values of property, plant and equipment are tested for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end and adjusted prospectively, if appropriate.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal of an impairment loss is recognised in profit or loss.

2.8 Subsidiaries

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.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less any impairment losses.

2.9 Associated company

An associated company is an entity which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group account for its investment in the associated company using the equity method from the date on which it becomes an associated company.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's net identifiable assets and liabilities is accounted for as goodwill and is included in the carrying amount of the investments. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associated company's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in an associated company is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associated company. The profit or loss reflects the share of results of the operations of the associated company. Distributions received from the associated company reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associated company, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associated company are eliminated to the extent of the interest in the associated company.

When the Group's share losses in an associated company equal or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

2.10 Financial instruments

(a) *Financial assets*

Initial recognition and measurement

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 Financial instruments (Continued)

(a) *Financial assets* (Continued)

Initial recognition and measurement (Continued)

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

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

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

(ii) Fair value through other comprehensive income ("FVOCI")

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

The Group only has investments in debt instruments measured at amortised cost and at fair value through profit or loss.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual rights to receive cash flows from the asset have expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 Financial instruments (Continued)

(b) *Financial liabilities*

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss 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.

De-recognition

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

2.11 Impairment of financial assets

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

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

(a) Simplified approach

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

(b) General approach

The Group applies the general approach to provide for ECLs on all other financial assets not held at fair value through profit or loss. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts, if any that form an integral part of the Group's cash management.

For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise cash and bank balances and unpledged fixed deposits, net of bank overdrafts, if any.

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost incurred in bringing the inventories to their present location and condition, includes cost of finished goods and other direct attributable costs and is accounted for on a first-in-first-out basis. Cost of finished goods comprises direct materials, labour and an appropriate proportion of production overhead expenditure.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value. Net realisable value is based on estimated selling price in ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Employee benefits

(a) *Defined contribution plan*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Employee leave entitlement*

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

2.15 Leases

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

(a) *As lessee*

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

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The Group has a land lease that meets the definition of property, plant and equipment. The accounting policy for this right-of-use asset is as set out in Note 2.6.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.15 Leases (Continued)

(a) *As lessee* (Continued)

Lease liabilities

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

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(b) *As lessor*

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.17(c). Contingent rents are recognised as revenue in the period in which they are earned.

2.16 Revenue

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

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

(a) *Products and installation*

Revenue from the sale of goods is recognised upon transfer of significant risks and rewards of ownership of the goods to the customer.

Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

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

Revenue from the installation on a stand-alone basis is recognised upon the performance of services to the customer.

Revenue from the contracting of installation which including the services of designing, testing and commissioning are recognised over time by reference to the stage of completion at the end of the reporting period. Stage of completion is determined by reference to contract costs incurred to date as a percentage of total estimated costs. The Group's performance does not create an asset with alternative use to the Group and it has concluded that it has an enforceable right to payment for performance completed to date.

(b) *Servicing and maintenance*

Revenue from the provision of services is recognised upon the performance of services to the customer. Revenue from such services which is billed or collected in advance of the services being rendered, is deferred and reflected as deferred revenue.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.16 Revenue (Continued)

(c) *Rental income*

Rental income arising from operating leases on the leasehold building is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(d) *Dividend income*

Dividend income is recognised when the Group's right to receive payment is established.

(e) *Interest income*

Interest income is recognised using the effective interest method.

2.17 Income taxes

(a) *Current tax*

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the end of the reporting period, in countries where the Group operates or generates taxable income.

Current taxes are recognised in profit or loss except to the extent that tax relates to items recognised outside profit or loss, are recognised in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and recognises provisions where appropriate.

(b) *Deferred tax*

Deferred income tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and associated company, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries and associated company, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.17 Income taxes (Continued)

(b) *Deferred tax* (Continued)

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

(c) *Sales tax*

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

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

2.18 Share capital and share issuance expenses

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management is of the opinion that there is no significant judgement made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

3.1 Key sources of estimation uncertainty

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

(a) *Revenue from construction contracts*

The Group recognises contract revenue by reference to the stage of completion of the contract activity at the end of each reporting period, when the outcome of a construction contract can be estimated reliably. The stage of completion is measured by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion and revenue recognised. The estimates are made based on past experience and knowledge of the project engineers. The carrying amounts of assets and liabilities arising from construction contracts at the end of each reporting period are disclosed in Note 21 (c) to the financial statements. If the estimated total contract cost had been 5% lower/higher than management's estimate, the carrying amount of the assets and liabilities arising from construction contracts would have been \$359,000 (2023: \$276,000) higher/lower and \$880,000 (2023: \$1,543,000) lower/higher respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

3.1 Key sources of estimation uncertainty (Continued)

(b) Provision for expected credit losses of financial assets carried at amortised cost

(i) Simplified approach

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

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 every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast 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 carrying amount of trade receivables and contract assets as at 31 December 2024 are disclosed in Notes 10 and 21(c) to the financial statements.

(ii) General approach

The Group applies the general approach to provide for ECLs on all other financial assets carried at amortised cost. At each reporting date, the Group assesses whether the credit risk of a financial asset has increased significantly since initial recognition. When initial credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

The assessment of whether credit risk of a financial asset has increased significantly since initial recognition is a significant estimate. Credit risk assessment is based on both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

The carrying amounts of these financial assets are disclosed in Note 10 to the financial statements.

4. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold building \$'000	Plant and machinery \$'000	Furniture, fittings and equipment \$'000	Motor vehicles \$'000	Computers \$'000	Total \$'000
Cost						
At 1 January 2023	–	87	707	500	262	1,556
Additions	–	2	2	275	–	279
Disposal	–	–	–	(301)	–	(301)
Reclassification from investment property (Note 5)	18,000	–	–	–	–	18,000
At 31 December 2023 and 1 January 2024	18,000	89	709	474	262	19,534
Additions	–	6	2	71	7	86
Disposal	–	–	–	(48)	–	(48)
At 31 December 2024	18,000	95	711	497	269	19,572
Accumulated depreciation						
At 1 January 2023	–	62	425	440	212	1,139
Charge for the year	–	11	70	25	24	130
Disposal	–	–	–	(254)	–	(254)
At 31 December 2023 and 1 January 2024	–	73	495	211	236	1,015
Charge for the year	641	7	70	55	23	796
Disposal	–	–	–	(13)	–	(13)
At 31 December 2024	641	80	565	253	259	1,798
Net carrying amount						
At 31 December 2023	18,000	16	214	263	26	18,519
At 31 December 2024	17,359	15	146	244	10	17,774

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Property pledged as security

As at 31 December 2024, the leasehold building is pledged as security for the revolving credit facility of the Group. The facility is not drawn down as of 31 December 2024.

Company	Furniture, fittings and equipment \$'000	Motor vehicles \$'000	Computers \$'000	Total \$'000
Cost				
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	11	228	132	371
Accumulated depreciation				
At 1 January 2023	11	185	117	313
Charge for the year	–	5	7	12
At 31 December 2023 and 1 January 2024	11	190	124	325
Charge for the year	–	5	7	12
At 31 December 2024	11	195	131	337
Net carrying amount				
At 31 December 2023	–	38	8	46
At 31 December 2024	–	33	1	34

5. INVESTMENT PROPERTY

	Group	
	2024 \$'000	2023 \$'000
Fair value of investment property as at 1 January	–	18,500
Net loss from fair value adjustment recognised in profit or loss	–	(500)
Reclassification to property, plant and equipment (Note 4)	–	(18,000)
Fair value of investment property as at 31 December	–	–

On 29 December 2023, the investment property was reclassified to property, plant and equipment due to a change in use.

Valuation of investment properties

Investment property was stated at fair value as at 29 December 2023. This was determined based on valuation performed by Premas Valuers & Property Consultants Pte Ltd, an accredited independent valuer. The fair value loss recorded was \$500,000 for the financial year ended 31 December 2023. The fair value of the investment property was determined using the Direct Comparison Method which takes into account the price per square foot applicable to the property, and the remaining lease term of the land. In arriving at its estimate of market value, the valuer has used his market knowledge and professional judgement.

Valuation policies and procedures

The fair value of investment property was determined by external independent professional valuer with a recognised and relevant professional qualification and with experience in the location and category of the property being valued. Management reviews the appropriateness of the valuation methodology and assumptions adopted, and the reliability of the inputs used in the valuation.

6. RIGHT-OF-USE ASSET

The Group, through its wholly-owned subsidiary, has entered into a land lease with JTC Corporation. The subsidiary has exercised the option to renew the lease of the leasehold land for another 30 years on 1 February 2022. Lease rental is subject to an annual revision as specified in the lease agreement.

The Company has entered into a lease agreement with its wholly-owned subsidiary for the lease of office space on 1 August 2022. The Company has the option to renew the lease for further terms of 3 years after the expiry of the current lease period on 31 July 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

6. RIGHT-OF-USE ASSET (CONTINUED)

Set out below is the carrying amount of right-of-use asset recognised and the movements during the period:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
As at 1 January	1,786	1,727	623	759
Depreciation	(37)	(34)	(136)	(136)
Adjustment due to remeasurement of lease liabilities	67	93	-	-
As at 31 December	1,816	1,786	487	623

7. CASH AND CASH EQUIVALENTS

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise only cash and short-term fixed deposits at the end of the reporting period.

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Current				
Cash on hand and at banks	1,106	2,017	205	85
Fixed deposits	7,100	5,380	-	-
	8,206	7,397	205	85

Cash balances at bank earn interest at floating rates based on daily bank deposit rates.

Included in the Group's cash and cash equivalents are cash at bank of \$13,000 (2023: \$12,000) and \$3,000 (2023: \$2,000) denominated in United States Dollars ("USD") and Malaysian Ringgit ("MYR") respectively.

During the financial year, short-term fixed deposits earn interest of 2.80% to 3.35% (2023: 3% to 3.35%) per annum and have maturities between 2 months to 9 months (2023: 2 months to 9 months), depending on the immediate cash requirements of the Group and the Company.

Not included in the Group's cash and cash equivalents are:

	Group	
	2024 \$'000	2023 \$'000
Non-current		
Fixed deposits	2,000	2,000

Non-current fixed deposits are pledged to banks for banking facilities for one of its subsidiaries. The fixed deposit will be rolled over upon maturity at the end of its term and at 31 December 2024 bears interest at 3.00% (2023: 3.00%) per annum.

8. INVESTMENT IN SUBSIDIARIES

	Company	
	2024 \$'000	2023 \$'000
Unquoted equity shares, at cost	9,123	9,123
Accumulated impairment in investment	(136)	(136)
	8,987	8,987

Assessment of impairment in investment in subsidiaries is carried out at the end of each reporting period if there are indicators of impairment and the necessary allowances are made accordingly. There is no impairment loss recognised during the financial years ended 31 December 2023 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Composition of the Group

The Group has the following investment in subsidiaries.

Name of company (Country of incorporation)	Principal activities (Principal place of business)	Proportion (%) of ownership interest	
		2024	2023
Held by the Company:			
Progen Pte Ltd ⁽¹⁾ (Singapore)	Trading and contracting of engineering works, cooling towers, air-conditioning and mechanical ventilation systems and rental of building space (Singapore)	100	100
D.B. Progen Servicing Pte Ltd ⁽¹⁾ (Singapore)	Servicing and repairing of air-conditioners, cooling towers and other cooling equipment (Singapore)	100	100
Polacel Manufacturing (S.E. Asia) Pte Ltd ⁽¹⁾ (Singapore)	Supply and installation of cooling fans, cooling towers and air-conditioners (Singapore)	100	100
Engpro Sdn Bhd ⁽²⁾ (Malaysia)	Installation and maintenance of air-conditioning systems (Malaysia)	100	100
Held through: Progen Pte Ltd			
Progen Industrial Pte Ltd ⁽¹⁾ (Singapore)	Sale and distribution of household electrical appliances and air-conditioners (Singapore)	100	100

⁽¹⁾ Audited by Ernst & Young LLP, Singapore.

⁽²⁾ Audited by Ernst & Young PLT, Malaysia.

9. INVESTMENT IN AN ASSOCIATED COMPANY

The Group's investment in an associated company is summarised below:

	2024 \$'000	2023 \$'000
Unquoted equity shares, at cost	40	400
Share of results of associated company	253	1,091
	293	1,491

Name of company	Principal place of business	Principal activities	Proportion of ownership interest	
			2024 %	2023 %
TSky Balmoral Pte Ltd ⁽¹⁾ ("TSky")	Singapore	Property development	20	20

⁽¹⁾ Audited by KPMG, Singapore.

The activities of the associated company are strategic to the Group's activities. All the units developed by the associated company were fully sold as of January 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. INVESTMENT IN AN ASSOCIATED COMPANY (CONTINUED)

The summarised financial information in respect of TSky Balmoral Pte Ltd ("TSky") based on the SFRS(I) financial statements and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

	TSky	
	2024 \$'000	2023 \$'000
Current assets	2,025	8,849
Total assets	2,025	8,849
Current liabilities	(561)	(1,393)
Total liabilities	(561)	(1,393)
Net assets	1,464	7,456
Proportion of Group's ownership	20%	20%
Group's share of net assets, representing carrying amount of the investment	293	1,491

Summarised statement of comprehensive income

	TSky	
	2024 \$'000	2023 \$'000
Revenue	-	26,582
Profit after tax, representing total comprehensive income	298	656

10. TRADE RECEIVABLES

	Group	
	2024 \$'000	2023 \$'000
Trade receivables	694	458
Retention monies receivables	511	438
GST receivables	-	17
	1,205	913
Trade receivables are stated after deducting allowance for expected credit loss of	(19)	(19)
<i>Analysis of allowance for doubtful debts:-</i>		
At 1 January	(19)	(27)
Write-off for the year		
- Trade receivables	-	8
At 31 December	(19)	(19)

Trade receivables are non-interest bearing and are generally on 30 to 90 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

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

Trade receivables are denominated in SGD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

10. TRADE RECEIVABLES (CONTINUED)

Receivables that are past due but not impaired

The Group has trade receivables amounting to \$391,000 as at 31 December 2024 (2023: \$287,000) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	Group	
	2024 \$'000	2023 \$'000
<i>Trade receivables past due:</i>		
1 to 30 days	377	258
31 to 60 days	7	10
61 to 90 days	4	–
More than 90 days	3	19
	391	287

Receivables that are impaired

As at 31 December 2024, the Group has provided an allowance of \$NIL (2023: \$NIL) for impairment of the retention monies receivable and \$19,000 (2023: \$19,000) for impairment of trade receivables from customers with a nominal amount of \$19,000 (2023: \$19,000).

Expected credit losses

The movement in allowance for expected credit losses of trade receivables and retention receivables computed based on lifetime ECL are as follows:

	Group			
	Trade receivables	Retention receivables	Trade receivables	Retention receivables
	2024 \$'000	2024 \$'000	2023 \$'000	2023 \$'000
<i>Movement in allowance amounts</i>				
At 1 January	(19)	–	(22)	(5)
Write-off for the year	–	–	8	–
(Charge)/write-back for the year	–	–	(5)	5
At 31 December	(19)	–	(19)	–

11. INVESTMENT SECURITIES

	Group	
	2024 \$'000	2023 \$'000
<i>At fair value through profit or loss</i>		
Non-current		
– Debt instrument (unquoted)	269	–
Current		
– Equity instruments (quoted)	75	60

During the financial year, the Group entered into an agreement for a housing development project in Indonesia, with the Group taking a 25% share of the development. As at 31 December 2024, the Group had contributed funds of \$251,000 for the land identified for the development. Based on the agreement, the debt instrument is to be settled in the form of cash, refinancing the remaining phase of the development or completed property unit.

The Group recognised a fair value gain arising from investment in debt instrument amounting to \$18,000 (2023: \$NIL) and investments in equity instruments amounting to \$15,000 (2023: fair value loss of \$2,000) directly in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

12. RELATED PARTY BALANCES

Amount due from subsidiary (non-current)

The non-trade amount is interest-free and not expected to be repaid in the next 12 months. The settlement of the amount is neither planned nor likely to occur in the foreseeable future. As the amount forms, in substance, part of the net investment in the subsidiary, it is stated at cost.

Amounts due from subsidiaries (current)

	Company	
	2024 \$'000	2023 \$'000
Non-trade	934	1,539
Allowance for doubtful debts	-	(120)
	934	1,419

The non-trade balances relate to management fees due, common cost allocations as well as payment made on behalf of these subsidiaries. At the end of the reporting period, the Company has provided an allowance of expected credit loss of \$NIL (2023: \$120,000) on amounts due from subsidiaries.

Amounts due from subsidiaries are denominated in SGD.

Amounts due to subsidiaries

The non-trade balances relate to payments made on behalf by the subsidiaries.

13. INVENTORIES

	Group	
	2024 \$'000	2023 \$'000
<i>At lower of cost and net realisable value</i>		
Consumables and spares	1	1
Trading stocks	133	171
	134	172
	(33)	(33)

Inventories are stated after deducting allowance for obsolescence

Inventories recognised as an expense in cost of products and installation are \$2,947,000 and \$2,413,000 for the financial years ended 31 December 2024 and 2023 respectively.

14. OTHER RECEIVABLES

Other receivables are non-interest bearing and are generally on 30 days term. They are recognised at their original invoice amounts which represent their fair values at initial recognition.

15. TRADE PAYABLES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade payables	404	360	6	11
Retention sums payable	132	139	-	-
GST payable	60	32	34	32
	596	531	40	43

Trade payables are non-interest bearing and are normally settled on 60 days (2023: 60 days) terms.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

16. OTHER PAYABLES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Current</u>				
Accrued operating expenses	2,786	1,950	833	767
Deposits received	204	172	–	–
Sundry payables	621	572	10	13
Amounts due to directors	179	148	179	148
	<u>3,790</u>	<u>2,842</u>	<u>1,022</u>	<u>928</u>

Included in accrued operating expenses are unbilled construction work done on leasehold building of \$596,000 (2023: \$596,000) and performance bond monies received of \$532,000 (2023: \$Nil).

Sundry payables are non-interest bearing and have an average term of 12 months.

Amounts due to directors are non-interest bearing and repayable on demand.

17. LEASE LIABILITIES

The Group has lease contract for its land lease. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The carrying amounts of lease liabilities recognised and the movements during the year are as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
As at 1 January	1,785	1,727	639	764
Interest expense	63	61	20	26
Payments	(99)	(95)	(151)	(151)
Adjustment due to remeasurement of lease liabilities	67	92	–	–
As at 31 December	<u>1,816</u>	<u>1,785</u>	<u>508</u>	<u>639</u>
Current	40	37	135	131
Non-current	<u>1,776</u>	<u>1,748</u>	<u>373</u>	<u>508</u>

The reconciliation of the changes in liabilities arising from financing activities is as follows:

	At beginning of reporting period \$'000	Additional drawdown \$'000	Interest expense \$'000	Non-cash changes		At end of reporting period \$'000
				Adjustment due to remeasurement of lease liabilities \$'000	Financing cash flows \$'000	
31 December 2024						
Lease liabilities	(1,785)	–	(63)	(67)	99	(1,816)
31 December 2023						
Lease liabilities	(1,727)	–	(61)	(92)	95	(1,785)
Bank borrowings	(1,750)	–	–	–	1,750	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. DEFERRED TAX ASSET

Deferred income tax as at 31 December relates to the following:

	Group				Company	
	Consolidated balance sheet		Statement of comprehensive income		Balance sheet	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Provisions	3	4	(1)	-	-	-
Unutilised tax losses	74	51	23	-	-	-
Other items	(44)	(22)	(22)	-	-	-
	<u>33</u>	<u>33</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred income tax expense			<u>-</u>	<u>-</u>		
<i>Deferred tax asset not recognised</i>						
Differences in depreciation for tax purposes	(146)	(28)			-	-
Provisions	(241)	(139)			(232)	(154)
Unabsorbed capital allowance	(3)	-			-	-
Unutilised tax losses	(1,202)	(1,181)			-	-
	<u>(1,592)</u>	<u>(1,348)</u>			<u>(232)</u>	<u>(154)</u>

Deferred tax asset recognised

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. In determining the timing and level of future taxable profits together with future tax planning strategies, the Group assessed the probability of expected future cash inflows based on expected revenues from existing contracts for the next financial year.

Deferred tax asset not recognised

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of \$1,202,000 (2023: \$1,181,000) at the end of the reporting period which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements. The tax losses have no expiry date. Deferred tax asset arising from temporary differences are not recognised due to uncertainty of its recoverability.

19. SHARE CAPITAL

	Group and Company			
	2024		2023	
	No. of shares '000	\$'000	No. of shares '000	\$'000
Issued and fully paid ordinary shares:				
At beginning and end of financial year	<u>390,512</u>	<u>32,390</u>	<u>390,512</u>	<u>32,390</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

20. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve represents 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

21. REVENUE

(a) Disaggregation of revenue

	Group	
	2024	2023
	\$'000	\$'000
Major product or service line		
Product and installation	4,643	3,250
Servicing and maintenance	415	418
Rental income	640	738
	5,698	4,406
Timing of transfer of goods or services		
At a point in time [^]	1,435	1,431
Over time [*]	4,263	2,975
	5,698	4,406

[^] Pertains to revenue from the servicing and maintenance and rental income.

^{*} Pertains to revenue from product and installation.

(b) Judgement and methods used in estimating revenue

For the revenue from product and installation where the Group satisfies its performance obligations over time, management has determined that a cost-based input method provides a faithful depiction of the Group's performance in transferring control of the product and installation works to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the product and installation works. 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 products and installation works.

The estimated total costs are based on contracted amounts and, in respect of amounts not contracted for, management relies on past experience and knowledge of the project managers to make estimates of the amounts to be incurred. In making these estimates, management takes into consideration the historical trends of the amounts incurred in other similar product and installation projects for the past 2 to 3 years.

(c) Contract assets and contract liabilities

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

	Group	
	2024	2023
	\$'000	\$'000
Receivables from contracts with customers (Note 10)	1,205	913
Contract assets	100	88
Contract liabilities	(210)	(1,089)

No impairment loss on receivables arising from contracts with customers has been recognised during the financial years ended 31 December 2023 and 2024.

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for products and installation projects. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for products and installation projects. Contract liabilities are recognised as revenue as the Group performs under the contract.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

21. REVENUE (CONTINUED)

(c) Contract assets and contract liabilities (Continued)

A reconciliation of the carrying amount of the contract assets/(liabilities) is as follows:

	Group	
	2024	2023
	\$'000	\$'000
Opening balance	(1,001)	(362)
Amount billed to customers during the year	(3,372)	(3,614)
Amount of revenue recognised during the year	4,263	2,975
Ending balance	<u>(110)</u>	<u>(1,001)</u>

(d) Transaction price allocated to remaining performance obligation

The Group expects to recognise \$1,870,000 as revenue relating to the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2024 in financial year 2025 and \$380,000 in the financial year 2026.

22. OTHER INCOME, SALARIES AND EMPLOYEE BENEFITS AND OTHER EXPENSES

	Group	
	2024	2023
	\$'000	\$'000
Other income		
Interest income		
– Fixed deposits	280	174
– Current account	7	5
– Loan to an associated company	–	156
Government grants	12	29
Gain on disposal of property, plant and equipment	–	3
Fair value gain on investment securities (Note 11)	33	–
Dividend income	15	–
Others	10	53
	<u>357</u>	<u>420</u>
Salaries and employee benefits		
Salaries and bonuses	(1,698)	(1,679)
Central Provident Fund contributions	(81)	(86)
Other short-term benefits	(289)	(308)
	<u>(2,068)</u>	<u>(2,073)</u>
Property operating expenses		
Property tax	(148)	(120)
Repair and maintenance	(85)	(46)
Subletting fees	(6)	(8)
	<u>(239)</u>	<u>(174)</u>
Other expenses		
Audit fees:		
– Auditor of the Company	(95)	(86)
– Other auditors – network firms	(1)	(1)
– Other auditors – non-network firms	–	–
Non-audit fees:		
(i) Audit related services (“ARS”)		
– Auditor of the Company	–	–
– Other auditors – network firms	–	–
– Other auditors – non-network firms	–	–
(ii) Non – ARS		
– Auditor of the Company	(12)	(13)
– Other auditors – network firms	–	–
– Other auditors – non-network firms	–	–
Directors’ fees	(134)	(114)
Fair value loss on investment securities (Note 11)	–	(2)
Fair value loss on investment property (Note 5)	–	(500)
Net foreign exchange loss	<u>(32)</u>	<u>–</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

23. FINANCE COST

	Group	
	2024 \$'000	2023 \$'000
Interest expense on:		
Bank loans	-	(34)
Lease liabilities	(63)	(61)
	<u>(63)</u>	<u>(95)</u>

24. INCOME TAX CREDIT

	Group	
	2024 \$'000	2023 \$'000
Current income tax		
Over provision in respect of previous years	-	(3)
Income tax credit recognised in profit or loss	-	(3)
	<u>-</u>	<u>(3)</u>

Relationship between income tax and loss before tax

The reconciliation between income tax and the product of loss before tax multiplied by the applicable corporate tax rate for the years ended 31 December 2024 and 2023 are as follows:

	Group	
	2024 \$'000	2023 \$'000
Loss before income tax	(720)	(1,114)
Tax calculated at corporate tax rate of 17% (2023: 17%)	(122)	(189)
Non-deductible expenses	16	91
Income not subject to taxation	(27)	(28)
Deferred tax assets not recognised	133	126
Over provision in respect of previous years	-	(3)
Income tax credit recognised in profit or loss	-	(3)
	<u>-</u>	<u>(3)</u>

25. LOSS PER SHARE

Loss per share is calculated by dividing the net loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year. The weighted average number of shares takes into account the weighted average effect of the rights issue during the year.

The following reflects the net loss and share data used in the basic and diluted loss per share computations for the years ended 31 December:

	Group	
	2024 \$'000	2023 \$'000
Loss for the year attributable to equity holders of the Company	(720)	(1,111)
	<u>390,512</u>	<u>390,512</u>

	No. of shares	
	'000	'000
Weighted average number of ordinary shares in issue	390,512	390,512

The diluted loss per share is the same as the basic loss per share as the Company does not have any dilutive potential ordinary shares for the financial years ended 31 December 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

26. COMMITMENTS

Operating lease commitments – As lessor

The Group had entered into leasing agreements on its leasehold building.

Minimum lease payments recognised as an income in profit or loss for the financial year ended 31 December 2024 amounted to \$640,000 (2023: \$738,000).

Future minimum lease receivable for the lease arrangement with remaining terms of one year or more are as follows:

	Group	
	2024 \$'000	2023 \$'000
Within one year	521	177
After one year but not more than five years	470	6
	991	183

27. RELATED PARTY DISCLOSURES

During the financial year, other than those disclosed elsewhere in the financial statements, related party transactions of the Group are as follows:

Compensation of key management personnel

	Group	
	2024 \$'000	2023 \$'000
Salaries and other emoluments	1,444	1,386
Central Provident Fund contributions	61	55
Other short-term benefits	12	12
	1,517	1,453
<i>Comprise amounts paid to:</i>		
– Directors of the Company	932	932
– Other key management personnel	585	521
	1,517	1,453

The remuneration of key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk. The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by management. The Audit & Risk Committee provides independent oversight to the effectiveness of the risk management process.

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

(a) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables and amounts due from subsidiaries. For other financial assets (including investment securities and cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) *Credit risk* (Continued)

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

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

Simplified approach

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

General approach

The Group applies the general approach to provide for ECLs on all other financial assets not held at fair value through profit or loss. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

	Group			
	2024		2023	
	\$'000	% of total	\$'000	% of total
By country:				
Singapore	<u>1,205</u>	<u>100</u>	<u>913</u>	<u>100</u>
By industry sectors:				
Products and installation	<u>1,178</u>	<u>98</u>	<u>883</u>	<u>97</u>
Servicing and maintenance	<u>27</u>	<u>2</u>	<u>30</u>	<u>3</u>
	<u>1,205</u>	<u>100</u>	<u>913</u>	<u>100</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) **Credit risk** (Continued)

Financial assets that are neither past due nor impaired

Trade and other receivables and amount due from subsidiaries that are neither past due nor impaired are creditworthy debtors with good payment record with the Group and the Company. Cash and cash equivalents are placed with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 10 (Trade receivables) and Note 12 (Related party balances).

(b) **Liquidity risk**

Liquidity risk is the risk that the Group or the Company will encounter difficulties in meeting financial obligations due to shortage of funds. 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 and the Company manage liquidity risk by maintaining a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted payments.

Group	Notes	2024			Total \$'000
		Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000	
Financial assets					
Trade receivables	10	1,205	–	–	1,205
Other receivables	14	158	–	–	158
Cash on hand and at banks	7	1,106	–	–	1,106
Deposits		40	–	–	40
Investment securities	11	75	269	–	344
Fixed deposits	7	7,100	2,000	–	9,100
Total undiscounted financial assets		9,684	2,269	–	11,953
Financial liabilities					
Trade payables	15	536	–	–	536
Other payables	16	3,790	–	–	3,790
Lease liabilities	17	104	418	2,308	2,830
Total undiscounted financial liabilities		4,430	418	2,308	7,156
Total net undiscounted financial assets/(liabilities)		5,254	1,851	(2,308)	4,797

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**(b) Liquidity risk** (Continued)

Group	Notes	2023			Total \$'000
		Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000	
Financial assets					
Trade receivables	10	896	–	–	896
Other receivables	14	126	–	–	126
Cash on hand and at banks	7	2,017	–	–	2,017
Deposits		51	–	–	51
Investment securities	11	60	–	–	60
Fixed deposits	7	5,380	2,000	–	7,380
Total undiscounted financial assets		8,530	2,000	–	10,530
Financial liabilities					
Trade payables	15	499	–	–	499
Other payables	16	2,842	–	–	2,842
Lease liabilities	17	100	402	2,322	2,824
Total undiscounted financial liabilities		3,441	402	2,322	6,165
Total net undiscounted financial assets/(liabilities)		5,089	1,598	(2,322)	4,365
2024					
Company	Notes	Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000	Total \$'000
Financial assets					
Cash on hand and at banks	7	205	–	–	205
Deposits		6	–	–	6
Amounts due from subsidiaries	12	934	–	–	934
Total undiscounted financial assets		1,145	–	–	1,145
Financial liabilities					
Trade payables	15	6	–	–	6
Other payables	16	1,022	–	–	1,022
Amounts due to subsidiaries	12	202	–	–	202
Lease liabilities	17	151	391	–	542
Total undiscounted financial liabilities		1,381	391	–	1,772
Total net undiscounted financial liabilities		(236)	(391)	–	(627)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) *Liquidity risk* (Continued)

Company	Notes	2023			Total \$'000
		Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000	
Financial assets					
Cash on hand and at banks	7	85	–	–	85
Deposits		6	–	–	6
Amounts due from subsidiaries	12	1,419	–	–	1,419
Total undiscounted financial assets		1,510	–	–	1,510
Financial liabilities					
Trade payables	15	11	–	–	11
Other payables	16	928	–	–	928
Amounts due to subsidiaries	12	459	–	–	459
Lease liabilities	17	151	542	–	693
Total undiscounted financial liabilities		1,549	542	–	2,091
Total net undiscounted financial liabilities		(39)	(542)	–	(581)

29. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

The financial instruments of the Group and the Company as at 31 December by classes are as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Debt instruments at amortised cost				
Fixed deposits (non-current)	2,000	2,000	–	–
Cash on hand and at banks	1,106	2,017	205	85
Fixed deposits (current)	7,100	5,380	–	–
Trade receivables	1,205	896	–	–
Deposits	40	51	6	6
Other receivables	158	126	–	–
Amounts due from subsidiaries (current)	–	–	934	1,419
	11,609	10,470	1,145	1,510
Financial assets at fair value through profit or loss				
Investment securities	344	60	–	–
Financial liabilities at amortised cost				
Trade payables	(536)	(499)	(6)	(11)
Other payables	(3,790)	(2,842)	(1,022)	(928)
Amounts due to subsidiaries	–	–	(202)	(459)
	(4,326)	(3,341)	(1,230)	(1,398)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

29. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

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

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

Group	2024			
	Fair value measurements at the end of the reporting period using:			
\$'000	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
Financial assets:				
Equity instruments at fair value through profit or loss (Note 11)	75	–	–	75
Debt instrument at fair value through profit or loss (Note 11)	–	–	269	269
Financial assets as at 31 December 2024	75	–	269	344
Group	2023			
\$'000	Fair value measurements at the end of the reporting period using:			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
Financial assets:				
Equity instruments at fair value through profit or loss (Note 11)	60	–	–	60
Financial assets as at 31 December 2023	60	–	–	60

There have been no transfers between Level 1, Level 2 and Level 3 during 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

29. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

(c) Level 3 fair value measurements

(i) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable input level 3.

Recurring fair value measurement

Description	Fair value (\$'000)	Valuation techniques	Unobservable inputs	\$
31 December 2024				
Debt instrument at fair value through profit or loss (Note 11)	269	Direct comparison method	Price per square meter	297

Observable inputs are quoted prices for assets in a market. Where the market price for an asset is not available, unobservable inputs are used and they are developed using assumptions that market participants would use when pricing the asset.

Where necessary, these inputs have been adjusted to reflect specific circumstances of the investment property and developed using the best information available about the assumptions that market participants would use when pricing the assets.

A significant increase/(decrease) in price per square meter based on management's assumptions would result in a significantly higher/(lower) fair value measurement.

(ii) Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs:

Group	Debt instrument at fair value through profit or loss 2024 \$'000
At 1 January	–
Investment in debt instruments	251
Total gain for the period included in profit or loss included in profit or loss	18
At 31 December	269

(iii) Valuation policies and procedures

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation appraisers who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS (I) 13 fair value measurement guidance to perform the valuation.

For valuations performed by the independent external appraiser, the appropriateness of the valuation methodologies and assumptions adopted are reviewed by management along with the appropriateness and reliability of the inputs used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information are reasonably available.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

29. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

(d) *Assets and liabilities not carried at fair value but for which fair value is disclosed*

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short term nature: cash and cash equivalents (Note 7), fixed deposits (Note 7), trade receivables (Note 10), deposits and other receivables, related party balances (Note 12), trade payables (Note 15) and other payables (Note 16).

30. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- I. The products and installation segment relates to contracting of engineering works, cooling towers, air-conditioning and mechanical ventilation systems.
- II. The servicing and maintenance segment relates to servicing and repairing of air-conditioners, cooling towers and other cooling equipment.
- III. The rental segment relates to the leasing of leasehold building and office space.
- IV. The property development segment relates to the business of developing and selling of residential properties undertaken by the associated company.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Segment revenue, expenses and results incurred are transferred between business segments. Those transfers are eliminated on consolidation.

Transfer prices between operating segments are set on an arm's length basis in a manner similar to transactions with third parties.

As the Group operates substantially in Singapore, no segment information by geographical segment is presented.

Revenue from 5 (2023: 5) major customers amounted to \$4,317,000 (2023: \$2,910,000) arising from sales under the products and installation segment.

Information about a major customer

Revenue from one major customer amounted to \$3,563,000, arising from the product and installation segment.

The following table presents revenue and results information regarding the Group's business segments for the years ended 31 December 2024 and 31 December 2023:

Business segments	Products and installation \$'000	Servicing and maintenance \$'000	Rental \$'000	Property development \$'000	Others \$'000	Eliminations/ Adjustments \$'000	Notes	Group \$'000
2024								
<u>Segment revenue</u>								
Sales to external customers	4,643	415	640	-	-	-		5,698
Intersegment sales	91	-	151	-	-	(242)	A	-
Total revenue								<u>5,698</u>
<u>Segment results</u>								
Interest income	240	6	41	-	-	-		287
Other income	53	4	9	-	4	-		70
Depreciation	(693)	(16)	(248)	-	(12)	136		(833)
Other non-cash expenses	(79)	(2)	(14)	-	-	-	B	(95)
Segment loss before tax	(778)	45	173	-	(29)	(131)		(720)
Income tax credit								-
Loss, net of tax								<u>(720)</u>
<u>Segment assets and liabilities</u>								
Segment assets	8,154	210	23,240	-	555	-		32,159
Segment liabilities	2,951	143	2,267	1	1,138	(1)		6,499

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

30. SEGMENT INFORMATION (CONTINUED)

Business segments	Products and installation \$'000	Servicing and maintenance \$'000	Rental \$'000	Property development \$'000	Others \$'000	Eliminations/ Adjustments \$'000	Notes	Group \$'000
2023								
<i>Segment revenue</i>								
Sales to external customers	3,250	418	738	-	-	-		4,406
Intersegment sales	98	-	151	-	-	(249)	A	-
Total revenue								<u>4,406</u>
<i>Segment results</i>								
Interest income	137	4	38	156	-	-		335
Other income	50	15	12	-	8	-		85
Depreciation	(116)	(7)	(164)	-	(13)	136		(164)
Other non-cash expenses	(430)	(11)	(120)	(154)	-	154	B	(561)
Segment loss before tax	(963)	16	(237)	2	194	(126)		(1,114)
Income tax credit								<u>3</u>
Loss, net of tax								<u>(1,111)</u>
<i>Segment assets and liabilities</i>								
Segment assets	7,177	421	23,439	10	1,642	-		32,689
Segment liabilities	2,896	139	2,254	292	1,049	(292)		6,338

Notes:

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

A Inter-segment revenues are eliminated on consolidation.

B Other non-cash expenses pertain to net foreign exchange loss, fair value loss on investment property and interest expense on lease liabilities.

31. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. There were no changes made to the objectives, policies or processes during the financial years ended 31 December 2024 and 2023.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, trade payables, other payables, contract liabilities and lease liabilities, less cash and cash equivalents and fixed deposits. Equity refers to equity attributable to equity holders of the Company.

	Group	
	2024 \$'000	2023 \$'000
Trade payables (Note 15)	596	531
Other payables (Note 16)	3,790	2,842
Contract liabilities (Note 21(c))	210	1,089
Lease liabilities (Note 17)	1,816	1,785
Less: Cash on hand and at banks (Note 7)	(1,106)	(2,017)
Less: Fixed deposits (Note 7)	(9,100)	(7,380)
Net cash	<u>(3,794)</u>	<u>(3,150)</u>
Equity attributable to equity holders of the Company	<u>25,660</u>	<u>26,351</u>
Total capital plus net cash/debt	<u>21,866</u>	<u>23,201</u>
Gearing ratio	<u>N.M.*</u>	<u>N.M.*</u>

* Not meaningful as the Group is in net cash position.

32. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 20 March 2025.

SHAREHOLDERS' INFORMATION

AS AT 14 MARCH 2025

Issued and paid-up capital	:	S\$32,557,787
Number of equity securities	:	390,511,778
Number of treasury shares	:	Nil
Number of subsidiary holdings	:	Nil
Class of equity securities	:	Ordinary share
Voting rights	:	One vote per share

Statistics of Shareholdings

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1-99	19	1.32	672	0.00
100-1,000	147	10.20	75,647	0.02
1,001-10,000	458	31.78	2,515,350	0.64
10,001-1,000,000	787	54.62	65,535,097	16.78
1,000,001 and above	30	2.08	322,385,012	82.56
	<u>1,441</u>	<u>100.00</u>	<u>390,511,778</u>	<u>100.00</u>

Substantial Shareholders

(Based on the Register of Substantial Shareholders as at 14 March 2025)

Name of Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	%
Lee Ee @ Lee Eng ⁽²⁾	170,547,440	43.67	28,113,041	7.20
Golden Wang Holdings Pte. Ltd.	54,400,000	13.93	-	-
Koh Moi Huang ⁽³⁾	28,113,041	7.20	170,547,440	43.67
Lau Kung Ching ⁽⁴⁾	2,025,000	0.52	54,400,000	13.93
Ting Jack Hing ⁽⁵⁾	-	-	54,400,000	13.93

Notes:

- The percentage is based on 390,511,778 shares in issue as at 14 March 2025.
- Out of the 170,547,440 shares directly interested by Mr Lee Ee @ Lee Eng ("Mr Lee"), 9,524,250 shares are held by United Overseas Bank Nominees (Private) Limited. Mr Lee is deemed to be interested in the 28,113,041 shares held by his wife, Mdm Koh Moi Huang ("Mdm Koh").
- Mdm Koh is deemed to be interested in the 170,547,440 shares held by her husband, Mr Lee.
- Mr Lau Kung Ching is deemed to be interested in the 54,400,000 shares held by Golden Wang Holdings Pte. Ltd. ("GW") pursuant to Section 7 of the Companies Act 1967 (the "Companies Act") as he is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in GW.
- Mr Ting Jack Hing is deemed to be interested in the 54,400,000 shares held by GW pursuant to Section 7 of the Companies Act as he is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in GW.

SHAREHOLDERS' INFORMATION

AS AT 14 MARCH 2025

Twenty Largest Shareholders

Name	Number of Shares	%
1. Lee Ee @ Lee Eng	161,023,190	41.23
2. Golden Wang Holdings Pte Ltd	54,400,000	13.93
3. Koh Moi Huang	28,113,041	7.20
4. United Overseas Bank Nominees (Private) Limited	13,006,100	3.33
5. CGS International Securities Singapore Pte. Ltd.	9,209,100	2.36
6. Dong Fa Gen	7,488,550	1.92
7. Ooi Thian Huang	5,254,500	1.35
8. UOB Kay Hian Private Limited	5,079,800	1.30
9. Tan Ann Ni (Chen Anni)	3,453,000	0.88
10. Loke Wai Ming	3,100,000	0.79
11. OCBC Nominees Singapore Private Limited	2,823,350	0.72
12. Phillip Securities Pte Ltd	2,713,897	0.69
13. OCBC Securities Private Limited	2,606,948	0.67
14. DBS Nominees (Private) Limited	2,164,735	0.55
15. Lau Kung Ching	2,025,000	0.52
16. Han Jing	1,977,700	0.51
17. Lee Yung Li Andy	1,624,000	0.42
18. Lee Pui Hoon (Li Peifen)	1,620,001	0.41
19. Yap Chin Koon	1,500,000	0.38
20. Forte Engineering Pte Ltd	1,455,000	0.37
	310,637,912	79.53

Percentage of Shareholding in Public's Hands

As at 14 March 2025, to the best of our knowledge, approximately 32.95% of the Company's Ordinary Shares listed on the Catalist of the SGX-ST were held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Singapore Exchange Securities Trading Limited's Listing Manual Section B: Rules of Catalist.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of **PROGEN HOLDINGS LTD** (the "**Company**") will be held at 28 Riverside Road, #04-01 Progen Building, Singapore 739085 on Monday, 28 April 2025 at 10:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Auditor's Report thereon. (Resolution 1)

2. To re-elect the following Directors of the Company who are retiring pursuant to Article 109 of the Constitution of the Company:
 - (a) Mr. Lee Ee @ Lee Eng (Resolution 2)
 - (b) Mr. Lau Choo Yew (Resolution 3)

[See Explanatory Note (i)]

3. To re-elect Ms. Heng Su-Ling Mae, a Director of the Company who is retiring pursuant to Article 119 of the Constitution of the Company. (Resolution 4)
[See Explanatory Note (i)]

4. To approve the payment of S\$133,520 as Directors' fees for the financial year ended 31 December 2024 (FY2023: S\$118,033). (Resolution 5)

5. To re-appoint Ernst & Young LLP as the Auditor of the Company and to authorise the Directors of the Company to fix their remuneration. (Resolution 6)

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

7. Authority to issue shares

That pursuant to Section 161 of the Companies Act 1967 (the "**Companies Act**") and Rule 806 of 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
- (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);

NOTICE OF ANNUAL GENERAL MEETING

- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (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; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance with sub-paragraph (2)(a) or (2)(b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.

- (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 SGX-ST) 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 (ii)]

(Resolution 7)

By Order of the Board

Ngiam May Ling
Company Secretary
Singapore, 4 April 2025

Explanatory Notes:

- (i) The Ordinary Resolution 2 is for the re-election of Mr. Lee Ee @ Lee Eng, a Director of the Company who retires by rotation at this AGM. Mr. Lee will, upon his re-election as a Director of the Company, remain as Executive and Managing Director of the Company, Chairman of the Investment Review Committee and a member of the Nominating Committee.

The Ordinary Resolution 3 is for the re-election of Mr. Lau Choo Yew, a Director of the Company who retires by rotation at this AGM. Mr. Lau will, upon his re-election as a Director of the Company, remain as Non-Independent Non-Executive Director.

The Ordinary Resolution 4 is for the re-election of Ms. Heng Su-Ling Mae, a Director of the Company who retires by rotation at this AGM. Ms. Heng will, upon her re-election as a Director of the Company, remain as Chairman of Nominating Committee and a member of the Audit and Risk and Remuneration Committees and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

For more information on the abovementioned Directors, please refer to the "Profile of Board of Directors" and "Additional Information on Directors Seeking Re-election" sections in the Annual Report 2024.

- (ii) The Ordinary Resolution 7, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM 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 which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. The AGM of the Company will be held, in a wholly physical format, at the venue, date and time stated above. Members, including CPF/SRS investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM in person. There will be no option for members to participate virtually.
2. Printed copies of the Annual Report 2024, this Notice of AGM and the Proxy Form will be sent to members by post. These documents will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two 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(6) of the Companies Act 1967.

A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

4. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the AGM as his/her/its proxy.
5. The instrument appointing a proxy(ies) must be submitted in the following manner:
 - (a) if submitted personally or by post, be lodged at the registered office of the Company at 28 Riverside Road, #04-01 Progen Building, Singapore 739085; or
 - (b) if submitted electronically, be submitted via email to the Company at progen@progen.com.sg,

and in either case, must be lodged or received (as the case may be) by 10:00 a.m. on Saturday, 26 April 2025, being not less than 48 hours before the time appointed for the holding of the AGM.

6. CPF/SRS investors:
 - (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks/SRS Operators by 5:00 p.m. on Wednesday, 16 April 2025 to submit their votes.
7. Members, including CPF/SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM. Such questions must be received by 5:00 p.m. on Friday, 11 April 2025, and be submitted in the following manner:
 - (a) by post to the registered office of the Company at 28 Riverside Road, #04-01 Progen Building, Singapore 739085; or
 - (b) via email to the Company at progen@progen.com.sg.

When submitting questions by post or via email, members should also provide the following information for verification purposes: (i) full name, (ii) address, and (iii) manner in which the member holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip).

8. Members, including CPF/SRS investors, and (where applicable) duly appointed proxies and representatives can also ask the Chairman of the AGM substantial and relevant questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.
9. The Company will address all substantial and relevant questions received from members by the 11 April 2025 deadline by publishing the responses to such questions on the SGX website at the URL <https://www.sgx.com/securities/company-announcements> on Wednesday, 16 April 2025. If questions or follow-up questions are submitted after the 11 April 2025 deadline, the Company will endeavour to address these questions at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
10. The Company will, within one (1) month after the date of AGM, publish the minutes of the AGM on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (a) 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 proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"); (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT:

- The AGM (as defined below) will be held, in a wholly physical format, at the venue, date and time stated below. There will be no option for members to participate virtually.
- This Proxy Form is for use by members wishing to appoint a proxy(ies) for the AGM. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).
- This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors:
 - may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or
 - may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks/SRS Operators by 5:00 p.m. on Wednesday, 16 April 2025 to submit their votes.

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 4 April 2025.

I/We (Name) _____ (NRIC/FIN/Passport No./UEN) _____

of (Address) _____

being a member(s) of Progen Holdings Ltd (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		Number of Shares	%
Address			

and/or (delete as appropriate)*

Name	NRIC/Passport No.	Proportion of Shareholdings	
		Number of Shares	%
Address			

or, both of whom failing, the Chairman of the AGM, as my/our proxy(ies) to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting (the "AGM") of the Company to be held at 28 Riverside Road, #04-01 Progen Building, Singapore 739085 on Monday, 28 April 2025 at 10:00 a.m., and at any adjournment thereof. I/We direct my/our proxy(ies) to vote for or against, or to abstain from voting on, the resolutions to be proposed at the AGM as indicated hereunder.

No.	Resolutions Relating to:	Number of Votes For*	Number of Votes Against*	Number of Votes Abstain*
As Ordinary Business				
1.	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2024			
2.	Re-election of Mr. Lee Ee @ Lee Eng as a Director of the Company			
3.	Re-election of Mr. Lau Choo Yew as a Director of the Company			
4.	Re-election of Ms. Heng Su-Ling Mae as a Director of the Company			
5.	Approval of payment of S\$133,520 as Directors' fees for the financial year ended 31 December 2024			
6.	Re-appointment of Ernst & Young LLP as the Auditor of the Company and to authorise the Directors of the Company to fix their remuneration			
As Special Business				
7.	Authority to issue shares			

* Voting will be conducted by poll. If you wish your proxy(ies) to cast all your votes "For" or "Against" a resolution, please tick (✓) within the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy(ies) to abstain from voting on a resolution, please tick (✓) in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy(ies) is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. In any other case, the proxy(ies) may vote or abstain as the proxy(ies) deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this _____ day of _____ 2025

Total Number of Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	



Signature of Member(s)
or, Common Seal of Corporate Member

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two 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(6) of the Companies Act 1967.

A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

2. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the AGM as his/her/its proxy.
3. A member should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member.
4. The appointment of a proxy(ies) shall not preclude a member from attending, speaking and voting at the AGM. Any appointment of a proxy(ies) shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person(s) appointed under the instrument of proxy, to the AGM.
5. The instrument appointing a proxy(ies) must be submitted in the following manner:

- (a) if submitted personally or by post, be lodged at the registered office of the Company at 28 Riverside Road, #04-01 Progen Building, Singapore 739085, or
- (b) if submitted electronically, be submitted via email to the Company at progen@progen.com.sg,

and in either case, must be lodged or received (as the case may be) by 10:00 a.m. on Saturday, 26 April 2025, being not less than 48 hours before the time appointed for the holding of the AGM.

Members who wish to appoint a proxy(ies) can use the printed copy of the Proxy Form (which was sent by post to them), by completing and signing the Proxy Form before submitting it by post to the address provided above, or alternatively, scanning and submitting it via email to the email address provided above.

6. The instrument appointing a proxy(ies) must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where the instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the power of attorney (or other authority under which it is signed, if applicable) or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted by post, be lodged together with the instrument, or if the instrument is submitted electronically via email, be emailed together with the instrument, failing which the instrument may be treated as invalid.
8. The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged or submitted, if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for the holding of the AGM, as certified by The Central Depository (Pte) Limited to the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS EXECUTIVE

LEE EE @ LEE ENG (MANAGING DIRECTOR)

NON-EXECUTIVE

CHEE WAI PONG (NON-INDEPENDENT
NON-EXECUTIVE CHAIRMAN)
HU WEISHENG (LEAD INDEPENDENT)
CHUA THIAN HUAT (INDEPENDENT)
HENG SU-LING MAE (INDEPENDENT)
LAU CHOO YEW (NON-INDEPENDENT
NON-EXECUTIVE)

AUDIT & RISK COMMITTEE

HU WEISHENG (CHAIRMAN)
CHUA THIAN HUAT
HENG SU-LING MAE

NOMINATING COMMITTEE

HENG SU-LING MAE (CHAIRMAN)
HU WEISHENG
LEE EE @ LEE ENG

REMUNERATION COMMITTEE

HU WEISHENG (CHAIRMAN)
CHUA THIAN HUAT
HENG SU-LING MAE

INVESTMENT REVIEW COMMITTEE

LEE EE @ LEE ENG (CHAIRMAN)
CHEE WAI PONG
HU WEISHENG

COMPANY SECRETARY

NGIAM MAY LING

REGISTERED OFFICE

28 RIVERSIDE ROAD
#04-01 PROGEN BUILDING
SINGAPORE 739085
TEL: (65) 6752 7787
FAX: (65) 6752 7797
EMAIL: PROGEN@PROGEN.COM.SG

COMPANY REGISTRATION NO.

199605118C

SHARE REGISTRAR

BOARDROOM CORPORATE & ADVISORY
SERVICES PTE. LTD.
1 HARBOURFRONT AVENUE
#14-07 KEPPEL BAY TOWER
SINGAPORE 098632

AUDITOR

ERNST & YOUNG LLP
ONE RAFFLES QUAY
NORTH TOWER, LEVEL 18
SINGAPORE 048583
AUDIT PARTNER-IN-CHARGE: SHARON PEH
(APPOINTED SINCE FINANCIAL YEAR ENDED
31 DECEMBER 2023)

SPONSOR

PRIMEPARTNERS CORPORATE FINANCE PTE. LTD.
16 COLLYER QUAY
#10-00 COLLYER QUAY CENTRE
SINGAPORE 049318

BANKERS

UNITED OVERSEAS BANK LIMITED
80 RAFFLES PLACE
UOB PLAZA 1
SINGAPORE 048624

MAYBANK SINGAPORE LIMITED
2 BATTERY ROAD
MAYBANK TOWER
SINGAPORE 049907

DBS BANK LTD
12 MARINA BOULEVARD
MARINA BAY FINANCIAL CENTRE TOWER 3
SINGAPORE 018982





PROGEN HOLDINGS LTD

Company Registration No. 199605118C

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#04-01 Progen Building

Singapore 739085

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