



KING WAN
CORPORATION
LIMITED



YEARS


RESILIENT. RESOLUTE. READY.

ANNUAL REPORT 2025

CONTENTS

02	Corporate Profile
03	Our Values
04	Message to Shareholders
07	Group Structure
08	Five-year Financial Highlights
09	Financial Charts
10	Board of Directors
12	Management & Key Executives
13	Business Review
16	Sustainability Summary
17	Corporate Governance Report
43	Additional Information on Directors Seeking for Re-Election
48	Financials
	Corporate Information





2025 is more than just another year for us – it marks the 25th anniversary of our listing on the Singapore Stock Exchange. Journeying through both good times and challenging periods over the years, we have not only remained resolute and resilient, but also ready – ready to make bold moves for the next 25 years and beyond.

CORPORATE PROFILE

Founded in 1977, King Wan Construction Pte Ltd is a Singapore-based integrated building services company with principal activities in the provision of Mechanical and Electrical (“M&E”) engineering services for the building and construction industry.

Listed in 2000, under the umbrella of King Wan Corporation Limited, on the Singapore Stock Exchange and upgraded to the Singapore Exchange Mainboard in 2003, King Wan is one of Singapore's most established M&E Engineering companies.

Over the past four decades, King Wan has grown from strength to strength to expand beyond its core businesses, and successfully ignited new growth engines to propel the Group for greater shareholders' value. The Group operates through its network of subsidiaries, associates and joint venture in Singapore, China and Thailand. The Group operates principally in two major business segments as follows:

CORE BUSINESSES

The Group provides multi-disciplined M&E engineering services such as the design and installation of plumbing and sanitary systems, air-conditioning and mechanical ventilation systems, electrical systems, fire protection and alarm systems, communications and security systems for the building and construction industry. It also provides mobile chemical lavatories for rental and other ancillary facilities for construction sites as well as public and nationwide public events.

INVESTMENT PORTFOLIO

Through direct investments, the Group now operates in other business sectors i.e. Vessel Ownership and Chartering, Property Development and Operation of Workers' Dormitory.



OUR VALUES



COMMITMENT

We are fully committed to building a strong culture of serving each other, serving our community, and fostering a work environment that encourages new ideas, growth, interdependence, trust, and mutual respect by relentlessly pursuing to add value to our employees who in turn add value to our clients.



PEOPLE

We value the contribution of each and every member of our team and seek to develop all employees to their fullest potential.



QUALITY & RELIABILITY

We aim to provide services that are unsurpassed in quality and reliability attained through regulated, coordinated planning and management while ensuring competitive cost execution.



PASSION

We approach every task with heart and passion.



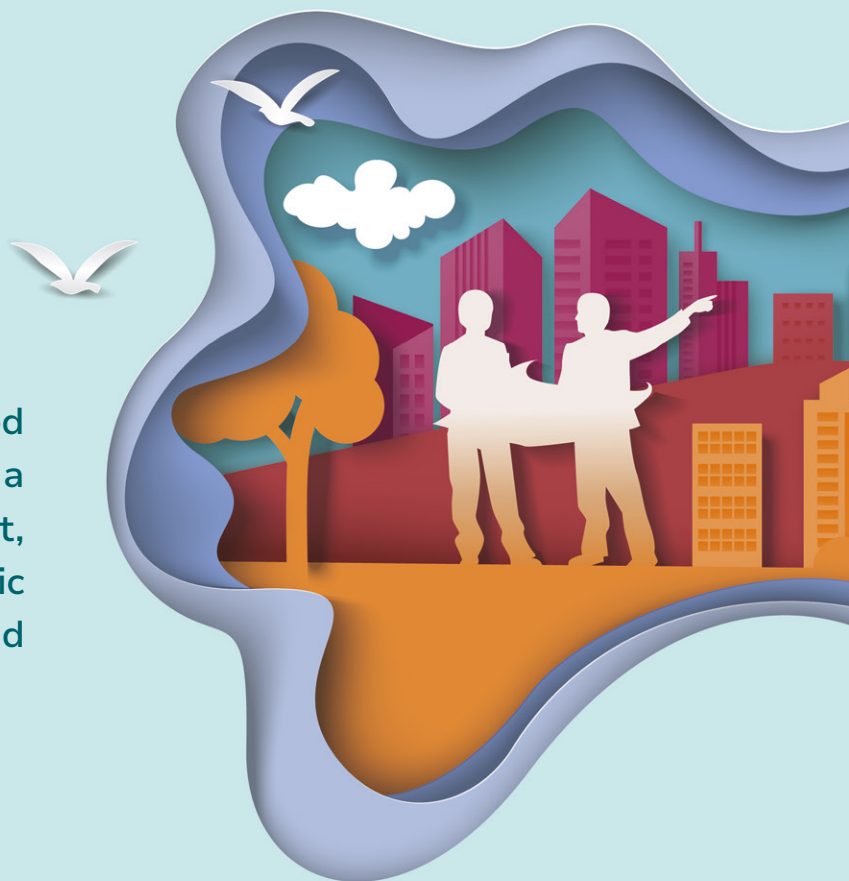
INTEGRITY & PROFESSIONALISM

We do our jobs with the highest level of integrity and professionalism.



MESSAGE TO SHAREHOLDERS

In FY2025, the Group demonstrated resilience and agility in navigating a challenging operating environment, underpinned by a clear strategic focus on sustainable growth and operational excellence.



Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present King Wan Corporation Limited's Annual Report and Financial Statements for the financial year ended 31 March 2025 ("FY2025").

FY2025 FINANCIAL PERFORMANCE

For FY2025, the Group reported a net profit attributable to owners of the Company of S\$3.4 million as compared to S\$12.4 million in the previous financial year ("FY2024"). The decline was mainly due to lower share of profits from the associates and joint venture. However, this was partially offset by the turnaround of the M&E engineering services segment, which returned to profitability after incurring a loss in FY2024.

The Group recorded revenue of S\$86.8 million for FY2025, representing a 9.2% decrease from S\$95.5 million in FY2024. The decline was mainly due to a decrease in construction activities during the year. Despite the lower revenue, the Group achieved a gross profit margin of 8.1% in FY2025, a significant improvement compared to 1.4% in FY2024. The increase was mainly driven by improved profitability from post-pandemic projects, which contributed positively to margins.

As at 31 March 2025, the Group's net assets stood at S\$69.2 million, with cash and bank balances of S\$10.5 million, compared to S\$70.0 million and S\$9.1 million, respectively, at the end of FY2024. The decrease in

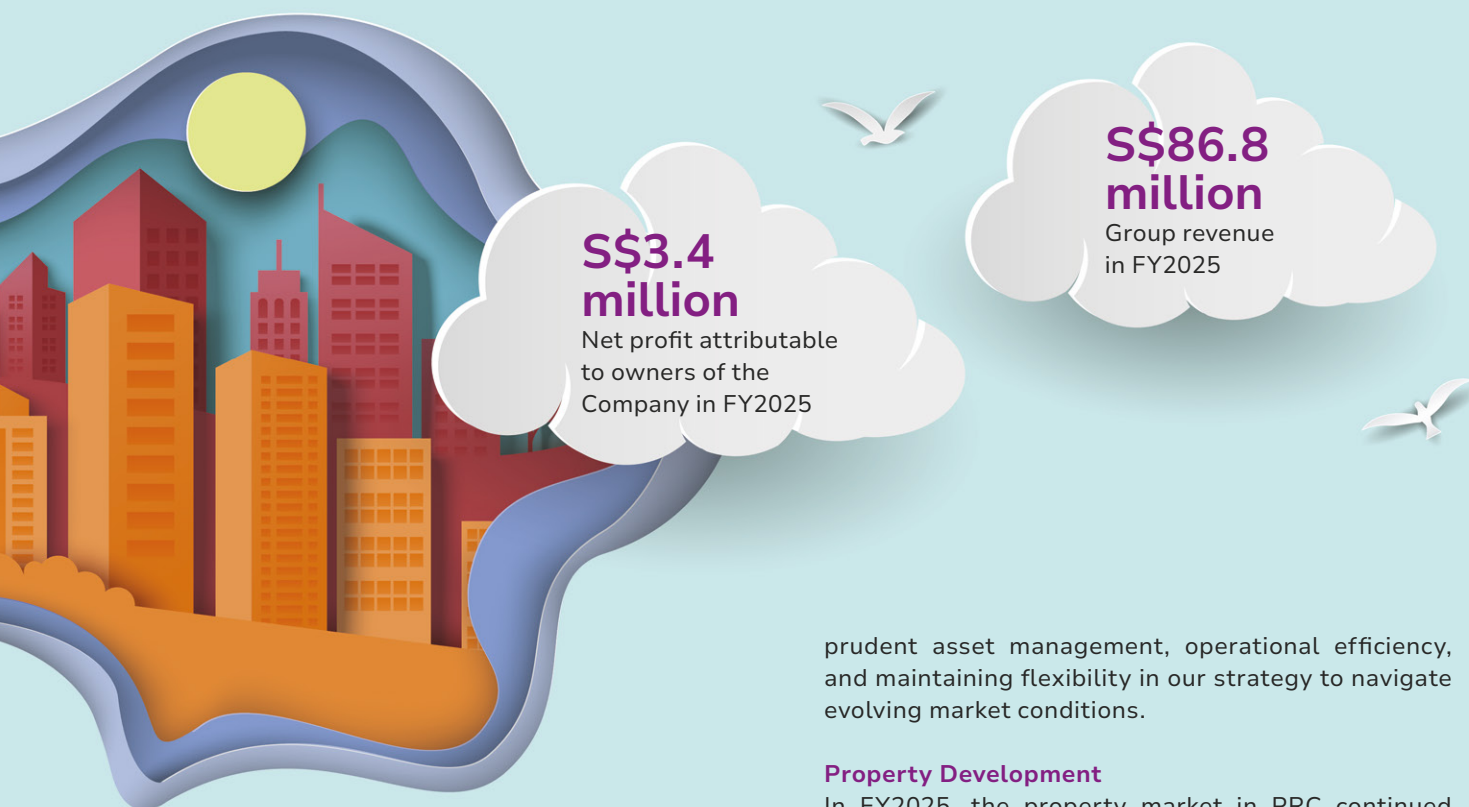
net assets was due to a S\$4.3 million decrease in the fair value of the Group's investment in quoted equity securities carried at fair value through other comprehensive income. This was after accounting for the net profit after income tax generated for the year.

DRIVING GROWTH THROUGH OUR CORE MECHANICAL & ELECTRICAL ENGINEERING SERVICES

In FY2025, the Group demonstrated resilience and agility in navigating a challenging operating environment, underpinned by a clear strategic focus on sustainable growth and operational excellence. Despite macroeconomic uncertainties, the Group remained committed to strengthening its core capabilities and expanding its project portfolio.

During the year, the Group successfully secured contracts with a total value of S\$91.7 million, spanning both private and public sectors. These projects include a diverse mix of developments such as public housing and condominium developments, civic & community institution development, as well as industrial facilities – reflecting the Group's strong market positioning and trusted reputation across multiple sectors.

As at 31 March 2025, the Group's order book stood at S\$152.3 million, providing a strong foundation for future revenue visibility. Notably, approximately 88.3% of the order book comprises projects that are on track to achieve Building and Construction Authority



("BCA") Green Mark Gold^{PLUS}, Platinum and Platinum Super Low Energy Certification, compared to 82.1% at the end of FY2024. This underscores the Group's continued commitment to environmental sustainability and alignment with Singapore Green Plan.

OUR INVESTMENT PORTFOLIO

Vessel Ownership and Chartering

In FY2025, the Group's dry bulk carrier experienced a decline in charter rates, reflecting the broader challenges faced across the maritime sector. This was driven by a complex global landscape marked by geopolitical tensions, shifting trade policies, and macroeconomic uncertainty. Despite these headwinds, the outlook for grain and agricultural commodities remains constructive, with seasonal demand expected to support charter rates in the first half of the year.

Iron ore demand has softened, largely due to reduced construction activities in key markets, but is expected to recover in the medium term. On the supply side, fleet expansion is slowing, and the global order book remains low. Coupled with an aging fleet profile, this dynamic may lead to increased vessel scrapping, which could help stabilise rates over time.

Against this backdrop, the Group continues to actively monitor time charter opportunities to optimise vessel utilisation and earnings. We remain committed to

prudent asset management, operational efficiency, and maintaining flexibility in our strategy to navigate evolving market conditions.

Property Development

In FY2025, the property market in PRC continued to face significant headwinds marked by declining prices and reduced sales volumes. Despite various government initiatives were introduced to stabilise the sector, the pace of recovery remained slow.

Following the lifting of COVID restrictions, the Group progressively resumed the sale of its residential and commercial properties in the PRC, supported by intensified marketing efforts aimed at stimulating buyer interest and improving sales performance. In parallel, the Group is evaluating the feasibility of developing the remaining land, subject to favourable regulatory and planning approvals. Given the prevailing market uncertainties, the Group remains prudent in its development approach.

Operation of Workers' Dormitory

In FY2025, the Group's purpose-built workers' dormitory in Singapore recorded higher rental rate and occupancy rate compared to FY2024.

Barring unforeseen circumstances, this positive trend is expected to continue, supported by strong demand following the recovery of the construction industry, and a tightening supply of dormitory beds. The anticipated influx of foreign workers to meet the growing needs of infrastructure development, factory production and other labour-intensive sectors in Singapore will further drive this trend.

Meanwhile, the Group will continue to focus on improving the living conditions and resilience of its dormitories, in line with the interim standards announced by the Ministry of Manpower in November 2024⁽¹⁾.

⁽¹⁾ "1,000 dorms must meet 12-resident cap per room, other interim improved standards by 2030" – The Straits Times, 13 November 2024.

BUSINESS OUTLOOK

In 2025, Singapore's construction sector is poised for robust growth, with BCA projecting total construction demand – or value of construction contracts – to be awarded to range between S\$47 billion and S\$53 billion in nominal terms, or between S\$35 billion and S\$39 billion in real terms. This represents an increase of up to 11.7% compared to pre-COVID levels in 2019. The growth is driven by major developments such as Changi Airport Terminal 5, the Marina Bay Sands Integrated Resort expansion, and various public housing, industrial, healthcare, and educational projects. Infrastructure works like the Woodlands Checkpoint extension and Tuas Port also contribute significantly. Looking ahead, BCA expects the total construction demand to reach an average of between S\$39 billion and S\$46 billion per year from 2026 to 2029⁽²⁾.

However, broader economic conditions remain uncertain. The Ministry of Trade and Industry (“MTI”) has maintained Singapore's gross domestic product growth forecast for 2025 at 0.0% to 2.0%, following a downgrade due to global trade uncertainties in April 2025. MTI highlighted several downside risks: a potential re-escalation of trade tensions, disruptions to the global disinflation process, and recession risks in both advanced and emerging markets⁽³⁾.

Given the current circumstances, the business outlook for the M&E engineering services segment remains stable and optimistic over the medium term. Backed by a strong track record and a healthy pipeline of projects, we believe the Group is well-positioned to achieve sustained revenue visibility and capitalise on emerging opportunities. Nevertheless, given that the performance of Singapore construction sector is closely tied to global economic developments, the Group will continue to adopt a vigilant and agile approach, ensuring prudent financial management and operational flexibility to navigate evolving market conditions.

The Group is proposing to acquire a new property at 15 Joo Koon Way Singapore 628947, as part of its strategy to continue building upon its strengths and competencies in its core M&E engineering services segment in Singapore. This acquisition is driven by the pending expiry of our lease at 8 Sungei Kadut Loop Singapore 729455 and will be funded through a combination of internal resources and bank borrowings.

By securing a long-term operational base, the Group reflects a proactive approach to ensuring business continuity, operational stability, and future growth.

DIVIDENDS

In view of the heightened global uncertainties and the anticipated capital outlay associated with the proposed acquisition of a new property, the Board has decided not to recommend a dividend for FY2025. This decision reflects a prudent approach to capital management, aimed at preserving the Group's working capital and ensuring that financial resources are prioritised to support core operational needs and strategic investments.

APPRECIATION

On behalf of the Group, I would like to extend our deepest appreciation to all who have journeyed with us through a year of challenges and progress. Our heartfelt thanks go to our valued shareholders, banking partners, clients, business associates, and most importantly, our dedicated management team and employees. Your unwavering support, trust, and tireless efforts have been instrumental in helping us navigate a dynamic and evolving business landscape.

We are also pleased to welcome our new director, Mr. Chua Yong Bin to the Board of Directors, effective 1 August 2024. Mr. Chua has served as the Group's Chief Risk and Strategy Officer since February 2022, playing a key role in our operations and strategic direction. His appointment to the Board reflects our continued focus on strengthening governance and leadership capabilities as we chart the next phase of growth.

Together, we have demonstrated resilience and a shared pursuit of excellence. As we look ahead, we remain resolute and ready to embrace new opportunities and drive sustainable growth.

TEO HO PIN

Independent and Non-Executive Chairman

CHUA ENG ENG

Managing Director

⁽²⁾ Construction demand to remain strong for 2025, BCA, 23 January 2025.

⁽³⁾ Economic Survey of Singapore First Quarter 2025, Singapore Ministry of Trade and Industry, 22 May 2025.



GROUP STRUCTURE



**KING WAN
CORPORATION
LIMITED**

CORE BUSINESSES

- 100%** Shinerger Engineering Pte. Ltd. (Singapore)
- 100%** King Wan Construction Pte. Ltd. (Singapore)
- 100%** K & W Mobile Loo Services Pte Ltd (Singapore)

INVESTMENT PORTFOLIO

- 70%** King Wan Eco Solutions Pte. Ltd. (Singapore)
- 100%** K & W Eco Plus Pte. Ltd. (Singapore)
 - 30%** Gold Hyacinth Development Pte. Ltd. (Singapore)
- 100%** Harmony Investment Holding Pte. Ltd. (Singapore)
 - 19%** Nexus Point Investments Pte. Ltd. (Singapore)
- 100%** King Wan Industries Pte Ltd (Singapore)
 - 50%** Soon Zhou Investments Pte. Ltd. (Singapore)
 - 100%** Blue Oasis Investments Pte. Ltd. (Singapore)
 - 100%** Dalian Blue Oasis Properties Co., Ltd. (China)
 - 49%** Chang Li Investments Pte. Ltd. (Singapore)
 - 49%** Soon Li Investments Pte. Ltd. (Singapore)
 - 49%** Li Ta Investments Pte. Ltd. (Singapore)
- 100%** King Wan Development Pte Ltd (Singapore)
 - 40%** Meadows Bright Development Pte Ltd (Singapore)
 - 46.2%** Dalian Shicheng Property Development (S) Pte. Ltd. (Singapore)
 - 100%** Dalian Shicheng Property Development Co., Ltd. (China)
 - 30%** S.I. Property Co., Ltd. (Thailand)
 - 76%** Singresource Management Pte. Ltd. (Singapore)
 - 100%** Singresource Development Management Co., Ltd. (China)

FIVE-YEAR FINANCIAL HIGHLIGHTS

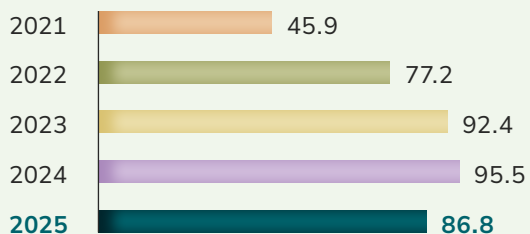
Year ended 31 March

In S\$'million	2021	2022	2023	2024	2025
FINANCIAL RESULTS					
Revenue	45.9	77.2	92.4	95.5	86.8
Profit/(Loss) Attributable to Owners of the Company	(1.5)	0.6	(4.8)	12.4	3.4
FINANCIAL POSITION					
Cash and Cash Equivalents	11.1	17.6	11.0	9.1	10.5
Property, Plant and Equipment	2.0	2.0	2.1	1.7	2.0
Right-of-Use Assets	2.3	2.3	1.9	1.3	0.9
Current and Other Assets	102.8	103.3	112.0	109.4	102.9
Total Assets	118.2	125.2	127.0	121.5	116.3
Short and Long Term Borrowings	33.8	33.2	34.0	25.1	26.2
Other Liabilities	25.3	22.9	30.9	26.4	20.9
Total Liabilities	59.1	56.1	64.9	51.5	47.1
Total Equity	59.1	69.1	62.1	70.0	69.2
Total Liabilities and Equity	118.2	125.2	127.0	121.5	116.3
PER SHARE DATA (CENTS)					
Number of Shares	349,176,870	698,353,740	698,353,740	698,353,740	698,353,740
Net Assets	16.93	9.90	8.89	10.03	9.91
Weighted Average Number of Shares	551,331,900	624,842,820	698,353,740	698,353,740	698,353,740
Earnings/(Losses) ⁽¹⁾	(0.27)	0.10	(0.69)	1.78	0.49
Dividend Paid/Payable	-	-	-	-	-
FINANCIAL RATIOS					
Return on Equity	-2.5%	0.8%	-7.7%	17.7%	5.0%
Return on Total Assets Employed	-1.3%	0.5%	-3.8%	10.2%	3.0%
Gross Debt to Total Equity Ratio	57.2%	48.0%	54.8%	35.8%	37.9%
Net Debt to Total Equity Ratio	38.3%	22.6%	37.1%	22.9%	22.7%
Dividend Payout	0.0%	0.0%	0.0%	0.0%	0.0%

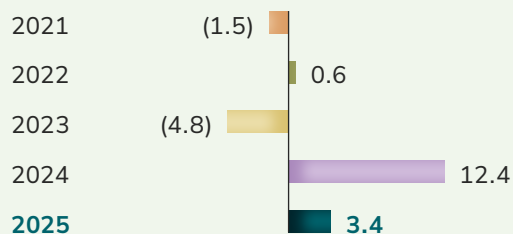
⁽¹⁾ Based on weighted average number of ordinary shares in issue.

FINANCIAL CHARTS

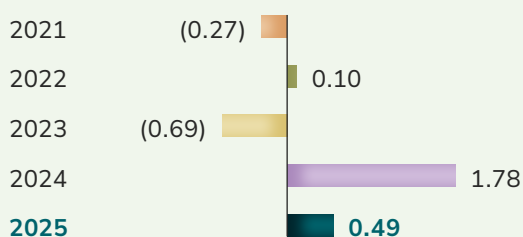
Revenue
(S\$'million)



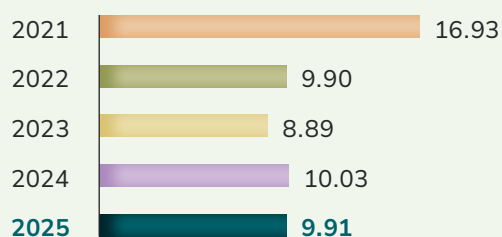
Profit/(Loss) Attributable to Owners of the Company
(S\$'million)



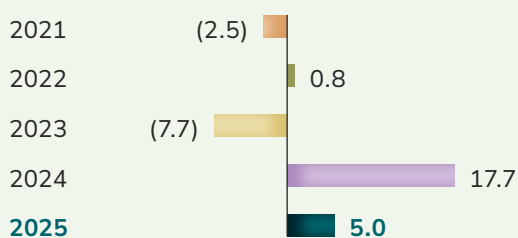
Earnings/(Loss) Per Share ⁽¹⁾
(cents)



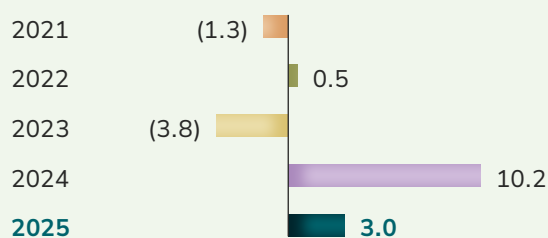
Net Assets Per Share
(cents)



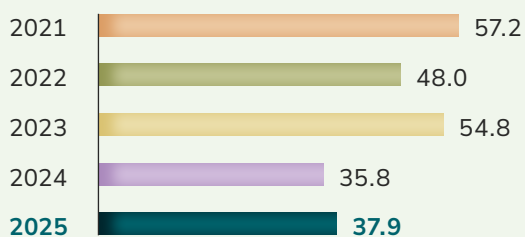
Return on Equity
(%)



Return on Total Assets Employed
(%)



Gross Debt to Total Equity Ratio
(%)



⁽¹⁾ Based on weighted average number of ordinary shares in issue.

BOARD OF DIRECTORS

TEO HO PIN

Independent and Non-Executive Chairman

First appointed – 1 April 2021

Re-elected – 31 July 2024

Dr. Teo Ho Pin, 65, is appointed as the Independent Non-Executive Chairman with effect from 1 July 2024. He is the Chairman of the Remuneration Committee and a member of the Audit Committee. Dr. Teo is a long-serving politician with a career in the public service spanning over 23 years. Formerly a Member of Parliament (“MP”) for various constituencies including Sembawang GRC (1996-2001), Holland-Bukit Panjang GRC Bukit Panjang GRC (2001-2006) and Bukit Panjang SMC (2006-2020). He was also the Mayor of the North West District in Singapore (2001-2020), responsible for implementing Community Development Programmes for approximately 906,000 residents. During his tenure as Mayor, the North West District clinched notable awards including the ASEAN Environmentally Sustainable Cities Award in 2014 & 2017 and the Singapore Environment Council-Lee Foundation Singapore Environmental Achievement Award (Public Sector) in 2017.

Dr. Teo had also served as the Chairman of the Holland-Bukit Panjang Town Council (2001-2020), and Coordinating Chairman of 15 People's Action Party (“PAP”) Town Councils (2006-2020) in Singapore, taking charge of township management for about one million public housing flats. Over the course of his political career, Dr. Teo had chaired various Government Parliamentary Committees in National Development, Environment and Water Resources, Home Affairs, and Law.

From his prior experience, notably as an MP and former Mayor of the North West District in Singapore, Dr. Teo has developed extensive expertise and a track record in implementing Green and Smart City initiatives to create sustainable buildings and communities. With his strong background and network in the built environment sector, we believe that Dr. Teo will impart fresh industry insights, spur thought leadership and lend his industry connections to elevate the organisation to greater heights.

CHUA ENG ENG

Managing Director

First appointed – 15 November 2000

Re-elected – 31 July 2024

Ms. Chua Eng Eng, 55, serves as the Managing Director of the Group. She is a member of the Nominating Committee. She provides leadership and direction to deliver performance for the Group. As the Managing Director, she drives the Group's strategy and oversees the Group's operation, business development, corporate planning, and the implementation of policies and activities. Ms. Chua plays a crucial role in networking with key strategic partners and developing leadership capabilities within the Group. She is also responsible for administration, investment, recruitment, financial, legal and corporate affairs.

She holds a Bachelor of Arts in Economics from the National University of Singapore and completed the Business Management for CEO program at the prestigious Tsinghua University.

CHUA HAI KUEY

Executive Director

First appointed – 8 February 2000

Re-elected – 31 July 2023

Mr. Chua Hai Kuey, 74, is an Executive Director of the Group and the Managing Director of King Wan Construction Pte Ltd. He is responsible for the Group's day-to-day operations including the technical, engineering and quality control aspects of all projects. In addition, he oversees the supervision of projects, troubleshoots when necessary and takes requisite measures to monitor wastage and control cost. His job scope also includes project management, project tenders and quality management.

He holds an advanced level General Certificate of Education.

CHUA YONG BIN**Executive Director***First appointed – 1 August 2024*

Mr. Chua Yong Bin, 40, is responsible for anticipating, identifying and managing key risks for the Group. Mr. Chua also drives strategy, processes, and policies for the Group, including digitalisation and investments.

Mr. Chua was previously from JP Morgan, where he spent close to a decade as an Investment Advisor, advising clients on portfolio construction and investments across various asset classes. He is also a Director of OLPN Private Limited, a company that provides services to support parents in parenting.

He holds a Bachelor of Business Administration, and a Bachelor of Social Sciences, both from the National University of Singapore.

TANG SIEW FOO DAVID**Independent and Non-Executive Director***First appointed – 30 November 2018**Re-elected – 29 July 2022*

Mr. Tang Siew Foo David, 63, is an Independent Non-Executive Director. He is the chairman of the Audit Committee and Nominating Committee, and a member of the Remuneration Committee. He was formerly a Senior Business Head in Global Commercial Banking at Oversea-Chinese Banking Corporation Limited (OCBC), responsible for various sectors including construction, engineering and real estate. Mr. Tang has over 30 years of experience in commercial and investment banking, and private wealth management in local and international banks.

Mr. Tang holds a Bachelor of Business Administration from the National University of Singapore. He is an associate of the Chartered Institute of Bankers (London) and Institute of Banking and Finance Fellow for Corporate Banking. Mr. Tang is a Senior Accredited Director.

SIRAARPA SIRIVIRIYAKUL**Independent and Non-Executive Director***First appointed – 2 October 2017**Re-elected – 31 July 2023*

Ms. Siraarpa Siriviriyakul, 39, is an Independent Non-Executive Director. She is a member of the Audit Committee, the Nominating Committee and the Remuneration Committee. She is currently a Deputy Managing Director of Siricharoen Sappraiwan Co., Ltd. and Principal of Designing Impacts.

Ms. Siriviriyakul holds a Bachelor of Economics from the Chulalongkorn University and a Master of Science in Management from the Stanford University.

MANAGEMENT & KEY EXECUTIVES

ER SOON KIAT, JOE

Deputy Managing Director

King Wan Construction Pte Ltd (KWC)

Mr. Er Soon Kiat, Joe, 55, has been appointed the Deputy Managing Director of KWC since 15 August 2023. He is responsible for overseeing the operations, design, contracts negotiation, project management and performance for M&E engineering services business. He first joined KWC in November 2001 as a mechanical engineer and advanced through the ranks to become the Deputy Managing Director. He has been involved in various assignments, actively contributing to the design and project management of the Group's construction projects.

With more than 20 years of experience in the construction industry, Mr. Er holds a Bachelor of Engineering (Mechanical) from the Engineering Council of the United Kingdom and a Master of Science (Building Science) from the National University of Singapore. He is a Design for Safety Professional, a Registered Chartered Engineer (UK) and also a Senior Member of the Institution of Engineers Singapore.

ONG AI LING

Chief Financial Officer

King Wan Corporation Limited

Ms. Ong Ai Ling, 38, oversees the Group's overall financial, accounting and tax matters. She is also responsible for financial and management reporting of the Group, and compliance with regulations of the Singapore Exchange. Prior to joining the Group, she was an audit manager with an international public accounting firm in Singapore.

Ms. Ong holds a Bachelor of Accountancy (Honours) and a Master in Business Administration from the Nanyang Technological University. She is a non-practising member of the Institute of Singapore Chartered Accountants.

SENG WEE CHONG

General Manager

King Wan Construction Pte Ltd (KWC)

Mr. Seng Wee Chong, 57, is the General Manager of KWC. He has more than 20 years of experience in both the private and public sectors in the built environment industry in Singapore. He is responsible for contracts negotiation and project management to ensure the smooth execution of the projects. Prior to joining the group in June 2024, he was holding senior leadership roles with main builders, undertaking notable major public projects. These roles have included serving as Project Director and also General Manager, responsible for developing project management and driving overall strategy.

Mr. Seng holds a Bachelor of Engineering (Civil) from the Nanyang Technological University and a Specialist Diploma in Construction Productivity from the Building Construction Authority Academy. He is a registered Resident Engineer administered by the Institution of Engineers Singapore and a Member of the Institution of Engineers Singapore.



BUSINESS REVIEW

Since its listing on the Singapore Exchange in year 2000, King Wan has built upon its strengths and competencies in its core Mechanical & Electrical (“M&E”) engineering services business in Singapore. In parallel, the Group has diversified its business portfolio through direct investments in other sectors including Portable Lavatories Rental Services.

Through its associate companies, King Wan has also expanded into three additional business sectors namely Property Development, Vessel Ownership and Chartering, and the Operation of Workers’ Dormitory. Furthermore, the Group holds a 2.9% equity interest in Kaset Thai International Sugar Corporation Public Company Limited (“KTIS”), a company listed on the Stock Exchange of Thailand.

MECHANICAL & ELECTRICAL ENGINEERING SERVICES

King Wan’s M&E engineering services segment has been a cornerstone of Singapore’s building and construction industry for more than 40 years. The Group provides a comprehensive suite of multi-disciplinary engineering solutions, including the design and installation of plumbing and sanitary systems, air-conditioning and mechanical ventilation systems, electrical systems, fire protection and alarm systems, communications and security systems.

Over the years, King Wan has established itself as a leading and cost-effective M&E service provider, recognised for its technical expertise, operational efficiency, and commitment to quality. Our reputation as a dominant player in the industry is built on a strong foundation of successful project delivery and long-standing client relationships.

We have collaborated with reputable contractors and property developers across a diverse range of market segments – including commercial, institutional, educational, residential, hospitality, industrial and public infrastructure. These partnerships reflect our ability to adapt to varied project requirements while maintaining high standards of service and reliability.

Led by an experienced management team, King Wan continues to uphold its competitive edge through innovation, operational excellence, and a proven track record in both public and private sector projects. Our consistent performance reinforces our position as a trusted partner in Singapore’s evolving construction landscape.

The Group holds the highest “L6” grading in the following workheads of the M&E engineering services categories under the contractors’ registry administered by the BCA:

Workhead	Description
ME15	Integrated Building Services
ME12	Plumbing & Sanitary Works
ME05	Electrical Engineering
ME01	Air-Conditioning, Refrigeration & Ventilation Works

The “L6” BCA grade allows the holder to bid for all public-sector contracts in Singapore in the relevant workhead category of unlimited contract value.

In addition, the Group has also achieved BCA gradings for the following workheads:

Workhead	Description	Grading
CR07	Cable / Pipe Laying & Road Reinstatement	L5
ME06	Fire Prevention & Protection Systems	L4
CW02	Civil Engineering	C3



In FY2025, revenue from M&E engineering services segment decreased by 9.0% to S\$82.6 million, compared to S\$90.8 million in FY2024. The decline was mainly due to a decrease in construction activities. Notwithstanding the decline, the M&E engineering services segment remained the Group's core revenue contributor, accounting for 95.2% of total turnover in FY2025 (FY2024 : 95.1%). This underscores the segment's continued strategic importance and resilience within the Group's diversified portfolio.

As at 31 March 2025, King Wan secured contracts of S\$152.3 million (31 March 2024 : S\$134.1 million) worth of M&E engineering services contracts on hand. During the year, the Group secured S\$91.7 million worth of new M&E contracts, reinforcing its position as a trusted partner in Singapore's construction sector.

Notably, some of the projects secured between April 2024 to March 2025 include:

- **Bukit Timah Civic & Community Development** – supply and installation of air-conditioning and mechanical ventilation works for institution development at Upper Bukit Timah Road/Pei Wah Avenue;
- **Prima Production & Flour Silos Storage** – supply and installation of air-conditioning and mechanical ventilation works for industrial development at Jurong Port Road;
- **Nava Grove** – sanitary, plumbing and gas installation works for condominium housing development (Total : 552 units) at Pine Grove; and
- **Yishun Neighbourhood 5 Contract 9 & 10** – sanitary, plumbing and gas installation works for public housing development (Total : 1,334 units) at Yishun Avenue 1.

The Group continues to secure new contracts, building on its strong track record of delivering high-quality engineering solutions. Notable past projects such as Jewel Changi Airport and Singapore Sports Hub underscore the market's confidence in our technical capabilities and ability to manage complex, large-scale developments.

The post-pandemic operating environment remains challenging, marked by geopolitical tensions, shifting trade policies, and macroeconomic uncertainty. Despite these headwinds, the Group remains committed to delivering quality work to its valued clients.

Looking ahead, the M&E engineering services segment is expected to face continued pressure from rising costs and economic uncertainties. Nevertheless, based on the current order book, the segment will remain the core business for the Group and is expected to continue generating a sustainable income stream.

At King Wan, we recognise that sustainability is integral to long-term value creation for shareholders. As part of our strategic growth plans, we prioritise investments in human capital and the development of green retrofitting solutions. These include upgrading existing buildings to improve energy efficiency, installing advanced air-conditioning systems, and implementing sustainable mechanical ventilation practices. These initiatives not only align with evolving environmental standards but also position the Group for future-ready growth.

PORTABLE LAVATORIES RENTAL SERVICES

King Wan has been providing portable lavatories and ancillary facilities for more than 30 years, serving both construction sites and events of varying scales — from small community gatherings to large public functions. This long-standing business segment continues to offer a stable and recurring revenue stream, contributing to the Group's overall resilience.

In FY2025, demand for portable lavatories at construction sites and events remained stable. The segment generated S\$3.9 million in revenue (FY2024: S\$4.3 million), accounting for approximately 4.5% of the Group's total turnover — consistent with the previous financial year.

To maintain its competitive edge, the Group continued to enhance its service quality and improve the efficiency of the business operation. Looking ahead, the Group expects this segment to continue generating a sustainable income stream with a focus on customer satisfaction, regulatory compliance, and environmental hygiene standards.

INVESTMENT PORTFOLIO

A review of the Group's investment portfolio is set out below: -

1) Property Development

The Property Development segment engages in the development, marketing, sale and rental of residential and commercial properties in Thailand and the People's Republic of China ("PRC"). This is made via investments in associate companies, in collaboration with our business partners.



The Group holds a 30.0% equity stake in its associate company, S.I. Property Co., Ltd, which owns and operates a commercial property in Bangkok, Thailand. The asset comprises approximately 17,308 square metres of office and commercial space within Liberty Plaza, strategically located in Soi Thonglor (Sukhumvit 55) — one of Bangkok's most vibrant and upscale districts.

The Group holds a 46.2% equity stake in its associate company, Dalian Shicheng Property Development (S) Pte Ltd, which is responsible for the development of “Singapore Garden”, a multi-phased mixed-use project located in Dalian, PRC. To date, the project has successfully completed seven phases, comprising a mix of residential and retail units. However, the economic outlook for the property sector in Dalian remains uncertain, with signs of a continued slowdown in market activity and buyer sentiment. The Group is focused on the sale of remaining completed units, and at the same time, evaluating the feasibility of developing the remaining land, subject to favourable regulatory and planning approvals. In April 2024, the Board conducted a site visit to the Singapore Garden project in Dalian and engaged with the local management team. The visit provided valuable insights into the project's progress and the operational landscape, reinforcing the Group's commitment to maintaining oversight and governance over its overseas investments.

2) Vessel Ownership and Chartering

King Wan holds a 30.0% equity stake in its associate company, Gold Hyacinth Development Pte Ltd, which owns and operates a Crown 58 Supramax Bulk Carrier, named “Hai Jin”. Designed and built to carry dry bulk commodities, the carrier has a deadweight of 58,000 tons and a net tonnage of 19,582 tons. Throughout FY2025, Hai Jin remained under charter. However, charter rates declined over the year, reflecting broader headwinds in the global maritime sector, including softening demand and increased operating costs. Despite these challenges, the Group continues to actively monitor time charter opportunities to optimise vessel utilisation and earnings.

3) Operations of Workers' Dormitory

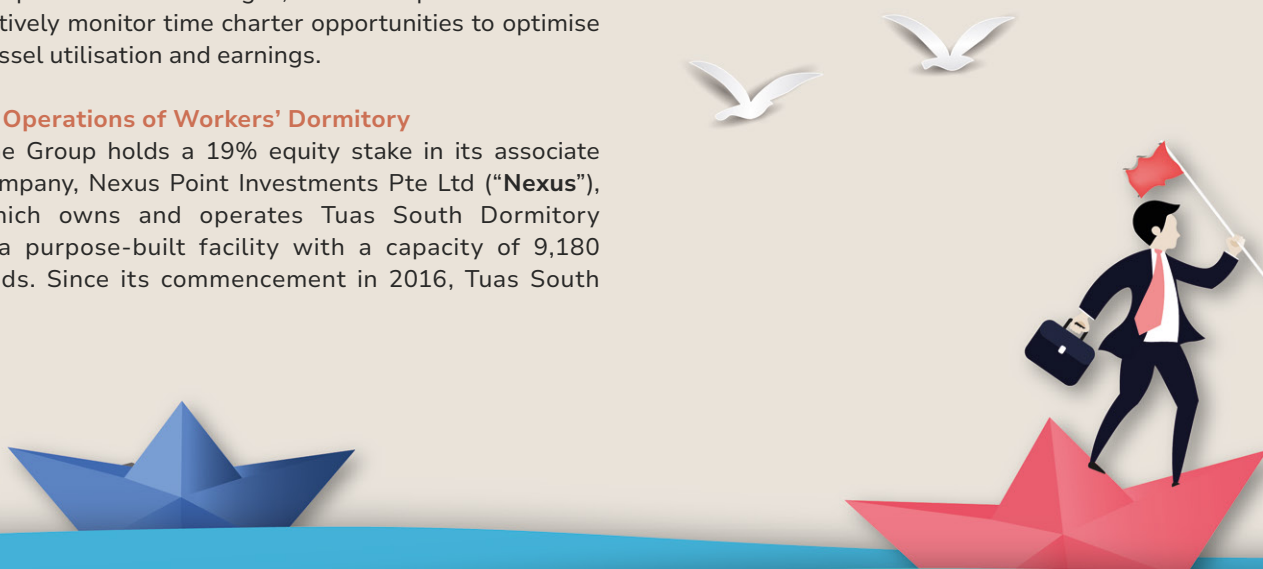
The Group holds a 19% equity stake in its associate company, Nexus Point Investments Pte Ltd (“Nexus”), which owns and operates Tuas South Dormitory – a purpose-built facility with a capacity of 9,180 beds. Since its commencement in 2016, Tuas South

Dormitory has grown to become one of the largest and best-equipped workers' dormitories in Singapore, offering comprehensive amenities to meet the needs of its residents. Over the years, Nexus has demonstrated consistent improvement in both rental rates and occupancy levels, reflecting its operational strength and the quality of its offerings. In FY2025, demand from Singapore's migrant worker population remained robust, enabling the dormitory to sustain its positive performance trend with stable rental and occupancy rates. As a result of Nexus's positive operating performance, the Group recognised a share of profit of S\$4.2 million in FY2025 (FY2024: S\$19.6 million) through equity accounting. The significantly higher profit in FY2024 was mainly due to a fair value gain recognised on its investment properties.

4) Kaset Thai International Sugar Corporation Public Company Limited

KTIS is a leading agribusiness group in Thailand, primarily engaged in the production and distribution of sugar and related by-products. The company has diversified into pulp and eco-friendly packaging, ethanol production, biomass power generation, and organic fertilisers, leveraging sugarcane by-products for sustainability.

KTIS is listed on the Stock Exchange of Thailand. As at 31 March 2025, the Group's investment in KTIS had a fair value of S\$10.5 million, compared to S\$14.8 million as at the end of FY2024, reflecting a decline in share price from THB 3.56 to THB 2.34. Based on KTIS' annual report dated 29 November 2024, the company reported a net loss for its financial year ended 30 September 2024, primarily due to sector-wide challenges. Despite this, the Group received dividend income of S\$0.2 million in FY2025 (FY2024: S\$0.4 million).



SUSTAINABILITY SUMMARY

King Wan remains committed to embedding sustainability into our strategy and operations. We believe responsible practices support long-term value creation, enhance stakeholder trust, and contribute to a greener built environment.

SUSTAINABILITY TARGETS

In FY2025, we reviewed and reaffirmed our short, medium, and long-term targets across key economic, environmental, social and governance material topics. This ensures our efforts remain aligned with material priorities and allows for consistent progress tracking over time.

FY2025 Sustainability Highlights



Progressive fleet transition with **electric lorries** replacing older diesel vehicles

Reduction in energy and water consumption intensity across dormitory operations



88.3%

of order book on track for BCA Green Mark Gold^{PLUS}, Platinum and Platinum Super Low Energy Certification

Expanded Task Force on Climate-related Financial Disclosures-aligned climate scenario analysis, including Representative Concentration Pathways 2.6 and 8.5

Lower employee turnover, reflecting improved engagement and workplace stability



CORPORATE GOVERNANCE REPORT

King Wan Corporation Limited (the “**Company**”) together with its subsidiaries (the “**Group**”) is committed to implementing and maintaining a high standard of corporate governance at all levels within the Group to foster transparency and uphold integrity so as to create and enhance the value for shareholders and the Group in the long term. The Board of Directors (the “**Board**”) and the Company’s Management believe that good corporate governance is fundamental to achieve the sustainability goals of the Group.

This report sets out the Group’s corporate governance practices in the financial year ended 31 March 2025 (“**FY2025**”) with specific reference to the Singapore Code of Corporate Governance 2018 (the “**Code**”).

The Board is pleased to confirm that the Group has complied, in all material aspects, with the principles and provisions of the Code. Deviations from the Code, if any, are explained under the respective sections.

A. BOARD MATTERS

BOARD’S CONDUCT OF ITS AFFAIRS

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provisions 1.1 and 1.2

Board roles and Directors’ duties

The primary role of the Board is to provide effective leadership and strategic direction to enhance the long-term value of the Group to its shareholders and other stakeholders.

Besides discharging its fiduciary duties and statutory responsibilities, the principal functions of the Board include:

- providing entrepreneurial leadership, setting strategic objectives and ensuring that the necessary financial and human resources are in place for the Group to meet its objectives;
- formulating corporate strategies and charting the business direction of the Group, including the evaluation and approval of major funding, investments and divestments;
- reviewing and approving the Group’s annual budget, operational and capital expenditure plans, as well as constructively challenging Management on the strategic options and planning process;
- reviewing the adequacy and effectiveness of the Group’s internal controls, risk assessment and management, and business reporting to safeguard the shareholders’ investments and the Company’s assets;
- considering sustainability issues (including environmental, social and governance factors) as part of the Group’s overall strategy;
- reviewing the Group’s financial performance and authorising the release of the Group’s half-year and full-year financial results;
- reviewing Management performance and endorsing various strategic initiatives proposed by Management;
- overseeing the long-term succession planning for Board and Management and ensuring that Management observes the code of conduct as applied to them;
- approving the nominations of Directors;
- identifying the key stakeholder groups and recognising that their perceptions affect the Company’s reputation; and
- upholding transparency and accountability to key stakeholder groups.

The Board exercises due diligence and independent judgement and makes decisions objectively in the best interest of the Group. This is one of the performance criteria for the peer and self-assessment on the effectiveness of the individual Directors.

CORPORATE GOVERNANCE REPORT

Board orientation and training

The Group has in place an orientation program for new Directors to ensure that incoming Directors are familiar with the Group's business, corporate governance policies, disclosure of interests in securities, disclosure of any conflict of interest in a transaction involving the Group, prohibitions in dealing in the Company's securities and restrictions on disclosure of price sensitive information. The orientation program gives Directors an understanding of the Group's business to enable them to assimilate into their new roles. The program also allows the new Director to get acquainted with Senior Management, thereby facilitating board interaction and independent access to Senior Management. A new Director who lack prior experience as a director of a company listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") or training in sustainability matters is required to undergo prescribed programs conducted by the Singapore Institute of Directors, Singapore Exchange Regulation and/or a reputable institution.

All new Directors appointed on the Board, if any, will also be provided with a formal letter of appointment setting out the Director's duties and obligations, and essential documents such as meeting schedule, the Company's latest annual report and constitution and the Group's key policies and procedures. New Directors are given appropriate briefing by the Management on the business activities of the Group and its strategic directions. The Company observed the aforesaid practices when Mr. Chua Yong Bin became an Executive Director of the Company on 1 August 2024.

The Directors are provided with continuing briefings and updates in areas such as Directors' duties and responsibilities, corporate governance, risk management, financial reporting standards and issues which have a direct impact on financial statements by the Management, Auditors and Company Secretary, so as to enable them to properly discharge their duties as Board or Board Committee members. Relevant news releases issued by the SGX-ST, the Accounting and Corporate Regulatory Authority and/or the Monetary Authority of Singapore are also circulated to the Board. Briefings and updates provided for directors in FY2025 included:

- the Chairman, Managing Director and the Executive Directors updated the board on business and strategic developments; and
- the External Auditors, BDO LLP briefed the board on developments in accounting and governance standards.

Directors are at liberty to request further explanations, briefings or information on any aspect of the Company's operations or business issues from Management.

Periodic offsite strategy meetings, occurring every one to three years, serve as pivotal forums for the Board and Management to discuss and review the Group's strategic plans, with the most recent meeting held in February 2025.

Furthermore, site visits to the Group's overseas investments are organised, providing Directors with direct insights into these ventures. In FY2025, the Board and Management did a site visit at the Group's overseas investments in Dalian, PRC.

Directors are encouraged to participate in relevant training and continuously enhance the effectiveness of the Board and its Committees. The Company will fund the Directors' attendance at corporate conferences, seminars, or any training courses related to their Directors' responsibilities.

The Board is mindful of the best practice in the Code to initiate programs for Directors to meet their relevant training needs. In this regard, the Group is supportive of Directors in the participation of industry conferences and seminars and in the funding of members' attendance at any courses or training programs in connection with their duties as a Director. The Company relies on the Directors to update themselves on new laws, regulations and changing commercial risks.

CORPORATE GOVERNANCE REPORT

Provision 1.3

Internal guidelines on matters requiring Board's approval

Board approval is required for matters including corporate exercises, annual business plans and budget forecasts, material acquisition/disposal of assets/investments, financial results announcements and press releases, significant policies and procedures, statutory accounts, establishment of banking facilities and provision of corporate guarantees.

Provision 1.4

Delegation to Board Committee

To enhance operational efficiency and facilitate the discharge of its functions, the Board has established three (3) Board Committees namely the Audit Committee ("AC"), the Nominating Committee ("NC") and the Remuneration Committee ("RC"). These Committees function within clearly defined written terms of reference and operating procedures, which are reviewed on a regular basis. The effectiveness of each Committee is also constantly monitored. All the Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group. The Board accepts that while these various Board Committees have the authority to examine particular issues and will report to the Board with their decision and/or recommendations, the ultimate responsibility on all matters lies with the Board.

As at 16 July 2025, the Board and the various Board Committees comprises the following members:

Name	Board	AC	NC	RC
Dr. Teo Ho Pin	Independent and Non-Executive Chairman	Member	-	Chairman
Mr. Tang Siew Foo David	Lead Independent and Non-Executive Director	Chairman	Chairman	Member
Ms. Siraarpa Siriviriyakul	Independent and Non-Executive Director	Member	Member	Member
Ms. Chua Eng Eng	Managing Director	-	Member	-
Mr. Chua Hai Kuey	Executive Director	-	-	-
Mr. Chua Yong Bin ⁽¹⁾	Executive Director	-	-	-

Note

⁽¹⁾ Mr. Chua Yong Bin was appointed as the Executive Director with effect from 1 August 2024.

Provision 1.5

Board and Board Committee meetings and attendance records

Meetings of the Board, Board Committees and shareholders of the Company are scheduled in advance of each calendar year in consultation with the Directors to ensure maximum participation. Ad hoc meetings may be convened when required. For FY2025, the Board and AC met four (4) times on a quarterly basis. NC and RC met one (1) time in May 2024. The report on the Directors' attendance for Board and Board Committees meetings is set out hereunder. Notwithstanding such disclosure, the Board is of the view that the contributions of each Director extend beyond his/her attendance at these meetings and their contribution also come in other forms such as through the sharing of expertise, advice, experience and strategic networking relationships that are outside the confine of the Boardroom. Telephonic attendance and conference via audio communication at board meetings are allowed under the Company's Constitution. In instances where physical attendance is not feasible, Directors participate via video conferencing facilities.

CORPORATE GOVERNANCE REPORT

Regular Board meetings are held to discuss and decide on specific issues including significant transactions with related and non-related parties, investments and divestments of assets, annual budget review, review of the Group's financial performance and to approve the release of the half-year and full-year financial statements. Although specific guidelines have not been formulated to set forth the matters that require Board's approval, the Board, in general, deals with matters such as conflict of interest issues relating to directors and substantial shareholders, major acquisition and disposal of assets, dividend and other distribution to shareholders, and those transactions or matters which require Board's approval under the provisions of the SGX-ST Listing Manual or any applicable regulations.

The attendance record (includes both physical and virtual meetings) of the Directors in FY2025 is set out below:

	Board	AC	NC	RC	General Meeting
Total Number of Meetings held	4	4	1	1	1
Total Number of Meetings attended					
Non-Executive Directors					
Dr. Teo Ho Pin ⁽²⁾	4	4	N.A.	1	1
Ms. Siraarpa Siriviriyakul	4	4	1	1	1
Mr. Tang Siew Foo David	4	4	1	1	1
Mr. Chua Kim Hua ⁽³⁾	-	N.A.	N.A.	N.A.	1
Executive Directors					
Ms. Chua Eng Eng	4	N.A.	1	N.A.	1
Mr. Chua Hai Kuey	4	N.A.	N.A.	N.A.	1
Mr. Chua Yong Bin ⁽⁴⁾	3	N.A.	N.A.	N.A.	N.A.

Note

⁽²⁾ Dr. Teo Ho Pin was appointed as the Independent and Non-Executive Chairman with effect from 1 July 2024.

⁽³⁾ Mr. Chua Kim Hua stepped down from Non-Independent and Non-Executive Chairman with effect from 1 July 2024 and retired as Non-Independent and Non-Executive Director on 1 August 2024.

⁽⁴⁾ Mr. Chua Yong Bin was appointed as the Executive Director with effect from 1 August 2024.

Provision 1.6

Access to complete, adequate and timely information

All Directors are provided with the names and contact details of the Company's Senior Management and the Company Secretary to facilitate unrestricted access to the Senior Management and the Company Secretary in carrying out their duties. Requests for information from the Board are dealt with promptly by the Management.

The Board is kept informed of all relevant information on material events and transactions accurately and promptly as and when they arise. The Management also consults the Board whenever necessary.

An agenda for Board meetings together with the relevant papers are prepared in consultation with the Managing Director and are circulated before the holding of each Board and Committee meetings. This allows control over the quality, quantity and timeliness of the flow of information between the Management and the Board. The Board papers include sufficient background explanatory information from the Management on financial, business and corporate issues to enable the Directors to be properly briefed on issues to be considered at Board meetings. Such explanatory information may also be in the form of briefings to the Directors or formal presentations made by Senior Management in attendance at Board meetings, or by external professionals engaged on specific projects.

CORPORATE GOVERNANCE REPORT

Provision 1.7

Company Secretary/Independent professional advice

Company Secretary

Directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for, among other things, ensuring that Board procedures are observed and compliance with the Company's Constitution, relevant rules and regulations of the Companies Act, Securities and Futures Act 2001, and SGX-ST Listing Manual. The Company Secretary also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes, with a view to enhancing long-term shareholder value.

Under the direction of the Managing Director, the Company Secretary ensures good information flow to and within the Board and its Committees and between Management and Non-Executive Directors.

During FY2025, the Company Secretary attended and prepared minutes for all meetings of the Board and its Committees and the minutes of such meetings were promptly circulated to all members of the Board and Board Committees. The Company Secretary assists the Chairman of the Board, the Chairman of Board Committees and Management in the development of the agendas for the various Board and Board Committee meetings.

The appointment and the removal of the Company Secretary are subject to the Board's approval.

Independent professional advice

The Board members may, at any time, in the furtherance of their duties, request independent professional advice and receive training at the expense of the Company.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Board composition at a glance

The Board presently comprises of six (6) members –three (3) are Non-Independent and Executive Directors and three (3) are Independent and Non-Executive Directors. Key information on the Directors' particulars and background can be found under "Board of Directors" section on pages 10 to 11 of the Annual Report.

Provisions 2.1, 2.2 and 2.3

Independence of Directors, Composition of Independent Directors on the Board and Proportion of Non-Executive Directors

Independence of Directors

The Board comprises of three (3) Independent Directors out of a total of six (6) Board members. The Independent Directors make up half of the Board. The three (3) Independent and Non-Executive Directors are Ms. Siraarpa Siriviriyakul, Mr. Tang Siew Foo David and Dr. Teo Ho Pin. Dr. Teo Ho Pin was appointed as the Chairman of the Board with effect from 1 July 2024.

The independence of each Director is assessed annually by the NC and the Board based on the existence of relationships or circumstances, including those identified by the SGX-ST Listing Manual and the Code's Practice Guidance that are relevant in determining as to whether a Director is independent.

CORPORATE GOVERNANCE REPORT

Each Director is required to make annual declaration of Director's independence based on guidelines as set out in the Code. Under the Code, an Independent Director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere with the exercise of the Director's independent business judgment in the best interests of the Company.

The NC is tasked to determine on an annual basis and as and when the circumstances require whether or not a Director is independent, bearing in mind the guidelines set forth in the Code and any other salient factors which would render a director to be deemed not independent. For the purpose of determining Directors' independence, all Directors had provided declaration of their independence which was deliberated upon by the NC and the Board.

The Board recognises that Independent Directors will over time develop significant insights into the Group's businesses and operations and can continue to provide significant and valuable contributions objectively to the Board as a whole. An Independent Director's contributions in terms of experience, expertise, integrity, objectivity and independent judgment in engaging and challenging the management in the best interests of the Company as he or she performs his or her duties are more critical measures in ascertaining his independence than the number of years he or she has served.

In FY2025, the NC conducted its annual review of the Director's independence and was satisfied that the Company has complied with the guidelines of the Code, and each and every Director share equal responsibility on the Board.

On 11 January 2023, Singapore Exchange Regulation ("SGX RegCo") announced a hard tenure limit of nine (9) years for an Independent Director, beyond which such Director will no longer be considered as independent. None of the Independent Directors on the Board have served for nine (9) years.

In FY2025, the Non-Executive Directors make up half of the Board. The NC is mindful of the deviation from provision 2.3 of the Code whereby Non-Executive Directors shall make up a majority of the Board. Notwithstanding this deviation, the Board is of the view that there is a sufficiently strong element and safeguards in place to enable independent exercise of objective judgement on affairs and operations of the Group by the members of the Board. The AC and RC comprise entirely of Independent and Non-Executive Directors while the NC is made up of a majority of Independent and Non-Executive Directors. AC, RC and NC meetings are chaired by the Independent and Non-Executive Directors and decisions made at these meetings are achieved by majority consensus. This provides a strong and independent element on the Board and is fundamental to good corporate governance as it facilitates the exercise of independent and objective judgment on corporate affairs. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined. Independent and Non-Executive Directors evaluate Management's proposals, challenging underlying assumptions where necessary.

Provision 2.4

Board composition and size

In FY2025, the NC conducted its annual review on the composition and size of the Board and concluded that they were appropriate, considering the scope and nature of the Group's businesses, for effective decision making. The Board, which is made up of a total of six (6) Directors, currently includes two (2) female Directors who have served for different tenures. The NC also noted that there was adequate diversity in that the Board comprised members of both genders with diverse backgrounds and whose core competencies, qualifications, skills and experiences met with the requirements of the Group.

CORPORATE GOVERNANCE REPORT

Board Diversity Policy

The Board and the Management fully appreciate that an effective and robust Board, whose members engage in open and constructive debates and challenge the Management on its assumptions and proposals, is fundamental to good corporate governance.

The Board has put in place a Board Diversity Policy which sets out certain quantitative and qualitative objectives. Among others, the Board has set diversity as a key criterion for any search process for the Board and key management personnel (“**KMP**”). All Board appointments are made based on merit, in the context of the skills, experience, gender, independence and knowledge which the Board as a whole requires to be effective.

The NC noted the recommendation of the Council for Board Diversity (“**CBD**”) for listed companies to have 25% female representation on their boards by 2025 and 30% by 2030. The current Board has two (2) female Directors (constituting 33% of the Board), namely Ms. Chua Eng Eng and Ms. Siraarpa Siriviriyakul and meets the targets set by the CBD.

A competency matrix is used to help identify the gaps to be filled for the Board. The competency matrix classifies the skills, knowledge and professional experience of existing Directors into several broad categories such as industry knowledge; accounting and finance; legal and regulatory; business and management; and leadership.

The Board, taking into consideration the views of the NC, is satisfied that the current size and composition of the Board (and Board Committees) meets the criteria in the Board Diversity Policy and possesses the necessary competencies, expertise and knowledge to lead the Group effectively. The Company remains committed to implementing the Board Diversity Policy and any further progress made towards the implementation of such policy will be disclosed in future Corporate Governance Reports, as appropriate.

Provision 2.5

Regular meetings of Non-Executive Directors

A Board should also aid in the development of strategic proposals and oversee effective implementation by the Management to achieve set objectives. For this to happen, the Board and the Non-Executive Directors, in particular, must be kept well informed of the Group's businesses and be knowledgeable about the industry the Group operates in.

To ensure that the Non-Executive Directors are well supported by accurate, complete and timely information, the Non-Executive Directors have unrestricted access to management. The Group has adopted initiatives to put in place processes to ensure that the Non-Executive Directors have sufficient time and resources to discharge their oversight functions effectively. These initiatives include:

- regular informal meetings are held by management to brief the Non-Executive Directors on prospective deals and potential developments at an early stage, before formal Board's approval is sought; and
- periodic information papers and board papers on the latest market developments and trends, and key business initiatives are circulated to Non-Executive Directors on a timely basis to allow them to have sufficient time for review.

In FY2025, the Non-Executive Directors met during the periodic meetings of the Board and Board Committees. In addition, the Non-Executive Directors met informally (online or offline) with the KMP (including the Managing Director) and other Senior Management of the Group from time to time to discuss matters relating to the Group. After the meetings, they provided feedback to Management to review and resolve specific issues and matters discussed during the meetings. The Company has benefited from Management's ready access to the Non-Executive Directors for guidance and exchange of views, both within and outside of Board and Board Committee meetings in FY2025.

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND MANAGING DIRECTOR

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provisions 3.1 and 3.2

Separation of the role of Chairman and Managing Director

The Independent and Non-Executive Chairman and the Managing Director for the Group are separate persons to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

Dr. Teo Ho Pin, an Independent and Non-Executive Director, was appointed as the Chairman of the Board with effect from 1 July 2024. As Chairman, Dr. Teo exemplifies the highest standards of integrity and governance, steering Board proceedings and fostering effective communications among Directors. He bears primary responsibility for leading the Board to ensure its effectiveness on all aspects of its role including setting the agenda for Board meetings and ensuring adequate time is made available for discussion of all agenda items during the meetings, in particular strategic issues. He will review the Board papers before they are presented to the Board to ensure that Board members are provided with complete, adequate and timely information. Management who has prepared the papers or can provide additional insight into the matters to be discussed are invited to present the papers or attend the relevant Board meetings.

The Chairman will monitor communications and relations between the Company and its shareholders, between the Board and Management, between Executive and Non-Executive Directors and between Independent and Non-Independent Directors, with a view to encourage constructive relations and dialogue amongst them. The Chairman also works to facilitate the effective contribution of Non-Executive Directors and assists to ensure procedures are introduced to comply with the Company's guidelines on corporate governance. In addition, Dr. Teo shares his experience and provides guidance to the Executive Directors on strategic planning and development of the Group.

Ms. Chua Eng Eng, the Managing Director, is responsible for making strategic proposals to the Board, implementing approved strategies and policies, managing and reviewing the development of strategies and running the day-to-day operations of the Company.

There exists no familial relationship between Dr. Teo and Ms. Chua, underscoring the independence and integrity of Board operations.

Provision 3.3

Lead Independent Director

The Board had appointed Mr. Tang Siew Foo David to act as the Lead Independent Director since July 2021. Shareholders with concerns may contact him directly when contact through the normal channels via the Chairman, or the Managing Director has failed to provide satisfactory resolution, or when such contact is inappropriate. All the Independent Directors, including the Lead Independent Director, meet at least once a year without the presence of other Executive and Non-Independent Directors to discuss matters of significance which are then reported to the Chairman accordingly. The Lead Independent Director also sits on the AC, NC and RC.

CORPORATE GOVERNANCE REPORT

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and reappointment of Directors, taking into account the need for progressive renewal of the Board.

Provisions 4.1 and 4.2

Nominating Committee composition and key terms of reference

Nominating Committee

The NC currently comprises the following Directors:

Mr. Tang Siew Foo David	Chairman, Independent and Non-Executive Director
Ms. Siraarpa Siriviriyakul	Independent and Non-Executive Director
Ms. Chua Eng Eng ⁽²⁾	Executive Director

The NC, which has written terms of reference, is responsible for making recommendations to the Board on all Board appointments and re-appointments. The key terms of reference of the NC include the following:

- review and recommend to the Board on the appointment and re-appointment of Directors (including Alternate Directors, if applicable);
- review annually whether or not a Director is independent;
- review the skills required by the Board, and the size of the Board;
- ensure that the Company adheres to the board composition rules, including having Independent Directors make up 50% of the Board under certain circumstances;
- identify gaps in the mix of skills, experience and other qualities required in an effective Board so as to better nominate or recommend suitable candidates to fill the gap. It uses its best efforts to ensure that the Directors appointed to the Board possesses the relevant background, experience and knowledge and that each Independent Director brings to the Board an independent and objective perspective to enable the making of balanced and well-considered decisions;
- evaluate whether or not a Director is able to and has been adequately carrying out his or her duties as Director of the Company and when he or she has multiple board representations;
- develop a process for evaluating the performance of the Board, its Board Committees and the contribution of each Director;
- assess the effectiveness of the Board as a whole and individual Director;
- review the training and professional development programs for the Board; and
- oversee the Board's long-term succession planning for Directors and Management and ensure that Management observes the code of conduct as applied to them.

The NC meets at least once annually, which will entail the calling of meetings, notice to be given of such meetings, the voting and proceedings. Minutes of the deliberations and proceedings of the NC are recorded by the Company Secretary.

Continuous Board renewal

The Board, in conjunction with the NC, reviews the composition of the Board and Board Committees annually, considering the performance and contribution of each individual Director. Board composition is also evaluated to ensure diversity of skills and experience is maintained within the Board and Board Committees. Based on the NC's assessment of independence of each individual Director and his or her relevant expertise, and with the aim of ensuring compliance with the requirements of the Code, the Board reviews, and reconstitutes as appropriate, the membership of the Board Committees.

CORPORATE GOVERNANCE REPORT

Recommendation of Directors

The NC is responsible for identifying candidates and reviewing all nominations for the appointment, re-appointment or termination of Directors and Board Committee members, considering the proper criteria for such appointments, the Director's independence status, his or her participation and contributions during and outside Board meetings, the Code and other relevant factors as may be determined by the NC.

Provision 4.3

Selection, appointment and re-appointment of Directors

Process for selection and appointment of new Directors

When an existing Director chooses to retire or the need for a new Director arises, the NC, in consultation with the Board, determines the selection criteria and identifies candidates with the appropriate expertise and experience for the appointment as new Director. The potential candidate may be proposed by existing Directors, the Management or through third-party referrals. Shortlisted candidates will be required to furnish their curriculum vitae, stating in detail their qualifications, working experience and employment history. The NC will meet shortlisted candidates for an interview before making its recommendation to the Board for consideration and approval.

When reviewing a nomination for a proposed Board appointment, the NC will consider the following criteria:

- a determination of the candidate's independence;
- the qualifications and expertise required or expected of a new Board member considering the current size, structure, composition, skills and competencies of the Board;
- gender and age diversity;
- whether the candidate would have adequate time to discharge his or her duties having regard to his or her other board appointments and principal commitments; and
- other prescribed factors under the Board Diversity Policy.

In FY2025, these processes were applied for the appointment of new Director, Mr. Chua Yong Bin.

Process for re-election of Directors

The NC is responsible for re-election of Directors. In its deliberations on the re-election of existing Directors, the NC takes into consideration the Director's contribution and performance (including his or her contribution and performance as an Independent Director, if applicable).

The assessment parameters include attendance record, preparedness, intensity of participation and candor at meetings of the Board and Board Committees as well as the quality of intervention and special contribution.

We believe the Board renewal should be an ongoing process in order to ensure good corporate governance. The Company's Constitution requires one-third of the Board to retire and subject to re-election by shareholders at every Annual General Meeting ("AGM").

In line with SGX-ST Listing Rule 720(5) and the Company's Constitution, the Directors are required to submit themselves for re-nomination and re-election at regular intervals of at least once in every three (3) years. In addition, a newly appointed Director will submit himself or herself for retirement and re-election at the AGM immediately following his or her appointment. Thereafter, he or she is subject to retirement by rotation once every three (3) years.

CORPORATE GOVERNANCE REPORT

At the forthcoming AGM, Mr. Tang Siew Foo David who is retiring by rotation, is seeking re-election under Regulation 115 of the Company's Constitution. Mr. Chua Yong Bin will submit himself for retirement and is seeking re-election under Regulation 119 of the Company's Constitution.

The NC reviewed the above nominations for the re-election and considered the Director's individual credentials, his or her participation and contributions during and outside board meetings, as well as each Director's listed company board directorships and any other relevant time commitments.

On the issue of competing time commitments that were faced when Directors serve on multiple boards, the Committee noted that all the Directors seeking re-election had adequately carried out their duties as Directors of the Company during the year.

The NC, after assessing the contribution, performance and their effectiveness as Directors, recommended that Mr. Tang Siew Foo David and Mr. Chua Yong Bin be nominated for re-election at the forthcoming AGM.

Appointment of Alternate Directors

In FY2025, the Company had no Alternate Director on its Board.

Provision 4.4

Continuous review of Directors' independence

The NC conducts an annual review of Directors' independence based on their declarations and takes into consideration the guidelines from the Code and SGX-ST Listing Rules. Details of this review process are provided in Provision 2.1 of this Corporate Governance Report. Directors must also immediately report any changes in their external appointments which may affect their independence.

Provision 4.5

Multiple directorships

Directors' time commitment

All Directors are required to declare their Board representations. The limit on the number of listed company directorships that a Director may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by different factors.

A Director with multiple directorships is expected to ensure that sufficient attention is given to the affairs of the Group. The NC believes that each individual Director is best placed to determine and ensure that he or she is able to devote sufficient time and attention to discharge his or her duties and responsibilities as a Director of our Company, notwithstanding his or her multiple board appointments.

The NC determines annually whether a Director with multiple board representations and/or other principal commitments is able to and has been adequately carrying out his or her duties as a Director of the Company.

The NC considers the results of the assessment of the effectiveness of the individual Director, and the respective Directors' actual conduct on the Board, in making this determination.

In FY2025, the NC conducted an annual review and was of the view that each Director had discharged his or her duties adequately and satisfactorily. The Board is satisfied that each Director has committed sufficient time to the Company and has contributed meaningfully to the Group.

CORPORATE GOVERNANCE REPORT

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

Provisions 5.1 and 5.2

Board evaluation process, Board performance criteria and individual Director evaluation

The NC undertakes a process to assess the effectiveness of the Board and its Board Committees. Directors are required to complete a confidential questionnaire covering areas such as Board composition, the effectiveness of the Board in its monitoring role and the attainment of the strategic and long-term objectives set by the Board. Individual Director self-assessment is also conducted to provide performance feedback which can help individuals to evaluate their own skills and performance as Directors. The Board is mindful that individual Director evaluations are an important complement to the evaluation of the Board's overall performance. To maintain confidentiality, the Company Secretary compiles Directors' responses to the questionnaire into a consolidated report. The report is discussed at an NC meeting and is also shared with the entire Board.

The NC reviewed the consolidated report to ascertain whether there were key areas for improvement/areas that required follow-up actions.

The NC had extracted salient recommendations from the Code and incorporated these recommendations into the Board and Board Committee evaluation questionnaires. The NC considered the performance and effectiveness of the Board as a whole taking into consideration, attendance records at respective Board and Board Committee meetings, the contribution of each individual Director to the Board's effectiveness, Board process, Board accountability and communication with Senior Management and standards of conduct. It also takes into consideration that the Independent Directors, despite the demands on their time, have the capacity to participate and contribute as members of the Board.

Based on the summary of median scores of the results of the qualitative questionnaires completed by the Directors, and in comparison, with the median scores of the performance evaluation exercise submitted for the preceding year, the NC noted that the Directors were generally satisfied and that the performance of the Directors was good, and as a Group, the Board provided core competencies with accounting/finance, business or management experience and industry knowledge.

For FY2025, the NC was satisfied that all Directors had discharged their duties adequately and that no individual or small group of individuals dominates the Board's decision-making process. The Board collectively not only reflects a diverse wealth of experience and knowledge in business, finance, accounting, and technical and management skills, but they also possess independence in decision-making at Board level. The Board as a whole performed effectively and contributed to the growth of the Group. The NC is also of the view that the Board's current size and composition effectively serves the Group.

No external consultant was involved in the Board and Board Committee Evaluation process for FY2025.

CORPORATE GOVERNANCE REPORT

B. REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration.

Provisions 6.1, 6.2 and 6.3

Remuneration Committee composition, key terms of reference and developing remuneration framework

Remuneration Committee

The RC currently comprises the following Directors:

Dr. Teo Ho Pin	Chairman, Independent and Non-Executive Director
Ms. Siraarpa Siriviriyakul	Independent and Non-Executive Director
Mr. Tang Siew Foo David	Independent and Non-Executive Director

The Board considers that the members of the RC collectively have strong management experience and expertise on remuneration issues.

The RC is responsible for ensuring a formal and transparent procedure for developing policies on executive remuneration, and for fixing the remuneration packages of individual Directors and KMP.

The members of the RC carried out their duties in accordance with the terms of reference which include the following:

- review and recommend to the Board for endorsement, a framework of remuneration for the Board and KMP. The framework covers all aspect of remuneration, including but not limited to Director's fees, salaries, allowances, bonus, and benefits-in-kind;
- review and recommend to the Board, the specific remuneration packages for each Executive Director as well as for the KMP;
- review the level and mix of remuneration and benefits policies and practices of the Company, including the long-term incentive schemes on an annual basis. The performance of the Company and that of executives would be considered by the RC in undertaking such reviews;
- review the Group's obligations arising in the event of termination of the Executive Directors' and KMP's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous; and
- review the development of senior employees and assesses their strengths and development needs based on the Group's leadership competencies framework, with the aim of building talent and maintaining strong and sound leadership for the Group.

The Committee meets at least once annually.

The RC sets compensation to ensure that the Company is competitive and can attract, retain and motivate Directors and KMP of the required experience and expertise to run the Company successfully. In setting remuneration packages for Directors and KMP, the remuneration and other conditions within the industry and comparable companies are taken into consideration. While structured to attract and retain highly qualified people, the overall goal is to encourage sustained value-oriented management. The RC also aims to be fair and avoids rewarding poor performance.

None of the members of the RC or any Director is involved in deliberations in respect of any remuneration, compensation, share-based incentives or any form of benefits to be granted to him or her.

CORPORATE GOVERNANCE REPORT

Provision 6.4

RC's access to advice on remuneration matters

The RC has access to expert advice in the field of executive compensation outside the Company, when required, in framing the remuneration policy and determining the level and mix of remuneration for Directors and KMP.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provisions 7.1, 7.2 and 7.3

Remuneration of Directors and key management personnel

When setting remuneration packages, the Company takes into consideration current practices of companies in the same industry and companies that are comparable in size and operations. The Group's financial performance and the performance of individual Directors are also taken into consideration. No Director is involved in deciding his or her own remuneration.

The Group's compensation framework comprises base salary, variable bonus and fixed allowances. These are linked to corporate and individual performance, based on an annual appraisal process. The Company links remuneration of Executive Directors and KMP to the Group's performance, individual performance, based on appraisal, performance assessment, competencies and potential of individuals. The level and structure of the remuneration of Directors and KMP are aligned with the long-term interest and risk policies of the Company.

In designing the compensation structure, the RC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in finding a balance between current versus long-term compensation.

Executive Directors do not receive Directors' fees. The structure for Executive Directors and KMP consists of the following components:

- a. Fixed remuneration
- b. Variable bonus
- c. Other benefits-in-kind

Fixed remuneration

The fixed remuneration comprises base salary, statutory employer's contributions to the Central Provident Funds ("CPF") and fixed allowances. In setting remuneration packages, the Group considers salary and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of Executive Directors and KMP.

CORPORATE GOVERNANCE REPORT

Variable bonus

Variable bonus is an annual remuneration component which varies according to the Group's and the individual's performance objectives. To link rewards to performance, the more senior the executive in the Group, the higher is the percentage of the variable bonus against total compensation. The Company has not implemented any contractual provision for the service contracts of Executive Directors and its KMP to allow the Company to reclaim incentive components of remuneration from them in exceptional circumstances as such provisions may have a negative impact on attracting and retaining talent in the Company.

The Executive Directors participates in profit sharing, which is based on the performance of the Group as a whole. Additionally, in making its decision regarding appropriate performance objectives, the RC also considered the following factors relative to profit before tax and profit after tax:

- each Executive Director and KMP believe he or she can meaningfully contribute to the achievement of performance objectives set; and
- maintaining the consistency of the objectives over a number of years allows for more accurate measurement and comparison of, and reward for, the desired performance from year to year.

Other benefits-in-kind

The Group provides benefits consistent with local market practice, such as medical benefits, club membership and car allowance. Eligibility for these benefits will depend on individual salary grade and length of service.

The Executive Directors, Mr. Chua Hai Kuey, Ms. Chua Eng Eng and Mr. Chua Yong Bin have entered into service contracts with the Company, subject to renewal every three (3) years. The review of service contracts for Executive Directors come under the purview of the RC to ensure that fair and reasonable terms of service is tied with performance. The service contracts of Mr. Chua Hai Kuey and Ms. Chua Eng Eng were last renewed in 2023. The service contract of Mr. Chua Yong Bin was first entered on 1 August 2024 when he was appointed as the Executive Director of the Company. Each service contract may be terminated by either party giving the other party at least three (3) months prior written notice.

Long-term incentives

The Company currently does not have any long-term incentive scheme or schemes involving the offer of shares or grant of options or any other forms of deferred remuneration. The Board is of the view that such a long-term incentive plan may not be effective and that it is difficult to determine how such long-term incentive plan contributes to the retention of employees and/or motivating desired performance.

Remuneration of Non-Executive Directors

The Non-Executive Directors receive a basic fee for serving as Director, and an additional fee for serving on Board Committees in FY2025. The Non-Executive Directors will also receive additional fees for serving as Chairman of the Board or Board Committees. In order not to compensate the Non-Executive Directors excessively, the RC takes into consideration factors such as frequency of meetings, time required and responsibilities of Non-Executive Directors. The Company is fully aware of the need to pay competitive fees to attract, retain and motivate the Directors. Directors' fees are recommended by the Board for approval at the Company's AGM.

No remuneration consultants were engaged for FY2025. The RC may seek professional advice from remuneration consultants on remuneration matters, as and when necessary.

CORPORATE GOVERNANCE REPORT

DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1

Remuneration Report

Remuneration of Directors

The breakdown of remuneration of the Directors of the Company for FY2025 is set out below:

Table A

Name of Directors	Fixed Component ⁽¹⁾	Variable Component ⁽²⁾	Provident Fund ⁽³⁾	Directors' Fees	Total Remuneration
	%	%	%	%	%
Below S\$250,000					
Executive Directors					
Mr. Chua Hai Kuey	97%	0%	3%	0%	100%
Ms. Chua Eng Eng	93%	0%	7%	0%	100%
Mr. Chua Yong Bin	77%	14%	9%	0%	100%
Non-Executive Directors					
Dr. Teo Ho Pin	0%	0%	0%	100%	100%
Ms. Siraarpa Siriviriyakul	0%	0%	0%	100%	100%
Mr. Tang Siew Foo David	0%	0%	0%	100%	100%
Mr. Chua Kim Hua	0%	0%	0%	100%	100%

Notes

⁽¹⁾ Fixed Component refers to annual basic salary for FY2025.

⁽²⁾ Variable Component refers to annual variable bonus and allowances paid in FY2025.

⁽³⁾ Provident Fund represents payment in respect of the Company's statutory contributions to the Singapore CPF.

The RC is mindful of the deviation from provision 8.1 of the Code whereby the names, amounts and breakdown of remuneration of each individual Director and the Managing Director shall be disclosed. Notwithstanding this deviation, the Board is of the view that the disclosure of the remuneration of the Directors in bands of S\$250,000 meets the intent of the principle 8. To maintain confidentiality of the remuneration policies of the Group, the Board is of the view that it is in the best interests of the Group not to fully disclose details of remuneration of each individual Director. In arriving at this decision, the Board took into consideration, *inter alia*, the confidential nature of remuneration matters, the relative size of the Group, the competitive business environment in which the Group operates in, and the negative impact such disclosure may have on the Group.

CORPORATE GOVERNANCE REPORT

Remuneration of top five (5) management personnel

The following information relates to the remuneration of the Company's top five (5) management personnel including the KMP, excluding the Managing Director and Executive Directors of the Company for FY2025:

Table B

Name of Top 5 Management Personnel including KMP	Fixed Component ⁽¹⁾	Variable Component ⁽²⁾	Provident Fund ⁽³⁾	Total Remuneration
	%	%	%	%
S\$250,000 to S\$499,999				
First Executive	79%	14%	7%	100%
Below S\$250,000				
Second Executive	82%	11%	7%	100%
Third Executive	77%	10%	13%	100%
Fourth Executive	76%	12%	12%	100%
Fifth Executive	86%	7%	7%	100%

Notes

⁽¹⁾ Fixed Component refers to annual basic salary for FY2025.

⁽²⁾ Variable Component refers to annual variable bonus and allowances paid in FY2025.

⁽³⁾ Provident Fund represents payment in respect of the Company's statutory contributions to the Singapore CPF.

Due to competition-related reasons, the names of the top five (5) management personnel are not disclosed.

For FY2025, the aggregate remuneration (including employer CPF and benefits-in-kind) of the top five (5) management personnel was S\$1,029,000 (FY2024 : S\$1,015,000).

In FY2025, there were no termination, retirement or post-employment benefits granted to Directors and KMP.

Provision 8.2

Employee who is a substantial shareholder or is an immediate family member of a Director, Managing Director or substantial shareholder

Remuneration of employees who are immediate family members of a Director

Except for the Executive Directors, Ms. Chua Eng Eng, Mr. Chua Hai Kuey and Mr. Chua Yong Bin, whose remuneration are set out in the remuneration tables above, the Company and its subsidiary companies do not have other employee who is an immediate family member of a Director, the Managing Director or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 for FY2025.

Provision 8.3

Details of all forms of remuneration and other payments and benefits paid to Directors and key management personnel

Please refer to the Table A and Table B above on the breakdown of remuneration and other payments and benefits paid to the Directors and KMP. The information on the link between remuneration paid to the Managing Director, Executive Directors and KMP and their performance is set out under principle 7 above.

The Company has no employee share/stock options scheme or long-term incentive scheme.

CORPORATE GOVERNANCE REPORT

C. ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1

Significant risks, objectives and value creation

Risk management

The key risks of the Group are deliberated by the Management and reported to the AC regularly. The AC reviews the adequacy and effectiveness of the internal controls, which includes the documented policies and procedures, proper segregation of duties, approval procedures and authorities, as well as checks-and-balances built into the business processes. To ensure that internal controls and risk management processes are adequate and effective, the AC is assisted by various independent professional service providers. External Auditors provide assurance over the risk of material misstatements in the Group's financial statements. Internal Auditors provide assurance that controls over the key risks of the Group are adequate and effective.

The Company has an Enterprise Risk Management Framework in place for the Group. In view of the size and operations of the Company, the Company does not have a separate Committee for Board risk management. The AC and Management will continually assess the adequacy and effectiveness of the risk management framework and processes.

The Company has in place a Whistle Blowing Policy which encourages employees and outside parties such as vendors and contractors to raise concerns, in confidence, about possible irregularities to the whistle blowing Committee. It aims to provide an avenue for employees and outside parties to raise concerns and offer reassurance that they will be protected from reprisals or victimisation for whistle blowing in good faith within the limits of the law.

The AC oversees the administration of the Whistle Blowing Policy. The AC has the responsibility to ensure that there is proper maintenance, regular review and relevant updates of the policy. Revisions, amendments and alterations to the Whistle Blowing Policy are subject to the approval of the AC and the Board prior to implementation. Changes will be notified when they are implemented. There were no complaints received during FY2025.

The Board acknowledges that it is responsible for the overall internal control framework but recognises that no cost-effective internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

Internal controls

The Board is accountable to the shareholders and is mindful of its obligations to furnish timely, reliable and full disclosure of material information to shareholders in compliance with statutory requirements and the Listing Manual of the SGX-ST. Price sensitive information will be publicly released either before the Company meets with any group of investors or analysts or simultaneously with such meetings.

Financial results and annual reports are announced or issued within legally prescribed periods. The Board also ensures timely and full disclosure of material corporate developments to shareholders.

CORPORATE GOVERNANCE REPORT

The Group recognises the importance of providing the Board with accurate and relevant information on a timely basis. Hence, Board members receive regular financial and business reports from the Management. The Management updates the Board on the Group's business activities and financial performance through quarterly operations reports. Such reports compare the Group's actual performance against results of the previous corresponding financial period and where appropriate, against forecast. Major variances are analysed, investigated and explained accordingly. Such reports keep the Board members informed of the Group's and the Company's performance, position and prospects.

The Board reviews and approves the results as well as any announcements before its release. In presenting the financial statements to shareholders, the Board aims to provide shareholders with a balanced and clear assessment of the Group's position and prospects. The Board also ensures timely and full disclosure of material corporate developments to shareholders.

The AC, through the assistance of Internal Auditors and External Auditors, reviews and reports to the Board on the adequacy of the Group's system of controls, including financial, operational and compliance controls, established by the Management.

In assessing the effectiveness of internal controls, the AC ensures primarily that key objectives are met, material assets are properly safeguarded, fraud or errors in the accounting records are prevented or detected, accounting records are accurate and complete, and reliable financial information is prepared in compliance with applicable internal policies, laws and regulations

Based on the review of the key risks identified, and the internal controls established and maintained by the Group, assessments conducted by the Company's Internal Auditors and External Auditors, reviews performed by Management and the AC, the Board with the concurrence of the AC, is satisfied that the Group's risk management system and internal controls were adequate and effective as of 31 March 2025 to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations.

Provision 9.2

Assurance from Managing Director, Chief Financial Officer and other Key Management Personnel

The Board has received assurance from the Managing Director and Chief Financial Officer that the financial records have been properly maintained and the financial statements for FY2025 give a true and fair view of the Group's operations and finances.

The Board has also received assurance from the Managing Director and other KMP that the risk management system and internal controls are adequate and effective to address the financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations as of 31 March 2025.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Provisions 10.1, 10.2 and 10.3

Composition, roles and expertise of the AC

Audit Committee

The AC currently comprises the following Directors: -

Mr. Tang Siew Foo David
Ms. Siraarpa Siriviriyakul
Dr. Teo Ho Pin

Chairman, Independent and Non-Executive Director
Independent and Non-Executive Director
Independent and Non-Executive Director

CORPORATE GOVERNANCE REPORT

The Chairman of the AC, Mr. Tang Siew Foo David, possesses industry experience in banking and financial matters and this brings diversity to the overall skill sets of the Board. The other members of the AC have many years of experience in business and financial management. The Board is of the view that the members of the AC have recent and relevant accounting or related financial management expertise or experience to discharge the AC's functions.

For FY2025, no former partner or Director of the Company's existing auditing firm or its member firms was appointed as a member of the AC.

The main responsibilities of the AC are to assist the Board in discharging its statutory and other responsibilities relating to four (4) main areas:

- overseeing financial reporting;
- overseeing internal control and risk management systems;
- overseeing internal audit and external audit processes; and
- overseeing Interested Party Transactions ("IPTs").

The AC will make enquiries in order to satisfy themselves on the adequacy of the processes supporting the Group's financial reporting, its system of internal control, risk identification and management, its internal audit and external audit processes, and the Group's process for monitoring compliance with laws and regulations and its own code of business conduct. The members of the AC carried out their duties in accordance with the written terms of reference which include the following:

- review the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance before their submission to the Board;
- review with the External Auditors, external audit plan, evaluate the internal accounting controls, audit report, report on internal control weaknesses arising from the audit report and management's response thereto and any matters which the External Auditors wish to discuss, without the presence of Management;
- review with the Internal Auditors, internal audit plan, the scope and the results of internal audit procedures and their evaluation of the internal control system together with management's responses thereto and any matters which the Internal Auditors wish to discuss, without the presence of Management;
- review the half-year and full-year financial statements and other announcements to shareholders and the SGX-ST prior to submission to the Board;
- reviewing the audit fee, the terms of the audit, the nature and extent of non-audit services provided by the External Auditors and making recommendation to the Board on the proposals to the shareholders on the appointment or re-appointment of the External Auditors;
- review the adequacy of the Group's internal controls;
- review IPTs in accordance with the requirements of the SGX-ST Listing Manual;
- review assistance given by the Group's officers to the External and Internal Auditors and ensure that the internal audit function is adequately resourced; and
- carry out such other functions as may be agreed by the AC and the Board.

The AC has explicit authority to investigate any matter within its terms of reference and is authorised to obtain independent professional advice. It has full access to and co-operation of the management and reasonable resources to enable it to discharge its duties properly. It also has full discretion to invite any Director or executive officer or any other person to attend its meetings.

The Chief Financial Officer, Company Secretary, Internal Auditors and External Auditors are invited to AC meetings. Other members of Senior Management are also invited to attend as appropriate to present reports.

The AC meets with the Internal Auditors and External Auditors two (2) times a year to discuss the reasonableness of financial reporting processes, the system of internal control and comments and recommendations of the auditors. These meetings enable the Internal Auditors and External Auditors to raise issues encountered during the course of their work directly to the AC.

CORPORATE GOVERNANCE REPORT

The AC met four times during FY2025. The AC, through its quarterly meetings, reviewed and assessed the adequacy and effectiveness of internal control and risk management systems, based on updates by Management, internal auditors and external auditors on the Group's risk mitigation measures and internal controls, and reviewed the half-year and full-year financial statements announcements, material announcements and all related disclosures to the shareholders before submission to the Board for approval.

External Auditors

The AC reviewed the External Auditors, BDO LLP's external audit plan for FY2025 and had agreed with its proposed significant areas of focus and assumptions that impact the financial statements.

In AC's review of the financial statements of the Group for FY2025, it had discussed with Management the accounting principles that were applied and their judgement of items that could affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The AC focused particularly on:

- any significant adjustments resulting from the audit;
- the appropriateness of the going concern assumption in the preparation of the financial statements; and
- any deficiencies in internal controls over financial reporting matters that came to External Auditors' attention during their audit together with their recommendations.

The AC also reviewed and addressed, amongst other matters, the following key audit matters as reported by the External Auditor for FY2025:

- Accounting for construction contracts;
- Assessment of the recoverability of debts owing by the associates and a joint venture to the Group; and
- Equity accounting for investment in associate – Nexus Point Investment Pte Ltd ("**Nexus**").

The AC had also discussed the key audit matters with Management and the External Auditors. The AC concurred with the basis and conclusions included in the External Auditors' report with respect to the key audit matters. For more information on the key audit matters, please refer to pages 53 to 59 of this Annual Report.

Following the review and discussion, the AC was satisfied that all the aforesaid key audit matters had been properly dealt with and recommended the Board to approve the financial statements for FY2025.

The AC manages the relationship with the Group's External Auditors, on behalf of the Board. During FY2025, the AC assessed the cost effectiveness of the audit processes, together with the Auditors' approach to audit quality and transparency. The AC concluded that the Auditors had demonstrated appropriate qualifications and expertise and that the audit process was effective.

In order to maintain the independence of the External Auditors, the Group has a specific policy which governs the conduct of non-audit work by the External Auditors. This policy prohibits the External Auditors from:

- performing services which would result in the auditing of their own work;
- participating in activities normally undertaken by management;
- acting as advocate for the Group; or
- creating a mutuality of interest between the External Auditors and the Group, for example being remunerated through a success fee structure.

In line with the SGX-ST Listing Rule 1207(6), the AC had undertaken a review of the nature and extent of all non-audit services provided by the External Auditors during FY2025 and is satisfied that such services have not, in the AC's opinion, compromised the independence of the External Auditors. It was noted that the fees for non-audit services did not exceed 50% of the aggregate amount of audit fees paid/payable to External Auditors in FY2025. The breakdown of the audit and non-audit fees paid/payable to the External Auditors is found in Note 32 "Profit/(Loss) for the Financial Year" in the financial statements of this Annual Report, excluding fees paid/ payable by the Group's associates and joint ventures.

CORPORATE GOVERNANCE REPORT

The AC had recommended to the Board that BDO LLP be re-appointed as the External Auditors of the Company. The Board has accepted this recommendation and proposed a resolution to shareholders for the re-appointment of BDO LLP of the Company at the forthcoming AGM. In appointing External Auditors for the Company, subsidiaries and significant associated companies, the Group has complied with Rules 712, 715 and 716(1) of the SGX-ST Listing Manual.

Interested Person Transactions

The AC reviewed the Group's IPTs to ensure that the transactions were carried out on normal commercial terms and were not prejudicial to the interests of the Company or its non-controlling shareholders. On a quarterly basis, the Management will report to the AC the IPTs, if any.

The Management reported that the internal control procedures for determining the transaction prices of IPTs had not changed since the date of the last AGM. The AC is satisfied that the internal controls over the identification, evaluation, review, approval and reporting of IPTs were effective.

Whistle-Blowing Policy

The Group has implemented the Whistle-Blowing Policy, endorsed by the AC, which provides a channel to employees and other parties to report in confidence, without fear of reprisals, concerns about possible improprieties in matters of financial reporting or other matters such as suspected fraud, corruption, unethical practices or matters which may cause financial loss to the Group or damage the Group's reputation. All information received is treated with confidentiality and anonymous reporting is accepted for protecting the identity and interest of all whistle-blowers. The AC ensures that arrangements are in place for the independent investigation of such matters and appropriate follow-up actions are taken.

It has also been a standard item in the agenda of the quarterly meeting of the AC to review any entries in the register of whistle-blowing matters, and progress of investigation, if it remains outstanding. Whistle-blowing matters, where substantiated and material, are reported to the AC immediately.

External stakeholders who wish to report or raise any such concerns about the Company may report to the AC including the Lead Independent Director via whistleblow@kingwan.com.sg.

Provision 10.4

Internal Auditors, reporting line, compliance and function

The AC is responsible for approving the hiring, removal, evaluation and compensation of the Internal Auditors. The AC will ensure that the internal audit function is adequately resourced and has an appropriate standing within the Company.

The Group has outsourced its internal audit function to Ernst & Young Advisory Pte Ltd, herein referred to as the Internal Auditors. The Internal Auditors serve to provide the Board and the Management with an independent appraisal of the reliability, adequacy and effectiveness of the internal controls established by the Management. Its aim is to promote internal control in the Group and to monitor the performance and the effective application of internal audit procedures. It supports the Directors in assessing key internal controls through a structured review programmed. The Internal Auditors have unfettered access to the Board, the AC and Management, where necessary, and have the right to seek information and explanations. The AC is satisfied that the Internal Auditors are staffed by suitably qualified and experienced personnel. The Group's engagement with Internal Auditors stipulates that its work shall comply with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

CORPORATE GOVERNANCE REPORT

The Internal Auditors report directly to the Chairman of the AC and assist in the identification of risks and assessment of the adequacy of internal controls systems being implemented. The Internal Auditors also make recommendations on how best to address the material risks identified in the Group. The findings of the Internal Auditors are presented to the AC for review. Having reviewed the audit plan, the AC is satisfied that the Company's internal audit function is adequately resourced to perform the work for the Group.

The Internal Auditors submit to the AC a report on the status of the audit plan and on audit findings, recommendations and actions taken by Management on such findings. Key findings are highlighted at the AC meetings for discussion and follow-up action. The AC monitors the timely and proper implementation of required corrective, preventive or improvement measures undertaken by Management.

During FY2025, the Internal Auditors had conducted its audit reviews based on the approved internal audit plan. All audit reports detailing findings and recommendations were provided to the Management who had responded to the actions to be taken. After having reviewed the internal audit reports and remedial actions implemented by the Management, the AC was satisfied that the internal control functions were adequate and effective.

Provision 10.5

Independent meeting with Internal and External Auditors

The AC has full access to the Internal Auditors and External Auditors without the presence of the Management of the Company. The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management of the Company and full discretion to invite any Director or Management of the Company or professionals to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

During FY2025, the AC met the Internal Auditors and External Auditors without the presence of Management, fostering open dialogue and enhancing transparency in audit processes.

D. SHAREHOLDERS RIGHTS AND ENGAGEMENT

SHAREHOLDERS RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1

Providing opportunity for shareholders to participate and vote at general meetings

The Company's general meetings for FY2025 will be conducted in physical mode.

Shareholders are entitled to attend the general meetings and are given opportunities to participate effectively in, and vote at, the general meetings of the Company. At each AGM, Management will deliver a presentation to update on the Group's performance over the past year. The Board, as well as the External Auditors are also present at general meetings to address relevant questions raised by the shareholders.

The Constitution of the Company allows a shareholder of the Company to appoint up to two (2) proxies to attend and vote in the Shareholder's place at general meetings, and shareholders who are a "relevant intermediary" (as defined under Section 181 of the Companies Act) may also appoint multiple proxies pursuant to the Companies Act. The Company encourages shareholder participation at general meetings.

CORPORATE GOVERNANCE REPORT

Provision 11.2

Separate resolutions at general meetings

All resolutions put to every shareholders' meeting of the Company are voted separately unless the resolutions are interdependent and linked so as to form one significant proposal.

Provision 11.3

Attendees at general meetings

Voting at the forthcoming general meetings shall be conducted by poll. The Company conducts electronic poll voting for all the resolutions to be passed at general meetings for greater transparency in the voting process. An independent scrutineer firm is also present to validate the votes for each general meeting. The results of all votes for and against each resolution are tallied and instantaneously displayed at the meeting. The voting results are announced via SGXNet and on the Company's corporate website at the URL <https://www.kingwan.com/> following each general meeting.

Shareholders are given the opportunity to send their questions or queries to the Company prior to the general meetings. The Company will address all substantial and relevant questions received from shareholders via SGXNet and on its corporate website prior to the commencement of the general meetings.

Provision 11.4

Absentia voting at general meetings

The Company is not implementing absentia voting methods such as voting via mail, email or fax until security, integrity of the information and authentication of the identity of shareholders through the web are not compromised and other pertinent issues are satisfactorily resolved.

Provision 11.5

Minutes of general meetings

The Company prepares minutes of general meeting with details of the proceedings, questions raised by shareholders, and responses given by the Board and Management and the voting results of each resolution. These minutes will be made available to shareholders via SGXNet and on its corporate website within one (1) month of the general meeting.

Provision 11.6

Dividend Policy

The Board aims to declare and pay annual dividends to shareholders on a regular basis. In considering the level of dividend payments, the Board considers various factors including:

- level of the Group's available cash;
- return on equity and retained earnings; and
- the Group's projected levels of capital expenditure and other investment plans.

For FY2025, the Board adopted a prudent approach to preserve the Group's working capital and prioritise for use in the Group's operations as the economic outlook remains challenging. As such, no dividends have been declared.

CORPORATE GOVERNANCE REPORT

E. ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provisions 12.1, 12.2 and 12.3

Communication with Shareholders

Disclosure of information on a timely basis

The Group is committed to maintaining high standards of corporate disclosure and transparency. The Group values dialogue sessions with its shareholders and believes in regular, effective and fair communication with shareholders and is committed to hearing shareholders' views and addressing their concerns.

Material information is disclosed in a comprehensive, accurate and timely manner via SGXNet, press release and the corporate website. To ensure a level playing field and provide confidence to shareholders, unpublished price sensitive information is not selectively disclosed. In the event that unpublished material information is inadvertently disclosed to any selected group in the course of the Group's interactions with the investing community, a media release or announcement will be released to the public via SGXNet.

Following the cessation of quarterly financial reporting by SGX-ST, the Company maintains half-yearly reporting for FY2025.

The Board believes in regular, timely and effective communications with shareholders on all major developments that impact on the Group. The Company does not practice selective disclosure. Shareholders are informed of shareholders' meetings through published notices and reports or circulars sent to all shareholders. Each item of special business included in the notice of the meeting is accompanied, where appropriate, by an explanation for the proposed resolution. The general meeting procedures provide shareholders the opportunity to ask questions relating to each resolution tabled for approval. Opportunities are given to shareholders to participate, engage, and openly communicate with the Directors, their views on matters relating to the Company.

Pertinent information is communicated to shareholders on a regular and timely basis through:

- the Company's annual reports that are prepared and issued to all shareholders. The Board makes every effort to ensure that the annual report includes all relevant information about the Group, including future developments and other disclosures required by the Singapore Companies Act, the Singapore Financial Reporting Standards and the SGX-ST Listing Manual;
- financial statements containing a summary of the financial information and affairs of the Group for the period that are published on the SGXNet;
- disclosures to the SGX-ST; and
- the Company's corporate website at the URL <https://www.kingwan.com/> from which shareholders can access information on the Group. The corporate website provides annual reports and profiles of the Group.

CORPORATE GOVERNANCE REPORT

F. MANAGING STAKEHOLDER RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provisions 13.1, 13.2 and 13.3

Managing stakeholder relationships

The Group's Management is available to communicate with shareholders and analysts on a regular basis and attend to their queries or concerns. Detailed insights into the Company's stakeholder engagement approach can be found in the Sustainability Report which is concurrently published on SGXNet and the Company's corporate website with this Annual Report.

Both the Sustainability Report and the Company's corporate website serve as a useful platform to communicate and engage with all stakeholders.

Any queries and concerns regarding the Group can be emailed to gm.2025@kingwan.com.sg.

G. CODE OF CONDUCT

The Company has a Code of Conduct which serves as a general guideline for Management and employees in conducting their duties and responsibilities ethically. It sets the standards and ethical conduct expected of all employees of the Group. All employees are required to observe and maintain high standards of integrity and comply with applicable country laws, regulations and legal requirements. The Code of Conduct is disseminated to all employees of the Group.

H. DEALINGS IN COMPANY'S SECURITIES

The Company has a formal policy on dealings in the securities of the Company, which sets out the implications of insider trading and guidance on such dealings. The policy has been distributed to all Directors and officers. It has adopted best practices on securities dealings in compliance with Rule 1207(19) of the Listing Manual. During FY2025, the Company sent out memoranda and e-mails to its Directors, officers and relevant employees to remind them that the Company, Directors, officers and relevant employees of the Group and their connected persons are prohibited from dealing in the Company's shares one (1) month before the announcement of the Company's half-year results and full-year results and ending on the date of announcement of the relevant results.

In addition, the Company also discourages the Company, Directors, officers and relevant employees from dealing in the Company's securities on short-term considerations. Directors and officers are also advised to observe insider trading laws and not to deal in the Company's securities while in possession of any unpublished material price-sensitive information.

Directors are required to notify the Company of any dealings in the Company's securities within two (2) business days of the transactions.

I. MATERIAL CONTRACTS

Save as disclosed in the Directors' Statement and Financial Statements, there was no other material contract entered into between the Company or any of its subsidiaries involving the interests of any Director or controlling shareholder, which are subsisting at the end of FY2025 or have been entered into since the end of the previous financial year.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING FOR RE-ELECTION

Mr. Tang Siew Foo David and Mr. Chua Yong Bin are the Directors seeking re-election at the annual general meeting of the Company on 31 July 2025.

Pursuant to Rule 720(6) of the SGX-ST Listing Manual, the information relating to Mr. Tang Siew Foo David and Mr. Chua Yong Bin as set out in Appendix 7.4.1. of the SGX-ST Listing Manual is as follows:

Name of Director	Tang Siew Foo David	Chua Yong Bin
Date of appointment	30 November 2018	1 August 2024
Date of last re-appointment (if applicable)	29 July 2022	N.A.
Age	63	40
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	<p>The Board has considered the Nominating Committee's recommendation and assessment of Mr. Tang Siew Foo David's qualifications, experience, contribution and performance, and is satisfied that he will continue to contribute relevant knowledge, skills and experience to the Board.</p> <p>The Board considers Mr. Tang as independent pursuant to Rule 704(8) of the SGX-ST Listing Manual.</p>	<p>The Board has considered the Nominating Committee's recommendation and assessment of Mr. Chua Yong Bin's qualifications, experience, contribution and performance, and is satisfied that he will continue to contribute relevant knowledge, skills and experience to the Board since his appointment on 1 August 2024.</p>
Whether the appointment is executive, and if so, the area of responsibility	Non-Executive	<p>Executive</p> <p>He is responsible for overseeing the strategy planning, business development and information technology of the Group's businesses.</p>
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	<p>Lead Independent Non-Executive Director</p> <p>Audit Committee Chairman</p> <p>Nominating Committee Chairman</p> <p>Remuneration Committee Member</p>	Executive Director
Professional qualifications	<p>a) Bachelor of Business Administration, National University of Singapore</p> <p>b) Fellow, Institute of Banking and Finance</p> <p>c) Associate of the Chartered Institute of Bankers, London</p> <p>d) Senior Accredited Director, Singapore Institute of Directors</p>	<p>a) Bachelor of Business Administration, National University of Singapore</p> <p>b) Bachelor of Arts, National University of Singapore</p>

ADDITIONAL INFORMATION ON DIRECTORS SEEKING FOR RE-ELECTION

Name of Director	Tang Siew Foo David	Chua Yong Bin
Working experience and occupation(s) during the past 10 years	a) 2018 - Present : Independent Director, King Wan Corporation Limited b) 2010 - 2018 : Senior Business Head, Global Commerical Banking, Oversea-Chinese Corporation Limited	a) 2024 - Present : Executive Director, King Wan Corporation Limited b) 2022 - Present : Chief Risk & Strategy Officer, King Wan Corporation Limited c) 2020 - Present : Director & Co-Founder, OLPN Private Limited d) 2018 - 2020 : Vice President, J.P. Morgan e) 2018 : Vice President, Sino Suisse Capital f) 2011 - 2018 : Vice President, J.P. Morgan
Shareholding interest in the listed issuer and its subsidiaries	Nil	Direct interest : 1,000,000 shares of the Company
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	N.A.	a) Son of Chua Hai Kuey, Executive Director b) Cousin of Chua Eng Eng, Managing Director c) Nephew of Chua Kim Hua, Substantial Shareholder of the Company
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other principal commitments including directorships		
Present:	Nil	King Wan Construction Pte. Ltd. K & W Mobile Loo Services Pte Ltd Shinerger Engineering Pte. Ltd. King Wan Development Pte Ltd King Wan Industries Pte Ltd K & W Eco Plus Pte. Ltd. Harmony Investment Holding Pte. Ltd. Singresource Management Pte. Ltd. OLPN Private Limited
Past (for the last 5 years):	Nil	Nil

ADDITIONAL INFORMATION ON DIRECTORS SEEKING FOR RE-ELECTION

Name of Director	Tang Siew Foo David	Chua Yong Bin
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
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING FOR RE-ELECTION

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

ADDITIONAL INFORMATION ON DIRECTORS SEEKING FOR RE-ELECTION

Name of Director	Tang Siew Foo David	Chua Yong Bin
<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>	<p>No</p> <p>No</p> <p>No</p> <p>No</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p>
<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

FINANCIALS

49	Directors' Statement
53	Independent Auditor's Report
60	Statements of Financial Position
62	Consolidated Statement of Profit or Loss and Other Comprehensive Income
63	Statements of Changes in Equity
65	Consolidated Statement of Cash Flows
67	Notes to the Financial Statements
136	Shareholdings Statistics
138	Notice of Annual General Meeting
147	Proxy Form



DIRECTORS' STATEMENT

The Directors of King Wan Corporation Limited (the "Company") present their statement to the members together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 31 March 2025, the statement of financial position of the Company as at 31 March 2025 and the statement of changes in equity of the Company for the financial year ended 31 March 2025.

1. OPINION OF THE DIRECTORS

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company together with the notes thereon are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025, and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; and
- (b) at the date of this statement and as disclosed in Note 2.1 to the financial statements there are reasonable grounds to believe that the Group and Company will be able to pay its debts when they fall due.

2. DIRECTORS

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

Ms Chua Eng Eng
Mr Chua Hai Kuey
Mr Chua Yong Bin (Appointed on 1 August 2024)
Ms Siraarpa Siriviriyakul
Mr Tang Siew Foo David
Dr Teo Ho Pin

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' STATEMENT

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The Directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 (the "Act"), except as follows:

Name of Directors and Company in which interests are held	Shareholdings registered in name of Directors	
	At the beginning of financial year	At the end of financial year
The Company	Ordinary shares	
Chua Eng Eng	73,153,812	73,153,812
Chua Hai Kuey	44,495,352	44,495,352
Chua Yong Bin	1,000,000	1,000,000

By virtue of Section 7 of the Act, the above Directors are deemed to have an interest in all related corporations of the Company. In accordance with the continuing listing requirement of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the register of Directors' shareholding, the Directors' interests as at 21 April 2025 in the shares of the Company have not changed from those disclosed as at 31 March 2025.

5. SHARE OPTIONS

There were no share options granted by the Company or any corporation in the Group during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or any corporation in the Group.

There were no unissued shares of the Company or any corporation in the Group under options as at the end of the financial year.

6. AUDIT COMMITTEE

The Audit Committee ("AC") of the Company, consists of all Independent and Non-executive Directors, comprises of the following members as at the date of this statement:

Mr Tang Siew Foo David (Chairman)
 Ms Siraarpa Siriviriyakul
 Dr Teo Ho Pin

DIRECTORS' STATEMENT

6. AUDIT COMMITTEE (continued)

The AC had met up with the external and internal auditors during the year and other Directors were also invited to attend some of the meetings. The AC had also met with the external auditors and the internal auditors without the presence of the Management. All minutes of the meetings are circulated to all members of the Board. The company secretary is also the secretary to the AC.

The key responsibility of the AC is to assist the Board in fulfilling its responsibilities for the Group's financial reporting, management of financial and control risks and monitoring of the internal control system. The AC will make enquiries in order to satisfy themselves on the adequacy of the processes supporting the Group's financial reporting, its system of internal control, risk identification and management, its internal and external audit processes, and the Group's process for monitoring compliance with laws and regulations and its own code of business conduct.

The AC had reviewed, *inter alia*, the followings with the Executive Directors, external and internal auditors of the Company where relevant:

- the external and internal audit plans, the scope of the internal audit procedures and results of the internal auditors' examination and evaluation of the Group's internal control system;
- the consolidated financial statements of the Group and the financial statements of the Company before their submission to the Directors of the Company and the external auditors' report on those financial statements;
- the half yearly and annual announcements as well as other announcements to shareholders and the SGX-ST prior to submission to the Board;
- the re-appointment of the external and internal auditors of the Group;
- the interested person transactions as specified under Chapter 9 of the SGX-ST Listing Manual Rules; and
- the co-operation and assistance given by the Management to the Group's external and internal auditors.

To effectively discharge its responsibilities, the AC has full access to and has the co-operation of the Management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any Director or executive officer to attend its meetings. The external and internal auditors have unrestricted access to the AC.

The AC has reviewed the scope of work proposed by the external auditors and is satisfied with their independence and objectivity. The AC has also undertaken a review of all non-audit services provided by the auditors and is of the opinion that they will not affect the independence of the auditors.

The AC has recommended to the Directors the nomination of BDO LLP for re-appointment as external auditor for the Company at the forthcoming annual general meeting of the Company.

DIRECTORS' STATEMENT

7. INDEPENDENT AUDITOR

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Chua Hai Kuey
Director

Chua Eng Eng
Director

30 June 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KING WAN CORPORATION LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of King Wan Corporation Limited (the "Company") and its subsidiaries (the "Group"), set out on pages 60 to 135, which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2025;
- the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial 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 statement of financial position and 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)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2025, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial 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 MATTERS

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

1 Accounting for construction contracts

The Group's main revenue is construction contracts revenue from the plumbing and sanitary and electrical & air-conditioning and mechanical ventilation ("ACMV") services. The Group recognises revenue from construction contracts over time, whereby revenue is recognised by reference to the proportion of contract costs incurred to date to the estimated total contract costs ("input method").

As disclosed in Note 3(f) to the financial statements, significant assumptions are used to estimate the total contract costs which affect the accuracy of revenue recognition based on the input method and adequacy of provision for onerous contracts recognised. In making the estimates, the Group relies on historical experience, adjusted for current conditions and project-specific factors.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KING WAN CORPORATION LIMITED

KEY AUDIT MATTERS (continued)

1 Accounting for construction contracts (continued)

We focused our audit on the Group's revenue from construction contracts due to the high level of management judgements and estimates involved, particularly relating to:

- Estimating total contract costs, including estimated costs to complete the projects and provision for onerous contracts at the end of the financial year;
- Determining the stage of completion of each contract at the end of the financial year, including an assessment of the appropriateness of contract costs incurred to date; and
- Variations in scope of work and its corresponding costs relating to original contract and original estimated costs as the project progresses as well as the consequential impact on total estimated cost for the project.

Related Disclosures

Refer to Notes 2.12, 3(f), 11, 21, 24 and 28 of the accompanying financial statements.

Audit Response

Our procedures included, amongst others, the following:

- Evaluated the revenue recognition of the Group in accordance with SFRS(I) 15 *Revenue from Contracts with Customers*;
- Assessed the Group's internal controls over the recording of revenue and costs for construction contracts;
- For a selection of completed projects during the financial year, evaluated the reasonableness of Management's cost estimate by comparing the total actual cost incurred at completion against the budgeted cost;
- For a selection of projects in progress at the end of the financial year:
 - i) evaluated the reasonableness of the estimated costs to complete by validating the estimated labour costs and other construction-related costs;
 - ii) agreed the variation orders sum to approved variation orders by customers; and
 - iii) assessed the budgets for cost overruns, provision for onerous contracts and any potential liquidated damages.
- Recomputed the arithmetic accuracy of the construction revenue recognised based on the input method; and
- Considered the adequacy of the related disclosures.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KING WAN CORPORATION LIMITED

KEY AUDIT MATTERS (continued)

2 Assessment of the recoverability of debts owing by the associates and a joint venture to the Group

As at 31 March 2025, the total amounts due from associates and joint venture amounting to \$37,640,000, represents 32% of the Group's total assets.

The Group has the following debts owing by the associates and a joint venture:

- (a) An associate, Dalian Shicheng Property Development (S) Pte. Ltd. ("DSPDS") group comprising DSPDS and its subsidiary - Dalian Shicheng Property Development Co., Ltd;
- (b) Associates, Chang Li Investments Pte. Ltd., Li Ta Investments Pte. Ltd. and Soon Li Investments Pte. Ltd. ("CLLTSL");
- (c) An associate, Nexus Point Investments Pte. Ltd. ("Nexus");
- (d) An associate, Gold Hyacinth Development Pte. Ltd. ("GHD");
- (e) An associate, Meadows Bright Development Pte. Ltd. ("MBD"); and
- (f) A joint venture, Soon Zhou Investments Pte. Ltd. ("SZI") group, comprising SZI and its subsidiaries.

The Management's assessment on the ability to recover the receivables owned by the associates and a joint venture involved significant judgements and estimation uncertainty set out in Note 3(b) to the financial statements, and are dependent on:

- (a) ability of DSPDS group, CLLTSL and SZI group to realise the estimated values of the properties and/or undeveloped land held based on valuation performed by an external professional valuer;
- (b) the assumption that DSPDS group will be able to pay its debts owing to MBD and SZI group; and
- (c) estimates of the cash flow from Nexus and GHD's operations, a dormitory and a vessel respectively, based on valuation performed by the external professional valuers.

We focused our audit on the recoverability of debts owing by the associates and a joint venture due to the high level of management judgements and estimates involved listed above.

Related Disclosures

Refer to Notes 2.3, 3(b) and 7 of the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KING WAN CORPORATION LIMITED

KEY AUDIT MATTERS (continued)

2 Assessment of the recoverability of debts owing by the associates and a joint venture to the Group (continued)

Audit Response

Our procedures included, amongst others, the following:

- Evaluated the expected credit loss taking into consideration the probability of default and loss given default;
- In respect of the valuation of the properties, dormitory and vessel performed by the external professional valuer, we performed the following:
 - i) evaluated the qualifications, independence and objectivity of the valuers and considered the scope of their work;
 - ii) engaged our internal valuation specialists to review and assess the appropriateness of the valuation methodology, key assumptions and parameters used which affect the fair value estimates; and
 - iii) assessed the estimated cash flows and reasonableness of the other key assumptions used.
- Evaluated the significant assumptions applied by Management in assessing the ability of these associates and joint venture to repay its debts; and
- Considered the adequacy of the related disclosures.

3 Equity accounting for investment in associate – Nexus Point Investments Pte Ltd (“Nexus”)

During the financial year, the Group equity accounted and recognised a share of profit of \$4,262,000 of which \$4,150,000 arose from the investment in Nexus, which operates a workers' dormitory in Singapore.

As disclosed in Note 15 to the financial statements, Nexus's profit for the financial year amounted to approximately \$21,841,000. The share of results was largely due to profits generated from the operations of Nexus with high occupancy rates and stable rental rates. The fair value of Nexus's investment properties was determined based on a valuation performed by an external professional valuer.

We focused our audit on the equity accounting of the associate due to the significance of the share of profit to the Group's results.

Related Disclosures

Refer to Notes 2.7 and 15 of the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KING WAN CORPORATION LIMITED

KEY AUDIT MATTERS (continued)

3 Equity accounting for investment in associate – Nexus Point Investments Pte Ltd (“Nexus”) (continued)

Audit Response

Our procedures included, amongst others, the following:

- Evaluated the equity accounting of the associate in accordance with SFRS(I) 1-28 *Investments in Associates and Joint Ventures*;
- In respect to the valuation of the investment properties performed by the external professional valuer, we performed the following:
 - i) evaluated the qualifications, independence and objectivity of the valuers and considered the scope of their work;
 - ii) engaged our internal valuation specialists to review and assess the appropriateness of the valuation methodology, key assumptions and parameters used which affect the fair value estimates; and
 - iii) assessed the estimated cash flows and reasonableness of the other key assumptions used.
- Considered the adequacy of the related disclosures.

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)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KING WAN CORPORATION LIMITED

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:

- (a) 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.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- (d) 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.
- (e) 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.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KING WAN CORPORATION LIMITED

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those 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 Lee Yu-Min Adrian.

BDO LLP

Public Accountants and
Chartered Accountants

Singapore

30 June 2025

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2025

		Group		Company	
	Note	2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and bank balances	5	10,467	9,058	269	92
Trade receivables	6	9,198	9,983	-	-
Other receivables and prepayments	7	2,933	990	12	334
Amount due from subsidiaries	8	-	-	4,887	4,920
Held-for-trading investments	9	80	81	-	-
Inventories	10	588	902	-	-
Contract assets	11	14,201	15,623	-	-
Total current assets		37,467	36,637	5,168	5,346
Non-current assets					
Other receivables	7	35,636	41,296	-	-
Property, plant and equipment	12	1,967	1,722	-	-
Right-of-use assets	13	918	1,334	-	-
Investment in subsidiaries	14	-	-	35,706	35,706
Investment in associates and joint venture	15	28,113	23,813	1,732	1,732
Investments	16	10,776	15,062	8,168	11,495
Deferred tax assets	17	1,377	1,668	-	-
Total non-current assets		78,787	84,895	45,606	48,933
Total assets		116,254	121,532	50,774	54,279

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2025

		Group		Company	
	Note	2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
LIABILITIES AND EQUITY					
Current liabilities					
Bank borrowings	18	6,917	7,983	-	-
Trade payables	19	15,786	21,956	-	-
Bills payables	19	19,031	16,554	-	-
Other payables	20	1,672	1,694	364	333
Contract liabilities	21	2,234	1,243	-	-
Lease liabilities	22	148	438	-	-
Amount due to subsidiaries	23	-	-	20,793	20,266
Provision for liabilities	24	873	982	-	-
Income tax payable		101	34	*	34
Total current liabilities		46,762	50,884	21,157	20,633
Non-current liabilities					
Bank borrowings	18	-	216	-	-
Lease liabilities	22	216	249	-	-
Deferred tax liabilities	17	98	142	-	-
Total non-current liabilities		314	607	-	-
Total liabilities		47,076	51,491	21,157	20,633
Capital and reserves					
Share capital	25	53,797	53,797	53,797	53,797
Retained earnings		48,906	45,470	1,686	2,388
Foreign currency translation reserve	26	(142)	(156)	-	-
Investment revaluation reserve	27	(33,298)	(29,005)	(25,866)	(22,539)
Equity attributable to owners of the Company		69,263	70,106	29,617	33,646
Non-controlling interests		(85)	(65)	-	-
Total equity		69,178	70,041	29,617	33,646
Total liabilities and equity		116,254	121,532	50,774	54,279

* Amount less than \$1,000.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 March 2025

		Group	
	Note	2025 \$'000	2024 \$'000
Revenue	28	86,756	95,518
Cost of sales		(79,722)	(94,208)
Gross profit		7,034	1,310
Other operating income	29	1,624	2,802
Administrative expenses		(5,723)	(5,456)
Loss allowance on trade receivables, other receivables and contract assets	32	(2,193)	(4,434)
Share of profit of associates and joint venture, net of tax		4,262	19,607
Finance costs	30	(1,321)	(1,745)
Profit before income tax		3,683	12,084
Income tax (expense)/credit	31	(267)	297
Profit for the financial year	32	3,416	12,381
Other comprehensive loss			
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Net fair value loss in equity securities carried at fair value through other comprehensive income ("FVTOCI")		(4,293)	(4,470)
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		14	26
Other comprehensive loss for the financial year		(4,279)	(4,444)
Total comprehensive (loss)/income for the financial year		(863)	7,937
Profit/(loss) of the financial year attributable to:			
Owners of the Company		3,436	12,402
Non-controlling interests		(20)	(21)
		3,416	12,381
Total comprehensive (loss)/ income attributable to:			
Owners of the Company		(843)	7,958
Non-controlling interests		(20)	(21)
		(863)	7,937
Earnings per share (cents)			
Basic and diluted	33	0.49	1.78

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2025

	Share capital \$'000	Retained earnings \$'000	Foreign currency translation reserve \$'000	Investment revaluation reserve \$'000	Equity attributable to owners of the Company \$'000	Non- controlling interests \$'000	Total \$'000
Group							
Balance as at 1 April 2024	53,797	45,470	(156)	(29,005)	70,106	(65)	70,041
<i>Total comprehensive loss for the financial year:</i>							
Profit for the financial year	-	3,436	-	-	3,436	(20)	3,416
Other comprehensive loss for the financial year	-	-	14	(4,293)	(4,279)	-	(4,279)
Total	-	3,436	14	(4,293)	(843)	(20)	(863)
Balance as at 31 March 2025	53,797	48,906	(142)	(33,298)	69,263	(85)	69,178
Balance as at 1 April 2023	53,797	33,068	(182)	(24,535)	62,148	(44)	62,104
<i>Total comprehensive income for the financial year:</i>							
Profit for the financial year	-	12,402	-	-	12,402	(21)	12,381
Other comprehensive loss for the financial year	-	-	26	(4,470)	(4,444)	-	(4,444)
Total	-	12,402	26	(4,470)	7,958	(21)	7,937
Balance as at 31 March 2024	53,797	45,470	(156)	(29,005)	70,106	(65)	70,041

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2025

	Share capital \$'000	Retained earnings \$'000	Investment revaluation reserve \$'000	Total \$'000
Company				
Balance as at 1 April 2024	53,797	2,388	(22,539)	33,646
<i>Total comprehensive loss for the financial year:</i>				
Loss for the financial year	-	(702)	-	(702)
Other comprehensive loss for the financial year	-	-	(3,327)	(3,327)
Total	-	(702)	(3,327)	(4,029)
Balance as at 31 March 2025	53,797	1,686	(25,866)	29,617
Balance as at 1 April 2023	53,797	8,770	(19,059)	43,508
<i>Total comprehensive loss for the financial year:</i>				
Loss for the financial year	-	(6,382)	-	(6,382)
Other comprehensive loss for the financial year	-	-	(3,480)	(3,480)
Total	-	(6,382)	(3,480)	(9,862)
Balance as at 31 March 2024	53,797	2,388	(22,539)	33,646

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2025

	Group	
	2025	2024
	\$'000	\$'000
Operating activities		
Profit before income tax	3,683	12,084
Adjustments for:		
Allowance/(Reversal of) for inventory obsolescence	114	(25)
Bad debt written off	3	1
Change in fair value of held-for-trading investments	1	27
Change in fair value of insurance contract	(7)	(12)
Depreciation of property, plant and equipment	639	635
Depreciation of right-of-use assets	550	525
Dividend income from investment in equity securities carried at FVTOCI	(225)	(416)
Loss on disposal of property, plant and equipment	14	27
Loss on disposal of right-of-use assets	-	5
Inventories written off	-	7
Interest income	(652)	(1,979)
Interest expense	1,321	1,745
Loss allowance for trade receivables, other receivables and contract assets	2,193	4,434
Share of profit of associates and joint venture, net of tax	(4,262)	(19,607)
Addition of provision for liabilities	3	243
Operating cash flows before movements in working capital	3,375	(2,306)
Trade receivables	640	1,598
Other receivables and prepayments	244	(179)
Contract assets	1,437	10,306
Contract liabilities	991	(1,029)
Inventories	200	168
Trade payables	(6,170)	(2,903)
Other payables	(22)	(456)
Provision for liabilities	(112)	(126)
Cash generated from operations	583	5,073
Income taxes refunded/(paid)	47	(58)
Interest paid	(1,321)	(1,745)
Net cash (used in)/from operating activities	(691)	3,270

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2025

	Group	
	2025	2024
	\$'000	\$'000
Investing activities		
Interest received	38	14
Repayments from associates and joint venture	2,183	4,308
Dividends received from investment in equity securities carried at FVTOCI	515	93
Purchase of property, plant and equipment	(927)	(515)
Deposit for intended acquisition of property	(475)	-
Proceeds from disposal of property, plant and equipment	29	77
Proceeds from disposal of right-of-use assets	-	43
Net cash from investing activities	1,363	4,020
Financing activities		
Repayments of lease liabilities	(457)	(436)
Net financing by/(Repayments of) bills payables	2,477	(7,053)
Repayments of bank borrowings	(1,282)	(1,759)
Net cash from/(used in) financing activities	738	(9,248)
Net increase/(decrease) cash and cash equivalents	1,410	(1,958)
Cash and cash equivalents at beginning of the financial year	9,058	11,001
Effect of foreign exchange rate changes on balances held in foreign currencies	(1)	15
Cash and cash equivalents at end of the financial year (Note 5)	10,467	9,058

Note:

In the current financial year, the Group acquired right-of-use assets with an aggregate cost of \$134,000 of which \$134,000 was financed by hire-purchase agreements (Note 13).

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

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

1. GENERAL

The Company (Registration No. 200001034R) is a limited liability company incorporated and domiciled in Singapore with its registered office and principal place of business at No. 8 Sungei Kadut Loop, Singapore 729455. The Company is listed on the mainboard of Singapore Exchange Securities Trading Limited.

The principal activity of the Company is that of investment holding. The subsidiaries, associates and joint venture in the Group are principally engaged in activities as disclosed in Notes 14 and 15 to the financial statements respectively.

The ultimate controlling party is Ms Chua Eng Eng, a Director of the Company.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of accounting

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

The individual financial statements of each entity within the Group are measured and presented in the currency of primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group, the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollar ("S") which is the functional currency of the Company and the presentation currency for the consolidated financial statements and all values presented are rounded to the nearest thousand ("S'000") as indicated.

The preparation of financial statements in compliance with SFRS(I)s requires Management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on Management's best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have significant effect on the financial statements are disclosed in Note 3 to the financial statements.

Going concern

As at 31 March 2025, the Group's and the Company's current liabilities exceeded its current assets by \$9,295,000 and \$15,989,000, respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.1 Basis of accounting (continued)

Going concern (continued)

In view of these circumstances, the Directors of the Company have given careful consideration of the future liquidity and cash flows of the Group in assessing whether the Group will have sufficient financial resources to continue as a going concern for the next 12 months from the date of these financial statements. For this purpose, Management has prepared a month-to-month consolidated cash flows forecast up to 30 June 2026 (the “Cash Flows Forecast”) based on the latest available financial information. The following judgements and assumptions have been taken by Management in the Cash Flows Forecast:

- (i) construction activities will be in full operation according to projected schedule and monthly cash collections will be received according to contractual terms; and
- (ii) continued support from the Group's existing bankers in providing banking and other credit facilities and access to undrawn credit facilities.

Based on the assessment, the Directors are confident that the Group and the Company will be able to pay its debts as and when they fall due for the next 12 months from the date of authorisation of these financial statements.

New standards, amendments and interpretations effective from 1 April 2024

On 1 April 2024, the Group adopted the new or amended SFRS(I) that are mandatory for application for the financial year. The adoption of these standards did not result in significant changes to the Group's accounting policies and had no material impact to the Group's financial statements.

New standards, amendments and interpretations issued but not yet effective

There are a number of standards, amendments to standards, and interpretations, which have been published by the Accounting and Corporate Regulatory Authority that are effective in future accounting periods and the Group has not decided to early adopt. The Group does not expect any of these standards upon adoption will have a material impact on the Group, except as discussed below.

SFRS(I) 18 Presentation and Disclosure in Financial Statements

The SFRS(I) 18 replaces SFRS(I) 1-1 *Presentation of Financial Statements* and provides guidance on presentation and disclosure in financial statements, focus on the statement of profit or loss.

SFRS(I) 18 introduces:

- new structure on statement of profit or loss with defined subtotals;
- disclosure related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by accounting standards with adjustments made (e.g. ‘adjusted profit or loss’). A reconciliation of MPMs to the nearest total or subtotal calculated in accordance with accounting standards; and
- enhanced principles on aggregation and disaggregation of financial information which apply to the primary financial statements and notes in general.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.1 Basis of accounting (continued)

New standards, amendments and interpretations issued but not yet effective (continued)

SFRS(I) 18 Presentation and Disclosure in Financial Statements (continued)

SFRS(I) 18 will take effect on 1 April 2027 and Management anticipates that the new requirements will change the current presentation and disclosure in the financial statements. An impact assessment regarding the adoption of SFRS(I) 18 is still underway and has not yet been completed.

2.2 Basis of consolidation

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

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

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

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- (i) the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- (ii) potential voting rights held by the Company, other vote holders or other parties;
- (iii) rights arising from other contractual arrangements; and
- (iv) any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

All intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides an impairment indicator of the transferred asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.2 Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests

Non-controlling interests represents the equity in subsidiaries which is not attributable directly or indirectly to the equity owners of the parent. They are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2.3 Financial instruments

Financial assets and financial liabilities are recognised on the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets are recognised immediately in profit or loss.

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of the assets within the timeframe established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

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

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

By default, all other financial assets are subsequently measured at fair value through profit or loss ("FVTPL").

Despite the foregoing, the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see below on equity instruments designated as at FVTOCI) at initial recognition of a financial asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

Financial assets (continued)

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

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

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss and is included in the 'other operating income' (Note 29) line item.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 applies.

A financial asset is held for trading if:

- (i) it has been acquired principally for the purpose of selling it in the near term; or
- (ii) on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- (iii) it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

Financial assets (continued)

Equity instruments designated as at FVTOCI (continued)

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

The Group has designated all investments in quoted equity instruments that are not held for trading as at FVTOCI on initial application of SFRS(I) 9 (see Note 16).

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'revenue' (Note 28) line item in profit or loss.

Financial assets at FVTPL

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

Financial assets at FVTPL are measured at fair value at the end of each financial year, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 37(b)(vi).

Foreign exchange gains and losses

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

- (i) for financial assets measured at amortised cost that are not part of a designated hedging relationship, foreign exchange gains or losses is recognised in the 'other operating income' (Note 29) or 'administrative expenses' line items in profit or loss respectively; and
- (ii) for equity instruments measured at FVTOCI, foreign exchange differences are recognised in other comprehensive income in the investment revaluation reserve (Note 27).

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI, contract assets, as well as financial guarantee contracts. No impairment loss is recognised for investments in equity instruments. The amount of ECL is updated at the end of each financial year to reflect changes in credit risk since initial recognition of the respective financial instrument.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the end of the financial year or an actual default occurring.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the end of the financial year.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the end of the financial year with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's operations, namely investment holdings, provision of plumbing and sanitary, electrical & ACMV services and toilet rental.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

Financial assets (continued)

Significant increase in credit risk (continued)

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

- (i) an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- (ii) significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- (iii) existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtors' ability to meet its debt obligations;
- (iv) an actual or expected significant deterioration in the operating results of the debtor;
- (v) significant increases in credit risk on other financial instruments of the same debtor; and
- (vi) an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 60 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (i) the financial instrument has a low risk of default;
- (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

Financial assets (continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- (i) when there is a breach of financial covenants by the counterparty; or
- (ii) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 2 years past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criteria is more appropriate.

Credit-impaired financial assets

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

- (i) significant financial difficulty of the issuer or the borrower; or
- (ii) a breach of contract, such as a default or past due event (see above for “Definition of default”); or
- (iii) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (iv) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (v) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

Financial assets (continued)

Measurement and recognition of ECL

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the end of the financial year.

For financial assets, ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- (i) nature of financial instruments (i.e. the Group's trade receivables and other receivables are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- (ii) past-due status;
- (iii) nature, size and industry of debtors;
- (iv) nature of collaterals for other receivables; and
- (v) external credit ratings where available.

The grouping is regularly reviewed by Management to ensure the constituents of each group continue to share similar credit risk characteristics. If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the end of the financial year.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recognised at the proceeds received, net of direct issue costs. The Group classifies ordinary shares as equity instruments.

Financial liabilities

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held-for-trading, or designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Borrowings and bills payables

Interest-bearing bank loans, overdrafts, bills payables and lease liabilities are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised in profit or loss over the term of the borrowings.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with SFRS(I) 9; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the revenue recognition policies.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each financial year, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains or losses are recognised in the 'other operating income' (Note 29) or 'administrative expenses' line items in profit or loss respectively for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.4 Leases

The Group as lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability.

The payments for leases of low value assets and short-term leases are recognised as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 Leases (continued)

The Group as lessee (continued)

Initial measurement

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

Right-of-use assets are initially measured at the amount of lease liabilities.

The Group presents the right-of-use assets and lease liabilities separately from other assets and other liabilities in the consolidated statement of financial position.

Subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated depreciation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use assets under cost model are depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise the purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset.

The bases of depreciation of the right-of-use assets are as follows:

Leasehold property	-	over the remaining term of the lease which is 17%
Motor vehicles	-	10% to 20%

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use asset may be impaired. The accounting policy on impairment is as described in Note 2.8 to the financial statements.

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any remeasurement due to reassessment or lease modifications.

After the commencement date, interest on the lease liabilities and variable lease payments not included in the measurement of the lease liabilities are recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When the Group revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the remeasurement is recognised directly in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 Leases (continued)

The Group as lessor

When the Group is a lessor, it determines whether each lease entered is a finance or an operating lease at the lease inception date and reassessed only if there is a lease modification. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Whereas, it is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

If the lease arrangement contains lease and non-lease components, the Group applies the principles within SFRS(I) 15 to allocate consideration in the lease arrangement.

The Group recognises lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of 'other operating income' (Note 29) line item in profit or loss. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

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

2.5 Inventories

Inventories comprising raw materials and consumables are stated at the lower of cost and net realisable value. Cost includes all cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using first-in, first-out method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

2.6 Property, plant and equipment

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

Subsequent expenditure on an item of property, plant and equipment is added to the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Property, plant and equipment under construction in progress includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation commences when the assets are ready for their intended use.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.6 Property, plant and equipment (continued)

Depreciation is charged so as to write off the depreciable amounts of the assets over their estimated useful lives, using the straight-line method, on the following bases:

Buildings and properties	-	over the term of the lease which is 3% to 17%
Plant and machinery	-	5% to 20%
Office equipment	-	10% to 33 $\frac{1}{3}$ %
Motor vehicles	-	10% to 20%
Portable toilets	-	20%
Software	-	33 $\frac{1}{3}$ %

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

2.7 Associates and joint venture

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

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint venture are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Associates and joint venture (continued)

The requirements of SFRS(I) 1-36 *Impairment of Assets* are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with SFRS(I) 9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

2.8 Impairment of non-financial assets

At the end of each financial year, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.8 Impairment of non-financial assets (continued)

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

2.9 Cash and bank balances

Cash and bank balances in the consolidated statement of financial position comprise cash on hand, demand deposits and other short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

2.10 Provisions

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

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

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

Onerous contracts

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

Provision for rectification costs

The Group recognises a liability and an expense for rectification costs upon completion of the construction work and the obligation is made based on Management's best estimates of the expected costs which are to be incurred pending the finalisation of the final account between the Group and its respective sub-contractors based on past experience and assessment of the projects.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.11 Government grants

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

Government grants related to asset are deducted against the carrying amount of the asset. Government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.12 Revenue recognition

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on consideration of 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 (i.e. sales related taxes). The Group provides construction services to customers through fixed-price contracts. Contract revenue is recognised when the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Construction contracts

i) Plumbing and sanitary

The Group is involved in the provision of plumbing and sanitary services which include the design and installation of water distribution systems and pipe network for sewage and waste water drainage.

ii) Electrical & ACMV

The Group is involved in the provision of electrical & ACMV services which include the design and installation of electricity distribution systems, fire protection, alarm systems, communications and security systems as well as air-conditioning and mechanical ventilation systems.

For these contracts, revenue is recognised from construction contracts over time, whereby revenue is recognised by reference to the proportion of contract costs incurred to date to the estimated total contract costs ("input method"). The estimated total contract costs comprised material costs, labour costs and other overhead expenses. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

In some circumstances such as in the early stages of a contract where the Group may not be able to reasonably measure its progress but expects to recover the contract costs incurred, contract revenue is recognised only to the extent of the contract costs incurred until such time when the Group can reasonably measure its progress, where necessary.

Contract modifications that do not add distinct goods or services are accounted for as a continuation of the original contract and the change is recognised as a cumulative adjustment to revenue at the date of modification.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.12 Revenue recognition (continued)

Construction contracts (continued)

Estimates of revenue, costs or extent of progress toward completion are revised if there is a change in the scope of work. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by Management.

The period between the transfer of the promised services and customer payment may exceed one year. For such contracts, there is no significant financing component present as the payment terms is an industry practice to protect the customers from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The customer is invoiced on a milestone payment schedule. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Rendering of services - toilet rental

The Group is involved in rental and operating of mobile toilets and other facilities. Revenue from the toilet rental is recognised over the term of the relevant rental period.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Lease income

The Group's policy for recognition of revenue from operating leases is described above (see Note 2.4).

Management fee income

Management fee income is recognised in profit or loss as and when the services are rendered.

2.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.14 Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

2.15 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the financial year.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.15 Income tax (continued)

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively) or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

Sales tax

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

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

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

2.16 Foreign currency transactions and translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of 'foreign currency translation reserve' (Note 26).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation), all of the accumulated exchange differences in respect of that operation in the Group's foreign currency translation reserve, are reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.16 Foreign currency transactions and translation (continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), are recognised in other comprehensive income and accumulated in a separate component of equity under the header of 'foreign currency translation reserve' (Note 26).

2.17 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingencies are not recognised on the consolidated statement of financial position, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair value can be reliably determined.

2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group of Executive Directors and the Managing Director who make strategic decisions.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2 to the financial statements, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Critical judgements in applying the entity's accounting policies

There are no critical judgements, apart from those involving estimations (see below), that Management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

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

(a) Recoverability of trade receivables, contract assets and amount due from subsidiaries

(i) Loss allowances for trade receivables and contract assets

The Group makes allowances for expected credit losses based on an assessment of the recoverability of trade receivables and contract assets. The impairment provisions for trade receivables and contract assets are based on assumptions on risk of default and expected loss rates. The Group uses judgements in making these assumptions and selecting inputs to the impairment calculation based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each financial year. The identification of loss allowance requires use of judgements and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade receivables and contract assets in the period in which such estimate has been changed.

As at the end of the financial year, the loss allowance and the carrying amounts of trade receivables and contract assets are disclosed in Notes 6 and 11 to the financial statements respectively.

(ii) Recoverability of amount due from subsidiaries

The Company assesses at the end of each financial year whether the advances to subsidiaries have any indication of impairment in accordance with the accounting policy. Management evaluates, among other factors, the market and economic environment in which the subsidiaries operate, economic performance of these entities i.e. existing financial performance as well as operating profit forecasts and the duration and extent to which the cost of investments in these entities and advances to subsidiaries exceed their net tangible assets values.

As at the end of the financial year, the loss allowance and the carrying amount of amount due from subsidiaries is disclosed in Note 8 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

(b) Recoverability of amounts due from associates and a joint venture (Note 7)

- (i) Dalian Shicheng Property Development (S) Pte. Ltd. ("DSPDS") group, comprising DSPDS and its subsidiary - Dalian Shicheng Property Development Co., Ltd ("DSPDC")

The Group assesses at the end of each financial year whether the advances to DSPDS group are recoverable. The gross carrying amount of the advances to DSPDS group is \$31,069,000 (2024: \$31,004,000) and loss allowance on the full amount has been recognised at the end of the financial year after considering the financial position of DSPDS group and the valuation of the multi-phased mixed development properties in Dalian, PRC (the "Singapore Garden") estimated by an external professional valuer. In making this assessment, the significant assumptions include the ability of DSPDS group to realise the estimated values of the properties.

- (ii) Soon Zhou Investments Pte. Ltd. ("SZI") group, comprising SZI and its subsidiaries

The Group assesses at the end of each financial year whether the advances to SZI group are recoverable. The carrying amount of advances to SZI group at the end of the financial year is \$12,724,000 (2024: \$16,712,000) net of loss allowance of \$9,650,000 (2024: \$7,650,000) (Note 7).

In 2016, SZI and its wholly-owned subsidiary, Dalian Blue Oasis Properties Co Ltd ("DBOP") contracted with DSPDC to purchase certain residential units, retail properties and rights of use of semi-basement and car parks in DSPDC's Singapore Garden for amounts totalling RMB201 million (equivalent to \$42 million).

In August 2018, DBOP issued a notification letter to DSPDC on its intent to cancel the sale and purchase agreements ("SPAs") for the sale of residential units from DSPDC to DBOP due to non-delivery of the fully paid purchased residential units within the contracted period under the SPAs by DSPDC. In September 2018, a cancellation agreement was entered into between both parties whereby DSPDC had to refund RMB148 million (equivalent to \$30 million) to DBOP. As at 31 March 2025, DBOP has receivables amounting to RMB39 million (equivalent to \$7.1 million) (2024: RMB49 million (equivalent to \$9.2 million)) from DSPDC relating to the refund. Management assessed that these receivables are recoverable.

Management has assessed that there are tax liabilities associated with the sales and purchase transactions and has assessed the tax obligation based on a probability-weighted approach and determined the potential tax obligation to be approximately \$3.3 million (2024: \$3.3 million) for DSPDC and \$0.4 million (2024: \$0.4 million) for DBOP. These potential tax obligations have been recognised by the associate and joint venture at the end of the financial year. Due to the uncertainty associated with such tax items, it is probable that on conclusion of such tax matters at a future date, the final outcome may differ significantly and may have an impact on the recoverability of advances from SZI.

After considering the financial position of SZI group, the ability to recover the above receivable, the valuation of the previously acquired development properties from DSPDC in Singapore Garden, estimated by an external professional valuer, and the potential tax impact, Management expects the advances to SZI group to be recoverable up the carrying amount of the advances. In making this assessment, significant assumptions include the ability of SZI group to realise the estimated values of the properties as well as its receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

(b) Recoverability of amounts due from associates and a joint venture (Note 7) (continued)

- (iii) Chang Li Investments Pte. Ltd. ("Chang Li"), Li Ta Investments Pte. Ltd. ("Li Ta") and Soon Li Investments Pte. Ltd. ("Soon Li")

The Group assesses at the end of each financial year whether the advances to these associates are recoverable. The carrying amount of advances to these associates at the end of the financial year is \$1,693,000 (2024: \$1,672,000) net of loss allowance of \$2,900,000 (2024: \$2,900,000) (Note 7).

After considering the financial position of these associates and the valuation of the previously acquired investment properties from DSPDC in Singapore Garden, estimated by reference to an external professional valuer, Management expects the advances to these associates to be recoverable up to net carrying amount as at end of the financial year. In making this assessment, significant assumptions include the ability of these associates to realise the estimated values of the investment properties.

- (iv) Nexus Point Investments Pte. Ltd. ("Nexus")

The advances to Nexus are to support the dormitory operations. The Group assesses at the end of each financial year whether the advances to Nexus are recoverable. The carrying amount of advances to Nexus at the end of the financial year is \$13,744,000 (2024: \$13,475,000).

The Group's ability to recover advances to Nexus is dependent on estimates of the cash flows from the associate's operations based on valuation performed by an external professional valuer. The critical judgements and estimations involved in evaluating the market value include the occupancy and rental rates.

In the previous financial year, a reversal of \$4,050,000 on the loss allowance has been made due to high demand in the migrant worker population, positive and stable rental and occupancy rates.

- (v) Gold Hyacinth Development Pte. Ltd. ("GHD")

The advances to GHD are to support its vessel charter operations. The Group assesses at the end of each financial year whether the advances to GHD are recoverable. The carrying amount of advances to GHD at the end of the financial year is \$3,362,000 (2024: \$3,320,000) net of loss allowance of \$1,513,000 (2024: \$1,513,000) (Note 7).

The Group's ability to recover the advances owed by GHD is dependent on estimates of the cash flow from the associate's operations based on valuation performed by an external professional valuer. The critical judgements and estimations involved includes the market charter rates and the market prices of similar vessels.

As at the end of the financial year, total loss allowances of \$1,513,000 (2024: \$1,513,000) have been made based on the market conditions reflecting the recoverability of the net assets in GHD and the associate's cash flows from operations.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

(b) Recoverability of amounts due from associates and a joint venture (Note 7) (continued)

(vi) Meadows Bright Development Pte Ltd (“MBD”)

The Group assesses at the end of each financial year whether the advances to MBD are recoverable. The carrying amount of advances to MBD at the end of the financial year is \$6,117,000 (2024: \$6,117,000).

In assessing the recoverability of the advances to MBD, the Group evaluates, among other factors, the market and economic environment in which MBD operates as well as economic performance of MBD i.e. existing financial position and the recoverability of the net assets in MBD.

(c) *Assessment of corporate guarantee given in connection with bank loans of Nexus (entity described in Note 3 (b)(iv) above)*

The Company together with two other shareholders (the “Joint Guarantors”) of the associate, Nexus, provided corporate guarantees to a bank for credit facilities utilised by Nexus for the land and construction loan of a dormitory. The Company’s maximum exposure to the corporate guarantee amounted to \$11,354,000 (2024: \$14,858,000).

In assessing whether the Group needs to record any loss allowance in respect of the corporate guarantees, Management has assessed the estimates of the cash flows from the associate’s net assets after considering the valuation performed by an external professional valuer. The critical judgements and estimations involved in evaluating the market value include the occupancy and rental rates.

Based on the above assessment, Management has made the judgement that, as at 31 March 2025 and 2024, no loss allowance was required for the bank guarantees.

The assessment is also dependent on the assumption that the Joint Guarantors will fund the proportionate cash required for instalment payments due on the bank loans.

Management monitors the above assessments, reassesses the judgements and accounting estimates periodically.

(d) *Impairment of investment in associates and joint venture*

The Group assesses at the end of each financial year whether its investment in associates and joint venture has any indication of impairment in accordance with the accounting policy. Critical judgements and key sources of estimation uncertainty are disclosed in Note 3(b) to the financial statements.

As disclosed in Note 15 to the financial statements, investment in certain associates and joint venture has no carrying amount at the end of the financial year as the Group has recognised losses incurred by the associates and joint venture to the Group’s cost of investment in the associates and joint venture. The Group did not recognise its share of losses in excess of the carrying amount of the investment in associates and joint venture as the Group does not have the legal or constructive obligation or made payments on behalf of the associates and joint venture.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

(d) *Impairment of investment in associates and joint venture* (continued)

As at the end of the financial year, total allowance for impairment loss of \$2,139,000 (2024: \$2,139,000) has been made for the carrying value of investment in an associate estimated based on the market conditions reflecting the recoverability of the net assets in an associate. The carrying amount of the investment in associates and joint venture is disclosed in Note 15 to the financial statements.

(e) *Impairment of investment in subsidiaries*

The Company assesses at the end of each financial year whether its investment in subsidiaries has any indication of impairment in accordance with the accounting policy. Management evaluates, among other factors, the market and economic environment in which the subsidiaries operate, economic performance of these entities i.e. existing financial performance as well as operating profit forecasts and the duration and extent to which the cost of investments in these entities exceed their net tangible assets value and fair value less cost to sell.

As at the end of the financial year, total allowance for impairment loss of \$10,000,000 (2024: \$10,000,000) have been made for investment in subsidiaries, estimated based on the market conditions reflecting the recoverability of the net assets in subsidiaries. The carrying amount of the investment in subsidiaries is disclosed in Note 14 to the financial statements.

(f) *Revenue recognition and contract cost from construction contracts*

Revenue is recognised from construction contracts over time, whereby the revenue is recognised by reference to the proportion of contract costs incurred to date to the estimated total contract costs ("input method").

Management estimates the total contract costs to complete, which are used in the input method to determine the Group's recognition of the revenue. When it is probable that the total contract costs will exceed the total revenue from construction contracts, a provision for onerous contracts is recognised immediately. As at the end of the financial year, the provision for onerous contracts is disclosed in Note 24 to the financial statements.

Significant assumptions are used to estimate the total contract costs which affect the accuracy of revenue recognition based on the input method and adequacy of provision for onerous contracts recognised. In making these estimates, Management has relied on past experience. Revenue from construction contracts is disclosed in Note 28 to the financial statements.

Revenue arising from additional claims and variation orders, whether billed or unbilled, is recognised when negotiations have reached an advanced stage such that it is probable that the customer will accept the claims or approve the variation orders, and the amount can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

4. RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties are reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

During the financial year, the Group entered into the following transactions with related parties:

	Group	
	2025	2024
	\$'000	\$'000
Lease income from an associate	(16)	(16)
Interest income from associates and a joint venture	(614)	(1,965)
Management fee income from associates	(108)	(108)

Compensation of Directors and Key Management Personnel

The remuneration of Directors and other members of Key Management during the financial year was as follows:

	Group	
	2025	2024
	\$'000	\$'000
Short-term benefits	1,668	1,254
Post-employment benefits	140	94
	1,808	1,348
Directors' fees	202	258
	2,010	1,606

The remuneration of Directors and Key Management is determined by the Remuneration Committee having regards to the performance of individuals and market trends.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

5. CASH AND BANK BALANCES

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cash and bank balances	8,109	9,058	269	92
Fixed deposits	2,358	-	-	-
	10,467	9,058	269	92

Cash and bank balances comprise cash held by the Group that are readily convertible to cash within a short period of time. This included fixed deposits with a maturity of 1 month as there is no significant cost or penalty in converting these deposits into liquid cash before maturity. The carrying amounts of these assets approximate their fair values.

The Group's and the Company's cash balances held with certain banks amounting to \$2,928,000 and \$4,000 (2024: \$5,339,000 and \$4,000) bear interest at interest rates ranging from 0.02% to 1.00% per annum (2024: 0.08% to 1.00% per annum).

Fixed deposits bear interest at interest rates ranging from 1.72% to 3.84% per annum with tenure 1 month.

6. TRADE RECEIVABLES

	Group	
	2025	2024
	\$'000	\$'000
Amounts receivable from construction contract customers	11,156	11,576
Amounts receivable from rendering of services	788	1,011
	11,944	12,587
Less: Loss allowance for trade receivables	(2,746)	(2,604)
	9,198	9,983

The average credit period is 30 days (2024: 30 days). No interest is charged on overdue trade receivables.

Before accepting any new customer, the Group performs a background search on the credit worthiness and litigation status. The Group's customers mainly comprise of reputable and well established construction companies. The credit limit of the customers is reviewed periodically by the Management. Concentration of credit risk with respect of trade receivables in the construction industry does exist in view of the limited number of main contractors that the Group has dealings with. The Group's trade receivables comprise 5 debtors (2024: 5 debtors) that represent approximately 57% (2024: 48%) of the total trade receivables balances.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

6. TRADE RECEIVABLES (continued)

The following table details the risk profile of trade receivables based on the Group's provision matrix.

	Expected weighted credit loss rate %	Estimated total gross carrying amount at default \$'000	Lifetime ECL \$'000	Total \$'000
2025				
Current (not past due)	*	621	-	621
1 to 60 days past due	*	7,177	-	7,177
61 to 150 days past due	0.5	982	(5)	977
151 to 240 days past due	*	32	-	32
More than 240 days past due	87.5	3,132	(2,741)	391
		11,944	(2,746)	9,198
2024				
Current (not past due)	*	5,190	-	5,190
1 to 60 days past due	*	3,437	-	3,437
61 to 150 days past due	3.8	157	(6)	151
151 to 240 days past due	1.1	358	(4)	354
More than 240 days past due	75.3	3,445	(2,594)	851
		12,587	(2,604)	9,983

* The weighted credit loss rate is assessed as negligible.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in SFRS(I) 9:

Movement in loss allowance:

	Group	
	2025 \$'000	2024 \$'000
Balance as at beginning of the financial year	2,604	2,362
Loss allowance recognised in profit or loss (Note 32)	142	242
Balance as at end of the financial year	2,746	2,604

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

7. OTHER RECEIVABLES AND PREPAYMENTS

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current:				
- Amounts due from associates	2,004	-	-	-
- Dividend receivables	-	323	-	323
- Other receivables	582	281	-	-
- Prepayments	259	259	12	11
- Deposits	138	176	-	-
	2,983	1,039	12	334
Less: Loss allowance for other receivables	(50)	(49)	-	-
	2,933	990	12	334
Non-current:				
- Amounts due from associates and joint venture	80,768	84,363	-	-
Less: Loss allowance for amounts due from associates and joint venture	(45,132)	(43,067)	-	-
	35,636	41,296	-	-

Included in other receivables is an amount of \$475,000 relating to deposits paid for acquisition of a property as disclosed in Note 34 to the financial statements.

As at the end of the financial year, amounts due from associates and joint venture (net of loss allowance) amounting to \$37,640,000 (2024: \$41,296,000). Amount due from associates and joint venture (net of loss allowance) amounting to \$35,636,000 (2024: \$41,296,000) are classified as non-current as the Group does not expect these amounts to be repaid within the next 12 months.

Amounts due from associates and joint venture amounting to \$24,145,000 (2024: \$25,427,000) are unsecured and bear interest of 2.5% (2024: 2.5%) per annum. The remaining amounts due from associates and joint venture are unsecured and non-interest bearing. Management has assessed that the interest charged on amounts due from associates and joint venture approximate the market rates and hence, the carrying amounts of these assets approximate their fair values.

As at the end of the financial year, a loss allowance of \$45,182,000 (2024: \$43,116,000) of which \$45,132,000 (2024: \$43,067,000) was made for amounts due from associates and joint venture (Note 3(b)).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

7. OTHER RECEIVABLES AND PREPAYMENTS (continued)

The following table shows the movement in ECL that has been recognised for other receivables.

Movement in loss allowance:

	Group	
	2025	2024
	\$'000	\$'000
Balance as at beginning of the financial year	43,116	38,906
Loss allowance recognised in profit or loss (Note 32)		
- Non-credit impaired other receivables	1	49
- Amounts due from associates and a joint venture (Note 3(b))	2,065	4,161
Balance as at end of the financial year	45,182	43,116

8. AMOUNT DUE FROM SUBSIDIARIES

	Company	
	2025	2024
	\$'000	\$'000
Subsidiaries – non-trade	21,215	21,181
Less: Loss allowance for amount due from subsidiaries	(16,328)	(16,261)
	4,887	4,920

The advances to the subsidiaries are interest-free, unsecured and repayable on demand. As at the end of the financial year, a loss allowance as shown below was made based on the market conditions reflecting the recoverability of the net assets in subsidiaries.

As at the end of the financial year, a loss allowance of \$16,328,000 (2024: \$16,216,000) was made for amount due from subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

9. HELD-FOR-TRADING INVESTMENTS

	Group	
	2025	2024
	\$'000	\$'000
Quoted equity shares, at fair value	80	81
Balance as at beginning of the financial year	81	108
Change in fair value recognised in profit or loss (Note 32)	(1)	(27)
Balance as at end of the financial year	80	81

Held-for-trading investments are investment in quoted equity securities that offer the Group the opportunity for return through dividend income and fair value gain. They have no fixed maturity or coupon rate. The fair value of the quoted equity securities is based on quoted bid market prices on the last market day of the financial year.

10. INVENTORIES

	Group	
	2025	2024
	\$'000	\$'000
Raw materials and consumables	588	902

The cost of inventories recognised as an expense and included in the 'cost of sales' line item in profit or loss was approximately \$28,427,000 (2024: \$36,494,000) for the financial year ended 31 March 2025.

As at 31 March 2025, the Group has carried out a review of the realisable value of its inventories, which led to allowance for inventory obsolescence of \$114,000 (2024: reversal of allowance of \$25,000) included in the 'administrative expenses' in profit or loss (Note 32).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

11. CONTRACT ASSETS

	Group	
	2025	2024
	\$'000	\$'000
Retention monies on construction contracts	1,972	1,425
Accrued income from construction contracts	12,940	14,924
	14,912	16,349
Less: Loss allowance for contract assets	(711)	(726)
	14,201	15,623

A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Retention monies on construction contracts have been classified as current because they are expected to be realised in the normal operating cycle of the Group.

The following table details the risk profile of contract assets based on the Group's provision matrix:

	Group	
	2025	2024
	\$'000	\$'000
Expected weighted credit loss rate	4.8%	4.4%
Estimated total gross carrying amount:		
- amounts not past due	14,912	16,349
Lifetime ECL	(711)	(726)
Net carrying amount	14,201	15,623

The table below shows the movement in lifetime ECL that has been recognised for contract assets in accordance with the simplified approach set out in SFRS(I) 9:

Movement in loss allowance:

	Group	
	2025	2024
	\$'000	\$'000
Balance as at beginning of the financial year	726	744
Write-back of loss allowance recognised in profit or loss (Note 32)	(15)	(18)
Balance as at end of the financial year	711	726

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

12. PROPERTY, PLANT AND EQUIPMENT

	Buildings and properties \$'000	Plant and machinery \$'000	Office equipment \$'000	Motor vehicles \$'000	Portable toilets \$'000	Software \$'000	Construction in progress \$'000	Total \$'000
Group								
Cost								
Balance as at 1 April 2024	8,300	1,007	1,314	4,168	1,847	182	3	16,821
Additions	-	57	57	70	266	32	445	927
Disposals	-	(45)	(58)	(161)	(37)	-	-	(301)
Balance as at 31 March 2025	8,300	1,019	1,313	4,077	2,076	214	448	17,447
Accumulated depreciation								
Balance as at 1 April 2024	8,092	752	1,165	3,352	1,714	24	-	15,099
Depreciation for the financial year	208	43	90	154	100	44	-	639
Disposals	-	(7)	(58)	(157)	(36)	-	-	(258)
Balance as at 31 March 2025	8,300	788	1,197	3,349	1,778	68	-	15,480
Carrying amount								
Balance as at 31 March 2025	-	231	116	728	298	146	448	1,967

Construction-in-progress included \$445,000 incurred in relation to the intended acquisition of a property as disclosed in Note 34 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

12. PROPERTY, PLANT AND EQUIPMENT (continued)

	Buildings and properties \$'000	Plant and machinery \$'000	Office equipment \$'000	Motor vehicles \$'000	Portable toilets \$'000	Software \$'000	Construction in progress \$'000	Total \$'000
Group								
Cost								
Balance as at 1 April 2023	8,300	1,273	1,473	3,898	1,962	-	347	17,253
Additions	-	11	42	374	-	31	57	515
Reclassification	-	-	90	-	-	151	(241)	-
Adjustment	-	-	-	-	-	-	(160)	(160)
Disposals	-	(277)	(291)	(104)	(115)	-	-	(787)
Balance as at 31 March 2024	8,300	1,007	1,314	4,168	1,847	182	3	16,821
Accumulated depreciation								
Balance as at 1 April 2023	7,881	987	1,258	3,263	1,758	-	-	15,147
Depreciation for the financial year	211	42	106	193	59	24	-	635
Disposals	-	(277)	(199)	(104)	(103)	-	-	(683)
Balance as at 31 March 2024	8,092	752	1,165	3,352	1,714	24	-	15,099
Carrying amount								
Balance as at 31 March 2024	208	255	149	816	133	158	3	1,722

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

12. PROPERTY, PLANT AND EQUIPMENT (continued)

	Office equipment \$'000
Company	
Cost	
Balance as at 1 April 2024 and 31 March 2025	15
Accumulated depreciation	
Balance as at 1 April 2024 and 31 March 2025	15
Carrying amount	
Balance as at 31 March 2024 and 2025	-
Cost	
Balance as at 1 April 2023 and 31 March 2024	15
Accumulated depreciation	
Balance as at 1 April 2023 and 31 March 2024	15
Carrying amount	
Balance as at 31 March 2023 and 2024	-

Details of the property held by the Group are set out below:

Location	Description	Area	Tenure
8 Sungei Kadut Loop Singapore 729455	Single storey build warehouse with a 3-storey ancillary office block on leased land from JTC	12,494 sq metre	Lease term of 34 years and 9 months from 16 March 1991 (included extension of lease)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

13. RIGHT-OF-USE ASSETS

	Leasehold property \$'000	Motor vehicles \$'000	Total \$'000
Group			
Cost			
Balance as at 1 April 2024	1,693	2,380	4,073
Additions	-	134	134
Balance as at 31 March 2025	1,693	2,514	4,207
Accumulated depreciation			
Balance as at 1 April 2024	1,410	1,329	2,739
Depreciation for the financial year	283	267	550
Balance as at 31 March 2025	1,693	1,596	3,289
Carrying amount			
Balance as at 31 March 2025	-	918	918
Cost			
Balance as at 1 April 2023	1,693	2,534	4,227
Disposal	-	(154)	(154)
Balance as at 31 March 2024	1,693	2,380	4,073
Accumulated depreciation			
Balance as at 1 April 2023	1,128	1,192	2,320
Depreciation for the financial year	282	243	525
Disposal	-	(106)	(106)
Balance as at 31 March 2024	1,410	1,329	2,739
Carrying amount			
Balance as at 31 March 2024	283	1,051	1,334

The Group's right-of-use assets relate to lease payments payable for land spaces where its buildings and properties are located, and motor vehicles under lease or hire-purchase arrangement.

As at 31 March 2025, lease liabilities are secured by motor vehicles of the Group with carrying amount of \$814,000 (2024: \$1,051,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

14. INVESTMENT IN SUBSIDIARIES

	Company	
	2025	2024
	\$'000	\$'000
Unquoted equity shares – at cost	44,247	44,247
Less: Allowance for impairment loss on investment in a subsidiary ⁽ⁱ⁾	(10,000)	(10,000)
	34,247	34,247
Deemed investment arising from financial guarantees provided to banks on behalf of subsidiaries	1,459	1,459
Net	35,706	35,706

⁽ⁱ⁾ The allowance for impairment loss on investment in a subsidiary relates to impairment of investment in King Wan Development Pte Ltd which holds investment in Dalian Shicheng Property Development (S) Pte. Ltd. (Note 3(e)).

As at the end of the financial year, an allowance for impairment loss of \$10,000,000 (2024: \$10,000,000) was made for investment in subsidiaries.

The subsidiaries of the Company at the end of the financial year are as follows:

Name of subsidiaries	Principal activities (Place of operation and country of incorporation)	Proportion of ownership interest and voting power held		Proportion of ownership interest held by the non- controlling interests	
		2025	2024	2025	2024
		%	%	%	%
King Wan Construction Pte. Ltd. ⁽¹⁾	Provision of mechanical and electrical engineering services (Singapore)	100	100	-	-
Shinergy Engineering Pte. Ltd. ⁽¹⁾	Provision of mechanical and electrical engineering services (Singapore)	100	100	-	-
K & W Mobile Loo Services Pte Ltd ⁽¹⁾	Owner, renters and operators of mobile lavatories and other facilities (Singapore)	100	100	-	-
King Wan Industries Pte Ltd ⁽¹⁾	Investment holding (Singapore)	100	100	-	-
King Wan Development Pte Ltd ⁽¹⁾	Investment holding (Singapore)	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

14. INVESTMENT IN SUBSIDIARIES (continued)

The subsidiaries of the Company at the end of the financial year are as follows: (continued)

Name of subsidiaries	Principal activities (Place of operation and country of incorporation)	Proportion of ownership interest and voting power held		Proportion of ownership interest held by the non- controlling interests	
		2025	2024	2025	2024
		%	%	%	%
K & W Eco Plus Pte. Ltd. ⁽¹⁾	Trading in eco-friendly products (Singapore)	100	100	-	-
King Wan Eco Solutions Pte. Ltd. ^{(1) (2)}	Provision of mechanical and electrical engineering services (Singapore)	70	70	30	30
Harmony Investment Holding Pte. Ltd. ⁽¹⁾	Investment holding (Singapore)	100	100	-	-

⁽¹⁾ Audited by BDO LLP, Singapore.

⁽²⁾ The non-controlling interests of King Wan Eco Solutions Pte. Ltd. that is not 100% owned by the Group is insignificant to the Group.

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURE

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Unquoted equity shares – at cost	11,581	11,581	-	-
Deemed investment arising from financial guarantees provided to banks on behalf of Group's associates and joint venture	1,732	1,732	1,732	1,732
Excess of nominal value over fair value of advances given to associates	161	161	-	-
	13,474	13,474	1,732	1,732
Share of post-acquisition accumulated results	16,778	12,478	-	-
Allowance for impairment loss on investment in an associate	(2,139)	(2,139)	-	-
Net	28,113	23,813	1,732	1,732

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURE (continued)

The associates and joint venture of the Group at the end of the financial year are as follows:

Name of entities	Principal activities (Place of operation and country of incorporation)	Proportion of effective ownership interest and voting power held	
		2025 %	2024 %
Associates			
<u>Held through King Wan Industries Pte Ltd</u>			
Soon Li Investments Pte. Ltd. ⁽⁶⁾	Investment holding (Singapore)	49	49
Chang Li Investments Pte. Ltd. ⁽⁶⁾	Investment holding (Singapore)	49	49
Li Ta Investments Pte. Ltd. ⁽⁶⁾	Investment holding (Singapore)	49	49
<u>Held through King Wan Development Pte Ltd</u>			
Meadows Bright Development Pte. Ltd. ⁽⁶⁾	Property development (Singapore)	40	40
Dalian Shicheng Property Development (S) Pte. Ltd. ⁽⁵⁾	Property development and investment holding (Singapore)	46.2	46.2
Dalian Shicheng Property Development Co., Ltd ⁽²⁾	Development, marketing, sale and management of residential and commercial properties (People's Republic of China)	46.2	46.2
S.I. Property Co., Ltd ⁽⁶⁾	Owner and rental of office and commercial space (Thailand)	30	30
<u>Held through Dalian Shicheng Property Development (S) Pte. Ltd.</u>			
Singresource Management Pte. Ltd. ⁽⁶⁾	Investment holding (Singapore)	76	76
<u>Held through Singresource Management Pte. Ltd.</u>			
Singresource Development Management Co., Ltd ⁽⁶⁾	Development and management of residential and commercial properties (People's Republic of China)	76	76

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURE (continued)

Name of entities	Principal activities (Place of operation and country of incorporation)	Proportion of effective ownership interest and voting power held	
		2025 %	2024 %
Associates (continued)			
<u>Held through K & W Eco Plus Pte. Ltd.</u>			
Gold Hyacinth Development Pte. Ltd. ⁽¹⁾	Ship owner and operator (Singapore)	30	30
<u>Held through Harmony Investment Holding Pte. Ltd.</u>			
Nexus Point Investments Pte. Ltd. ⁽³⁾	Dormitory operator (Singapore)	19	19
Joint Ventures			
<u>Held through King Wan Industries Pte Ltd</u>			
Soon Zhou Investments Pte. Ltd. ⁽¹⁾	Investment holding (Singapore)	50	50
<u>Held through Soon Zhou Investments Pte. Ltd.</u>			
Blue Oasis Investments Pte. Ltd. ⁽¹⁾	Investment holding (Singapore)	50	50
Dalian Blue Oasis Properties Co., Ltd ⁽⁴⁾	Investment holding (People's Republic of China)	50	50

⁽¹⁾ Audited by BDO LLP, Singapore.

⁽²⁾ Dalian Shicheng Property Development Co., Ltd ("DSPDC") is 100% owned by the Group's associate, Dalian Shicheng Property Development (S) Pte. Ltd..

DSPDC is audited by an overseas member firm of BDO network in the People's Republic of China for consolidation purposes.

⁽³⁾ Audited by another firm of auditors, CLA Global TS Public Accounting Corporation, Singapore.

⁽⁴⁾ Dalian Blue Oasis Properties Co., Ltd ("DBOP") is 100% owned by the Group's joint venture, Blue Oasis Investments Pte. Ltd..

DBOP is audited by an overseas member firm of BDO network in the People's Republic of China for consolidation purposes.

⁽⁵⁾ Audited by BDO LLP, Singapore for consolidation purposes.

⁽⁶⁾ Not considered significant associates under Rule 718 of the SGX-ST Listing Manual.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURE (continued)

Summarised financial information in respect of each of the Group's material associates is set out below.

Associates

Dalian Shicheng Property Development (S) Pte. Ltd. ("DSPDS") group

	2025 \$'000	2024 \$'000
Current assets	19,388	27,230
Non-current assets	2,680	11
Current liabilities	(130,496)	(130,307)
Total equity	(108,428)	(103,066)
Non-controlling interests	(11)	(11)
Equity attributable to owners	(108,439)	(103,077)
Revenue	2,453	4,716
Loss for the financial year	(5,745)	(6,372)
Other comprehensive income for the financial year	383	1,241
Total comprehensive loss for the financial year	(5,362)	(5,131)

Reconciliation of the above summarised financial information to the carrying amount of the interest in DSPDS recognised in these consolidated financial statements:

	2025 \$'000	2024 \$'000
Net liabilities of the associate	(108,439)	(103,077)
Proportion of the Group's ownership interest in DSPDS	46.2%	46.2%
The Group's interest in DSPDS	(50,099)	(47,622)
Carrying amount of the Group's interest in DSPDS	-	-

As at the end of the financial year, the Group had not recognised cumulative losses amounting to \$40,871,000 (2024: \$38,394,000) with respect to DSPDS because the Group's share of losses exceeds its interest in the associate and the Group had no obligation in respect of those losses. Accordingly, the Group had not recognised its share of losses of DSPDS amounting to \$2,477,000 (2024: \$2,371,000) for the financial year ended 31 March 2025.

The ability of the DSPDS group to pay dividends or make other distributions or payments to the Group is subject to the PRC exchange control regulations. As at the end of the financial year, the Group has gross receivables from the associate amounting to \$31,069,000 (2024: \$31,004,000) which has been fully impaired (refer to Note 3(b)(i)). The ability to recover the advances from the associate in the future is dependent on the ability of the associate's PRC wholly owned subsidiary to realise the estimated values of the properties and remit the funds from the PRC into Singapore, which is subject to the PRC exchange control regulations.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURE (continued)

Summarised financial information in respect of each of the Group's material associates is set out below.
(continued)

Associates (continued)

Meadows Bright Development Pte Ltd ("MBD")

	2025 \$'000	2024 \$'000
Current assets	23,350	23,092
Current liabilities	(13,415)	(13,416)
Total equity	9,935	9,676
Revenue	-	-
Profit for the financial year, representing total comprehensive income for the financial year	259	235

Reconciliation of the above summarised financial information to the carrying amount of the interest in MBD recognised in these consolidated financial statements:

	2025 \$'000	2024 \$'000
Net assets of the associate	9,935	9,676
Proportion of the Group's ownership interest in MBD	40%	40%
The Group's interest in MBD	3,974	3,870
Deemed investment arising from financial guarantees provided to banks on behalf of MBD	1,732	1,732
Excess of nominal value over fair value of advances given to MBD	120	120
Pre-acquisition profits not recorded by the Group	287	287
Allowance for impairment loss on investment in MBD	(2,139)	(2,139)
	3,974	3,870
Carrying amount of the Group's interest in MBD	3,974	3,870

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURE (continued)

Summarised financial information in respect of each of the Group's material associates is set out below.
(continued)

Associates (continued)

Gold Hyacinth Development Pte. Ltd. ("GHD")

	2025 \$'000	2024 \$'000
Current assets	1,167	829
Non-current assets	19,671	21,558
Current liabilities	(6,495)	(6,361)
Non-current liabilities	(19,635)	(21,022)
Total equity	(5,292)	(4,996)
Revenue	5,654	4,734
(Loss)/Profit for the financial year	(329)	4,758
Other comprehensive income/(loss) for the financial year	33	(144)
Total comprehensive (loss)/income for the financial year	(296)	4,614

Reconciliation of the above summarised financial information to the carrying amount of the interest in GHD recognised in these consolidated financial statements:

	2025 \$'000	2024 \$'000
Net liabilities of the associate	(5,292)	(4,996)
Proportion of the Group's ownership interest in GHD	30%	30%
The Group's interest in GHD	(1,588)	(1,499)
Carrying amount of the Group's interest in GHD	-	-

As at the end of the financial year, the Group had not recognised cumulative losses amounting to \$1,588,000 (2024: \$1,499,000) with respect to GHD because the Group's share of losses exceeds its interest in the associate and the Group had no obligation in respect of those losses. Accordingly, the Group had not recognised its share of loss of GHD amounting to \$89,000 (2024: share of profit of \$1,384,000) for the financial year ended 31 March 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURE (continued)

Summarised financial information in respect of each of the Group's material associates is set out below.
(continued)

Associates (continued)

Nexus Point Investments Pte. Ltd. ("Nexus")

	2025 \$'000	2024 \$'000
Current assets	39,568	23,201
Non-current assets	234,201	242,861
Current liabilities	(34,084)	(43,585)
Non-current liabilities	(115,247)	(119,884)
Total equity	124,438	102,593
Revenue	47,591	38,784
Profit for the financial year, representing total comprehensive income for the financial year	21,845	107,614

Reconciliation of the above summarised financial information to the carrying amount of the interest in Nexus recognised in these consolidated financial statements:

	2025 \$'000	2024 \$'000
Net assets of the associate	124,438	102,593
Proportion of the Group's ownership interest in Nexus	19%	19%
The Group's interest in Nexus	23,643	19,493
Carrying amount of the Group's interest in Nexus	23,643	19,493

Nexus's profit for the financial year was primarily due to profits generated from the operations of Nexus with high occupancy rates and stable rental rates and offset by a fair value loss recognised on its investment properties of \$5,000,000 (2024: fair value gain of \$87,600,000). The fair value of Nexus's investment properties was determined based on a valuation performed by an external professional valuer.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURE (continued)

Summarised financial information in respect of each of the Group's material joint venture is set out below.

Joint venture

Soon Zhou Investments Pte. Ltd. ("SZI") group

	2025 \$'000	2024 \$'000
Current assets	13,707	21,806
Non-current assets	15,177	17,075
Current liabilities	(49,425)	(51,842)
Non-current liabilities	(131)	(186)
Total equity	(20,672)	(13,147)
<i>Included in the above amounts are:</i>		
Cash and cash equivalents	4,930	5,256
Revenue	585	283
Loss for the financial year	(7,380)	(4,238)
Other comprehensive loss for the financial year	(145)	(547)
Total comprehensive loss for the financial year	(7,525)	(4,785)
<i>Included in the above amounts are:</i>		
Interest expense	1,002	1,002
Income tax credit	(47)	(233)

Reconciliation of the above summarised financial information to the carrying amount of the interest in SZI recognised in these consolidated financial statements:

	2025 \$'000	2024 \$'000
Net liabilities of the joint venture	(20,672)	(13,147)
Proportion of the Group's ownership interest in SZI	50%	50%
The Group's interest in SZI	(10,336)	(6,573)
Carrying amount of the Group's interest in SZI	-	-

As at the end of the financial year, the Group had not recognised cumulative losses amounting to \$10,336,000 (2024: \$6,573,000) with respect to SZI because the Group's share of losses exceeds its interest in the joint venture and the Group had no obligation in respect of those losses. Accordingly, the Group had not recognised its share of losses of SZI amounting to \$3,763,000 (2024: \$2,392,000) for the financial year ended 31 March 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURE (continued)

Aggregate information of associates that are not individually material

	2025 \$'000	2024 \$'000
The Group's share of profit for the financial year	8	20
The Group's share of other comprehensive income/(loss) for the financial year	38	(24)
Aggregate carrying amount of the Group's interest in these associates	496	450

16. INVESTMENTS

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Quoted equity shares, at fair value through other comprehensive income ("FVTOCI")	10,516	14,809	8,168	11,495
Insurance contract, at fair value through profit or loss	260	253	-	-
	10,776	15,062	8,168	11,495

Investment in quoted equity securities

Investments in equity instruments designated as at FVTOCI are not subject to impairment, and their cumulative fair value changes included in the investment revaluation reserve are not subsequently reclassified to profit or loss.

The investment in quoted equity securities offers the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate. The fair values of these securities are based on the quoted closing market prices on the last market day of the financial year.

Investment in life insurance policy

The life insurance policy relates to life insurance purchased for a Key Management Personnel.

17. DEFERRED TAX

	Group	
	2025 \$'000	2024 \$'000
Deferred tax assets	1,377	1,668
Deferred tax liabilities	(98)	(142)
	1,279	1,526

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

17. DEFERRED TAX (continued)

The movements in deferred tax position are as follows:

	Accelerated tax over book depreciation \$'000	Tax losses \$'000	Total \$'000
Group			
2025			
Balance as at beginning of the financial year	(142)	1,668	1,526
Credit/(Charged) to profit or loss (Note 31)	147	(257)	(110)
Tax adjustment	-	(137)	(137)
Balance as at end of the financial year	5	1,274	1,279
2024			
Balance as at beginning of the financial year	(148)	1,402	1,254
Credit to profit or loss (Note 31)	6	312	318
Tax adjustment	-	(46)	(46)
Balance as at end of the financial year	(142)	1,668	1,526

18. BANK BORROWINGS

	Group	
	2025 \$'000	2024 \$'000
Short-term bank borrowings	6,700	6,700
Current portion of long-term bank borrowings	217	1,283
Total current portion of bank borrowings	6,917	7,983
Add: Non-current portion of long-term bank borrowings	-	216
	6,917	8,199

The short-term bank borrowing rates range from 4.08% to 5.20% (2024: 5.25% to 6.63%) per annum and have maturity dates between 1 to 6 (2024: 1 to 6) months. The fair value of borrowings approximates to its carrying amount as the interest rates approximate the prevailing market rates.

The long-term bank borrowings bear fixed interest rate of 2.00% per annum and a term of 5 years and repayable over 48 equal monthly instalments from second year onwards. The fair value of borrowings approximates to its carrying amount as the interest rates approximate the prevailing market rates.

As at 31 March 2025, the Group had available \$12,569,000 (2024: \$14,948,000) of undrawn uncommitted borrowing facilities in respect of which all conditions precedent had been met.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

19. TRADE PAYABLES AND BILLS PAYABLES

	Group	
	2025	2024
	\$'000	\$'000
Trade payables – external parties	12,676	19,123
Accrual for subcontractor costs – external parties	3,110	2,833
Total trade payables	15,786	21,956
Bills payables	19,031	16,554

Bills payables are repayable between 3 to 5 months (2024: 3 to 5 months) from the date the bills are first issued. The carrying amounts of the bills payable approximate their fair values due to their short-term maturity. Bills payables bear interest at rates ranging from 3.74% to 4.73% (2024: 4.81% to 5.67%) per annum and are supported by a corporate guarantee given by the Company.

Trade payables principally comprise amounts outstanding for trade purchases. The average credit period on purchases of goods from outside parties is 3 months (2024: 3 months). No interest is charged on overdue trade payables.

20. OTHER PAYABLES

The other payables are unsecured, interest-free and repayable on demand.

21. CONTRACT LIABILITIES

	Group	
	2025	2024
	\$'000	\$'000
Amounts related to construction contracts	2,234	1,243

Contract liabilities relating to construction contracts are balances due to customers under construction contracts. These arise when particular milestone payments exceed the revenue recognised to date under the input method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

22. LEASE LIABILITIES

	Group	
	2025	2024
	\$'000	\$'000
Maturity analysis:		
Year 1	163	470
Year 2	137	111
Year 3	56	85
Year 4	35	40
Year 5 onwards	-	34
	391	740
Less: Future interest	(27)	(53)
	364	687
Analysed as:		
Current	148	438
Non-current	216	249
	364	687

The above represents leases for leasehold property and motor vehicles of the Group.

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

Certain leases of the Group contain extension periods, for which the related lease payments had been included in lease liabilities.

The Group does not face a significant liquidity risk with regard to its lease liabilities.

As at 31 March 2025, the Group's incremental borrowing rate applied and average interest implicit in the lease were ranges from 4.28% to 5.62% (2024: 4.25% to 5.62%).

Total cash outflow for payment of principal portion of all leases and low value asset leases in financial year ended 31 March 2025 was \$457,000 (2024: \$436,000).

Included in lease liabilities is an amount of \$249,000 (2024: \$351,000) representing the lease of motor vehicles from financial institutions, which are secured against motor vehicles with an average remaining lease term of 2 to 4 years (2024: 3 to 5 years).

23. AMOUNT DUE TO SUBSIDIARIES

The amount due to subsidiaries were unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

24. PROVISION FOR LIABILITIES

	Provision for onerous contracts \$'000	Group Provision for rectification cost \$'000	Total \$'000
2025			
Balance as at beginning of the financial year	316	666	982
(Reversal)/Charge to profit or loss	(113)	116	3
Utilisation	(91)	(21)	(112)
Balance as at end of the financial year	112	761	873
2024			
Balance as at beginning of the financial year	370	495	865
Charge to profit or loss	20	223	243
Utilisation	(74)	(52)	(126)
Balance as at end of the financial year	316	666	982

Provision for onerous contracts

The Group has ongoing construction contracts. The provision for onerous contracts is recognised at the end of the financial year as it is probable that the total construction contract costs will exceed the total construction contract revenue for certain projects.

Provision for rectification cost

The Group has a contractual commitment to rectify defects works for its construction contracts during the defects liability period. A provision is recognised at the end of the financial year for the expected defects costs based on past experience of the level of defects.

25. SHARE CAPITAL

	Group and Company			
	2025	2024	2025	2024
	Number of Ordinary Shares		\$'000	\$'000
Issued and paid-up:				
Balance as at beginning and end of the financial year	698,353,740	698,353,740	53,797	53,797

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

26. FOREIGN CURRENCY TRANSLATION RESERVE

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.

27. INVESTMENT REVALUATION RESERVE

Investment revaluation reserve represents revaluation of investment in equity securities carried at FVTOCI to market values as at financial year end.

28. REVENUE

The Group derives its revenue from the transfer of services over time in the following major service lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 (Note 36).

A disaggregation of the Group's revenue for the financial year is as follows:

	Group	
	2025	2024
	\$'000	\$'000
Revenue from:		
Construction contracts		
- Plumbing and sanitary	41,749	36,131
- Electrical & ACMV	40,846	54,671
Rendering of services		
- Toilet rental	3,917	4,285
- Others	19	15
Investment holdings		
- Dividend income from investment in equity securities carried at FVTOCI	225	416
	<u>86,756</u>	<u>95,518</u>
<u>Timing of revenue recognition</u>		
Over time	86,531	95,102
Point in time	225	416
	<u>86,756</u>	<u>95,518</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

28. REVENUE (continued)

The following table shows the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the financial year:

	Group	
	2025	2024
	\$'000	\$'000
Construction contracts	152,347	134,113

Management expects that the transaction price allocated to the unsatisfied contracts as of 31 March 2025 will be recognised as revenue within the next 5 years.

29. OTHER OPERATING INCOME

	Group	
	2025	2024
	\$'000	\$'000
Lease income from an associate (Note 4)	16	16
Lease income from external parties	655	404
Change in fair value of insurance contract	7	12
Sundry income	89	278
Government grants	71	5
Management fee income from associates (Note 4)	108	108
Interest income from:		
- Associates and a joint venture (Note 4)	614	1,965
- External parties	38	14
Net foreign exchange gain	26	-
	1,624	2,802

30. FINANCE COSTS

	Group	
	2025	2024
	\$'000	\$'000
Interest expense from:		
- Bank borrowings	1,285	1,692
- Lease liabilities	36	53
	1,321	1,745

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

31. INCOME TAX EXPENSE/(CREDIT)

	Group	
	2025	2024
	\$'000	\$'000
Current income tax		
- Current financial year	101	1
- Under/(Over) provision in respect of prior financial years	34	(22)
Deferred tax (Note 17)		
- Current financial year	411	(415)
- (Under)/Over provision in respect of prior financial years	(301)	97
Withholding tax	22	42
	<u>267</u>	<u>(297)</u>

Domestic income tax is calculated at 17% (2024: 17%) of the estimated assessable profit for the financial year.

The total expense/(credit) for the financial year can be reconciled to the accounting profit as follows:

	Group	
	2025	2024
	\$'000	\$'000
Profit before income tax	3,683	12,084
Less: Share of profit of associates and joint venture, net of tax	(4,262)	(19,607)
	<u>(579)</u>	<u>(7,523)</u>
Income tax credit calculated at 17% (2024: 17%)	(98)	(1,279)
Non-allowable items	1,187	2,215
Non-taxable items	(541)	(1,354)
Tax exemptions	(38)	(53)
Withholding tax	22	42
Others	2	57
	<u>534</u>	<u>(372)</u>
Under/(Over) provision of income tax in prior financial years	34	(22)
(Under)/Over provision of deferred tax in prior financial years	(301)	97
	<u>267</u>	<u>(297)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

32. PROFIT FOR THE FINANCIAL YEAR

Profit for the financial year is arrived at after charging/(crediting):

	Group	
	2025	2024
	\$'000	\$'000
Depreciation of property, plant and equipment	639	635
Depreciation of right-of-use assets	550	525
Directors' remuneration:		
- Company	520	425
- Subsidiaries	587	776
Directors' fees:		
- Company	202	258
Staff costs (including directors' remuneration)	15,439	12,860
Costs of defined contribution plans included in staff costs	780	721
Loss allowance/(Write-back of loss allowance) on:		
- trade receivables	142	242
- other receivables	1	49
- contract assets	(15)	(18)
- amounts due from associates and joint venture	2,065	4,161
	2,193	4,434
Allowance/(Reversal of written down) for inventory obsolescence	114	(25)
Inventories written off	-	7
Loss on disposal of property, plant and equipment	14	27
Loss on disposal of right-of-use assets	-	5
Change in fair value of held-for-trading investments	1	27
Change in fair value of insurance contract	(7)	(12)
Audit fees paid/payable to auditors:		
- Statutory audit		
- Auditors of the Company	134	156
- Other auditors – network firms	62	62
Non-audit fees paid/payable to auditors:		
- Non-audit related services		
- Auditors of the Company	50	50
- Other auditors – network firms	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

33. EARNINGS PER SHARE (CENTS)

Basic earnings per share is calculated by dividing the Group's profit attributable to Owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:

	Group 2025	2024
Net profit attributable to Owners of the Company (\$'000)	3,436	12,402
Weighted average number of ordinary shares in issue	698,353,740	698,353,740
Basic and diluted earnings per share (cents)	0.49	1.78

The fully diluted earnings per share is calculated using the same weighted number of ordinary shares as there are no dilutive potential ordinary shares.

34. COMMITMENTS AND CONTINGENT LIABILITIES

	Group 2025 \$'000	2024 \$'000	Company 2025 \$'000	2024 \$'000
Corporate guarantees given to banks in respect of credit facilities utilised by:				
Subsidiaries	-	-	30,358	29,123
Associates	11,354	14,858	11,354	14,858
	11,354	14,858	41,712	43,981
Capital commitments in respect of:				
Leasehold property	9,025	-	-	-

The Company is a party to financial guarantee contracts where it has provided financial guarantees of \$41,712,000 (2024: \$43,981,000) to financial institutions in respect of subsidiaries and associates of the Group.

The maximum amount that the Group and the Company could be forced to settle under the financial guarantee contracts is \$11,354,000 and \$41,712,000 (2024: \$14,858,000 and \$43,981,000) respectively. The Group and the Company considers that it is more likely than not that no amount will be payable under the arrangement.

As at 31 March 2025, the Group has entered into a binding agreement to acquire the leasehold interest in the property at 15 Joo Koon Way, Singapore 628947, for a total consideration of \$9,500,000, of which \$9,025,000 remains payable as at the reporting date upon completion. This amount represents a contractual obligation that is not yet recognised in the consolidated statement of financial position. The acquisition is pending for completion as of the date of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

35. OPERATING LEASE ARRANGEMENTS

The Group as lessor

The Group rents out part of its leasehold property in Singapore under operating leases. Lease income earned during the financial year was \$671,000 (2024: \$420,000). Leases are negotiated for an average term of 1 year and rentals are fixed for an average of 1 year. These leases are non-cancellable and the lessee does not have an option to purchase the leased assets at the expiry of the lease period.

36. SEGMENT INFORMATION

Business segments

The segment information reported externally was analysed on the basis of the types of products and services provided by the Group's operating segments. The information reported to the Group's chief operating decision maker for the purposes of resources allocation and assessment of segment performance is focused on these operating segments. The reportable segments under SFRS(I) 8 are plumbing and sanitary, electrical & ACMV, toilet rental and investment holdings.

Plumbing and sanitary – Provision of plumbing and sanitary services includes the design and installation of water distribution systems and pipe network for sewage and waste water drainage.

Electrical & ACMV – Provision of electrical & ACMV services include the design and installation of electricity distribution systems, fire protection, alarm systems, communications and security systems as well as air-conditioning and mechanical ventilation systems.

Toilet rental – Rental and operating of mobile lavatories and other facilities.

Investment holdings – The Group's investment in associates and joint venture and investment in equity securities carried at FVTOCI.

Others – For those other activities which do not fall into the above categories.

Segment revenue and results are the operating revenue and results reported in the Group's consolidated statement of profit or loss that are directly attributable to a segment and the relevant portion of such revenue and results that can be allocated on a reasonable basis to a segment.

Inter-segment sales relate to sales between business segments and are stated at prevailing market prices. These sales are eliminated on consolidation.

Segment assets include all operating assets used by a segment and consist principally of cash, trade and other receivables, contract assets, property, plant and equipment and right-of-use assets. Unallocated assets comprise investment in associates and joint venture, deferred tax assets and other assets that are not directly attributable to the segment. Capital expenditure includes the total cost incurred to acquire property, plant and equipment and right-of-use assets directly attributable to the segment.

Segment liabilities include all operating liabilities and consist principally of trade and other payables, contract liabilities, provision for liabilities and accrued expenses. Unallocated liabilities comprise bank borrowings, lease liabilities, income tax payable and other liabilities that are not directly attributable to the segment.

Information regarding the Group's reportable segments is presented below. The measurement basis of the Group's reportable segments is in accordance with its accounting policy.

[illegible]

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

36. SEGMENT INFORMATION (continued)

Geographical segments

The Group operates mainly in Singapore. Revenue is reported based on the location of customers regardless of where the goods are produced or services rendered. Non-current assets other than the financial assets at FVOTCI and at FVTPL, financial assets at amortised cost, deferred tax assets, other receivables are based on the geographical location of the assets.

	Revenue		Non-current assets	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Singapore	86,756	95,518	30,502	26,419
Others	-	-	496	450
	86,756	95,518	30,998	26,869

Information about major customer

Included in revenues arising from construction contracts on plumbing and sanitary, and electrical & ACMV of \$82,595,000 (2024: \$90,802,000) are revenues of approximately \$20,012,000 (2024: \$34,690,000) which arose from construction works performed to the Group's 1 (2024: 2) external customer.

37. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the financial year:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial assets				
Financial assets at amortised cost				
- Cash and bank balances	10,467	9,058	269	92
- Trade receivables	9,198	9,983	-	-
- Other receivables (excluding prepayments)	38,310	42,027	-	323
- Amount due from subsidiaries	-	-	4,887	4,920
	57,975	61,068	5,156	5,335
Fair value through profit or loss				
- Investments – insurance contract	260	253	-	-
- Held-for-trading investments	80	81	-	-
	340	334	-	-
Fair value through other comprehensive income				
- Investments – quoted equity shares	10,516	14,809	8,168	11,495

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

37. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

(a) *Categories of financial instruments* (continued)

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Financial liabilities				
Financial liabilities at amortised cost				
- Bank borrowings	6,917	8,199	-	-
- Trade payables	15,786	21,956	-	-
- Bills payables	19,031	16,554	-	-
- Other payables	1,672	1,694	364	333
- Lease liabilities	364	687	-	-
- Amount due to subsidiaries	-	-	20,793	20,266
	43,770	49,090	21,157	20,599

(b) *Financial risk management policies and objectives*

The Group's overall risk management programme seeks to minimise potential adverse effects of the financial performance of the Group.

The Group's activities expose it to a variety of financial risks, including market risk (foreign currency exchange risk, interest rate risk and equity price risk), credit risk and liquidity risk.

The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(i) Foreign exchange risk management

Foreign currency risk occurs as a result of the transactions that are not denominated in the Group entities' respective functional currencies.

Transactions of the individual entities within the Group are mainly transacted in their respective functional currencies except for investment in quoted equity securities carried at FVTOCI which is denominated in Thai Baht.

No sensitivity analysis is prepared as the Group and the Company do not expect any material effect on the Group's and the Company's profit or loss arising from the effects of reasonably possible changes to foreign currency risk at the end of the financial year.

The foreign currency risk relating to investments in quoted equity securities does not have any effect on the Group's and Company's profit or loss as it is a non-monetary item and changes arising from foreign exchange is recognised in the investment revaluation reserve.

The Company's subsidiaries operate mainly in Singapore and transact mainly in Singapore dollars. Exposures to foreign currency risks are minimal. The Group's associates and joint venture operate mainly in Singapore and PRC. The Group is exposed to currency translation risk on the net assets in foreign operations mainly in PRC (Renminbi).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

37. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

(b) *Financial risk management policies and objectives* (continued)

(ii) Interest rate risk management

Interest rate risk refers to the risk faced by the Group as a result of fluctuation in interest rates.

The Group is exposed to cash flow interest rate risk in relation to certain bank borrowings and bills payables and the effective interest rates are disclosed in Note 37 (b)(v).

The Group is not exposed to cash flow interest rate risk in relation to loan to associates and joint venture, certain bank borrowings and lease liabilities as the interest rate have been fixed at the inception of the advances to associates and joint venture, certain bank borrowings and lease liabilities. Interest rate of the advances to associates and joint venture, bank borrowings, bills payables and lease liabilities are disclosed in Notes 7, 18, 19 and 22 to the financial statements respectively. The Group does not have interest rate hedging policy and Management monitors interest rate exposure closely.

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for certain bank borrowings and bills payables at the end of the financial year. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the financial year was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to Key Management Personnel and represents Management's assessment of reasonably possible change in interest rates.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's profit or loss would decrease or increase by \$257,000 (2024: \$233,000).

(iii) Equity price risk management

The Group's exposure to equity risks arise from equity investments classified as held-for-trading and investment in equity securities carried at FVTOCI. Investment in equity securities carried at FVTOCI are held for strategic rather than trading purposes. The Group does not actively trade investment in equity securities carried at FVTOCI. Further details of these equity investments can be found in Notes 9 and 16 to the financial statements respectively.

Equity price sensitivity

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the financial year.

In respect of held-for-trading equity investments, if equity prices had been 10% higher or lower and all other variables were held constant, the Group's profit or loss would increase or decrease by \$8,000 (2024: \$8,000).

In respect of investment in quoted equity securities carried at FVTOCI, if equity prices had been 10% higher or lower and all other variables were held constant, there is no impact to the Group's and the Company's profit or loss. The Group's and the Company's investment revaluation reserve would increase or decrease by \$1,052,000 and \$817,000 (2024: \$1,480,000 and \$1,150,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

37. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

(b) *Financial risk management policies and objectives* (continued)

(iv) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group and the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Company arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

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

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	Lifetime ECL (trade receivables and contract assets) 12-month ECL (other receivables)
Doubtful	Amount is >60 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is >2 years past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the company has no realistic prospect of recovery.	Amount is written off

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

37. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

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

(iv) Credit risk management (continued)

The table below details the credit quality of the Group's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal Credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Group						
2025						
Trade receivables	6	Performing (i)	Lifetime ECL – simplified approach	11,944	(2,746)	9,198
Other receivables	7	Performing	12-month ECL	720	(50)	670
Other receivables	7	Doubtful	Lifetime ECL – not credit-impaired	19,861	-	19,861
Other receivables	7	In default (ii)	Lifetime ECL – credit-impaired	62,911	(45,132)	17,779
Contract assets	11	Performing (i)	Lifetime ECL – simplified approach	14,912	(711)	14,201
					<u>(48,639)</u>	
2024						
Trade receivables	6	Performing (i)	Lifetime ECL – simplified approach	12,587	(2,604)	9,983
Other receivables	7	Performing	12-month ECL	780	(49)	731
Other receivables	7	Doubtful	Lifetime ECL – not credit-impaired	19,592	-	19,592
Other receivables	7	In default (ii)	Lifetime ECL – credit-impaired	64,771	(43,067)	21,704
Contract assets	11	Performing (i)	Lifetime ECL – simplified approach	16,349	(726)	15,623
					<u>(46,446)</u>	

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

37. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

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

(iv) Credit risk management (continued)

	Note	Internal Credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Company						
2025						
Amount due from subsidiaries	8	In default (ii)	Lifetime ECL – credit impaired	21,215	(16,328)	4,887
2024						
Amount due from subsidiaries	8	In default (ii)	Lifetime ECL – credit impaired	21,181	(16,261)	4,920

- (i) For trade receivables and contract assets, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The expected credit losses on trade receivables and contract assets are estimated using a provision matrix by reference to past default experience of the debtor and analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of the conditions at the end of the financial year. Notes 6 and 11 to the financial statements includes further details on the loss allowance for these assets respectively.
- (ii) For loans to or amount due from subsidiaries, associates and joint venture, the Group has applied the credit-impaired approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The expected credit losses has been determined after taking into account the historical default experience and the financial position of the counterparties, adjusted for underlying assets held by respective receivables and factors that are specific to these receivables. Notes 7 and 8 to the financial statements includes further details on the loss allowance for these assets respectively.

Management assessed that cash at banks are subject to immaterial credit loss as the counterparties are banks and financial institutions which are regulated with high credit ratings.

Concentration of credit risk with respect to trade receivables in the construction industry in which the Group operates does exist in view of the limited number of main contractors that the Group has been dealing with, and in respect of other receivables, the Group has a balance from associates and joint venture of \$37,640,000 (2024: \$41,296,000) and the Company has a balance from subsidiaries of \$4,887,000 (2024: \$4,920,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

37. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

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

(v) Liquidity risk management

Liquidity risk arises when the Group is unable to meet its obligations towards other counterparties. The Group manages its liquidity risk by matching the payment and receipt cycle. The directors of the Group are of the opinion that liquidity risk is contained given that the Group has sufficient equity funds to finance its operations and that if required, financing can be obtained from its undrawn banking credit facilities as disclosed in Note 18 to the financial statements.

Liquidity and interest risk analyses

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statements of financial position.

	On demand or within 1 year \$'000	Within 2 to 5 years \$'000	After 5 years \$'000	Adjustment \$'000	Total \$'000
Group					
2025					
Non-interest bearing	17,458	-	-	-	17,458
Variable interest rate instruments	25,871	-	-	(140)	25,731
Fixed interest rate instruments	221	-	-	(4)	217
Lease liabilities (fixed rate)	163	228	-	(27)	364
	43,713	228	-	(171)	43,770
Financial guarantee contract (Note 34)	11,354	-	-	-	11,354
2024					
Non-interest bearing	23,650	-	-	-	23,650
Variable interest rate instruments	23,405	-	-	(151)	23,254
Fixed interest rate instruments	1,305	218	-	(24)	1,499
Lease liabilities (fixed rate)	470	270	-	(53)	687
	48,830	488	-	(228)	49,090
Financial guarantee contract (Note 34)	14,858	-	-	-	14,858

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

37. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

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

(v) Liquidity risk management (continued)

Liquidity and interest risk analyses (continued)

Non-derivative financial liabilities (continued)

	On demand or within 1 year \$'000	Within 2 to 5 years \$'000	After 5 years \$'000	Adjustment \$'000	Total \$'000
Company					
2025					
Non-interest bearing	21,157	-	-	-	21,157
Financial guarantee contract (Note 34)	41,712	-	-	-	41,712
2024					
Non-interest bearing	20,599	-	-	-	20,599
Financial guarantee contract (Note 34)	43,981	-	-	-	43,981

(vi) Fair value of financial assets and financial liabilities

The carrying amounts of cash and bank balances, trade and other current receivables and payables, bank borrowings and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to financial statements.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

37. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

(b) *Financial risk management policies and objectives* (continued)

(vi) Fair value of financial assets and financial liabilities (continued)

As at the end of the financial year, the fair value measurements of held-for-trading investment carried at fair value through profit or loss and investment in equity securities carried at FVTOCI for the Group and the Company were determined based on quoted price (unadjusted) in active markets for identical assets or liabilities (Level 1).

The fair value of the life insurance policy is based on the cash surrender value of the contracts stated in the annual statement of the policy (Level 3).

There is no transfer between levels of the fair value hierarchy during the current and previous financial years.

(c) *Capital risk management policies and objectives*

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which includes the borrowings as defined below and disclosed in Notes 18, 19 and 22 to the financial statements, and equity attributable to owners of the parent, comprising issued capital and retained earnings. The Group is required to maintain a minimum Group's net worth, a maximum gearing ratio and a minimum current ratio in order to comply with the financial covenants in the loan agreements with the banks.

The Group is in compliance with externally imposed capital requirements which are the financial covenants in respect of the borrowings as disclosed in Notes 18 and 19 to the financial statements for the financial years ended 31 March 2025 and 31 March 2024.

Management reviews the capital structure on a yearly basis. As a part of this review, Management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of Management, the Group will balance its overall capital structure through the payment of dividends, issue of new shares as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged from the previous financial year.

The Group monitors capital based on the Group's gross gearing and net gearing. The Group's gross gearing is calculated as total borrowings divided by total equity, whilst net gearing is calculated as net borrowings divided by total equity. Total borrowings are calculated as total bank borrowings, bills payables and lease liabilities representing the lease of motor vehicles from financial institutions as disclosed in Notes 18, 19 and 22 to the financial statements respectively. Net borrowings are calculated as total borrowings less cash and bank balances as disclosed in Note 5 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

37. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (continued)

(c) Capital risk management policies and objectives (continued)

	Group	
	2025	2024
	\$'000	\$'000
Total borrowings	26,197	25,104
Total equity	69,178	70,041
Gross gearing (times)	0.38	0.36
Net borrowings	15,730	16,046
Total equity	69,178	70,041
Net gearing (times)	0.23	0.23

38. AUTHORISATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group, statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2025 were authorised for issue by the Board of Directors on 30 June 2025.

SHAREHOLDINGS STATISTICS

As at 20 June 2025

Issued and fully paid share capital	:	S\$53,797,271
Number of Issued Shares	:	698,353,740
Class of Shares	:	Ordinary Shares
Voting Rights	:	1 vote per share
No. of treasury shares and subsidiary holdings held	:	Nil

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 20 JUNE 2025

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	5	0.37	162	0.00
100 - 1,000	73	5.42	50,510	0.01
1,001 - 10,000	259	19.21	1,756,204	0.25
10,001 - 1,000,000	963	71.44	121,820,032	17.44
1,000,001 and above	48	3.56	574,726,832	82.30
Total	1,348	100.00	698,353,740	100.00

SHAREHOLDING HELD IN HANDS OF THE PUBLIC

As at 20 June 2025, approximately 48.0% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the SGX-ST Listing Manual is complied with.

TWENTY LARGEST SHAREHOLDERS AS AT 20 JUNE 2025

No.	Name of Shareholders	No. of Shares	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	199,916,600	28.63
2	CHUA KIM HUA	87,876,638	12.58
3	CHUA ENG ENG	66,923,812	9.58
4	CHUA HAI KUEY	44,495,352	6.37
5	PHILLIP SECURITIES PTE LTD	28,558,100	4.09
6	NG THIAN SAI	14,639,600	2.10
7	DBS NOMINEES (PRIVATE) LIMITED	13,685,100	1.96
8	SOME YEW PEW	11,002,100	1.58
9	GOH GUAN SIONG (WU YUANXIANG)	10,081,000	1.44
10	LIONG KIAM TECK OR PHAN FONG YING	7,167,000	1.03
11	MAYBANK SECURITIES PTE. LTD.	7,107,800	1.02
12	TOH SONG TAR (ZHUO SONGDA)	5,663,400	0.81
13	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	5,450,200	0.78
14	ANG JUI KHOON	5,265,700	0.75
15	XING YUXIANG	4,187,800	0.60
16	ALLPLUS HOLDINGS PTE LTD	3,900,000	0.56
17	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	3,884,000	0.56
18	LIM YOCK KEE	3,596,300	0.51
19	IFAST FINANCIAL PTE. LTD.	3,318,498	0.48
20	TAN SENG HOCK	3,000,000	0.43
	TOTAL	529,719,000	75.86

SHAREHOLDINGS STATISTICS

As at 20 June 2025

SUBSTANTIAL SHAREHOLDERS AS AT 20 JUNE 2025 AS RECORDED IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholder	Number of Ordinary Shares		Total	%
	Direct Interest	Deemed Interest		
Ganoktip Siriviriyakul	153,750,000	-	153,750,000	22.02
Chua Kim Hua	88,226,638	-	88,226,638	12.63
Chua Eng Eng	73,153,812	-	73,153,812	10.48
Chua Hai Kuey	44,495,352	-	44,495,352	6.37

NOTICE OF ANNUAL GENERAL MEETING

KING WAN CORPORATION LIMITED

Registration No. 200001034R

(Incorporated in Singapore)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of King Wan Corporation Limited (the “**Company**”) will be held at 8 Sungei Kadut Loop Singapore 729455 on Thursday, 31 July 2025 at 10:00 a.m. to transact the following businesses:-

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and Audited Financial Statements for the financial year ended 31 March 2025 together with the Auditors’ Report thereon. **Resolution 1**

2. To re-elect Mr. Tang Siew Foo David, who is retiring in accordance with Regulation 115 of the Company’s Constitution, as a Director of the Company. **Resolution 2**

[Mr. Tang Siew Foo David shall, upon re-election as a Director of the Company, remains as Chairman of the Audit and Nominating Committees as well as member of the Remuneration Committee. Mr. Tang Siew Foo David, shall be considered independent for the purpose of Rule 704(8) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). There are no relationships (including immediate family relationships) between Mr. Tang Siew Foo David and the other Directors of the Company, the Company, its related corporations, its substantial shareholders or its officers, which may affect his independence.]

[See Explanatory Note(i)]

3. To re-elect Mr. Chua Yong Bin, who is retiring in accordance with Regulation 119 of the Company’s Constitution, as a Director of the Company. **Resolution 3**

[See Explanatory Note(i)]

4. To approve the Directors’ fees of \$179,000 for the financial year ending 31 March 2026 (2025: \$202,500), payable quarterly in arrears. **Resolution 4**

5. To re-appoint BDO LLP as independent auditor of the Company and to authorise the Directors to fix its remuneration. **Resolution 5**

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

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

6. Proposed Share Issue Mandate

Resolution 6

“That pursuant to Section 161 of the Companies Act 1967 and the listing rules of the SGXST, the Directors of the Company be authorised and empowered to:

- (a) (i) allot and 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 Instrument 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 fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the 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, if any) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of any convertible securities;
 - (b) new Shares arising from exercising share options or vesting of share awards, provided that such share options or share awards were granted in compliance with Part VIII of Chapter 8 of the listing rules of the SGX-ST; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares;

NOTICE OF ANNUAL GENERAL MEETING

and, in sub-paragraph (1) above and this sub-paragraph (2), “**subsidiary holdings**” has the meaning given to it in the listing rules of the SGX-ST;

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

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the listing rules of the SGX-ST 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)]

7. Proposed renewal of Share Purchase Mandate of the Company

Resolution 7

“That

- (a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the “**Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares in the capital of the Company (the “**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Purchase Price (as hereafter defined), whether by way of:-
 - (i) market purchases (each a “**Market Purchase**”) on the SGX-ST; and/or
 - (ii) off-market purchases (each an “**Off-Market Purchase**”) effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors of the Company as they consider fit, which schemes shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:
 - (i) the date on which the next Annual General Meeting of the Company is held; or
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held;

NOTICE OF ANNUAL GENERAL MEETING

(c) in this Resolution:

“Average Closing Price” means the average of the closing market prices of the Shares over the last five (5) market days, on which transactions in the Shares were recorded, immediately before the day on which the purchase or acquisition of Shares is made or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase pursuant to the equal access scheme, and deemed to be adjusted for any corporate action that occurs after the 5-day period;

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of the Shares on an equal access scheme, stating the purchase price (which shall not be more than the Maximum Purchase Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“Maximum Purchase Price” in relation to a Share to be purchased, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services and other related expenses) not exceeding,

- (i) in the case of a Market Purchase, one hundred and five per cent. (105%) of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent. (120%) of the Average Closing Price,

“Prescribed Limit” means ten per cent. (10%) of the total number of issued Shares of the Company as at the date of passing of this Resolution;

- (d) the Directors of the Company and/or any of them be and are hereby authorised to deal with the Shares purchased by the Company, pursuant to the Share Purchase Mandate in any manner as may be permitted under the Act; and
- (e) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.”

[See Explanatory Note(iii)]

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

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) Detailed information on Mr. Tang Siew Foo David and Mr. Chua Yong Bin can be found under the sections entitled “Board of Directors”, “Corporate Governance Report” and “Directors’ Statement” of the Company’s Annual Report 2025. Please also refer to the section entitled “Additional Information on Directors Seeking for Re-Election” of the Company’s Annual Report 2025 for the detailed information of Mr. Tang Siew Foo David and Mr. Chua Yong Bin as required pursuant to Rule 720(6) of the listing rules of SGX-ST.
- (ii) The proposed Resolution 6 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such instruments, up to a number not exceeding, in total, fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company, of which up to twenty per cent. (20%) may be issued other than on a pro-rata basis to shareholders.
- (iii) The proposed Resolution 7 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to repurchase (whether by way of Market Purchases or Off-Market Purchases on an equal access scheme) from time to time of up to ten per cent. (10%) of the total number of issued ordinary Shares excluding any Shares which are held as treasury shares and subsidiary holdings, if any, by the Company at prices up to but not exceeding the Maximum Purchase Price.

By Order Of the Board

Catherine Lim Siok Ching
Company Secretary

Date: 16 July 2025

NOTICE OF ANNUAL GENERAL MEETING

Notes:

Format of Meeting

1. The Annual General Meeting of the Company will be held, in a wholly physical format, at 8 Sungei Kadut Loop Singapore 729455 on Thursday, 31 July 2025 at 10:00 a.m.. Shareholders, including Central Provident Fund (“CPF”) and Supplementary Retirement Scheme (“SRS”) investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the Annual General Meeting by attending the Annual General Meeting in person. **There will be no option for shareholders to participate virtually.**

Printed copies of this Notice and the accompanying proxy form will be sent by post to members. These documents will also be published on the Company’s website at the URL <https://www.kingwan.com/> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Appointment of Proxy(ies)

2. (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 Annual General Meeting. Where such member’s instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
- (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member’s instrument appointing a proxy(ies) 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 instrument.

“Relevant intermediary” has the meaning ascribed to it in Section 181 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.

3. A proxy(ies) need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.
4. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
 - (a) mail to the Company’s registered office at 8 Sungei Kadut Loop Singapore 729455; or
 - (b) via email to the Company at gm.2025@kingwan.com.sg.
5. CPF and SRS investors:
 - (a) may vote at the Annual General Meeting if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5:00 p.m. on 21 July 2025.

NOTICE OF ANNUAL GENERAL MEETING

Submission of Questions

6. Shareholders, including CPF and SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the Annual General Meeting in advance of the Annual General Meeting:
- (a) mail to the Company's registered office at 8 Sungei Kadut Loop Singapore 729455; or
 - (b) via email to the Company at gm.2025@kingwan.com.sg.

When submitting questions by post or via email, shareholders should also provide the following details: (i) the shareholder's full name; (ii) the shareholder's address; (iii) the shareholder's email addresses and contact number; (iv) the shareholder's identification number (NRIC / passport number / company registration number); and (v) the manner in which the shareholder holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip), for verification purposes.

All questions submitted in advance must be received by 23 July 2025.

7. The Company will address all substantial and relevant questions received from shareholders by the 25 July 2025 deadline by publishing its responses to such questions on the Company's website at the URL <https://www.kingwan.com> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements> at least 48 hours prior to the closing date and time for the lodgement/receipt of instruments appointing a proxy(ies). The Company will respond to questions or follow-up questions submitted after the 23 July 2025 deadline either within a reasonable timeframe before the Annual General Meeting, or at the Annual General Meeting itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
8. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives can also ask the Chairman of the Meeting substantial and relevant questions related to the resolutions to be tabled for approval at the Annual General Meeting, at the Annual General Meeting itself.

Access to Documents

9. (a) The Circular dated 16 July 2025 (in relation to the proposed renewal of Share Purchase Mandate) is available for inspection at the registered office of the Company at 8 Sungei Kadut Loop Singapore 729455 during normal business hours from the date of this Notice up to the date of the Annual General Meeting, and may also be accessed from the date of this Notice at the Company's website at the URL <https://kingwan.com/annual-reports/> by clicking on the link "Circular dated 16 July 2025 (in relation to the proposed renewal of Share Purchase Mandate)".
- (b) The Annual Report 2025 will be available for inspection at the registered office of the Company at 8 Sungei Kadut Loop Singapore 729455 during normal business hours from 16 July 2025 up to the date of the Annual General Meeting, and may also be accessed from 16 July 2025 at the Company's website at the URL <https://kingwan.com/annual-reports/> by clicking on the link "Annual Report 2025".

The above documents will also be made available on the SGX website from the dates specified above at the URL <https://www.sgx.com/securities/company-announcements>.

Members may request for printed copies of these documents by completing and submitting the Request Form sent to them by post together with printed copies of this Notice and the accompanying proxy form, or otherwise made available on the Company's website at the URL <https://www.kingwan.com> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>, by 23 July 2025.

NOTICE OF ANNUAL GENERAL MEETING

Personal Data Privacy

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

This page is intentionally left blank.

ANNUAL GENERAL
MEETING
PROXY FORM

IMPORTANT

1. The Annual General Meeting of the Company will be held, in a wholly physical format, at 8 Sungei Kadut Loop Singapore 729455 on Thursday, 31 July 2025 at 10:00 a.m.. **There will be no option for shareholders to participate virtually.**
2. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy(ies).**
3. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by Central Provident Fund ("CPF") and Supplementary Retirement Scheme ("SRS") investors. CPF and SRS investors:
 - (a) may vote at the Annual General Meeting if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5:00 p.m. on 21 July 2025.
4. 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 16 July 2025.

I/We* _____ (Name), NRIC/Passport number* _____

of _____ (Address) being a member/members* of

King Wan Corporation Limited (the "Company") hereby appoint:

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

and/or*

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

or failing *him/her, the Chairman of the Annual General Meeting ("AGM") of the Company as *my/our *proxy/proxies to attend, speak and vote for *me/us and on *my/our behalf, at the AGM of the Company to be held at 8 Sungei Kadut Loop Singapore 729455 on Thursday, 31 July 2025 at 10:00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against or to abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder. If no person is named in the above boxes, the Chairman of the AGM shall be *my/our proxy to vote for or against or to abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder, for *me/us and on *my/our behalf at the AGM and at any adjournment thereof.

No.	Resolutions	For**	Against**	Abstain**
1	To receive and adopt the Directors' Statements, Audited Financial Statements and Auditors' Report for the financial year ended 31 March 2025			
2	To re-elect Mr. Tang Siew Foo David as Director			
3	To re-elect Mr. Chua Yong Bin as Director			
4	To approve the Directors' fees for the financial year ending 31 March 2026, payable quarterly in arrears			
5	To re-appoint BDO LLP as Auditor of the Company and to authorise the Directors to fix its remuneration			
6	To authorise the Directors to allot and issue Shares			
7	To approve the proposed renewal of Share Purchase Mandate of the Company			

* Delete accordingly.

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

Dated this _____ day of _____ 2025

Signature(s) of member(s) or common seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Total number of Shares held

Postage
Stamp

To: The Company Secretary
KING WAN CORPORATION LIMITED
8 Sungei Kadut Loop
Singapore 729455

Fold along dotted line

Fold along dotted line

NOTES:

1. A member should insert the total number of Shares held. If the member has Shares entered against his/her/its name in the Depository Register (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 as well as Shares 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.
2. (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 instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
(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 instrument appointing a proxy(ies) 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 instrument.
"Relevant intermediary" has the meaning ascribed to it in Section 181 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.
3. A proxy(ies) need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.
4. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
(a) mail to the Company's registered office at **8 Sungei Kadut Loop Singapore 729455**; or
(b) via email to the Company at **gm.2025@kingwan.com.sg**.
and in each case, must be lodged or received (as the case may be) not less than 72 hours before the time appointed for holding the AGM.
5. The instrument appointing a proxy(ies) must be signed 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 either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted personally or by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with its constitution and Section 179 of the Companies Act 1967.
7. Completion and return of an instrument appointing a proxy(ies) shall not preclude a member from attending, speaking and voting in person 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 or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
8. The Company shall be entitled to reject an instrument appointing a proxy(ies) if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of a member whose Shares are entered against his/her/its name in the Depository Register, the Company shall be entitled to reject any instrument appointing a proxy(ies) which has been lodged or submitted if such member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the AGM as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 16 July 2025.

CORPORATE INFORMATION



BOARD OF DIRECTORS

Teo Ho Pin

(Independent and Non-Executive Chairman)

Chua Eng Eng

(Managing Director)

Chua Hai Kuey

(Executive Director)

Chua Yong Bin

(Executive Director)

Siraarpa Siriviriyakul

(Independent and Non-Executive Director)

Tang Siew Foo David

(Independent and Non-Executive Director)

LEAD INDEPENDENT DIRECTOR

Tang Siew Foo David

AUDIT COMMITTEE

Tang Siew Foo David (Chairman)

Siraarpa Siriviriyakul

Teo Ho Pin

REMUNERATION COMMITTEE

Teo Ho Pin (Chairman)

Siraarpa Siriviriyakul

Tang Siew Foo David

NOMINATING COMMITTEE

Tang Siew Foo David (Chairman)

Chua Eng Eng

Siraarpa Siriviriyakul

COMPANY SECRETARY

Lim Siok Ching Catherine, ACS, ACG

REGISTERED OFFICE

8 Sungei Kadut Loop

Singapore 729455

Tel: 65-6368 4300

Fax: 65-6365 7675

E-mail: kwc@kingwan.com.sg

Website: www.kingwan.com

AUDITORS

BDO LLP

Public Accountants and

Chartered Accountants

Singapore

600 North Bridge Road

#23-01 Parkview Square

Singapore 188778

PARTNER-IN-CHARGE

Lee Yu-Min Adrian

(Appointed since the financial year ended

31 March 2023)

SHARE REGISTRAR

In.Corp Corporate Services Pte. Ltd.

36 Robinson Road

#20-01 City House

Singapore 068877

PRINCIPAL BANKERS

Bangkok Bank Public Company Limited

CIMB Bank Berhad

DBS Bank Ltd

Oversea-Chinese Banking Corporation Limited

United Overseas Bank Limited

STOCK EXCHANGE LISTING

Singapore Exchange Securities Trading Limited

Code: 554





**KING WAN
CORPORATION
LIMITED**

8 Sungei Kadut Loop
Singapore 729455

T +65 6368 4300
F +65 6365 7675
E kwc@kingwan.com.sg

www.kingwan.com