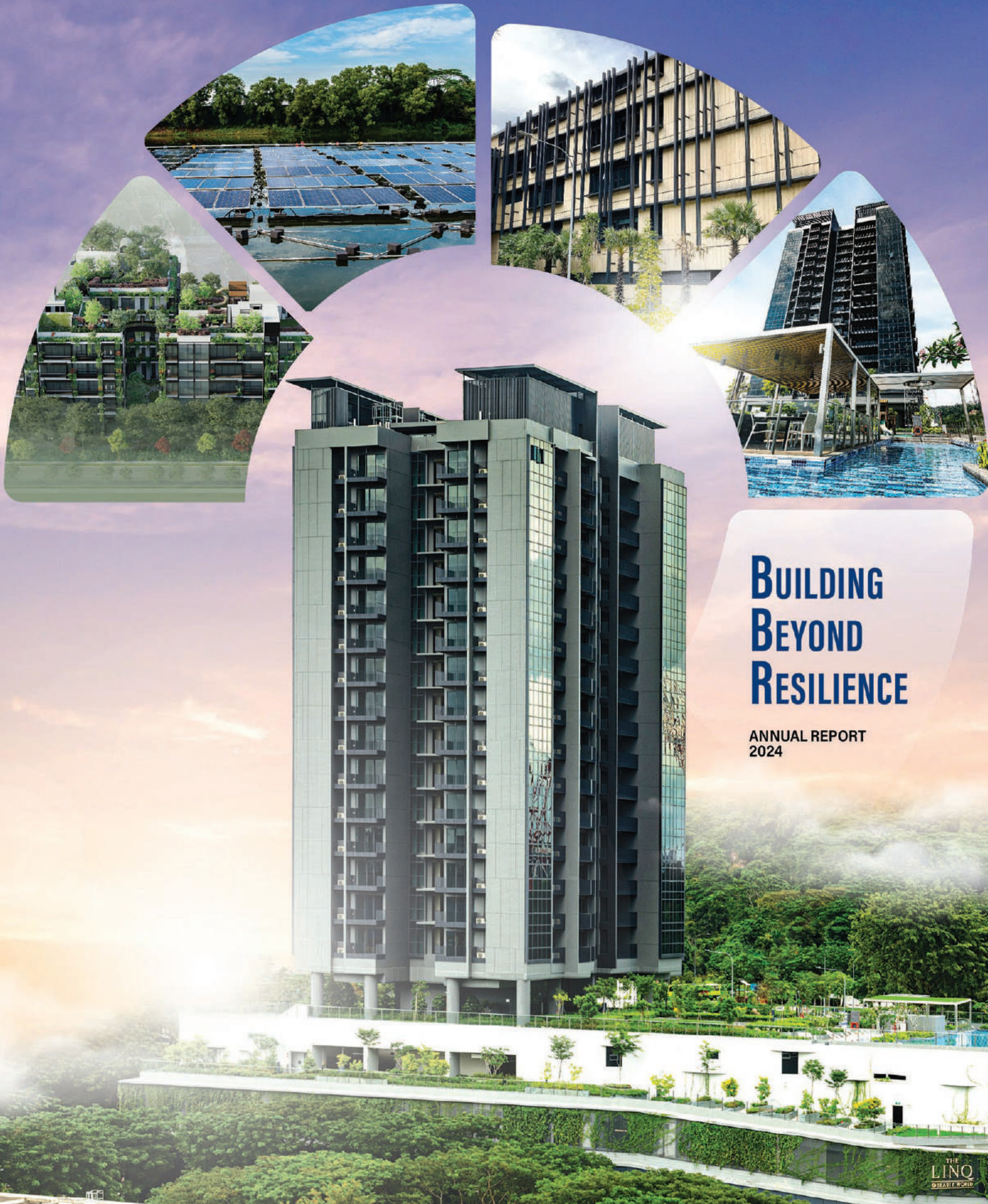
BBR HOLDINGS (S) LTD



Building Beyond Resilience

ANNUAL REPORT 2024

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OUR MISSION

To strengthen our capabilities continuously in order to compete in the building and construction, civil engineering and property markets.

To provide our clients with innovative structural engineering solutions for green and sustainable buildings by leveraging on our strengths and expertise in high specification construction methods, Swiss parentage, strong track record, established reputation and dynamic management team.

To enhance greater opportunities in new markets, so as to further expand our geographical presence and intensify all efforts to bid for both building and infrastructure projects in the region.

CORPORATE PROFILE

BBR Holdings (S) Ltd ("BBR") is one of Singapore's leading construction groups with more than 30 years of industry experience. It currently comprises five core business segments spanning across Specialised Engineering, General Construction, Property Development, Green Technology and Accommodation Business.

The BBR Group is well-positioned to meet the urbanisation challenge in Asia with its proven track record and good combination of innovative engineering with specialist know-how in construction methods. It has business presence in key markets such as Singapore, Malaysia, Thailand and the Philippines.

Listed in 1997 on SESDAQ, SGX's then second board, BBR was subsequently upgraded to the Mainboard in September 2006.

BUSINESS OVERVIEW

Specialised Engineering

In 1993, BBR was established with a bold vision to introduce innovative design solutions based on technologies from its Swiss-based BBR Network.

The BBR Network was founded in 1944 when three Swiss engineers, Brandestini, Birkenmaier and Ros, formed a partnership under the name BBR Bureau. Since then, the BBR Network comprises a worldwide network of affiliated companies, joint ventures and franchisees that offer specialist construction engineering activities spanning some 50 countries from around the world.

Since its inception, BBR's technology gained market acceptance quickly and was recognised by our customers for its cost effectiveness and high efficiency levels.

Subsequently, BBR flourished to take on larger projects in both the public and private sectors in Singapore and the region. BBR's Specialised Engineering arm operates via its subsidiaries, BBR Construction Systems Pte. Ltd. and BBR Piling Pte. Ltd. in Singapore, and BBR Construction Systems (M) Sdn. Bhd. in Malaysia. BBR has also invested in prefabricated pre-finished volumetric modular construction ("PPVC"), whereby entire PPVC modules are built in multiple units complete with all internal finishes, fixtures and fittings. The prefabrication process takes place in a factory and is then transported to the site for installation, similar to LEGO bricks assembly.

General Construction

The General Construction segment comprises the principal activities in design-and-build, general building construction, and civil structural engineering activities undertaken through its wholly-owned subsidiaries, Singapore Engineering & Construction Pte. Ltd. ("SEC") (formerly known as Singapore Piling & Civil Engineering Private Limited) and Singa Development Pte. Ltd. ("Singa").

Since 2001, SEC and Singa have successfully completed a wide range of projects ranging from infrastructure works such as tunnel and underground structures, bridge construction, power stations, toll roads and aircraft hangar, to building works for institutions, commercial and residential developments.

SEC and Singa are registered with the Building and Construction Authority of Singapore under the classification workheads for General Building (CW01) and Civil Engineering (CW02).

Property Development

Highly synergistic to the Group's broad construction activities, its Property Development business segment has been actively engaged in six development projects since 2006.

8 Nassim Hill is an upmarket freehold development developed through an associated company which comprised 16 super luxury triplex units with basement carparks and was completed in 2010. Lush on Holland Hill, a freehold condominium development with 56 spacious units in two 12-storey blocks, was completed in 2012. Bliss@Kovan, completed in November 2015, was the third freehold site which was developed into a condominium with 6 blocks of five-storey building comprising 140 luxurious residential units in total.

All the units in these three freehold developments were fully sold.

BBR's fourth project is Lake Life Executive Condominium which was developed through an associated company. The development comprised 546 units of executive condominium which offers modern and lifestyle design features on a 99-year leasehold HDB land site at Yuan Ching Road/Tao Ching Road, Jurong. The development was 100% sold and Temporary Occupation Permit ("TOP") was obtained on 30 December 2016.

The Wisteria and Wisteria Mall, developed through a joint venture, is a 99-year leasehold residential and commercial development located at Yishun Avenue 4. The Wisteria residences was 100% sold and TOP was obtained in July 2018. The Wisteria comprises 3 blocks of 9-storey residential building, each tower consisting of 72 apartment units from levels 4 to 12. The residences are directly connected to Wisteria Mall, which consists of 2 levels of retail space at basement and level 1, comprising food & beverage and retail outlets.

In February 2022, the Group disposed off the Wisteria Mall through share sale of the joint venture company which owned this investment property, at a consideration of $205 million.

BBR's latest property development project is The LINQ @ Beauty World, a freehold mixed development developed through a 62% owned subsidiary. This development comprises a 2-storey commercial podium and a 20-storey residential apartment tower above with 120 apartment units, with a direct access to the Beauty World MRT station.

The 120 apartment units were launched and fully sold in November 2020.

Green Technology

In 2013, BBR established a Green Technology division to carry out system integration and distribution of renewable energy. The Group has bid for projects to supply, install and lease solar panels and grid connected systems for statutory boards and private sector customers.

To date, BBR has successfully delivered two major solar leasing projects for 20 years and 25 years, to the HDB and a commercial company, respectively. Construction for a 490kW peak grid-tied system for the latter was successfully completed in 2015 and revenue recognition has commenced for electricity generated. BBR’s construction of a 6MW peak grid-tied system which involved engineering, procurement and construction works and installation of solar panels on the rooftops of 80 blocks of HDB flats in Ang Mo Kio Town was completed in 2016. A power purchase agreement has been signed with Ang Mo Kio Town Council to maintain, lease and buy all the electricity generated by the system for a tenure of 20 years.

In 2015, BBR was among one of nine consortia selected to participate in the floating photovoltaic (“PV”) test-bed project at Tengeh Reservoir jointly led by Singapore Economic Development Board and the Public Utilities Board. The test-bed project at Tengeh Reservoir allowed companies to develop, test and evaluate the economic and technical feasibility of installing floating solar PV systems on water, as an alternative to deploying solar systems on rooftops. The project was completed in the last quarter of 2016.

In 2021, BBR completed another project for the construction of two 1.5 megawatt-peak ("MWp") floating solar PV systems at Bedok Reservoir and Lower Seletar Reservoir for the Public Utilities Board.

Riding on the back of the potential growth for more green buildings, the Group is steadily implementing green technology as part of its total solutions package for potential project bids.

Accommodation Business

As part of its strategic diversification, BBR Holdings has expanded into the accommodation business.

The Group operates a purpose-built dormitory with a capacity of more than 5,800 beds located at 21 to 29 and 31 to 39 Kaki Bukit Avenue 3, Singapore. The facility spans a gross floor area of 328,415 sq ft and comprises six 8-storey blocks and one 7-storey block dedicated to workforce accommodation.

To ensure effective management, Alika Kaki Bukit Holdings, a wholly-owned subsidiary of BBR Holdings, will oversee operations and liaise with a third-party operator responsible for asset and property management services.

This acquisition aligns with BBR Holdings’ long-term strategy to diversify and strengthen its portfolio. Beyond workforce accommodation, the Group aims to own, develop, construct, manage, and operate a wider range of purpose-built accommodation assets, including student housing and other specialised lodging solutions. This expansion reinforces BBR Holdings’ commitment to sustainable growth and value creation within the real estate sector.

OUR BUSINESSES

Our Principal Services are:

General Construction

- Design-and-Build
- General Building Construction
- Civil and Structural Engineering
- Conservation and Restoration

Specialised Engineering

- Piling and Foundation Systems
- Post-tensioning
- Stay Cable Systems
- Heavy Lifting
- Bridge Design and Construction
- Maintenance Repair and Retrofitting
- Prefabricated Prefinished Volumetric Construction ("PPVC")

Property Development

- Boutique developer for residential as well as mixed commercial and residential development
- Property management and consultancy services

Green Technology

- System integration and distribution of renewable energy
- Supply, installation and leasing of solar panels and grid connected systems

Accommodation Business

- Own, develop, construct, manage, and operate purpose-built accommodation assets.

CHAIRMAN'S AND CEO'S MESSAGE

Dear Shareholders,

We are pleased to present the Annual Report of BBR Holdings (S) Limited ("BBR", the "Company" or with its subsidiaries, the "Group") for the financial year ended 31 December 2024 ("FY2024"), a year marked by growth and strategic advancement.

FY2024 delivered good results, with Group revenue increasing 22.0% from S$237.3 million for FY2023 to S$289.5 million for FY2024. Bottom line, profit attributable to equity holders rose by 231.4% from S$6.4 million for FY2023 to S$21.1 million for FY2024, driving Earnings Per Share from 1.98 cents for FY2023 to 6.55 cents for FY2024.

The Group's financial position improved considerably during the year. As at 31 December 2024, Net Asset Value Per Share increased to 38.97 cents from 32.62 cents as at 31 December 2023 and Net Debt to Equity was 13.9% as at 31 December 2024 compared to 41.1% as at 31 December 2023. Our liquidity position is strong, with S$53.1 million in net cash generated from operating activities and healthy cash holdings of S$76.4 million, providing us with a solid foundation to pursue strategic opportunities.

At its core, BBR is focused on *Building Beyond Resilience*. It reflects not only our core business of creating enduring physical structures but also our Group's commitment to grow beyond our established foundations to capture new opportunities, building a diversified organisation that can adapt and thrive through changing market conditions.

Business and Geographical Segments

The stellar results achieved for FY2024 reflect the success of the Group's long-term effort to diversify its revenue base across complementary business segments.

Revenue from the General Construction business segment more than tripled from S$51.3 million for FY2023 to S$157.5 million for FY2024 due to increased construction activities from the active ongoing projects.

Revenue from the Specialised Engineering segment, comprising post-tensioning, bored piling and Prefabricated Prefinished Volumetric Construction ("PPVC"), increased from S$69.1 million for FY2023 to S$71.5 million for FY2024.

Revenue from the Green Technology business segment increased by 21.6% from S$4.6 million for FY2023 to S$5.6 million for FY2024.

The Group consolidated the results of the newly acquired accommodation business, which contributed S$20.4 million in revenue for FY2024, further enhancing the Group's diversified revenue base.

For the Property Development business segment, revenue from The LINQ @ Beauty World ("The LINQ") decreased by S$77.7 million to S$34.6 million for FY2024, reflecting the project's progression towards completion. The LINQ obtained its Temporary Occupation Permit ("TOP") in November 2024, further reinforcing the Group's reputation as a boutique developer of premium properties.

Singapore continues to retain its position as the dominant market for the Group's business accounting for 91.5% of Group revenue, followed by Malaysia with 6.6% and Thailand with 1.9%.

After careful consideration, the Board made the strategic decision to dispose its 49% stake in Siam BBR Systems Co., Ltd. ("Siam BBR"), which provides structural engineering and design-build services in Thailand ("Disposal"). Siam BBR had been in a net liability position since FY2021, with its contribution to revenue declining. In FY2024, the Group had lower revenue contribution from Thailand due to the reduced construction activities for post-tensioning works.

This strategic Disposal allowed the Group to exit the Thai market, where we had faced difficulties to establish a significant presence and achieve market penetration. The Disposal enables us to reallocate our financial and capital resources toward expanding our core businesses in our key market of Singapore, where we maintain a strong position. By optimising our portfolio in this manner, we are positioning the Group to pursue more promising growth opportunities and strengthen our overall financial position.

The Singapore Economy and the Construction Industry

The Singapore economy grew by 4.4% in 2024, a significant improvement from 1.8% in 2023, with the Ministry of Trade and Industry projecting continued growth of 1% to 3% for 2025. The construction sector expanded by 4.5% in 2024, building on its 5.8% growth in 2023, supported by robust activities across both public and private sectors.

According to the Building and Construction Authority ("BCA"), construction demand for 2025 is expected to exceed pre-COVID levels, ranging between S$35 billion and S$39 billion. This strong outlook is driven by major projects including Changi Airport Terminal 5, the Marina Bay Sands expansion, public housing developments, and critical infrastructure works such as the Thomson-East Coast Line Extension and Tuas Port.

The medium-term forecast is equally promising, with BCA projecting an average annual construction demand of S$39 billion to S$46 billion from 2026 to 2029. While this outlook presents significant opportunities for the Group, we remain mindful that project schedules may fluctuate due to global economic uncertainties, and that industry demand might moderate after the completion of exceptional projects like Terminal 5.

Given these long-term industry dynamics, the Group's strategy to diversify its revenue streams across complementary business segments remains crucial for sustainable growth and resilience against potential market fluctuations.

Outlook for the Year Ahead

The global economic outlook remains clouded by significant uncertainties, downside risks and external headwinds. Traditional geopolitical partnerships and trade relationships are undergoing significant realignment amid shifting power dynamics and competing national interests, the trajectory of which depends mainly on the policies of the new US Administration.

These ongoing trade tensions between major economies and potential escalation of geopolitical conflicts could dampen global investment and trade, weighing on overall growth. Furthermore, disruptions to the downward trend of global inflation may result in prolonged tighter financial conditions.

While inflationary pressures may have peaked, the cost of financing and the price of construction materials remain high. Additionally, the construction industry in Singapore faces intense competition and manpower supply constraints.

In response to these challenges, the Group will continue to maintain strict cost management protocols and financial discipline across all its operations to build organisational resilience. We will leverage our established track record in building construction and specialised engineering to secure additional projects through competitive tenders and strategic partnerships. As at 31 December 2024, the Group's order book stood at S$259 million.

In property development, the Group is working closely with its appointed real estate agents to market the leasing of the two-storey retail podium with 53 strata-titled units at The LINQ.

According to the Urban Redevelopment Authority's ("URA") statistics, the overall private residential property price index increased at a slower pace of 3.9% for 2024 as compared to 6.8% for 2023 and 8.6% for 2022. In this uncertain market environment, the Group will maintain its disciplined approach to landbank replenishment and carefully evaluate potential development opportunities, balancing growth aspirations with financial prudence amid heightened competition.

The Group's accommodation business continues to generate steady recurring rental income, strengthening our diversified revenue base. Furthermore, BBR's entry into the accommodation business has the potential to address the escalating cost of bedspace rental in workers' dormitories, complementing the Group's general construction business. It also reflects the resilience of our business model. The Group will continue to explore new business opportunities in this segment.

Just as we design developments to withstand the test of time, BBR has built a foundation of expertise, relationships and market presence that positions us for sustainable growth despite the current challenging environment.

Lim Boon Cheng
Independent Non-Executive Chairman

Tan Kheng Hwee Andrew
Chief Executive Officer

CHAIRMAN'S AND CEO'S MESSAGE

Corporate Sustainability

Managing our Environmental, Social and Governance ("ESG") risks and being mindful of our responsibilities towards all stakeholders have contributed to the Group's continued success. As the built environment sector faces increasing pressure to decarbonise, we will continue to strengthen organisational resilience, invest in new and green technologies for the built sector, motivate our people, and contribute to the local communities where we operate.

We are preparing for the SGX RegCo sustainability reporting changes announced in September 2024 and taking effect from FY2025 onwards, which include the adoption of the new International Sustainability Standards Board ("ISSB") requirements for climate-related disclosures. We have already begun enhancing our data collection systems and established robust verification processes to ensure accurate reporting.

Corporate sustainability is an ongoing journey, and we are committed to improving BBR's sustainability performance for the good of the organisation and the wider society. Moving forward, we will continue to work together with our colleagues, partners and stakeholders to forge a greener and more sustainable future.

Dividend

In appreciation of the support from shareholders, the Board of Directors recommended a tax-exempt one-tier first and final dividend of 0.3 cents per share in respect of the financial year ended 31 December 2024 for approval by shareholders at the forthcoming Annual General Meeting.

Message from Chairman

I am honoured to present this joint message to you as the newly appointed Chairman, effective 1 March 2025, having served as an Independent Non-Executive Director of the Company since 2021. I am committed to fostering collective stewardship and collaborative governance as we navigate the challenges and opportunities in the current business environment.

We also warmly welcome Mr Marcel Poser back to the Board as alternate director to Mr Bruno Sergio Valsangiacomo. Mr Poser previously served as an alternate director from August 2011 to April 2015, after which he was appointed as a Non-Executive Director until April 2021. His engineering background, qualifications, and prior experience with our Company will be valuable assets as we continue to strengthen our strategic position.

In line with the theme 'Building Beyond Resilience', the Board and management remain committed to creating sustainable long-term value for our shareholders. The same engineering principles that ensure our physical structures endure are reflected in our business approach: strong foundations, adaptable designs, quality materials, and forward-looking planning.

With our established market position, proven expertise, and readiness to embrace new opportunities, we are well-positioned to build not just resilient structures, but a resilient future for all our stakeholders.

Acknowledgements

The Group's strong financial performance in FY2024, achieved despite significant external headwinds in the business landscape, reflects the combined dedication of numerous stakeholders. We would like to sincerely thank our fellow Board members for their insightful guidance and steadfast leadership during this period. The Board also wishes to acknowledge our clients and business partners whose continued support has been instrumental to our success. We are deeply grateful to our shareholders whose continued confidence motivates our pursuit of excellence across everything that we do.

Lastly, we extend our appreciation to our Management and employees whose dedication, commitment and diligence were vital to capturing opportunities and navigating the complexities of the past year.

Lim Boon Cheng
Independent Non-Executive Chairman

Tan Kheng Hwee Andrew
Chief Executive Officer

KEY FINANCIAL HIGHLIGHTS

		FY2020	FY2021	FY2022	FY2023	FY2024
Revenue	($'000)	121,595	179,954	170,485	237,297	**289,533**
Gross Profit/(Loss)	($'000)	(2,036)	20,968	26,962	36,543	**39,188**
Profit/(Loss) Before Taxation	($'000)	(31,398)	(215)	5,248	10,918	**22,681**
Profit/(Loss) After Taxation (PAT)	($'000)	(28,559)	(79)	4,971	7,944	**19,932**
Profit/(Loss) Attributable to Equity Holders of the Company	($'000)	(26,441)	1,598	5,688	6,376	**21,128**
Earnings/(Loss) Per Share	(Cents)	(8.20)	0.50	1.76	1.98	**6.55**
Dividend Per Share	(Cents)	–	0.3	0.3	0.3	**0.3**
Dividend Payout	(%)	–	60.0	17.0	15.2	**4.6**
Net Assets (NAV)	($'000)	94,915	96,471	100,376	105,163	**125,642**
NAV Per Share	(Cents)	29.44	29.92	31.14	32.62	**38.97**
Net Debt To Equity[1]	(%)	79.2	59.9	55.7	41.1	**13.9**
Return On Equity[2]	(%)	–	–	5.3	7.9	**15.7**
Return On Total Assets[3]	(%)	–	–	1.6	2.3	**4.9**
Revenue by Business Segment						
General Construction	($'000)	22,375	67,779	33,033	51,272	**157,476**
Specialised Engineering	($'000)	90,455	102,096	89,421	69,111	**71,548**
Property Development	($'000)	2,584	5,895	44,582	112,300	**34,568**
Green Technology	($'000)	6,087	4,090	3,379	4,572	**5,559**
Accommodation Business	($'000)	–	–	–	–	**20,354**
Revenue by Geographical Segment						
Singapore	($'000)	72,499	133,516	129,478	207,116	**264,927**
Malaysia	($'000)	40,716	36,624	22,554	18,328	**19,070**
Thailand	($'000)	8,380	9,814	18,453	11,853	**5,536**

Notes:
1. Net Debt To Equity = Current and non-current loans and borrowings (excluding loans from non-controlling interest) less cash and cash equivalents divided by total equity
2. Return On Equity = PAT divided by total equity
3. Return On Total Assets = PAT divided by total assets

FINANCIAL REVIEW

Review of Statement of Comprehensive Income

The Group's revenue increased by S$52.2 million or 22.0% from S$237.3 million for the financial year ended 31 December 2023 ("FY2023") to S$289.5 million for the financial year ended 31 December 2024 ("FY2024"). Increased revenue was recorded across all business segments except for the Property Development business segment.

Revenue from the Specialised Engineering segment, comprising post-tensioning, bored piling and Prefabricated Prefinished Volumetric Construction ("PPVC"), increased from S$69.1 million for FY2023 to S$71.5 million for FY2024. Although revenues from post-tensioning and PPVC have dropped due to the reduced construction activities for post-tensioning works in Thailand and the lack of sizable projects for PPVC respectively, the decrease was offset by an improvement in revenue from the bored piling business.

Revenue from the General Construction business segment more than tripled from S$51.3 million for FY2023 to S$157.5 million for FY2024 due to increased construction activities from the active ongoing projects.

The Group's efforts to diversify its revenue streams and expand into complementary businesses have demonstrated encouraging results. Revenue from the Green Technology business segment increased by 21.6% from S$4.6 million for FY2023 to S$5.6 million for FY2024. Additionally, the Group consolidated the results of the newly acquired accommodation business, which contributed S$20.4 million in revenue for FY2024, further strengthening the Group's diversified revenue base.

For the Property Development business segment, revenue from The LINQ @ Beauty World ("The LINQ") was S$34.6 million in FY2024 as compared to S$112.3 million in FY2023, reflecting the project's progression towards completion as it received its Temporary Occupation Permit ("TOP") in November 2024.

The Group's gross profit increased by 7.2% or S$2.7 million from S$36.5 million for FY2023 to S$39.2 million for FY2024. Although gross profit from the Property Development business segment decreased due to lower revenue as The LINQ project approached completion, this decline was more than offset by increased gross profit contributions from both the Construction business segment and the newly consolidated accommodation business. However, gross profit margin decreased from 15.4% for FY2023 to 13.5% for FY2024.

Other income of S$27.5 million comprised mainly of a S$7.0 million gain from the disposal of the subsidiary in Thailand and a bargain purchase (or negative goodwill) of S$19.8 million arising from the acquisition of the accommodation business.

Administrative costs decreased by S$0.3 million or 8.0% due to the moving expenses for relocation and expenses for minor fitting-up works of the store incurred in FY2023 which were non-recurring. As part of the Group's sustainability efforts, solar panels were installed on the rooftop of office building for electricity generation and this resulted in a decrease in electricity costs.

Other operating costs increased from S$18.6 million for FY2023 to S$33.6 million for FY2024. This significant increase was mainly attributable to provisions for losses on financial assets, comprising trade and other receivables and contract assets, amounted to S$15.2 million in FY2024, compared to a write-back of S$0.6 million in FY2023.

A fair value loss of S$4.7 million was recognised on the investment property held by the accommodation business. This comprised a valuation adjustment based on independent valuation conducted at both the acquisition completion date and the financial year-end and amortisation of the right-of-use relating to this leasehold property. The valuation amount was based on the property's unexpired leasehold interest on an as-is basis and subject to existing tenancies.

Finance costs decreased by S$1.3 million or 18.3% from S$7.4 million for FY2023 to S$6.1 million for FY2024 with the partial repayment of long term bank borrowings and as well as a decrease in interest paid to non-controlling shareholders.

Share of results of joint ventures and an associate yielded profits of S$0.08 million and S$0.02 million respectively for FY2024.

As a result of the above, the Group achieved a profit attributable to equity holders of the Company of S$21.1 million for FY2024, representing a 231.4% increase from S$6.4 million for FY2023.

Correspondingly, the Group's earnings per share rose significantly from 1.98 cents in FY2023 to 6.55 cents for FY2024, demonstrating the success of the Group's strategies to enhance shareholder value.

Review of Statement of Financial Position and Cash Flows

The consolidated statement of financial position as at 31 December 2024 included that of the newly acquired accommodation business but excluded the Thailand subsidiary which was disposed during the financial year.

Non-current assets increased by S$82.3 million from S$48.3 million as at 31 December 2023 to S$130.6 million as at 31 December 2024. This was mainly attributed to the investment property of S$77.9 million which arose from the acquisition of the accommodation business which owns a leasehold property. In addition, non-current contract assets increased by S$5.9 million due to an increase in retention receivables.

Current assets decreased by S$15.7 million from S$292.7 million as at 31 December 2023 to S$277.0 million as at 31 December 2024. This was mainly due to the collection of progress payments from purchasers upon obtaining TOP for The LINQ, which accounted for the substantial decrease in contract assets of S$47.5 million. Other receivables decreased by S$5.0 million with the refund of a deposit placed as well as provision for losses made on project deposits.

This was partially offset by the increase of S$13.3 million in trade receivables due to higher construction project billings in the last quarter of 2024 and sales proceeds receivable from the purchasers of The LINQ that were substantially collected after the financial year end. Development properties, which represent the capitalisation of the development cost for the unsold commercial units of the development, were reclassified as 'Properties held for sale'.

Current liabilities increased by S$18.0 million from S$189.2 million as at 31 December 2023 to S$207.2 million as at 31 December 2024, while non-current liabilities increased by S$21.9 million from S$51.7 million as at 31 December 2023 to S$73.6 million as at 31 December 2024.

Current trade and other payables increased by S$2.1 million, which was mainly due to the increased construction activities from the General Construction business segment. This was offset by a decrease from the deconsolidation of the Thailand subsidiary upon its disposal.

Other liabilities increased by S$16.7 million mainly due to the S$10.0 million consideration payable for the acquisition of the accommodation business that was settled after the financial year end and refundable customers deposits from the accommodation business which were being consolidated in this set of financial statements.

Similarly, the consolidation of the accommodation business resulted in an increase in both the current and non-current lease liabilities and income tax payable. Non-current trade payables increased by S$7.2 million due to an increase in retention payable to subcontractors. Provisions of S$6.5 million were related to reinstatement cost of the leasehold investment property held by the accommodation business on the expiry of the lease term.

Short term borrowings decreased by S$3.1 million. While there was a new loan of S$8.1 million arising from the consolidation of the accommodation business, the effect was offset by the regular loan repayments, some partial repayments of loans obtained for property development purpose out of the project proceeds collected, and the deconsolidation of the Thailand subsidiary upon its disposal.

As a result of the above, the Group's net assets increased by S$26.7 million from S$100.1 million as at 31 December 2023 to S$126.8 million as at 31 December 2024. Similarly, the Group's Net Asset Value Per Share improved from 32.62 cents as at 31 December 2023 to 38.97 cents as at 31 December 2024.

Review of Statement of Cash Flows

For FY2024, operating cash flows before working capital changes was S$43.6 million. After accounting for working capital changes and interest, net cash inflow from operating activities was S$53.1 million. The substantial improvement was mainly due to the progress payment collections from the Group's property development project, The LINQ.

The Group recorded net cash outflow of S$13.4 million from investing activities for FY2024 due to the acquisition of the accommodation business which contributed positively to the Group's FY2024 revenue growth.

The Group recorded net cash outflow of S$20.2 million from financing activities for FY2024, comprising mainly the net repayment of S$16.7 million for all borrowings, S$4.0 million for lease liabilities and dividends paid of S$1.0 million. This was offset by a reduction in pledged deposit of S$1.4 million.

As a result of the above, the Group's cash and cash equivalents increased by S$19.5 million from S$56.9 million as at 31 December 2023 to S$76.4 million as at 31 December 2024.

The Group paid a final dividend of S$1.0 million for FY2023 after obtaining shareholders' approval at the Annual General Meeting held on 30 April 2024.

As at 31 December 2024, the Group's construction order book was approximately S$259 million, a decrease of 41.0% from the 31 December 2023 order book of S$439 million.

BOARD OF DIRECTORS

Mr Lim Boon Cheng

Independent Non-Executive Chairman
Chairman of the Audit & Risk Committee,
Member of the Nominating Commitee and
Member of the Remuneration Committee

Mr Lim Boon Cheng was appointed a Director of BBR Holdings (S) Ltd on 3 May 2021. He is a Fellow of the Institute of Singapore Chartered Accountants and a Fellow of Chartered Accountants Ireland. He has a Master of Business Administration degree from the University of Ulster, Northern Ireland, United Kingdom.

Mr Lim has more than 30 years of extensive industry experience in the public accounting and auditing industry, where he trained and worked in major accounting firms in the United Kingdom and Singapore. He was the managing partner and chairman of a public accounting firm in Singapore until his retirement from the practice in 2012.

Mr Lim is an Independent Director on the board of another public-listed company in Hong Kong.

Mr Lim serves as a Panel Member of the Strata Titles Boards of Singapore and also as a Lay Member of the Inquiry Panel of the Law Society of Singapore.

Mr Tan Kheng Hwee Andrew

Executive Director, Chief Executive Officer

Mr Tan Kheng Hwee Andrew is a founding member of BBR Holdings (S) Ltd and was appointed as the Executive Director/Chief Executive Officer since 1 April 1994. He is responsible for the strategic management and business development of the Group.

Prior to setting up the Company, he spent two years after graduation in the civil service and worked for another 13 years with a public listed company. Mr Tan served as the President of Singapore Concrete Institute from 1997 to 1999.

Mr Tan holds a Bachelor Degree of Engineering (Honours) from the then University of Singapore (now the National University of Singapore) and a Master of Science in Civil Engineering from the National University of Singapore. He is also a registered Professional Engineer with the Professional Engineers Board Singapore, and Life Member of The Institution of Engineers, Singapore.

Mr Bruno Sergio Valsangiacomo

Non-Executive Director
Member of the Remuneration Committee

Mr Bruno Sergio Valsangiacomo was appointed a Director of BBR Holdings (S) Ltd on 11 February 1997. He is the Executive Chairman of Tectus S.A., BBR Holding AG, Screening Eagle Technologies S.A. and FFC Fincoord Finance Coordinators Ltd., as well as a Board member of other TectusGroup.com associated companies.

He is a founder of Screening Eagle Dreamlab Pte. Ltd., a cross-functional research centre in Fusionopolis, Singapore, leading various next-generation initiatives including ScreeningEagle.com, a technology for the monitoring of the health condition and the efficient maintenance of infrastructure and property assets to serve global markets in partnership with Singapore research and government agencies.

Mr Valsangiacomo started his career in 1972 in corporate banking and trade finance with UBS and Paribas Switzerland, and in 1991 became a founding shareholder and member of the Executive Committee of the ITI Group in Poland, the leading television, digital media and entertainment Group in Central Europe, which was sold in 2015 to various strategic investors.

Mr Valsangiacomo is also a founding partner of Virtually Live, a virtual reality company specialised in virtual live event experiences, and NeuroPro Ltd, a company developing next generation tools for applied brain science.

He graduated with a Bachelor of Business Administration from the School of Economics and Administration in Zurich.

Dr Pietro Brenni

Non-Executive Director

Dr Pietro Brenni was appointed a Director of BBR Holdings (S) Ltd on 3 May 2021. He is currently the Chief Executive Office and Board President of Brenni Engineering SA. He is also the Chairman of Stahlton AG and a Board Member of BBR Holding AG and Stahlton Bauteile AG.

Dr Brenni has strong engineering background and extensive experience in the international market. He holds a Master of Science and PhD in Structural Engineering ETHZ.

He is a Member of Swiss Engineer and Architect Professional Association SIA, a Member of Swiss Association of Consulting Engineers suisse.ing, a Member of Canton Ticino Engineer and Architect Professional Association OTIA, and also a Member of International Association for Bridges and Structural Engineering IABSE.

BOARD OF DIRECTORS

Mr Marcel Poser

Alternate Director to Mr Bruno Sergio Valsangiacomo

Mr Marcel Poser was appointed an Alternate Director to Mr Bruno Sergio Valsangiacomo on 12 September 2024. Mr Poser was an alternate director of the Company from 4 August 2011 to 24 April 2015, after which he was appointed as a Non-Executive Director of the Company until his cessation on 30 April 2021.

Mr Poser is an entrepreneur and business strategist in the technology space. He is a co-founder of Screening Eagle Technologies S.A., an inspection tech company with the mission to protect the built world by incorporating workflow software, cloud-connected sensors and delivering asset health data of the aging global infrastructure. He is also a co-founder of Dreamlab in Singapore, a cross-functional software research center, and spearheaded various projects in IoT, big-data, virtual and augmented reality and artificial intelligence.

Mr Poser also serves in leadership positions of companies within the Tectus Group, where he was Group Chief Executive Officer from 2011 to 2020. He joined the Group in 2002 with BBR VT International where, as the Chief Executive Officer from 2006 until 2011, he transformed the BBR Group in the world's largest engineering franchise. He is currently Chairman of BBR VT International.

Mr Poser earned his undergraduate engineering degree from Zurich University of Applied Sciences and a Master's degree from the Cockrell School of Engineering at The University of Texas at Austin in 2001. In 2016, Mr. Poser was the only 30th alumni of The University of Texas at Austin to receive the prestigious Outstanding Young Engineering Graduate Award.

Mr Romano William Fanconi

Alternate Director to Dr Pietro Brenni

Mr Romano William Fanconi was appointed an Alternate Director to Dr Pietro Brenni on 3 May 2021.

Mr Fanconi has been the Managing Partner of FFC Fincoord Finance Coordinators AG since 1995 and within the Tectus Group of companies, he is responsible for M&A, legal, finance and administration. He is also concurrently a member of the board of directors of Tectus S.A., BBR Holding AG, BBR VT International, Screening Eagle Technologies S.A. and other Tectus Group associated companies.

He initially focused on media as Corporate Secretary of leading Polish media and entertainment group ITI Group. ITI Group built the largest broadcasting, media and entertainment group in Poland, and its core company, publicly-listed TVN Group, was sold to Scripps Networks Interactive Inc. in 2015. Mr Fanconi is also a founding partner of Virtually Live, a virtual reality company specialised in virtual live event experiences.

Mr Fanconi holds a Bachelor Degree in Business Administration from the Lucerne School of Economics and Business Administration.

Mr Chan Mun Wei

Independent Non-Executive Director
Chairman of the Renumeration Committee,
Member of the Audit & Risk Committee and
Member of the Nominating Committee

Mr Chan Mun Wei was appointed a Director of BBR Holdings (S) Ltd on 9 May 2023.

He is the Founder and Principal Consultant of SustainableSG, which provides consultancy and training services on sustainability, strategy, risk management and entrepreneurship to corporate clients.

Prior to starting SustainableSG, Mr Chan was the Divisional Director of Corporate Planning and Sustainability Lead at Sentosa Development Corporation from April 2009 to August 2018. His responsibilities included corporate strategy and organizational transformation, developing and implementing the Sentosa Sustainability Plan, managing corporate-wide enterprise risk management and data analytics.

Mr Chan graduated from Stanford University in the United States with dual degrees – Bachelor of Arts (Distinction) in Anthropology and Master of Arts in Education – and subsequently completed an MBA at the National University of Singapore. He is an Associate Lecturer at the Singapore University of Social Sciences.

Ms Karen Lee Kiah Ling

Independent Non-Executive Director
Chairman of the Nominating Commitee
Member of the Audit & Risk Committee

Ms Karen Lee Kiah Ling was appointed a Director of BBR Holdings (S) Ltd on 2 January 2024. She is currently the Deputy CEO of the manager of ESR-REIT (formerly known as ESR-LOGOS REIT) following the completion of the merger between ESR-REIT and ARA LOGOS Logistics Trust in May 2022. ESR-REIT is a leading New Economy and future-ready Asia Pacific S-REIT listed on the Singapore Exchange Securities Trading Limited since 25 July 2006, investing in quality income-producing industrial properties in key gateway markets. Ms Lee is responsible for executing ESR-REIT's growth strategy.

Ms Lee has more than 20 years of experience in the real estate industry involving M&A, fund raising, capital markets, investor relations, industrial real estate development, asset and investment management, business development, leasing, marketing and property management.

Prior to joining the ESR-REIT Manager, Ms Lee was the CEO of the manager of ARA LOGOS Logistic Trust since August 2020. Previously, she was the Head of Asset and Investment Management for LOGOS SE Asia Pte Ltd and was the Head of Singapore Portfolio and Asset Management of Ascendas Funds Management (S) Limited the manager of Ascendas REIT (“A-REIT”) now known as CapitaLand Ascendas REIT.

Ms Lee holds a Bachelor Degree of Science in Economics, a Bachelor Degree of Social Science (Honours) in Economics and a Master Degree of Science in Real Estate, all from the National University of Singapore. She is also an Accredited Director since November 2024.

BOARD OF DIRECTORS

Mr Voon Yok Lin
Executive Director

Mr Voon Yok Lin was appointed a Director of BBR Holdings (S) Ltd on 21 June 2017. He is currently the Managing Director of BBR Construction Systems (M) Sdn. Bhd., where he is responsible for the overall operations and management.

Prior to joining the Group in 1994, he worked in various capacities in a Malaysian construction firm, which specialises in pre-stressing construction technology.

Mr Voon holds a Bachelor Degree of Science (Honours) in Civil Engineering from the University of Strathclyde, Scotland, in the United Kingdom. He is a registered Professional Engineer with the Board of Engineers Malaysia and a member of The Institution of Engineers Malaysia.

Mr Voon Chet Chie
Alternate Director to Mr Voon Yok Lin

Mr Voon Chet Chie was appointed an Alternate Director to Mr Voon Yok Lin on 21 June 2017.

Prior to joining the Group, he worked as a Pipeline Engineer with the national oil and gas company in Malaysia and was involved in offshore pipelines and facilities rejuvenation projects. He joined BBR Construction Systems (M) Sdn. Bhd. in 2012 as a Project Engineer in-charge of Klang Valley MRT1 and LRT2 projects. In 2017, he was then appointed the role of Manager (Special Task) where he led key projects such as the Klang Valley MRT2, LRT3 and Cable-stayed bridge. He is currently Director (Operations) at BBR Construction Systems (M) Sdn. Bhd. tasked with overseeing the company's operation and technical functions, in addition to overall business improvement initiatives.

Mr Voon holds a Bachelor Degree of Engineering (Honours) from Universiti Teknologi PETRONAS, Malaysia and a Master of Science (Construction Project Management) from Robert Gordon University, Scotland, in the United Kingdom. He is a registered Graduate Engineer with the Board of Engineers Malaysia, a graduate member of The Institution of Engineers Malaysia, and a member of the Institute of Corporate Directors Malaysia.

He is the son of Executive Director, Mr Voon Yok Lin.

SENIOR MANAGEMENT

Mr Mo Kuan Sheng John

Managing Director, BBR Construction Systems Pte. Ltd. / Moderna Homes Pte. Ltd.

Director, BBR Modular Construction Sdn. Bhd. / Moderna Homes (Hong Kong) Limited

Mr Mo Kuan Sheng John is the Managing Director of BBR Construction Systems Pte. Ltd. since 1999. He is also the Managing Director of Moderna Homes Pte. Ltd.. He is in charge of day-to-day operations, marketing and business development for the Specialised Engineering business, which includes mainly post-tensioning, structural strengthening and modular construction.

Prior to joining the Group in 1994, Mr Mo worked in several companies including a public listed specialist company from 1988 to 1993.

Mr Mo holds a Bachelor Degree of Engineering (Civil) from the National University of Singapore.

Ms Chew Nam Yeo

Chief Financial Officer, BBR Holdings (S) Ltd

Director, BBR Development Pte. Ltd. / BBR Property Pte. Ltd. / BBR Greentech Pte. Ltd. / BBR Piling Pte. Ltd. / Alika Properties Pte. Ltd. / Singapore Engineering & Construction Pte. Ltd. / Singa Development Pte. Ltd. / JSCL Investments Pte. Ltd.

Ms Chew Nam Yeo was appointed the Chief Financial Officer of BBR Holdings (S) Ltd on 2 May 2017. She oversees the Group's finance and corporate functions covering financial reporting, treasury, tax, investor relations and corporate secretarial matters. Before joining the Company, she was the Chief Financial Officer of a listed company providing engineering equipment and services to oil & gas and petrochemical companies. Adding to her breadth of experience, she spent more than 10 years in various financial capacities in other listed companies and several years as an auditor in an established public accounting firm.

Ms Chew holds a Bachelor Degree of Accountancy (Honours) from the National University of Singapore and is a member of the Institute of Singapore Chartered Accountants.

Mr Hua Tai Suan Andy

Managing Director, Singapore Engineering & Construction Pte. Ltd.

Mr Hua Tai Suan Andy was appointed an Executive Director of Singapore Engineering & Construction Pte. Ltd. on 11 July 2022, and promoted to Managing Director on 1 July 2024. He is in charge of the day-to-day operations, marketing and business development for the General Construction business.

Mr Hua first joined the Company in 1997 as a Site Engineer and over the years advanced his career development to being a Site Manager, Construction Manager, Project Manager, Project Director and General Manager of the Company. With more than 25 years of experience in the construction industry in various roles, he possesses in-depth knowledge of the industry, technically and commercially.

Mr Hua holds a Bachelor Degree of Science (Honours) in Management from the University College Dublin / National University of Ireland, and a Master Degree of Business Administration from Northumbria University, Newcastle, United Kingdom.

CORPORATE STRUCTURE

BBR

SPECIALISED ENGINEERING

- 100% BBR Construction Systems Pte. Ltd.
- 100% BBR Piling Pte. Ltd.
- 100% Moderna Homes Pte. Ltd.
  - 100% BBR Modular Construction Sdn. Bhd.
- 100% Moderna Homes (HK) Limited
- 100% BBR Construction Systems (M) Sdn. Bhd.
  - 30% Global Eco BBR JV Sdn Bhd.
  - 100% Strengthened Soil Wall (M) Sdn. Bhd.[2]
- 100% Siam - BBR Co., Ltd.
- 40% BBR Philippines Corporation

GENERAL CONSTRUCTION

- 100% Singapore Engineering & Construction Pte. Ltd.
  - 51% Singapore Piling -Shincon JV.
  - 50% Singapore E&C -Shincon JV.
  - 50% Sinohydro-Singapore E&C JV
  - 33.3% Daejeon Riverside Expressway Co. Ltd.
- 100% Singa Development Pte. Ltd.

PROPERTY DEVELOPMENT

- 100% BBR Development Pte. Ltd.
  - 62% Alika Properties Pte. Ltd.
  - 100% BBR Property Pte. Ltd.
    - 50% Northern Development Pte. Ltd.
      - 50.1% NorthernOne Development Pte. Ltd.
        - 100% Northern Resi Pte. Ltd.

GREEN TECHNOLOGY

- 100% BBR Greentech Pte. Ltd.

ACCOMMODATION BUSINESS

- 100% Alika Investments Pte. Ltd.
  - 100% Alika Kaki Bukit Holdings Pte. Ltd.
    - 49% JSCL Investments Pte. Ltd.

Note
[1] formerly known as Singapore Piling & Civil Engineering Private Limited
[2] formerly known as SP Piling Sdn. Bhd.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr Lim Boon Cheng
Independent Non-Executive Chairman
FCA (Singapore), FCA (Ireland), MBA

Mr Tan Kheng Hwee Andrew
Executive Director and Chief Executive Officer
B.E. (Hons), M.Sc., MIES, PEng, FSCI, MSID

Mr Voon Yok Lin
Executive Director
B.Sc. (Hons)

Mr Voon Chet Chie
Alternate Director to Mr Voon Yok Lin
B.Eng. (Hons), M.Sc.

Mr Bruno Sergio Valsangiacomo
Non-Executive Director
BBA

Mr Marcel Poser
Alternate Director to
Mr. Bruno Sergio Valsangiacomo
M.Sc. Eng./Dipl.Ing.SIA

Dr Pietro Brenni
Non-Executive Director
PhD, M.Sc. Eng

Mr Romano William Fanconi
Alternate Director to Mr Pietro Brenni
BBA

Mr Chan Mun Wei
Independent Non-Executive Director
BA, MA, MBA

Ms Karen Lee Kiah Ling
Independent Non-Executive Director
BSc (Hons), MSc

AUDIT AND RISK COMMITTEE

Mr Lim Boon Cheng (Chairman)
Mr Chan Mun Wei
Ms Karen Lee Kiah Ling

NOMINATING COMMITTEE

Ms Karen Lee Kiah Ling (Chairperson)
Mr Lim Boon Cheng
Mr Chan Mun Wei

REMUNERATION COMMITTEE

Mr Chan Mun Wei (Chairman)
Mr Lim Boon Cheng
Mr Bruno Sergio Valsangiacomo

COMPANY SECRETARY

Ms Liew Meng Ling

REGISTERED OFFICE

50 Changi South Street 1
BBR Building
Singapore 486126
Tel : (65) 6546 2280
Fax : (65) 6546 2268
Website : www.bbr.com.sg
Email : enquiry@bbr.com.sg

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632
Tel : (65) 6536 5355
Fax : (65) 6536 1360

AUDITORS

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Partner in-charge: Alvin Phua Chun Yen
(Appointed with effect from financial year ended 31 December 2021)

BANKERS

Oversea-Chinese Banking Corporation Limited
United Overseas Bank Limited
DBS Bank Limited
Resona Merchant Bank Asia Limited
Malayan Banking Berhad
CIMB Bank Berhad
Ambank (M) Berhad
Ambank Islamic Berhad

AWARDS & ACCOLADES

ARCHITECTURAL HERITAGE

2017 BCA Universal Design Mark GoldPlus 2017 for Kallang Trivista

2016 International Architecture Award from the Chicago Athenaeum Museum of Architecture and Design, the European Centre Architecture Art Design and Urban Studies for Bliss @Kovan

2009 Architectural Heritage Award from the Urban Redevelopment Authority (URA) for the Restoration of 9 King George's Avenue (Peoples' Association Headquarters)

2003 Architectural Heritage Award from the URA for the Restoration of Asian Civilisation Museum, Empress Place

2001 Architectural Heritage Award from the URA for the Restoration of 101 Penang Road (House of Tan Yeok Nee)

GREEN MARK

2014 Green Mark Platinum from the BCA for Galaxis (Fusionopolis 5)

2014 Green Mark Platinum from the BCA for Residential Hall at North Hill Nanyang Technological University

2011 Green Mark GoldPlus from the BCA for Bliss @Kovan

2010 Green Mark Certified from the BCA for Lush on Holland Hill

2009 Green Mark GoldPlus from the BCA for Icon@IBP

2008 Green Mark Gold from the BCA for 8 Nassim Hill

2007 Green Mark GoldPlus from the BCA for Peoples' Association Headquarters

QUALITY

2019 BCA Quality Mark (QM) Excellence Award for Good Workmanship for The Wisteria

2013 BCA Quality Mark (QM) Star Award for Good Workmanship for Lush on Holland Hill

2012 Housing and Development Board (HDB) Quality Partners Award for Building Improvement Works to Void Deck Columns using Polymer Fibre Wrapping

BEST BUILDABLE DESIGN

2006 Best Buildable Design Award from the Building and Construction Authority (BCA) for Yu Neng Primary School

2001 Best Buildable Design Award from the BCA for North Spring Primary School and Poi Ching School

CONSTRUCTION EXCELLENCE

2020 Award for Construction Excellence (Excellence) from the BCA for The Wisteria & Wisteria Mall

2016 Award for Construction Excellence (Merit) from the BCA for Galaxis (Fusionopolis 5)

2014 Award for Construction Excellence from the BCA for Lush on Holland Hill

CONSTRUCTION PRODUCTIVITY & INNOVATION

2023 Innovation & Technology Excellence Award 2023 (Merit) by MOH Holdings

2023 Trophy Award for The Innovative, Efficient and Productive Use of Steel Structures in the Built Environment for the SMU Connexion Building by the Singapore Structural Steel Society (SSSS)

2018 BCA Construction Productivity Platinum Award for NTU Residential Halls at Nanyang Crescent

2018 BCA Construction Productivity Gold Award for NTU Residential Halls at North Hill

2018 Innovation & Productivity Gold Award for The Wisteria & Wisteria Mall by the Singapore Contractors' Association Ltd (SCAL)

2018 Most Innovative Project Award (Merit) for The Wisteria & Wisteria Mall by the Singapore Structural Steel Society (SSSS)

2017 BCA BIM GoldPlus Award as the Builder for The Wisteria & Wisteria Mall

2016 BCA Construction Productivity Gold Award for the Galaxis (Fusionopolis 5)

2015 BCA BIM Gold Award as the Builder for the Galaxis (Fusionopolis 5)

2015 Construction Productivity Gold Award from the BCA for Lush on Holland Hill

2014 BCA BIM Gold Award as the Builder for Residential Halls at North Hill, Nanyang Technological University

SAFETY

2024	bizSAFE Enterprise Exemplary Award 2024 by WSH Council & Ministry of Manpower
2023	SCAL WSH Award for SLOTS Registered Contractors 2023 (Gold) by Singapore Contractors Association Ltd
2023	bizSAFE Enterprise Exemplary Award 2023 by WSH Council & Ministry of Manpower
2022	WSH Performance Awards 2022 (Gold) by WSH Council & Ministry of Manpower
2022	WSH Performance Awards 2022 (Silver) by WSH Council & Ministry of Manpower
2022	CultureSAFE Certificate of Commendation by WSH Council
2021	SCAL WSH Award for SLOTS Registered Contractors 2021 (Merit) by Singapore Contractors Association Ltd
2020	WSH Performance Awards 2020 (Silver) by WSH Council & Ministry of Manpower
2019	WSH Performance Awards 2019 (Silver) by WSH Council & Ministry of Manpower
2018	WSH Performance Awards 2018 (Silver) by WSH Council & Ministry of Manpower
2018	WSH SHARP Award 2018 for The Wisteria & Wisteria Mall by WSH Council & Ministry of Manpower
2018	Health & Safety Awards 2018 (Gold) by the Royal Society for the Prevention of Accidents (RoSPA)
2017	WSH Performance Awards 2017 Certificate of Commendation for Commitment to Workplace Safety & Health from the WSH Council
2016	WSH Performance Awards 2016 (Silver) by WSH Council & Ministry of Manpower (MOM)
2016	CultureSAFE Certificate of Commendation by WSH Council
2016	RoSPA Health & Safety Awards 2016 (Silver) by the Royal Society for the Prevention of Accidents for Bliss @Kovan, HDB Kallang Whampoa Contract 28B and Residential Hall at North Hill Nanyang Technological University
2013	Certificate of Recognition for Million Accident Free Man-hours from LTA for Contract 937B Tai Seng Facility Building
2006	Safety Management Silver Award from Concord Associates for Deep Tunnel Sewerage System Changi Water Reclamation Plant Contract C4A

CONSTRUCTION ENVIRONMENT

2023	Green and Gracious Builder Star Award
2022	Green and Gracious Builder Star Award
2021	Green and Gracious Builder Star Award
2020	Green and Gracious Builder Star Award
2019	Green and Gracious Builder Star Award
2018	Green and Gracious Builder Star Award
2017	Green and Gracious Builder Star Award
2016	Green and Gracious Builder Star Award
2016	ASEAN Energy Awards, Winner in the ASEAN Best Practices Awards for Energy Efficient Buildings for the Galaxis (Fusionopolis 5)
2015	Green and Gracious Builder Star Award
2014	Green and Gracious Builder Star Award
2013	Green and Gracious Builder Merit Award
2012	Construction Environmental Award – Certificate of Merit from the Land Transport Authority (LTA) for Contract ER 361 (Widening of Keppel Viaduct)

COMPANY RANKING

2019	Singapore 1000 Company - Public Listed Companies 2019 from DP Information Group
2018	Singapore 1000 Company - Public Listed Companies 2018 from DP Information Group
2018	Singapore 1000 Company - Emerging 2018 Award from DP Information Group
2017	Singapore 1000 Company - Public Listed Companies 2017 from DP Information Group
2015	ANZ Global Business Excellence Award
2014	Singapore 1000 Company - Emerging 2014 Award from DP Information Group
2013	Singapore 1000 Company – Emerging 2013 Award from DP Information Group
2012	Singapore 1000 Company – Emerging 2012 Award from DP Information Group

OTHERS

2017	NSMark Gold Certificate for Exemplary Support for Total Defence & National Service by MINDEF

REGIONAL PRESENCE

SINGAPORE

- BBR Holdings (S) Ltd.
- BBR Construction Systems Pte. Ltd.
- BBR Development Pte. Ltd.
- BBR Greentech Pte. Ltd.
- BBR Piling Pte. Ltd.
- BBR Property Pte. Ltd.
- Alika Kaki Bukit Holdings Pte. Ltd.
- Alika Investments Pte. Ltd.
- Alika Properties Pte. Ltd.
- JSCL Investments Pte Ltd
- Moderna Homes Pte. Ltd.
- Northern Development Pte. Ltd.
- NorthernOne Development Pte. Ltd.
- Northern Resi Pte. Ltd.
- Singa Development Pte. Ltd.
- Singapore Engineering & Construction Pte. Ltd.
- Singapore Piling-Shincon JV.
- Singapore E&C-Shincon JV.
- Sinohydro-Singapore Engineering & Construction Joint Venture

50 Changi South Street 1
BBR Building
Singapore 486126

Tel: (65) 6546 2280
Fax: (65) 6546 2268
www.bbr.com.sg

MALAYSIA

- BBR Construction Systems (M) Sdn. Bhd.
- Strengthened Soil Wall (M) Sdn. Bhd.
- Global Eco BBR JV Sdn. Bhd.

No. 17 Jalan Sg. Jeluh 32/191
Kawasan Perindustrian Kemuning,
Seksyen 32
40460 Shah Alam,
Selangor Darul Ehsan
Malaysia

Tel: (603) 5525 3270
Fax: (603) 5525 3285
www.bbr.com.my

- BBR Modular Construction Sdn. Bhd.

PTD 72658, Jalan Seelong Jaya 15,
81400 Seelong, Johor, Malaysia

Tel: (65) 6546 2280
Fax: (65) 6546 2268

PHILIPPINES

- BBR Philippines Corporation

Suite 502,
7 East Capitol Building
No. 7 East Capitol Drive
Barangay Kapitolyo
1603 Pasig City, Metro Manila
Philippines

Tel: (63) 2638 7261
Fax: (63) 2638 7260

THAILAND

- Siam-BBR Co., Ltd.

449, 2nd Floor, 59 Building
Muang Thong Thani,
Bond Street Road,
Bangpood Sub-district,
Pakkred District
Nonthaburi 11120
Thailand

Tel: (66) 02-046-8522
Fax: (66) 02-046-8522

HONG KONG

- Moderna Homes (HK) Limited

Flat C, 8/F, King Palace Plaza
No. 55 King Yip Street
Kwun Tong, Kowloon
Hong Kong

Tel: (65) 6546 2280
Fax: (65) 6546 2268

FINANCIAL REPORT CONTENTS

DIRECTORS' STATEMENT

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

Opinion of the directors

In the opinion of the directors,

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

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

Directors

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

Lim Boon Cheng	(Independent Non-Executive Chairman)
Tan Kheng Hwee Andrew	(Executive Director and Chief Executive Officer)
Bruno Sergio Valsangiacomo	
Marcel Poser	(Alternate Director to Bruno Sergio Valsangiacomo; Appointed on 12 September 2024)
Pietro Brenni	
Romano William Fanconi	(Alternate Director to Pietro Brenni)
Voon Yok Lin	
Voon Chet Chie	(Alternate Director to Voon Yok Lin)
Chan Mun Wei	
Karen Lee Kiah Ling	(Appointed on 2 January 2024)

Arrangements to enable directors to acquire shares and debentures

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

DIRECTORS' STATEMENT

Directors' interests in shares and debentures

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

	Direct interest		Deemed interest	
Name of director	**At the beginning of financial year**	**At the end of financial year**	**At the beginning of financial year**	**At the end of financial year**
The Company				
BBR Holdings (S) Ltd				
Ordinary shares				
Tan Kheng Hwee Andrew	17,250,474	17,250,474	228,400	228,400
Bruno Sergio Valsangiacomo	–	–	85,632,978	85,632,978
Romano William Fanconi	80,000	80,000	–	–
Voon Yok Lin	16,690,000	16,690,000	–	–

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2025.

By virtue of Section 7 of the Singapore Companies Act 1967, Bruno Sergio Valsangiacomo is deemed to have interests in shares of the Company.

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

Audit & Risk Committee

The Audit & Risk Committee ("ARC") carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors;
- Reviewed the half-yearly and annual financial statements and the external auditor's report on the annual financial statements of the Group and the Company before their submission to the board of directors;
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;
- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARC;
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor;
- Reviewed the nature and extent of non-audit services provided by the external auditor;

DIRECTORS' STATEMENT

Audit & Risk Committee *(cont'd)*

- Recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- Reported actions and minutes of the ARC to the board of directors with such recommendations as the ARC considered appropriate; and
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.

The ARC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The ARC has also conducted a review of interested person transactions.

The ARC convened four meetings during the year with full attendance from all members. The ARC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the ARC are disclosed in the Report on Corporate Governance.

Auditor

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

On behalf of the board of directors,

Tan Kheng Hwee Andrew
Executive Director and Chief Executive Officer

Lim Boon Cheng
Independent Non-Executive Chairman

4 April 2025

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Independent Auditor's Report to the Members of BBR Holdings (S) Ltd

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

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

<u>Revenue recognition on construction contracts</u>

Please refer to Note 2.26(a) Construction contracts, Note 3.2 Key sources of estimation uncertainty and Note 4 Revenue.

For the year ended 31 December 2024, the Group recognised revenue amounting to $228,301,000 from its specialised engineering and general construction, where revenue is recognised over time by reference to the Group's progress towards completing the performance obligations in the contracts based on the Percentage of Completion ("POC")

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Independent Auditor's Report to the Members of BBR Holdings (S) Ltd *(cont'd)*

Key Audit Matters *(cont'd)*

Revenue recognition on construction contracts *(cont'd)*

method. The POC for these contracts were measured based on the contract costs incurred to-date as a proportion of estimated total contract costs (input method). Significant judgments and estimation by management are required in determining the estimated total contract costs, including the evaluation of contractual adjustments to costs due to variation works and key material price adjustments, which accordingly determines the progress and amount of revenue to be recognised during the year. There are also higher levels of estimation uncertainty and judgement required arising from the rapid changes in market and economic conditions. Accordingly, we identified revenue recognition on construction contracts to be a key audit matter.

We carried out procedures to understand the Group's processes for evaluating contractual arrangements, and management's assessment of contractual adjustments arising from variation works and key material price adjustments. We obtained an understanding and reviewed management's internal costing, budgeting processes and the determination of estimated total contract costs. We traced significant components of estimated total contract costs for selected projects to the underlying supporting documents such as project budgets and agreements. On a sampling basis, we reviewed correspondences with contractors and discussed the progress of the projects with management for any potential disputes, variation order claims, known technical issues or significant events that could impact the estimated total contract costs including recognition of onerous contract, if any. We have considered the adequacy of the Group's disclosures in respect of this matter.

Provision for expected credit loss on trade receivables and contract assets

Please refer to Note 2.17 Impairment of financial assets, Note 3.2 Key sources of estimation uncertainty and Note 33(a) Credit risk.

As at 31 December 2024, the Group recognised trade receivables and contract assets of $34,900,000 and $77,233,000 respectively. The collectability of trade receivables and contract assets are integral to the Group's working capital management. The rapid changes in market and economic conditions have also increased the estimation uncertainty relating to the recoverability of trade receivables and contract assets with customers. Accordingly, we identified the recoverability of trade receivables and contract assets to be a key audit matter.

The Group determines expected credit losses on default of trade receivables and contract assets by making debtor-specific assessment for debtors identified to be credit-impaired. For the remaining group of debtors, the Group provides for lifetime expected credit losses using a provision matrix. The provision rates are determined based on the Group's historical default rates analysed in accordance with debtors grouped based on customer profiles and days past due, adjusted for current and forward-looking information.

We carried out procedures to understand the Group's processes and key controls relating to the monitoring of trade receivables and contract assets, including the process in determining whether a debtor is credit impaired. We inquired and discussed with management on the recoverability of long outstanding balances, on-going discussion with debtors to recover long outstanding balances, and known disputes or adverse information about the debtor's ability to repay the outstanding balances.

We reviewed the key data sources and assumptions made with consideration of changes in market and economic conditions in determining the default rates. We considered the age of the balances as well as the trend of collections to identify the collection risks, reviewed for collectability by obtaining evidence of receipts from a selection of debtors on a sampling basis subsequent to year end, and the review of legal case files. We have considered the adequacy of the Group's disclosures in respect of this matter.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Independent Auditor's Report to the Members of BBR Holdings (S) Ltd *(cont'd)*

Other Information

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

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Independent Auditor's Report to the Members of BBR Holdings (S) Ltd *(cont'd)*

Auditor's Responsibilities for the Audit of the Financial Statements *(cont'd)*

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Alvin Phua Chun Yen.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

4 April 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 $'000	2023 $'000
Revenue	4	289,533	237,297
Cost of sales		(250,345)	(200,754)
Gross profit		39,188	36,543
Other operating income	5	4,060	3,931
Other income/(expense)		27,515	(528)
Administrative costs		(3,871)	(4,206)
Other operating costs		(33,600)	(18,580)
Finance costs	6	(6,050)	(7,405)
Share of results of joint ventures		80	351
Share of results of an associate	16	18	812
Profit before taxation and fair value change	7	27,340	10,918
Fair value loss on investment property	10	(4,659)	–
Profit before taxation		22,681	10,918
Income tax expense	8	(2,749)	(2,974)
Profit for the year		19,932	7,944
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss			
Foreign currency translation gain/(loss)		59	(620)
Other comprehensive income for the year		59	(620)
Total comprehensive income for the year		19,991	7,324
Profit/(loss) attributable to:			
Equity holders of the Company		21,128	6,376
Non-controlling interests		(1,196)	1,568
		19,932	7,944
Total comprehensive income attributable to:			
Equity holders of the Company		21,446	5,754
Non-controlling interests		(1,455)	1,570
		19,991	7,324
Earnings per share (cents per share)			
Basic	9	6.55	1.98
Diluted	9	6.55	1.98

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Non-current assets					
Investment property	10	77,949	–	–	–
Property, plant and equipment	11	27,353	28,904	11,543	11,861
Right-of-use assets	12	5,311	5,113	1,697	1,749
Investments in subsidiaries	13	–	–	55,498	58,048
Investments in joint ventures	14	743	672	–	–
Investments in an associate	16	2,243	2,225	260	260
Deferred tax assets	18	–	291	–	–
Contract assets	4	16,986	11,104	–	–
		130,585	48,309	68,998	71,918
Current assets					
Trade receivables	19	34,942	21,600	–	–
Amounts due from subsidiaries	20	–	–	21,167	3,614
Contract assets	4	60,247	107,749	–	–
Capitalised contract costs	4	–	1,045	–	–
Development properties	21	–	88,059	–	–
Properties held for sale	22	93,042	825	–	–
Inventories	22	2,998	3,038	–	–
Investment securities	17	10	10	–	–
Other receivables	23	1,950	6,980	1,973	668
Cash and bank balances	24	83,636	62,968	329	826
Income tax recoverable		149	406	–	–
		276,974	292,680	23,469	5,108
Total assets		407,559	340,989	92,467	77,026
Current liabilities					
Amounts due to subsidiaries	20	–	–	26,366	15,002
Contract liabilities	4	18,137	23,682	–	–
Trade and other payables	25	65,493	63,345	478	168
Provisions	26	4,599	3,082	–	–
Deferred income	26	215	207	–	–
Other liabilities	26	25,272	8,558	3,032	1,512
Lease liabilities	12	4,011	1,695	29	28
Loans and borrowings	27	85,182	88,233	502	530
Income tax payables		4,306	393	5	5
		207,215	189,195	30,412	17,245
Net current assets/(liabilities)		69,759	103,485	(6,943)	(12,137)

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	Group 2024 $'000	Group 2023 $'000	Company 2024 $'000	Company 2023 $'000
Non-current liabilities					
Trade payables	25	11,285	4,085	–	–
Provisions	26	6,453	–	–	–
Deferred income	26	2,233	2,364	–	–
Deferred tax liabilities	18	214	–	–	–
Lease liabilities	12	13,813	4,701	1,932	1,961
Loans and borrowings	27	39,585	40,529	6,100	6,602
		73,583	51,679	8,032	8,563
Total liabilities		280,798	240,874	38,444	25,808
Net assets		126,761	100,115	54,023	51,218
Equity attributable to equity holders of the Company					
Share capital	28	49,082	49,082	49,082	49,082
Treasury shares	29	(566)	(566)	(566)	(566)
Retained earnings		78,167	58,006	5,507	2,702
Foreign currency translation reserve		(1,041)	(1,359)	–	–
		125,642	105,163	54,023	51,218
Non-controlling interests		1,119	(5,048)	–	–
Total equity		126,761	100,115	54,023	51,218

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Attributable to equity holders of the Company						
	Share capital (Note 28) $'000	Treasury shares (Note 29) $'000	Retained earnings $'000	Foreign currency translation reserve $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Group							
At 1 January 2024	49,082	(566)	58,006	(1,359)	105,163	(5,048)	100,115
Total comprehensive income							
Profit for the year	–	–	21,128	–	21,128	(1,196)	19,932
Other comprehensive income for the year	–	–	–	318	318	(259)	59
Total comprehensive income for the year	–	–	21,128	318	21,446	(1,455)	19,991
Distribution to owners							
Dividends paid on ordinary shares to equity holders of the Company (Note 37)	–	–	(967)	–	(967)	–	(967)
Total transaction with owners in their capacity as owners	–	–	(967)	–	(967)	–	(967)
Changes in ownership interests in a subsidiary							
Elimination of non-controlling interest at disposal of a subsidiary (Note 13(e))	–	–	–	–	–	7,622	7,622
Total changes in ownership interest in a subsidiary	–	–	–	–	–	7,622	7,622
At 31 December 2024	49,082	(566)	78,167	(1,041)	125,642	1,119	126,761

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Attributable to equity holders of the Company						
	Share capital (Note 28) $'000	Treasury shares (Note 29) $'000	Retained earnings $'000	Foreign currency translation reserve $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Group							
At 1 January 2023	49,082	(566)	52,597	(737)	100,376	(7,277)	93,099
Total comprehensive income							
Profit for the year	–	–	6,376	–	6,376	1,568	7,944
Other comprehensive income for the year	–	–	–	(622)	(622)	2	(620)
Total comprehensive income for the year	–	–	6,376	(622)	5,754	1,570	7,324
Distribution to owners							
Dividends paid on ordinary shares to equity holders of the Company (Note 37)	–	–	(967)	–	(967)	–	(967)
Total transaction with owners in their capacity as owners	–	–	(967)	–	(967)	–	(967)
Changes in ownership interests in a subsidiary							
Capital contribution from non-controlling interests	–	–	–	–	–	659	659
Total changes in ownership interest in a subsidiary	–	–	–	–	–	659	659
At 31 December 2023	49,082	(566)	58,006	(1,359)	105,163	(5,048)	100,115

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Share capital (Note 28) $'000	Treasury shares (Note 29) $'000	Retained earnings $'000	Total equity $'000
Company				
At 1 January 2024	49,082	(566)	2,702	51,218
Profit for the year, representing total comprehensive income for the year	–	–	3,772	3,772
Distributions to owners				
Dividends paid on ordinary shares to equity holders (Note 37)	–	–	(967)	(967)
Total transaction with owners in their capacity as owners	–	–	(967)	(967)
At 31 December 2024	49,082	(566)	5,507	54,023
At 1 January 2023	49,082	(566)	3,431	51,947
Profit for the year, representing total comprehensive income for the year	–	–	238	238
Distributions to owners				
Dividends paid on ordinary shares to equity holders (Note 37)	–	–	(967)	(967)
Total transaction with owners in their capacity as owners	–	–	(967)	(967)
At 31 December 2023	49,082	(566)	2,702	51,218

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Profit before taxation		22,681	10,918
Adjustments for:			
Accreted interest		266	95
Amortisation of capitalised contract costs		1,045	3,394
Amortisation of capitalised fulfilment costs		16,728	54,350
Amortisation of deferred income		(215)	(207)
Depreciation of property, plant and equipment		2,210	2,335
Depreciation of right-of-use assets		1,557	1,015
Gain on disposal of property, plant and equipment		(204)	(100)
Gain on disposal of a subsidiary		(7,067)	–
Fair value loss on investment property		4,659	–
Impairment loss on property, plant and equipment		119	–
Interest expense		5,784	7,310
Interest income		(848)	(1,178)
Write-down of inventories		13	22
Share of results of an associate		(18)	(812)
Share of results of joint ventures		(80)	(351)
Provisional bargain purchase on acquisition		(19,797)	–
Provision/(write-back provision) for rectification costs		1,838	(814)
Provision/(write-back provision) on trade receivables, other receivables and contract assets		15,164	(607)
Bad debt written off		261	166
Write-back of payables		(204)	(177)
Write-down of properties held for sale		12	9
Foreign exchange gain		(272)	–
Operating cash flows before working capital changes		43,632	75,368
(Increase)/decrease in:			
Contract assets		22,220	(70,222)
Trade receivables		(20,304)	(8,327)
Development properties		(4,119)	(9,031)
Inventories		(3)	396
Properties held for sale		–	307
Other receivables		(6,609)	(296)
Increase/(decrease) in:			
Contract liabilities		(4,662)	4,342
Trade and other payables		18,140	15,723
Provisions and other liabilities		10,822	(3,805)
Cash generated from operations		59,117	4,455
Interest paid		(5,161)	(3,035)
Interest received		818	3,028
Income tax (paid)/refund		(1,693)	21
Net cash generated from operating activities		53,081	4,469

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 $'000	2023 $'000
Cash flows from investing activities			
Additions to investment properties	10	(119)	–
Purchase of property, plant and equipment	11	(517)	(1,085)
Proceeds from disposal of property, plant and equipment		204	103
Repayment of loans from a joint venture		–	3,850
Distribution of profits from an associate		–	48
Distribution of profits from joint ventures	14	13	5,906
Net cash outflow on acquisition of a subsidiary	13(d)	(12,603)	–
Net cash outflow on disposal of a subsidiary	13(e)	(336)	–
Net cash (used in)/generated from investing activities		(13,358)	8,822
Cash flows from financing activities			
Dividends paid on ordinary shares to equity holders of the Company	37	(967)	(967)
Proceeds from short-term borrowings	27	2,000	1,207
Repayments of short-term borrowings	27	(3,064)	–
Proceeds from long-term borrowings	27	38	5,425
Repayments of long-term borrowings	27	(15,595)	(8,863)
Repayment of lease liabilities	12	(4,028)	(3,334)
Decrease/(increase) in pledged deposits		1,374	(1,445)
Capital contribution from non-controlling interests		–	659
Net cash used in financing activities		(20,242)	(7,318)
Net increase in cash and cash equivalents		19,481	5,973
Net effect of exchange rate changes on cash and cash equivalents		20	(24)
Cash and cash equivalents at beginning of the year		56,938	50,989
Cash and cash equivalents at end of the year	24	76,439	56,938

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. Corporate information

BBR Holdings (S) Ltd ("the Company") is a limited liability company, which is incorporated and domiciled in the Republic of Singapore and publicly traded on the mainboard of Singapore Exchange.

The registered office and principal place of business of the Company is located at 50 Changi South Street 1, BBR Building, Singapore 486126.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries, joint ventures, joint operation and associate are set out in Notes 13, 14, 15 and 16 respectively.

2. Material accounting policy information

2.1 ***Basis of preparation***

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

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

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

As at 31 December 2024, the Company's current liabilities exceeded its current assets by $6,943,000 (2023: $12,137,000). The financial statements have been prepared on a going concern basis as the Company is able to control the timing of dividends from its investments and borrowings can be obtained from its subsidiaries to meet its liabilities as and when they fall due. The Company is also able to deploy the available funds within the Group for the Company to pay its debts as and when they fall due. Accordingly, the Directors are of the view that the going concern assumption is appropriate for the preparation of the financial statements of the Company.

2.2 ***Adoption of new and amended standards and interpretations***

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.3 ***Standards issued but not yet effective***

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

Description	**Effective for annual periods beginning on or after**
Amendments to SFRS(I) 1-21: Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to SFRS(I)s—Volume 11	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
SFRS(I) 18: Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application, except for Presentation and Disclosure in Financial Statements.

Presentation and Disclosure in Financial Statements

In April 2024, SFRS(I) 18 was issued, which replaces SFRS(I) 1-1 Presentation of Financial Statements. SFRS(I) 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements ("PFS") and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SFRS(I) 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. SFRS(I) 18 will apply retrospectively.

The management is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.4 ***Basis of consolidation and business combinations***

(a) ***Basis of consolidation***

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

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

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

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

(b) ***Business combinations and goodwill***

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.4 ***Basis of consolidation and business combinations*** *(cont'd)*

(b) ***Business combinations and goodwill*** *(cont'd)*

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2.5 ***Transactions with non-controlling interests***

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.6 ***Foreign currency***

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

(a) ***Transactions and balances***

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

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign subsidiaries, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.6 ***Foreign currency*** *(cont'd)*

(b) ***Consolidated financial statements***

For consolidation purposes, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.7 ***Subsidiaries***

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

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

2.8 ***Joint arrangements***

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

Joint ventures

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investments in joint ventures is set out in Note 2.9.

Joint operation

The Group controls the joint operation with the other partner under the contractual agreements which provide the Group with rights to assets and obligations for the liabilities relating to the joint operation. The accounting policy for investments in joint operation is set out in Note 2.10.

2.9 ***Joint ventures and associates***

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

The Group accounts for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.9 ***Joint ventures and associates*** *(cont'd)*

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

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

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred obligations or make payments on behalf of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate or joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates and joint ventures are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.10 ***Joint operation***

A joint operation is an arrangement in which the Group has rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

The Group recognises in its financial statements, its interest in the joint operations as follows: its assets, including its share of any assets held jointly; its liabilities, including its share of any liabilities incurred jointly; its revenue from the share of its output arising from the joint operations; its share of the revenue from the sale of the output by the joint operation; and its expenses, including its share of any expenses incurred jointly.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.11 ***Investment property***

Investment properties are properties that are owned by the Group to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment property is initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

Subsequent to initial recognition, investment property is stated at fair value, which reflects market conditions at the reporting date. Gain or loss arising from change in the fair value of investment property is included in profit or loss in the period in which it arises, including the corresponding tax effect. Fair value is determined based on annual valuation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment property is derecognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

2.12 ***Property, plant and equipment***

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

Freehold land have unlimited useful life and therefore is not depreciated.

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

Freehold building	30 years
Leasehold properties	8 to 42 years
Plant and equipment	1 to 25 years
Motor vehicles	5 years
Other assets	1 to 10 years

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.13 ***Leases***

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

(a) ***As lessee***

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

Right-of-use assets

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

Leasehold land	3 to 38 years
Leasehold building	1 to 5 years
Plant and equipment	5 years
Motor vehicles	5 years

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

Lease liabilities

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.13 ***Leases*** *(cont'd)*

(a) ***As lessee*** *(cont'd)*

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(b) ***As lessor***

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. The accounting policy for rental income is set out in Note 2.26.

2.14 ***Impairment of non-financial assets***

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

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

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.15 ***Financial assets***

Initial recognition and measurement

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

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

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

Subsequent measurement

<u>Debt instruments</u>

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. Debt instruments carried at amortised cost comprise trade receivables, amounts due from subsidiaries, other receivables (excluding prepayments), pledged deposits and cash and bank balances.

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

<u>Investment in equity instrument</u>

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

De-recognition

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.16 ***Cash and cash equivalents***

Cash and cash equivalents comprise cash at bank and on hand, demand deposits and short-term highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.17 ***Impairment of financial assets***

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

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

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

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

2.18 ***Financial liabilities***

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.18 ***Financial liabilities*** *(cont'd)*

Subsequent measurement

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

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

De-recognition

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

2.19 ***Development properties***

Development properties are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Development properties are held as inventories and are measured at the lower of cost and net realisable value.

Net realisable value of development properties is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

The costs of development properties recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

2.20 ***Properties held for sale***

Properties held for sale are completed properties which are intended for sale in the ordinary course of business. They are stated at the lower of cost and net realisable value. Costs capitalised include the purchase price of the properties or cost of land and other directly related development expenditure, including borrowing costs incurred in developing the properties.

2.21 **Inventories**

Inventories are stated at the lower of cost which is determined using the weighted average method and net realisable value. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimate costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.22 ***Borrowing costs***

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.23 ***Provisions***

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

Rectification costs

A provision is recognised for expected claims of rectification costs on completed projects, based on past experience of the level of major repairs. Provisions for rectification costs for the year are charged to cost of sales. The estimate of such provision is revised annually.

Assumptions used to calculate the provision for rectification costs are based on current and historical information available about major repairs based on the defect liability periods for all completed projects.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.24 ***Employee benefits***

(a) ***Defined contribution plans***

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The state pension schemes for Singapore and Malaysia are Central Provident Fund and Employee Provident Fund respectively. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) ***Employees leave entitlement***

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

(c) ***Performance share plan***

Eligible employees of the Group may be granted performance share awards which will be released subject to the completion of service and achievement of prescribed performance targets. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the shares at the date on which the shares are granted. The cost is recognised in the profit or loss, with a corresponding increase in equity.

2.25 ***Taxation***

(a) ***Current income tax***

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

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

(b) ***Deferred tax***

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.25 ***Taxation*** *(cont'd)*

(b) ***Deferred tax*** *(cont'd)*

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

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

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

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.25 ***Taxation*** *(cont'd)*

(c) ***Sales tax***

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

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

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

2.26 ***Revenue***

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

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

(a) ***Construction contracts***

Contract revenue is recognised over time by reference to the Group's progress towards completing the performance obligation in the contract. The measure of progress is determined based on the proportion of contract costs incurred to-date to the estimated total contract costs (input method).

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.

Costs incurred in fulfilling the contract which are within the scope of another SFRS(I) shall be accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will recognise these as contract assets only if (a) these cost relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these cost generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. 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 customer is invoiced on a progressive payment schedule. If the value of the goods and services transferred by the Group exceed the payments, a contract asset is recognised. If the payments exceed the value of the goods and services transferred, a contract liability is recognised.

2. Material accounting policy information *(cont'd)*

2.26 ***Revenue*** *(cont'd)*

(a) ***Construction contracts*** *(cont'd)*

<u>Significant financing component</u>

In determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money for contracts with customers that include a significant financing component. In adjusting for the significant financing component, the Group uses a discount rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception, such that it reflects the credit characteristics of the party receiving financing in the contract.

The Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of good or service to a customer and the payment date is one year or less.

<u>Contract modifications</u>

The Group accounts for contract modifications arising from change orders to modify the scope or price of the contract as separate contracts if the modification adds distinct goods or services at their standalone selling prices. For contract modifications that add distinct goods or services but not at their standalone selling prices, the Group combines the remaining consideration in the original contract with the consideration promised in the modification to create a new transaction price that is then allocated to all remaining performance obligations. For contract modifications that do not add distinct goods or services, the Group accounts for the modification as continuation of the original contract and is recognised as a cumulative adjustment to revenue at the date of modification.

(b) ***Sale of development properties***

The Group develops and sells development properties before completion of construction of the properties.

Revenue is recognised when control over the property has been transferred to the customer, either over time or at a point in time, depending on the contractual terms and the practices in the legal jurisdictions.

For development properties whereby the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

For development properties whereby the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.26 ***Revenue*** *(cont'd)*

(b) ***Sale of development properties*** *(cont'd)*

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relate less the costs that relate directly to providing the goods and that have not been recognised as expenses.

(c) ***Sale of goods***

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied.

(d) ***Interest income***

Interest income is recognised using the effective interest method.

(e) ***Rental income***

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

(f) ***Dividend income***

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

(g) ***Management fees***

Management fees are recognised when services are rendered.

(h) ***Leasing income from solar systems installations***

Revenue is recognised for electricity generated by solar panels and grid-connected systems installed over the lease period.

2.27 ***Share capital and share issuance expenses***

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information *(cont'd)*

2.28 ***Treasury shares***

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if issued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2.29 ***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.

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

2.30 ***Financial guarantee***

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

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.17 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.31 ***Government grants***

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. Significant accounting judgements and estimates

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

3.1 *Judgements made in applying accounting policies*

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

Consolidation of entity in which the Group holds less than a majority of ownership interest

Determining whether the Group has control over an entity requires management judgement. In exercising its judgement, management considers the proportion of its ownership interest and voting rights, and whether it has the practical ability to direct the relevant activities of the entity acquired and its exposure to variable returns.

During the year, the Group acquired 49% equity interest in JSCL Investments Pte Ltd ("JSCL"). Management assessed that the Group has control over JSCL and consolidates the entity in its financial statements, although the Group owns less than half of the ownership interest based on facts and circumstances disclosed in Note 13(d) to the financial statements

3.2 *Key sources of estimation uncertainty*

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

(a) ***Revenue recognition on construction contracts***

The Group recognises contract revenue over time by reference to the Group's progress towards completing the contract work. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs.

Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of construction revenue. Additionally, management is required to evaluate adjustments to contract consideration due to variation works and key material price adjustments. When it is probable that the total contract costs will exceed the total contract consideration, a provision for onerous contracts is recognised immediately.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. Significant accounting judgements and estimates *(cont'd)*

3.2 ***Key sources of estimation uncertainty*** *(cont'd)*

(a) ***Revenue recognition on construction contracts*** *(cont'd)*

Significant judgements are used to estimate these total contract costs to complete and total contract consideration. In making these estimates, management has relied on the expertise of the project directors to determine the progress of the construction and also on past experience of completed projects.

The carrying amounts of contract assets and contract liabilities as well as revenue from construction contracts are disclosed in Note 4 to the financial statements.

(b) ***Provision for expected credit losses (ECLs) of trade receivables and contract assets***

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

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 33(a).

The carrying amount of trade receivables and contract assets are disclosed in Note 4 and Note 19 to the financial statements.

(c) ***Valuation of investment property***

The Group's investment property is stated at its fair value based on valuation performed by an external and independent professional valuer, using valuation methods that include certain estimates (Note 35). The fair value may differ from the price at which the Group's investment property could be sold at a particular time, since actual selling price is negotiated between willing buyers and sellers. Also, certain estimates require an assessment of factors not within the directors' control, such as overall market conditions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. Revenue

	Group	
	2024	**2023**
	$'000	$'000
Revenue from contracts with customers	267,561	235,747
Other revenue:		
– Rental and service income from dormitory (Note 10)	20,354	–
– Management fee from an associate	28	42
– Solar leasing income	1,590	1,508
	289,533	237,297

(a) ***Disaggregation of revenue from contracts with customers***

Segments	**Specialised engineering**		**General construction**		**Property development**		**Green technology**		**Total revenue from contracts with customers**	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Primary geographical markets										
Singapore	46,943	38,930	157,476	51,272	34,568	112,300	3,969	3,064	242,956	205,566
Malaysia	19,070	18,328	–	–	–	–	–	–	19,070	18,328
Thailand	5,535	11,853	–	–	–	–	–	–	5,535	11,853
	71,548	69,111	157,476	51,272	34,568	112,300	3,969	3,064	267,561	235,747
Timing of transfer of goods or services										
At a point in time	723	575	–	–	–	–	569	518	1,292	1,093
Over time	70,825	68,536	157,476	51,272	34,568	112,300	3,400	2,546	266,269	234,654
	71,548	69,111	157,476	51,272	34,568	112,300	3,969	3,064	267,561	235,747

Revenue recognised at a point in time arose from the sale of goods and services.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. Revenue *(cont'd)*

(b) ***Contract assets and contract liabilities***

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

		Group	
	2024	**2023**	**1.1.2023**
	$'000	$'000	$'000
Receivables from contracts with customers	34,900	20,894	12,438
Contract assets:			
Contract assets from construction contracts			
Current			
Unbilled revenue	23,414	21,750	22,587
Retention receivables	6,944	9,478	6,992
Less: Provision for onerous contracts	(100)	(1,456)	(910)
	30,258	29,772	28,669
Non-current			
Retention receivables	16,986	11,104	11,046
	47,244	40,876	39,715
Contract assets from sale of development properties			
Current			
Capitalised fulfilment costs	–	16,728	71,078
Contract assets/(liabilities)	29,989	61,249	(6,918)
	29,989	77,977	64,160
Total contract assets	77,233	118,853	103,875
Presented as:			
– Current	60,247	107,749	92,829
– Non-current	16,986	11,104	11,046
	77,233	118,853	103,875
Contract liabilities:			
Contract liabilities	18,047	23,135	18,701
Add: Provision for onerous contracts	90	547	780
Total contract liabilities	18,137	23,682	19,481

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. Revenue *(cont'd)*

(b) ***Contract assets and contract liabilities*** *(cont'd)*

(i) *Contract assets*

Unbilled revenue primarily relates to the Group's right to consideration for work completed but not yet billed at reporting date for construction contracts. Contract assets are transferred to receivables when the rights become unconditional.

Retention receivables are non-interest bearing, unsecured and relate to construction contracts. Retention receivables are classified as current or non-current based on the contractual terms of the respective construction contracts.

The changes in contract assets are due to the differences between certified work completed and revenue recognised on the construction contracts and movement in allowance for expected credit losses.

Capitalised fulfilment costs relate to land and land related costs of sold units. These capitalised costs are amortised to profit or loss when the related revenue are recognised.

The changes in contract assets from sale of development properties are due to the differences between progress billings and revenue recognised, transfers of land and land related costs within development properties to capitalised fulfilment costs upon sale of development properties and the amortisation of capitalised fulfilment costs to profit or loss.

(ii) *Contract liabilities*

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for construction contracts and sale of development properties. Contract liabilities are recognised as revenue as the Group performs under the contract.

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

	Group	
	2024	**2023**
	$'000	$'000
Revenue recognised from performance obligations satisfied in previous years due to changes in the estimated transaction price	7,298	3,642
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	14,929	15,059

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. **Revenue** *(cont'd)*

(b) ***Contract assets and contract liabilities*** *(cont'd)*

(ii) *Contract liabilities (cont'd)*

Significant changes in provision for onerous contracts are explained as follows:

	Group	
	2024	**2023**
	$'000	$'000
At 1 January	2,003	1,690
Charged to profit or loss	2,392	7,782
Utilisation	(4,205)	(7,469)
At 31 December	190	2,003

(c) ***Capitalised contract costs and fulfilment costs***

	Group	
	2024	**2023**
	$'000	$'000
Capitalised contract costs – commission costs paid to property agents		
At 1 January	1,045	4,439
Amortisation	(1,045)	(3,394)
At 31 December	–	1,045
Capitalised fulfilment costs		
At 1 January	16,728	71,078
Amortisation	(16,728)	(54,350)
At 31 December	–	16,728

(d) ***Transaction price allocated to remaining performance obligation***

The aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance as at 31 December 2024 is $295,800,000 (2023: $473,788,000). The Group expects full transaction price allocated to the unsatisfied obligations as at 31 December 2024 to be recognised as revenue by the financial period ended 2029 (2023: 2029).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. Other operating income

	Group	
	2024	**2023**
	$'000	$'000
Gain on disposal of property, plant and equipment	204	100
Training and testing fees	958	844
Accounting services income	78	96
Rental income from:		
Premises	592	586
Equipment	92	37
Sale of scrap	344	80
Interest income	848	1,178
Government grant income	12	–
Management fee income	113	118
Write-back of payables	204	177
Others	615	715
	4,060	3,931

6. Finance costs

	Group	
	2024	**2023**
	$'000	$'000
Interest expense on:		
Bank loans	4,551	4,671
Lease liabilities	613	408
Loans from non-controlling interests	–	1,258
Accreted interest	266	95
Others	620	973
	6,050	7,405

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. Profit before taxation and fair value change

Profit before taxation and fair value change is stated after charging/(crediting):

	Note	Group 2024	Group 2023
		$'000	$'000
Auditors of the Company:			
Audit fees		301	267
Non-audit fees		46	2
Other auditors		125	82
Amortisation of deferred income		(215)	(207)
Amortisation of capitalised contract costs	4(c)	1,045	3,394
Amortisation of capitalised fulfilment costs	4(c)	16,728	54,350
Depreciation of:			
Property, plant and equipment	11	2,210	2,335
Right-of-use assets	12	1,557	1,015
Impairment loss on property, plant and equipment	11	119	–
Inventories recognised as expenses in cost of sales	22	38,176	32,196
Write-down of inventories	22	13	22
Write-down of properties held for sale	22	12	9
Foreign exchange (gain)/loss		(440)	528
Provision/(write-back provision) for rectification costs	26	1,838	(814)
Provision(write-back) on financial assets:			
Trade receivables	19	2,863	(387)
Contract assets	19	1,224	(95)
Other receivables	23	11,077	(125)
Bad debt written off		261	166
Rental expenses in relation to:			
Premises		1,710	1,642
Equipment		20	18
Machines		2,839	3,193
Employee benefits	31	26,070	24,984
Included in other (income)/expense:			
Gain from provisional bargain purchase	13(d)	(19,797)	–
Gain on disposal of a subsidiary	13(e)	(7,067)	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. Profit before taxation and fair value change *(cont'd)*

Provision/(write-back provision) on financial assets allocated by function are as follows:

	Group	
	2024	**2023**
	$'000	$'000
Other operating costs	15,164	(607)

8. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 December are as follows:

	Group	
	2024	**2023**
	$'000	$'000
Consolidated statement of comprehensive income		
Current income tax:		
– Singapore	2,632	388
– Foreign	–	–
Over provision of income tax in respect of previous years	(388)	(44)
	2,244	344
Deferred income tax:		
Origination and reversal of temporary differences	505	2,669
Over provision of deferred tax in respect of previous years	–	(39)
	505	2,630
Income tax expense recognised in profit or loss	2,749	2,974

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

8. Income tax expense *(cont'd)*

Relationship between income tax expense and accounting profit

A reconciliation between income tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December are as follows:

	Group	
	2024	**2023**
	$'000	$'000
Profit before taxation	22,681	10,918
Tax at the domestic rates applicable to profits in the countries where the Group operates	3,530	1,344
Adjustments:		
Income not subject to tax	(3,448)	(25)
Over provision of income tax in respect of previous years	(388)	(44)
Over provision of deferred tax in respect of previous years	–	(39)
Benefits from previously unrecognised tax losses and capital allowances	(1,373)	(1,133)
Non-deductible expenses	1,401	735
Effect of partial tax exemption	(117)	(27)
Deferred tax assets not recognised	3,132	2,322
Share of results of associates and joint ventures	12	(159)
Income tax expense recognised in profit or loss	2,749	2,974

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

The Group has unutilised tax losses and capital allowances of approximately $48,958,000 and $1,762,000 (2023: $50,574,000 and $3,037,000) respectively that are available for offset against future taxable profits of the companies in which these arose for which no deferred tax asset is recognised due to the uncertainty of its recoverability. The use of these tax losses and capital allowances are subject to agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. The tax losses and capital allowances have no expiry date.

9. Earnings per share

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

The basic and diluted earnings per share for the financial years ended 31 December 2024 and 2023 are the same as there were no potential dilutive ordinary shares in existence.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. Earnings per share *(cont'd)*

The following reflects the profit or loss and share data used in the computation of basic and diluted loss per share for the years ended 31 December:

	2024	**2023**
	$'000	$'000
Profit attributable to equity holders of the Company used in computation of basic and diluted earnings per share	21,128	6,376
	Number of shares	**Number of shares**
	'000	'000
Weighted average number of ordinary shares for basic and diluted earnings per share computation	322,386	322,386

As at the end of the financial year, there were no unissued shares of the Company under option.

10. Investment property

	Group 2024
	$'000
Statement of financial position:	
At 1 January	–
Acquisition of a subsidiary (Note 13(d))	82,489
Additions	119
Fair value loss recognised in profit or loss	(4,659)
At 31 December	77,949
Statement of comprehensive income:	
Rental income from investment property (Note 4)	20,354
Direct operating expenses (including repairs and maintenance) arising from rental generating properties	(4,487)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

10. Investment property *(cont'd)*

Valuation of investment property

Investment property is stated at fair value, which has been determined based on valuations performed as at 31 December 2024. The valuations were performed by an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued.

Details of valuation techniques and inputs used are disclosed in Note 35.

Reconciliation of fair value measurement to valuation report:

	Group 2024 $'000
Fair value of investment property based on valuation report	59,400
Add: Carrying amount of right-of-use asset – leasehold land	12,995
Add: Provision for reinstatement costs	5,554
Carrying amount of investment property	77,949

Properties pledged as security

The investment property is mortgaged to secure bank borrowings (Note 27).

Details of the Group's investment property

Location	Description/ existing use	Tenure
21- 29 Kaki Bukit Avenue 3 and 31 - 39 Kaki Bukit Avenue 3, Homestay Lodge	6 blocks of 7 storey and 1 block of 6 storey dormitory; 2 single storey and 3 storey amenities buildings and a 2 storey administration block	Leasehold with 30 years lease from 1999

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

11. Property, plant and equipment

Group	Plant and equipment $'000	Freehold land $'000	Freehold building $'000	Leasehold properties $'000	Motor vehicles $'000	Other assets $'000	Total $'000
Cost							
At 1 January 2023	47,438	4,499	3,195	14,315	3,505	3,034	75,986
Additions	855	–	–	–	123	107	1,085
Disposals	–	–	–	–	(363)	–	(363)
Transfer (to)/from right-of-use assets (Note 12)	(746)	–	–	–	287	–	(459)
Exchange differences	(456)	(251)	(184)	–	(99)	(81)	(1,071)
At 31 December 2023 and 1 January 2024	47,091	4,248	3,011	14,315	3,453	3,060	75,178
Additions	105	61	–	–	72	279	517
Disposals	(740)	–	–	–	(298)	–	(1,038)
Transfer from right-of-use assets (Note 12)	9	–	–	–	27	–	36
Disposal of a subsidiary (Note 13(e))	(1,925)	–	–	–	(36)	(353)	(2,314)
Acquisition of a subsidiary (Note 13(d))	–	–	–	–	–	67	67
Exchange differences	485	247	180	–	106	89	1,107
At 31 December 2024	45,025	4,556	3,191	14,315	3,324	3,142	73,553
Accumulated depreciation and impairment loss							
At 1 January 2023	37,193	–	50	2,472	3,253	2,319	45,287
Depreciation charge	1,545	–	104	341	105	240	2,335
Disposals	–	–	–	–	(360)	–	(360)
Transfer (to)/from right-of-use assets (Note 12)	(648)	–	–	–	241	–	(407)
Exchange differences	(419)	–	(5)	–	(98)	(59)	(581)
At 31 December 2023 and 1 January 2024	37,671	–	149	2,813	3,141	2,500	46,274
Depreciation charge	1,332	–	106	341	124	307	2,210
Disposals	(740)	–	–	–	(298)	–	(1,038)
Transfer from right-of-use assets (Note 12)	6	–	–	–	27	–	33
Impairment loss	–	–	–	–	–	119	119
Disposal of a subsidiary (Note 13(e))	(1,735)	–	–	–	(33)	(297)	(2,065)
Exchange differences	474	–	11	–	107	75	667
At 31 December 2024	37,008	–	266	3,154	3,068	2,704	46,200
Net carrying amount							
At 31 December 2023	9,420	4,248	2,862	11,502	312	560	28,904
At 31 December 2024	8,017	4,556	2,925	11,161	256	438	27,353

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

11. Property, plant and equipment *(cont'd)*

Company	**Plant and equipment** $'000	**Leasehold property** $'000	**Motor vehicles** $'000	**Other assets** $'000	**Total** $'000
Cost					
At 1 January 2023	–	14,315	297	189	14,801
Additions	235	–	–	4	239
At 31 December 2023 and 1 January 2024	235	14,315	297	193	15,040
Additions	–	–	–	101	101
At 31 December 2024	235	14,315	297	294	15,141
Accumulated depreciation					
At 1 January 2023	–	2,472	140	167	2,779
Depreciation charge	6	341	38	15	400
At 31 December 2023 and 1 January 2024	6	2,813	178	182	3,179
Depreciation charge	24	341	39	15	419
At 31 December 2024	30	3,154	217	197	3,598
Net carrying amount					
At 31 December 2023	229	11,502	119	11	11,861
At 31 December 2024	205	11,161	80	97	11,543

Transfer from right-of-use assets

The transfer represents assets that had been previously used under lease agreements and were transferred to the Group at the end of the lease term, now used as its own property, plant and equipment.

Transfer to right-of-use assets

The transfer represents property, plant and equipment that were refinanced under a new lease agreement in the current financial year.

Other assets

Other assets comprise furniture and fittings, office equipment, air-conditioners, computers and renovation works.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

11. Property, plant and equipment *(cont'd)*

Purchase of property, plant and equipment

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of $517,000 (2023: $1,085,000). The cash outflow on acquisition of property, plant and equipment amounted to $517,000 (2023: $1,085,000).

Impairment of assets

During the financial year, management carried out a review of the carrying value of property, plant and equipment for indication of impairment. An impairment loss of $119,000 was recognised in "Other operating costs" line item of statement of comprehensive income for the financial year ended 31 December 2024, representing the write-down of renovation costs of an office building in Malaysia.

Assets pledged as securities

As at 31 December 2024, the Group has freehold and leasehold properties with a carrying amount of $16,094,000 (2023: $16,262,000) are mortgaged as securities for the banking facilities (Note 27).

Details of the Group's freehold and leasehold properties

Location	**Description/ existing use**	**Tenure**
Lot 2045, Sungai Rambai, Mukim Telok Panglima Garang, 42500 Telok Panglima Garang, Selangor, Malaysia	Light industrial land	Freehold
Lot Ptd 72658, Jalan Kampung Maju Jaya, Kampung Seelong Jaya, 81400 Senai, Johor, Malaysia	Single storey detached factory	Freehold
50 Changi South Street 1, BBR Building, Singapore 486126	3 storey detached factory building (office and warehouse)	Leasehold with 30 + 30 years lease from 1997

12. Leases

As lessee

The Group has lease contracts for leasehold land and buildings, plant and equipment, and motor vehicles used in its operations. The Group's obligations under these leases are secured by the lessor's title to the leased assets or leased assets pledged as security. The Group is restricted from assigning and subleasing the leased assets. The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value.

The Group also leases a leasehold land under operating lease from Jurong Town Corporation and makes monthly lease payments for the leasehold land. The right-of-use of the land is classified as an investment property (Note 10). The right-of-use asset relating to the leasehold land presented under investment property is stated at fair value and has a carrying amount of $12,995,000 (2023: Nil) as at financial year end.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. Leases *(cont'd)*

As lessee *(cont'd)*

(a) ***Carrying amounts of right-of-use assets***

Group	Leasehold land $'000	Leasehold buildings $'000	Plant and equipment $'000	Motor vehicles $'000	Total $'000
Cost					
At 1 January 2023	2,432	1,226	1,138	968	5,764
Additions	2,122	268	442	254	3,086
Disposals	–	(94)	–	–	(94)
Transfer from/(to) property, plant and equipment (Note 11)	–	–	746	(287)	459
Exchange differences	–	(63)	(14)	(36)	(113)
At 31 December 2023 and 1 January 2024	4,554	1,337	2,312	899	9,102
Additions	–	85	1,999	–	2,084
Transfer to property, plant and equipment (Note 11)	–	–	(9)	(27)	(36)
Disposal of a subsidiary (Note 13(e))	–	(82)	(1,969)	(191)	(2,242)
Exchange differences	–	77	96	24	197
At 31 December 2024	4,554	1,417	2,429	705	9,105
Accumulated depreciation and impairment loss					
At 1 January 2023	430	965	882	462	2,739
Depreciation charge	548	212	96	159	1,015
Disposals	–	(94)	–	–	(94)
Transfer from/(to) property, plant and equipment (Note 11)	–	–	648	(241)	407
Exchange differences	–	(53)	(1)	(24)	(78)
At 31 December 2023 and 1 January 2024	978	1,030	1,625	356	3,989
Depreciation charge	842	216	319	180	1,557
Transfer to property, plant and equipment (Note 11)	–	–	(6)	(27)	(33)
Disposal of a subsidiary (Note 13(e))	–	(23)	(1,754)	(117)	(1,894)
Exchange differences	–	67	91	17	175
At 31 December 2024	1,820	1,290	275	409	3,794
Net carrying amount					
At 31 December 2023	3,576	307	687	543	5,113
At 31 December 2024	2,734	127	2,154	296	5,311

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. Leases *(cont'd)*

As lessee *(cont'd)*

(a) ***Carrying amounts of right-of-use assets*** *(cont'd)*

Company	**Leasehold land** $'000
Cost	
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	2,181
Accumulated depreciation	
At 1 January 2023	380
Depreciation charge	52
At 31 December 2023 and 1 January 2024	432
Depreciation charge	52
At 31 December 2024	484
Net carrying amount	
At 31 December 2023	1,749
At 31 December 2024	1,697

(b) ***Lease liabilities***

	Group		**Company**	
	2024 $'000	**2023** $'000	**2024** $'000	**2023** $'000
Current	4,011	1,695	29	28
Non-current	13,813	4,701	1,932	1,961
	17,824	6,396	1,961	1,989

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. Leases *(cont'd)*

As lessee *(cont'd)*

(b) ***Lease liabilities*** *(cont'd)*

Reconciliation of liabilities arising from financing activities

A reconciliation of liabilities arising from financing activities is as follows:

			Non-cash items					
Group	**2023**	**Cash flows**	**Accretion of interest**	**New leases**	**Acquisition of a subsidiary (Note 13(d))**	**Loss of control in a subsidiary (Note 13(e))**	**Other**	**2024**
	$'000	$'000	$'000	$'000	$'000		$'000	$'000
Lease liabilities								
– Current	1,695	(4,028)	613	1,123	1,351	–	3,257	4,011
– Non-current	4,701	–	–	961	12,995	(1,615)	(3,229)	13,813
	6,396	(4,028)	613	2,084	14,346	(1,615)	28	17,824

			Non-cash items			
Group	**2022**	**Cash flows**	**Accretion of interest**	**New leases**	**Other**	**2023**
	$'000	$'000	$'000	$'000	$'000	$'000
Lease liabilities						
– Current	854	(3,334)	408	784	2,983	1,695
– Non-current	3,007	–	–	2,302	(608)	4,701
	3,861	(3,334)	408	3,086	2,375	6,396

The 'other' column relates to reclassification of non-current portion of lease liabilities due to passage of time and foreign exchange movements.

The maturity analysis of lease liabilities is disclosed in Note 33(b).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. Leases *(cont'd)*

As lessee *(cont'd)*

(c) ***Amounts recognised in consolidated statement of comprehensive income***

	Group	
	2024	**2023**
	$'000	$'000
Depreciation of right-of-use assets	1,557	1,015
Interest expense on lease liabilities	613	408
Lease expense not capitalised in lease liabilities:		
– Expenses relating to short-term leases (included in cost of sales and other operating expenses)	4,549	4,835
– Expenses relating to leases of low value assets (included in administrative and other expenses)	20	18

(d) ***Total cash outflow***

The Group had total cash outflows for leases of $4,028,000 in 2024 (2023: $3,334,000). The Group also had non-cash additions to right-of-use assets and lease liabilities of $2,084,000 (2023: $3,086,000) during the financial year ended 31 December 2024.

(e) ***Extension options***

The Group has several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension options are reasonably certain to be exercised.

(f) ***Variable lease payments that depend on an index or rate***

The Group has lease contract that contain variable lease payments arising from rent adjustments by Jurong Town Corporation ("JTC"). The rent will be revised to the prevailing JTC's posted rates with a 5.5% escalation cap annually.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. Leases *(cont'd)*

As lessor

The Group has entered into various non-cancellable lease commitments in respect of office premises and solar leasing projects for a period of up to 25 years. The leases have varying terms and renewal rights.

The Group also leases dormitory space to non-related parties under non-cancellable rental agreements. The lessees are required to pay the rental per dormitory bed on a monthly basis over the lease period.

Lease income recognised in profit or loss during the year amounted to $22,628,000 (2023: $2,131,000).

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

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Less than one year	17,481	1,511	203	203
One to two years	2,157	1,511	105	203
Two to three years	1,376	1,413	–	105
Three to four years	1,376	1,308	–	–
Four to five years	1,376	1,308	–	–
More than five years	9,409	10,276	–	–
	33,175	17,327	308	511

13. Investments in subsidiaries

	Company	
	2024	**2023**
	$'000	$'000
Unquoted shares, at cost *	103,816	103,832
Impairment losses	(48,318)	(45,784)
Carrying amount	55,498	58,048

* Includes $109,000 which arose from performance shares of the Company granted in 2011 under the BBR Share Plan to the employees of the subsidiaries, for which the share-based compensation expense had not been charged to the respective subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. Investments in subsidiaries *(cont'd)*

(a) ***Composition of the Group***

Details of subsidiaries at the end of the financial year are as follows:

Name of company	Proportion of ownership interest 2024 %	2023 %	Country of incorporation	Cost of investment 2024 $'000	2023 $'000	Principal activities
Held by the Company						
BBR Construction Systems Pte. Ltd. (1)	100	100	Singapore	55,012	55,012	Structural engineering and design and build services
BBR Construction Systems (M) Sdn. Bhd. (2)	100	100	Malaysia	5,908	5,908	Structural engineering and design and build services and investment holding
BBR Development Pte. Ltd. (1)	100	100	Singapore	1,000	1,000	Property development and investment holding
BBR Piling Pte. Ltd. (1)	100	100	Singapore	5,450	5,450	Bored piling works
Singapore Engineering & Construction Pte. Ltd. (1)	100	100	Singapore	28,912	28,912	General building, civil and structural engineering, renovation and retro-fitting and investment holding
BBR Greentech Pte. Ltd. (1)	100	100	Singapore	1,700	950	System integration and distribution of renewable energy
Moderna Homes Pte. Ltd. (1)	100	100	Singapore	1,949	1,949	Design and assembly of prefabricated buildings
Singa Development Pte. Ltd. (1)	100	100	Singapore	3,327	3,327	Building contractors, project and contract managers for all kinds of building and civil engineering works
Siam-BBR Co., Ltd (3)	100	100	Thailand	432	432	Dormant
Siam BBR Systems Co., Ltd	–*	49*	Thailand	–	766	Structural engineering and design and build services
Moderna Homes (HK) Limited (4)	100	100	Hong Kong	17	17	Design and assembly of prefabricated buildings
Alika Investments Pte. Ltd. (1)	100	100	Singapore	#	#	Investment holding
				103,707	103,723	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. Investments in subsidiaries *(cont'd)*

(a) ***Composition of the Group*** *(cont'd)*

Name of company	Proportion of ownership interest 2024 %	2023 %	Country of incorporation	Principal activities
Held by BBR Construction Systems (M) Sdn. Bhd.				
Strengthened Soil Wall (M) Sdn. Bhd. (2)	100	100	Malaysia	Building contractor
Held by BBR Development Pte. Ltd.				
BBR Property Pte. Ltd. (1)	100	100	Singapore	Investment holding
Alika Properties Pte. Ltd. (1)	62	62	Singapore	Property development
Held by Moderna Homes Pte. Ltd.				
BBR Modular Construction Sdn. Bhd. (2)	100	100	Malaysia	Assembly of prefabricated buildings
Held by Alika Investments Pte. Ltd.				
Alika Kaki Bukit Holdings Pte. Ltd. (1)	100	100	Singapore	Investment holding
Held by Alika Kaki Bukit Holdings Pte. Ltd.				
JSCL Investments Pte. Ltd. (5)	49	–	Singapore	Property investment

(1) Audited by Ernst & Young LLP, Singapore.
(2) Audited by member firms of EY Global in the respective countries.
(3) Audited by Audit Wise Co., Ltd.
(4) Not required to be audited.
(5) Audited by PricewaterhouseCoopers LLP, Singapore.
* Notwithstanding that the Group holds less than 50% of the voting power in Siam BBR Systems Co., Ltd, the Group controls the company by virtue of its representation of the board of the company or through its participation in business/policy-making processes in the company. The subsidiary was subsequently disposed on 26 December 2024. (Note 13(e)).
\# Amount less than $1,000.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. Investments in subsidiaries *(cont'd)*

(b) ***Impairment losses on investments in subsidiaries***

Analysis of impairment losses on investments in subsidiaries are as follows:

	Company	
	2024	**2023**
	$'000	$'000
At 1 January	45,784	43,851
Charged to profit or loss	3,300	1,933
Written off	(766)	–
At 31 December	48,318	45,784

During the financial year, an impairment loss of $3,300,000 (2023: $1,933,000) was recognised as a result of an assessment performed on the recoverable amounts of the investments in certain subsidiaries.

The recoverable amounts of the subsidiaries have been determined based on value-in-use calculations using the cash flow projections from financial budgets approved by management. The cash flow projections were based on potential contracts and forecasted growth of the subsidiaries, pre-tax discount rate of 9.5% (2023: 9.5%) and a terminal growth rate of 1% (2023: 1%).

(c) ***Interest in subsidiaries with material non-controlling interests ("NCI")***

The Group has the following subsidiary that have NCI that are material to the Group:

Name of subsidiary	**Principal place of business**	**Proportion of ownership interest held by NCI**	**Profit/(loss) allocated to NCI during the reporting period** $'000	**Accumulated NCI at the end of reporting period** $'000
31 December 2024				
Alika Properties Pte. Ltd.	Singapore	38%	836	1,119
31 December 2023				
Alika Properties Pte. Ltd.	Singapore	38%	4,967	283
Siam BBR Systems Co., Ltd	Thailand	51%	(3,397)	(5,331)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. Investments in subsidiaries *(cont'd)*

(c) ***Interest in subsidiaries with material non-controlling interests ("NCI")*** *(cont'd)*

Summarised financial information about subsidiary with material NCI

Summarised financial information including consolidation adjustments but before intercompany eliminations of subsidiaries with material NCI are as follows:

	Alika Properties Pte. Ltd.		Siam BBR Systems Co., Ltd
	2024	**2023**	**2023**
	$'000	$'000	$'000
Summarised statement of financial position			
Current assets	176,037	184,529	19,787
Current liabilities	(138,804)	(149,723)	(30,119)
Net current assets	37,233	34,806	(10,332)
Non-current assets	–	291	1,247
Non-current liabilities	(34,289)	(34,352)	(1,368)
Net asset/(liabilities)	2,944	745	(10,453)
Summarised statement of comprehensive income			
Revenue	34,568	112,300	11,852
Profit/(loss) before taxation	2,704	15,702	(6,667)
Income tax expense	(505)	(2,630)	–
Profit/(loss) for the year	2,199	13,072	(6,667)
Other comprehensive income for the year	–	–	6
Total comprehensive income for the year	2,199	13,072	(6,661)
Other summarised information			
Net cash generated from/(used in) operating activities	42,005	3,755	(2,008)
Net cash generated from investing activities	–	–	2,759
Net cash used in financing activities	(10,334)	(8,053)	(745)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. Investments in subsidiaries *(cont'd)*

(d) ***Acquisition of subsidiary – JSCL Investments Pte. Ltd.***

On 29 March 2024, the Company through its wholly owned subsidiary, Alika Kaki Bukit Holdings Pte. Ltd. ("Alika Kaki Bukit") entered into a sale and purchase agreement with Tuckman Limited (the "Vendor") for the acquisition of 49% of the issued and paid-up capital of JSCL Investments Pte. Ltd. ("JSCL") for a base consideration of $14,336,000.

Pursuant to a shareholders' agreement entered into between Alika Kaki Bukit and the Vendor on 29 March 2024 (the "Shareholders' Agreement"), Alika Kaki Bukit shall provide a loan for the amount of $10,000,000 ("Loan Amount") to the Vendor (the "Loan"), for which repayment of principal and interest shall be repaid by way of assignment of all dividends distribution declared by JSCL in favour of the Vendor (the "Vendor Distributions") to Alika Kaki Bukit, subject to, inter alia, the availability of profits and other terms of the Shareholders' Agreement. In the event that the Vendor Distributions are insufficient to repay the Loan by the repayment date on 30 June 2029, such portion of the Loan Amount (and all Interest accrued thereon) remaining unpaid will be deemed irrevocably waived and discharged automatically.

The principal activity of JSCL is that of property investment and it owns Homestay Lodge, a dormitory located at Kaki Bukit Avenue, Singapore. The operations, management, marketing and maintenance of the dormitory are undertaken by the dormitory operator. The Group intends to diversify its existing business to include the accommodation business, comprising owning, developing, constructing, managing and operating accommodation assets such as dormitories, purpose-built workers' accommodation, student accommodation and other similar accommodation assets in geographical markets where the Group has a presence or operates in.

The acquisition was completed on 5 June 2024.

On completion, the Group consolidates JSCL as a subsidiary as it has control over JSCL though its entitlement to all of JSCL's economic interests, the variable returns it receives from its involvement and its capacity to influence those returns through its governing power.

Based on the identifiable net assets of JSCL on completion date, the Group recognised a provisional bargain purchase (or negative goodwill) of $19,797,000 as the purchase price allocation exercise for this acquisition is currently in progress, net of transaction costs of $611,000 related to the acquisition.

The provisional bargain purchase recognised represents an excess of the fair value of the identifiable net assets of the subsidiary acquired over the sum of the consideration transferred and have been recognised as a provisional gain from bargain purchase in profit or loss within "Other income/(expense)."

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. Investments in subsidiaries *(cont'd)*

(d) ***Acquisition of subsidiary – JSCL Investments Pte. Ltd.*** *(cont'd)*

Details of the consideration paid, the assets acquired and liabilities assumed and the effects on the cash flows of the Group, at the acquisition date, are as follows:

		Note	5.6.2024 $'000
(i)	Purchase consideration		
	Cash paid		14,336
	Loan payable to Vendor	26	10,000
	Total purchase consideration		24,336
(ii)	Effect on cash flows of the Group		
	Cash paid (as above)		14,336
	Add: Transaction costs		611
	Less: Cash and cash equivalents of subsidiary acquired		(2,344)
	Net cash outflow on acquisition, net of transaction costs		12,603
(iii)	Identifiable assets acquired and liabilities assumed		
	Investment property	10	82,489
	Property, plant and equipment	11	67
	Trade and other receivables		752
	Restricted cash		2,153
	Cash and cash equivalents		2,344
	Total assets		87,805
	Trade and other payables		185
	Other liabilities		6,315
	Provisions	26	6,278
	Lease liabilities	12	14,346
	Loans and borrowings	27	12,415
	Income tax payables		3,522
	Total liabilities		43,061
	Total identifiable net assets		44,744
	Less: Total purchase consideration		(24,336)
	Transaction costs		(611)
	Provisional gain on bargain purchase		19,797

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. Investments in subsidiaries *(cont'd)*

(e) ***Disposal of a subsidiary – Siam BBR Systems Co., Ltd***

On 26 December 2024, the Group entered into a sale and purchase agreement for the disposal of 196,000 ordinary shares in the share capital of Siam BBR Systems Co., Ltd. ("Siam BBR"), representing an aggregate of 49% of the issued and paid-up share capital of Siam BBR, for a total cash consideration of THB 19,600 (approximately $774).

The disposal was completed on 26 December 2024 and the Group lost control of the subsidiary on that date.

The value of assets and liabilities of Siam BBR at the date of disposal, and the effects of the disposal were:

		Note	26.12.2024 $'000
(i)	Carrying amounts of assets and liabilities		
	Property, plant and equipment	11	249
	Right-of-use assets	12	348
	Inventories		30
	Trade receivables		4,588
	Other receivables		663
	Contract assets		1,448
	Cash and cash equivalents		307
	Total assets		7,633
	Contract liabilities		883
	Trade and other payables		8,773
	Other liabilities		11,132
	Lease liabilities	12	1,615
	Loans and borrowings	27	176
	Total liabilities		22,579
	Net liabilities derecognised		(14,946)
	Less: Non-controlling interests		7,622
	Net liabilities disposed of		(7,324)
(ii)	Effect on cash flows of the Group		
	Cash consideration		1#
	Less: Transaction costs		(30)
	Cash and cash equivalents of the subsidiary disposed		(307)
	Net cash outflow on disposal of a subsidiary		(336)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. Investments in subsidiaries *(cont'd)*

(e) ***Loss of control in subsidiary - Siam BBR Systems Co., Ltd*** *(cont'd)*

	26.12.2024 $'000
(iii) Effects on the disposal	
Cash received	1#
Net liabilities derecognised (as above)	7,324
Cumulative exchange differences in respect of the net liabilities of the subsidiary reclassified from equity on the disposal of subsidiary	(228)
Transaction costs	(30)
Gain on disposal of a subsidiary	7,067
Less: Loss allowance on amounts due from Siam BBR	(8,494)
Loss allowance on corporate guarantee provided to Siam BBR	(276)
Net loss on the disposal	(1,703)

Amount less than $1,000

At date of disposal, the total amount due and payable by Siam BBR to the Group amounted to $8,494,000 (Note 23). Pursuant to the terms of the sale and purchase agreement, Siam BBR shall repay the amounts due within 180 days after 26 December 2024.

In addition, the Group has granted corporate guarantees and securities in favour of certain banks and lenders as security for existing loan facility agreements and hire purchase agreements obtained by Siam BBR, of an aggregate amount of approximately $276,000 which represent the outstanding amounts owing by Siam BBR to these banks and lenders.

At the time of disposal, there were ongoing discussions by one of the remaining shareholders of Siam BBR with a new potential investor to raise capital for the entity and that part of the funds received will be used for repayment of the amounts owing to the Group.

For the financial year ended 31 December 2024, the Group performed assessment on the recoverability of amounts due from Siam BBR and its exposure on the corporate guarantee and securities provided. A loss allowance totalling $8,770,000 have been recognised in the "Other operating costs" and "Other income/(expense)" line items in the Group's profit or loss for the year ended 31 December 2024 given the uncertainty in collection and the investment from the potential investor has not materialised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

14. Investments in joint ventures

	Group	
	2024	**2023**
	$'000	$'000
Unquoted shares, at cost	315	319
Share of post-acquisition reserves	424	357
Exchange differences	4	(4)
Carrying amount	743	672

Distribution of profits of $13,000 (2023: $5,906,000) were received from joint ventures during the financial year ended 31 December 2024.

Details of joint ventures at the end of the financial year are as follows:

Name of company	Proportion of ownership interest 2024 %	2023 %	Country of incorporation	Principal activities
Held by Singapore Engineering & Construction Pte. Ltd.				
Singapore Piling – Shincon JV (1)	51	51	Singapore	Design and construction of covered linkways
Singapore E&C – Shincon JV (1)	50	50	Singapore	Provision of civil engineering and infrastructure works
Held by BBR Property Pte. Ltd.				
Northern Development Pte. Ltd. (2)	50	50	Singapore	Investment holding for property development
Held by Northern Development Pte. Ltd.				
NorthernOne Development Pte. Ltd. (2)	50.1	50.1	Singapore	Investment holding for property development
Held by NorthernOne Development Pte. Ltd.				
Northern Resi Pte. Ltd. (2)	100	100	Singapore	Residential property development
Held by BBR Construction Systems (M) Sdn. Bhd.				
Global Eco BBR Joint Venture Sdn. Bhd. (3)	30	30	Malaysia	Construction of bridges including elevated highways

(1) An unincorporated partnership
(2) Audited by Ernst & Young LLP, Singapore
(3) Audited by member firms of EY Global in the respective countries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. Investment in a joint operation

The Group has interest in an incorporated joint arrangement. The Group has classified the joint arrangement as joint operation and recognised in relation to its interest in the joint operation, its share of assets held jointly and liabilities incurred jointly. The details of the joint operation as at 31 December 2024 and 2023 are as follows:

Name of joint arrangement	Proportion of ownership interest 2024 %	Proportion of ownership interest 2023 %	Country of incorporation	Principal activities
Held by Singapore Engineering & Construction Pte. Ltd.				
Sinohydro-Singapore Engineering & Construction Joint Venture [1]	50	50	Singapore	Provision of civil engineering

(1) Audited by Ernst & Young LLP, Singapore

16. Investments in an associate

	Group 2024 $'000	Group 2023 $'000	Company 2024 $'000	Company 2023 $'000
BBR Philippines Corporation	2,243	2,225	260	260

Details of the associate at the end of the financial year are as follows:

Name of company	Proportion of ownership interest 2024 %	Proportion of ownership interest 2023 %	Country of incorporation	Principal activities
Held by the Company				
BBR Philippines Corporation [1]	40	40	Philippines	Structural engineering

(1) Audited by Oroceo, Dimandal & Co. Cpa's

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

16. Investments in an associate *(cont'd)*

The summarised financial information in respect of the significant associate, based on its SFRS(I) financial statements, and the reconciliation with the carrying amount of the investments in the consolidated financial statements are as follows:

	BBR Philippines Corporation	
	2024	**2023**
	$'000	$'000
Summarised statement of financial position		
Non-current assets	1,441	1,175
Current assets	4,831	5,654
Total assets	6,272	6,829
Current liabilities	665	1,268
Total liabilities	665	1,268
Net assets	5,607	5,561
Proportion of the Group's ownership	40%	40%
Carrying amount of investment in an associate	2,243	2,225
Summarised statement of comprehensive income		
Revenue	3,387	11,926
Cost of sales	(2,389)	(7,289)
Operating expenses	(699)	(1,743)
Profit before taxation	299	2,894
Income tax expense	(89)	(758)
Profit for the year	210	2,136
Other comprehensive income for the year	(165)	(90)
Total comprehensive income for the year	45	2,046
Proportion of the Group's ownership	40%	40%
Group's share of profit for the year	18	818
Group's share of profit of other associates	–	(6)
Group's share of profit for the year, representing the Group's share of total comprehensive income for the year	18	812

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

17. Investment securities

	Group	
	2024	**2023**
	$'000	$'000
At fair value through profit or loss		
– Unquoted equity securities	–	–
– Quoted equity securities	10	10
	10	10

Unquoted equity securities relate to the following:

(i) 33.3% (2023: 33.3%) equity interest in a Korea incorporated company, whose principal activities are those of the construction, operation and collection of tolls for expressway. This company was formed pursuant to a joint venture agreement between Singapore Engineering & Construction Pte. Ltd., a wholly-owned subsidiary of the Company, and two other consortium parties. As the Group does not exercise any significant influence over the financial and operating policy decisions of this Korean company, the equity interest has been accounted for as financial assets at fair value through profit or loss. In the previous financial years, the Group had recognised a fair value loss of $2,981,000.

(ii) 1% (2023: 1%) equity interest held via Singapore Engineering & Construction Pte. Ltd. in Takenaka-Singapore Piling JV, an unincorporated and fully integrated jointly controlled entity in Singapore to undertake restoration works to the former Supreme Court and City Hall buildings. In the previous years, the Group had recognised a fair value loss of $1,000,000.

Quoted equity securities relate to ordinary shares listed on Bursa Malaysia.

18. Deferred tax

	Group	
	2024	**2023**
	$'000	$'000
Deferred tax assets	–	291
Deferred tax liabilities	(214)	–
Net deferred tax (liabilities)/assets	(214)	291

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

18. Deferred tax *(cont'd)*

Deferred tax as at 31 December relates to the following:

	Group			
	Consolidated statement of financial position		Consolidated statement of comprehensive income	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Deferred tax assets				
Unutilised tax losses	3,208	291	(2,917)	2,630
Properties held for sale	1,676	–	(1,676)	–
	4,884	291	(4,593)	2,630
Deferred tax liabilities				
Deferred development profits	(5,098)	–	5,098	–
Net deferred tax (liabilities)/assets	(214)	291		
Deferred income tax expense (Note 8)			505	2,630

<u>Tax consequences of proposed dividends</u>

There are no income tax consequences attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 37).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

19. Trade receivables

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Trade receivables				
– External parties	40,911	24,100	–	–
– Less: Allowance for expected credit losses	(6,011)	(3,206)	–	–
	34,900	20,894	–	–
Goods and services tax receivable	42	706	–	–
Total trade receivables	34,942	21,600	–	–
Less:				
– Goods and services tax receivable	(42)	(706)	–	–
Add:				
– Amounts due from subsidiaries (Note 20)	–	–	21,167	3,614
– Other receivables, excluding prepayments (Note 23)	1,693	6,486	1,973	668
– Cash and bank balances (Note 24)	83,636	62,968	329	826
Total financial assets carried at amortised cost	120,229	90,348	23,469	5,108

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

Expected credit losses

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

	Group	
	Trade receivables	**Contract assets**
	$'000	$'000
At 1 January 2023	3,784	2,881
Write-back for the year	(387)	(95)
Exchange differences	(191)	(109)
At 31 December 2023 and 1 January 2024	3,206	2,677
Charge for the year	2,863	1,224
Written-off	(18)	(19)
Acquisition of a subsidiary	25	–
Disposal of a subsidiary	(209)	(105)
Exchange differences	144	97
At 31 December 2024	6,011	3,874

NOTES TO THE FINANCIAL STATEMENTS

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19. Trade receivables *(cont'd)*

Trade receivables and payables subject to offsetting arrangements

The Group's trade receivables and trade payables in the statement of financial position as at 31 December that can be subject to offsetting arrangements are as follows:

	Note	Gross carrying amounts $'000	Gross amounts offset $'000	Net amounts $'000
2024				
Trade receivables - third party	a	–	–	–
Trade payables	b	7,215	(2,702)	4,513
2023				
Trade receivables - third party	a	20	(19)	1
Trade payables	b	2,674	(956)	1,718

(a) The Group purchases construction raw materials from its customer for project purposes. The customer has an arrangement to settle the net amounts payable to the Group on a 60 days' term basis.

(b) Suppliers are back charged for work performed on their behalf and purchased construction raw materials from the Group via a customer for project purposes. The Group has an arrangement to settle the net amounts payable to these suppliers on a 30 to 60 days' term basis.

20. Amounts due from/(to) subsidiaries

	Company 2024 $'000	Company 2023 $'000
Amounts due from subsidiaries	26,146	13,788
Less: Allowance for expected credit losses	(4,979)	(10,174)
	21,167	3,614
Amounts due to subsidiaries	(26,366)	(15,002)

The amounts due from/(to) subsidiaries are non-trade related, unsecured, non-interest bearing, repayable on demand and are to be settled in cash, except for $2,710,000 (2023: $5,383,000) of amounts due from subsidiaries that bear interest ranging from 4.5% to 6.7% (2023: 4.5% to 6.7%) per annum and $3,400,000 (2023: $3,400,000) of amounts due to subsidiaries that bear interest at an average interest rate of 4.06% (2023: 4.06%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

20. Amounts due from/(to) subsidiaries *(cont'd)*

Expected credit losses

The movement in allowance for expected credit losses of amounts due from subsidiaries computed based on lifetime ECL is as follows:

	Company	
	2024	**2023**
	$'000	$'000
At 1 January	10,174	10,055
Charge for the year	151	119
Write back	(1,806)	–
Disposal of a subsidiary	(3,540)	–
At 31 December	4,979	10,174

21. Development properties

	Group	
	2024	**2023**
	$'000	$'000
Development costs	–	88,059

The development of a 20-story mixed development (The LINQ @ Beauty World) located at 118 Upper Bukit Timah Road has obtained Temporary Occupation Permit (TOP) on 5 November 2024 and the carrying amount of development properties have therefore been reclassified to properties held for sale (Note 22).

22. Properties held for sale and inventories

	Group	
	2024	**2023**
	$'000	$'000
Statement of financial position		
Properties held for sale, at lower of cost and net realisable value	93,042	825
Construction materials, at lower of cost and net realisable value	2,998	3,038
Statement of comprehensive income		
Inventories recognised as expenses in cost of sales (Note 7)	38,176	32,196
Write-down of inventories (Note 7)	13	22
Write-down of properties held for sale (Note 7)	12	9

Assets pledged as security

As at 31 December 2024, properties held for sale of $92,178,000 (2023: $88,059,000) has been pledged as security for a bank loan (Note 27).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

23. Other receivables

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Deposits	3,771	5,988	156	22
Prepayments	257	494	–	–
Amounts due from joint ventures	7	–	–	–
Amounts due from Siam BBR (Note 13(e))	8,494	–	–	–
Other receivables	504	504	1,817	646
	13,033	6,986	1,973	668
Less: Allowance for expected credit losses	(11,083)	(6)	–	–
	1,950	6,980	1,973	668

Amounts due from joint ventures are non-trade, unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Expected credit losses

The movement in allowance for expected credit losses of other receivables computed based on lifetime ECL is as follows:

	Group	
	2024	2023
	$'000	$'000
At 1 January	6	131
Charge/(write-back) for the year	11,077	(125)
At 31 December	11,083	6

24. Cash and bank balances

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Cash at banks and on hand	78,980	25,660	329	826
Fixed deposits	4,656	37,308	–	–
	83,636	62,968	329	826

Fixed deposits are mainly short-term deposits made for varying periods of varying terms, and bear interest ranging from 1.5% to 4.0% (2023: from 0.1% to 4.0%) per annum.

As at 31 December 2024, the Group's cash at bank of $27,000 (2023: $193,000) are denominated in United States Dollar.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

24. Cash and bank balances *(cont'd)*

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at the end of the reporting period:

	Group	
	2024	2023
	$'000	$'000
Cash at banks and on hand	78,980	25,660
Fixed deposits	4,656	37,308
	83,636	62,968
Less : Bank deposits pledged with financial institutions	(4,656)	(6,030)
Restricted cash	(2,153)	–
Cash and bank balances (including fixed deposits)	76,827	56,938
Maintenance funds received on behalf of property managing agent (Note 26)	(388)	–
Cash and cash equivalents	76,439	56,938

Bank deposits of $4,656,000 (2023: $6,030,000) are pledged for banking facilities granted to subsidiaries by various banks.

Restricted cash are cash reserves which are required to be maintained for use in loan repayment and interest expense to ensure these liability can be met when incurred.

Included in cash and cash equivalents are amounts of $44,760,000 (2023: $12,609,000) maintained in project accounts, withdrawals from which are restricted to payments for expenditure incurred on the Group's property development project.

25. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Non-current:				
Retention payables	11,285	4,085	–	–
Current:				
Trade payables	59,318	54,383	352	12
Retention payables	3,376	5,270	–	–
Other payables	1,504	1,853	94	120
Goods and services tax payable	1,295	1,839	32	36
	65,493	63,345	478	168
Total trade and other payables	76,778	67,430	478	168
Less:				
– Goods and services tax payable	(1,295)	(1,839)	(32)	(36)
Add:				
– Amounts due to subsidiaries (Note 20)	–	–	26,366	15,002
– Other liabilities (Note 26)	25,272	8,558	3,032	1,512
– Lease liabilities (Note 12)	17,824	6,396	1,961	1,989
– Loans and borrowings (Note 27)	124,767	128,762	6,602	7,132
Total financial liabilities carried at amortised cost	243,346	209,307	38,407	25,767

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

25. Trade and other payables *(cont'd)*

Retention payables

Retention payables to external parties are non-interest bearing, unsecured and relate to construction contracts. Retention payables are classified as current or non-current based on the contractual terms of the respective construction contracts.

Trade payables

Trade payables to external parties are non-interest bearing and are generally on 30 to 90 days' terms.

Included in trade payables are the following amounts denominated in foreign currencies at 31 December:

	Group	
	2024	**2023**
	$'000	$'000
Chinese Renminbi	329	96
United States Dollar	730	36
Hong Kong Dollar	–	8

26. Deferred income, provisions and other liabilities

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Deferred income:				
Non-current	2,233	2,364	–	–
Current	215	207	–	–
	2,448	2,571	–	–
Provisions:				
Provisions for rectification costs (current)	4,599	3,082	–	–
Provisions for reinstatement costs (non-current)	6,453	–	–	–
	11,052	3,082	–	–
Other liabilities:				
Accrued operating expenses	3,387	3,731	558	791
Accrued staff costs	3,866	1,941	2,427	675
Loan payable to Vendor (Note 13(d))	10,000	–	–	–
Deposits	7,315	2,606	33	33
Maintenance funds (Note 24)	388	–	–	–
Sundry creditors	316	280	14	13
Total other liabilities	25,272	8,558	3,032	1,512

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

26. Deferred income, provisions and other liabilities *(cont'd)*

Deferred income

Deferred income of $2,448,000 (2023: $2,571,000) was in relation to an upfront payment received from a lessee, which will be amortised over the duration of 20 years in accordance with the solar leasing contract.

Provisions for rectification costs

The changes in provisions for rectification costs are explained as follows:

	Group	
	2024	**2023**
	$'000	$'000
At 1 January	3,082	4,391
Charges/(credit) to profit or loss	1,838	(814)
Utilisation	(321)	(495)
At 31 December	4,599	3,082

Provisions for reinstatement costs

The changes in provisions for reinstatement costs are explained as follows:

	Group	
	2024	**2023**
	$'000	$'000
At 1 January	–	–
Acquisition of a subsidiary (Note 13(d))	6,278	–
Accretion of interest	175	–
At 31 December	6,453	–

27. Loans and borrowings

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Non-current:				
Long term borrowings (secured)	8,881	9,825	6,100	6,602
Loans from non-controlling interests	30,704	30,704	–	–
	39,585	40,529	6,100	6,602
Current:				
Short term borrowings (unsecured)	3,550	4,413	–	–
Current portion of long-term borrowings (secured)	81,632	83,820	502	530
	85,182	88,233	502	530
Total loans and borrowings	124,767	128,762	6,602	7,132

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

27. Loans and borrowings *(cont'd)*

The Group has undrawn credit facilities of $28,504,000 (2023: $45,462,000) that are available in the future for operating activities, settling capital commitments, foreign currencies hedging and issuing of guarantees. There is no restriction for the Group to use these facilities.

Long term borrowings (secured)

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Non-current:				
Term loan 1	6,100	6,602	6,100	6,602
Term loan 3	–	174	–	–
Term loan 4	2,781	2,771	–	–
Temporary Bridging Loan	–	278	–	–
	8,881	9,825	6,100	6,602
Current:				
Term loan 1	502	530	502	530
Term loan 2	72,628	81,295	–	–
Term loan 3	–	192	–	–
Term loan 4	154	137	–	–
Term loan 5	8,070	–	–	–
Temporary Bridging Loan	278	1,666	–	–
	81,632	83,820	502	530
Total long-term borrowings	90,513	93,645	6,602	7,132

Term loan 1

Term loan 1 is a Singapore dollar denominated loan secured in 2015 to finance the purchase of leasehold land and building at 50 Changi South Street 1 Singapore 486126. The loan is repayable over 240 monthly instalments commencing on 9 October 2015.

The average interest rate is 2.49% (2023: 1.68%) per annum and the loan is secured by the leasehold premises with a carrying amount of $11,162,000 (2023: $11,502,000) (Note 11).

The loan includes a covenant requiring the borrowing entity to maintain a ratio of outstanding loan to total security value at all times. The borrowing entity has complied with the covenant throughout the reporting period.

27. Loans and borrowings *(cont'd)*

Long term borrowings (secured) *(cont'd)*

Term loan 2

Term loan 2 consists of Singapore dollar denominated land and development charge loan secured in 2017 to finance the acquisition and development of a property. A total of $47,628,000 has been repaid in January 2025, while the remaining balance of $25,000,000 has been refinanced on 24 March 2025.

The average interest rate for land and development charge loan is 4.8% (2023: 5.0%) per annum. The loan is secured by the properties held for sale with a carrying amount of $92,178,000 (Note 22).

Term loan 3

Term loan 3 consists of Thai Baht denominated for working capital loan, secured by a personal guarantee provided by directors of Siam BBR Systems Co., Ltd.

The interest rate for loan was fixed at 5.25% per annum.

The loan was fully discharged on the disposal of Siam BBR (Note 13(e)).

Term loan 4

Term loan 4 is a Malaysia Ringgit denominated loan secured in 2023 to finance the purchase of freehold land and building at PTD 72658 Jalan Seelong Jaya 15, 81400 Seelong, Johor, Malaysia. The loan is repayable over 180 monthly instalments commencing on 2 March 2023.

The average interest rate is 5.6% (2023: 5.6%) per annum and the loan is secured by the leasehold premises with a carrying amount of $4,932,000 (2023: $4,760,000) (Note 11).

Term loan 5

Term loan 5 is a Singapore dollar denominated loan secured over certain cash balances at bank (Note 24) and investment property with a carrying amount of $77,949,000 (Note 10).

The average interest rate for land loan is 4.9% per annum.

The loan includes the following financial covenants that the borrowing entity is required to comply with at all times:

- Outstanding loan to total security value ratio;
- Total liabilities to tangible net worth ratio;
- Positive tangible net worth; and
- Financial coverage ratio.

As at 31 December 2024, the borrowing entity did not fulfil one of the ratios. A waiver was later obtained from the bank on 1 April 2025 and the breach was remedied. The outstanding balance has been classified as a current liability as at 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

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27. Loans and borrowings *(cont'd)*

Long term borrowings (secured) *(cont'd)*

Temporary Bridging Loan ("TBL")

This relates a Temporary Bridging Loan under Enterprise Financing Scheme ("EFS") with a corporate guarantee provided by the Company. Interest rate fixed is at 2.0% per annum and repayable 13 months from the date of the first disbursement. The loan has been fully repaid on 3 February 2025..

Loans from non-controlling interests

Loans from non-controlling interests are non-trade, unsecured, non-interest bearing (2023: 5.0% per annum) and are to be settled in cash. The purposes of the loans are to partially finance the land acquisition and development charges of a property development project undertaken by Alika Properties Pte. Ltd., a subsidiary of the Company. The loans are not expected to be repaid within 12 months from the end of the reporting period.

Reconciliation of liabilities arising from financing activities

A reconciliation of liabilities arising from financing activities is as follows:

		Cash flows		Non-cash item			
Group	**2023**	**Proceeds**	**Repayments**	**Acquisition of a subsidiary (Note 13(d))**	**Disposal of a subsidiary (Note 13(e))**	**Others**	**2024**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Long term borrowings							
– Non-current	9,825	38	–	623	–	(1,605)	8,881
– Current	83,820	–	(15,595)	11,792	(176)	1,791	81,632
Short term borrowings							
– Current	4,413	2,000	(3,064)	–	–	201	3,550
Loans from non-controlling interest							
– Non-current	30,704	–	–	–	–	–	30,704
	128,762	2,038	(18,659)	12,415	(176)	387	124,767

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27. Loans and borrowings *(cont'd)*

Reconciliation of liabilities arising from financing activities *(cont'd)*

		Cash flows		Non-cash item	
Group	**2022**	**Proceeds**	**Repayments**	**Others**	**2023**
	$'000	$'000	$'000	$'000	$'000
Long term borrowings					
– Non-current	97,097	5,298	(8,863)	(83,707)	9,825
– Current	2,405	127	–	81,288	83,820
Short term borrowings					
– Current	3,309	1,207	–	(103)	4,413
Loans from non-controlling interest					
– Non-current	30,704	–	–	–	30,704
	133,515	6,632	(8,863)	(2,522)	128,762

The 'others' column relates to reclassification of non-current portion of loans and borrowings due to passage of time and foreign exchange movements.

28. Share capital

	Group and Company			
	2024		**2023**	
	No. of shares		**No. of shares**	
	'000	$'000	'000	$'000
Issued and fully paid ordinary shares:				
At 1 January and 31 December	324,710	49,082	324,710	49,082

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

29. Treasury shares

	Group and Company			
	2024		**2023**	
	No. of shares		**No. of shares**	
	'000	$'000	'000	$'000
At 1 January and 31 December	(2,324)	(566)	(2,324)	(566)

Treasury shares relate to ordinary shares of the Company that is held by the Company.

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30. Contingent liabilities

	Company	
	2024	**2023**
	$'000	$'000
Corporate guarantees given to banks for credit and guarantee facilities utilised	$55,655	63,202

The Company provided corporate guarantees to banks as securities for credit and guarantee facilities granted to subsidiaries.

31. Employee benefits

	Group	
	2024	**2023**
	$'000	$'000
Employee benefits expense (including directors)		
– Salaries and bonuses	21,261	21,014
– Central Provident Fund	3,817	2,907
– Others	1,034	1,109
	26,112	25,030
Less: Government grant income	(42)	(46)
	26,070	24,984

32. Related party transactions

(a) ***Sale and purchase of goods and services***

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties who are not members of the Group took place at terms agreed between the parties during the financial year:

	Group	
	2024	**2023**
	$'000	$'000
From an associate:		
Recovery of license and other fees paid to a related party	(131)	(133)
From joint ventures:		
Accounting services income	(78)	(96)
Repayment of loan from a joint venture	–	3,850
License and other fees to a related party	523	533
Purchases from a related party	1,037	1,113
Management fee income from a related party	(113)	(118)
Rental expense paid to a director of the Company	89	88
Fees to a firm in which a director has an interest	19	19

32. Related party transactions *(cont'd)*

(b) ***Compensation of key management personnel***

	Group	
	2024	**2023**
	$'000	$'000
Short-term employee benefits	4,353	2,898
Central Provident Fund	102	104
	4,455	3,002
Comprise amounts paid/payable to:		
– Directors of the Company	2,956	1,641
– Other key management personnel	1,499	1,361
	4,455	3,002

33. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk. It is, and has been the Group's policy throughout the current and previous financial year, that no trading in derivatives for speculative purposes shall be undertaken. The Group and the Company do not apply hedge accounting.

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

(a) ***Credit risk***

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

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures and receivable balances are monitored on an ongoing basis.

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

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Group's historical information.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management objectives and policies *(cont'd)*

(a) ***Credit risk*** *(cont'd)*

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Group categorises a loan or receivable for potential write off when a debtor fails to make contractual payments more than 180 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

(i) ***Debt securities and loans at amortised cost***

The Group uses three categories of internal credit risk ratings for debt instruments and loans which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are determined through incorporating both qualitative and quantitative information, supplemented with information specific to the counterparty and other external information that could affect the counterparty's behaviour.

The Group computes expected credit loss for this group of financial assets using the probability of default approach. In calculating the expected credit loss rates, the Group considers implied probability of default from historical loss rates for each category of counterparty, and adjusts for forward looking macroeconomic data such as GDP growth and central bank base rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management objectives and policies *(cont'd)*

(a) ***Credit risk*** *(cont'd)*

(i) ***Debt securities and loans at amortised cost*** *(cont'd)*

A summary of the Group's internal grading category in the computation of the Group's expected credit loss model for the debt instruments and loans is as follows:

Category	Definition of category	Basis for recognition of expected credit loss provision	Basis for calculating interest revenue
Grade I	Customers have a low risk of default and a strong capacity to meet contractual cash flows.	12-month expected credit losses	Gross carrying amount
Grade II	There is a significant increase in credit risk; as significant increase in credit risk is presumed if interest and/or principal repayments are 90 days past due.	Lifetime expected credit losses	Gross carrying amount
Grade III	Interest and/or principal repayments are 120 days past due.	Lifetime expected credit losses	Amortised cost of carrying amount (net of credit allowance)

There are no significant changes to estimation techniques or assumptions made during the reporting period.

The gross carrying amount of debt securities and loans at amortised cost, without taking into account of any collaterals held or other credit enhancements which represents the maximum exposure to loss, is as follows:

		Group		Company	
		2024	2023	2024	2023
		$'000	$'000	$'000	$'000
12-month ECL	Debt securities at amortised cost	1,950	6,980	1,973	668
Lifetime ECL	Debt securities at amortised cost	11,083	6	–	–
12-month ECL	Loans at amortised cost	–	–	21,167	3,614
Lifetime ECL	Loans at amortised cost	–	–	4,979	10,174
		13,033	6,986	28,119	14,456

The movement in allowance for expected credit losses of debt securities and loans at amortised cost are as disclosed in Note 20 and Note 23.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management objectives and policies *(cont'd)*

(a) ***Credit risk*** *(cont'd)*

(ii) Trade receivables and contract assets

The Group provides for lifetime expected credit losses for all trade receivables and contract assets using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance with days past due by grouping of customers based on geographical region. The provision rates also incorporate forward looking information such as forecast of economic conditions where the gross domestic product will deteriorate over the next year, leading to an increased number of defaults.

Summarised below is information about the credit risk exposure on the Group's trade receivables and contract assets using provision matrix, grouped by geographical region:

		<--------- Trade receivables --------->				
			Past due			
	Contract assets $'000	Current $'000	Within 30 days $'000	More than 30 to 90 days $'000	More than 90 days $'000	Total $'000
Singapore						
31 December 2024						
Gross carrying amount	68,902	26,575	4,097	386	408	100,368
Loss allowance provision	(1,270)	(870)	(49)	(22)	(45)	(2,256)
31 December 2023						
Gross carrying amount	101,407	4,764	465	61	138	106,835
Loss allowance provision	(788)	(179)	(23)	(5)	(18)	(1,013)
Other geographical areas						
31 December 2024						
Gross carrying amount	10,225	1,485	244	76	2,950	14,980
Loss allowance provision	(624)	(58)	(11)	(3)	(263)	(959)
31 December 2023						
Gross carrying amount	19,137	1,923	1,100	4,980	8,218	35,358
Loss allowance provision	(903)	(84)	(15)	(125)	(306)	(1,433)

Information regarding loss allowance movement of trade receivables and contract assets are disclosed in Note 19.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management objectives and policies *(cont'd)*

(a) ***Credit risk*** *(cont'd)*

(ii) ***Trade receivables and contract assets*** *(cont'd)*

As at 31 December 2024 and 2023, management has identified a group of debtors to be credit impaired as they experienced significant financial difficulties. Hence, management has assessed the recoverability of the outstanding balances separately from the provision matrix above.

	2024		2023	
	Trade receivables	**Contract assets**	**Trade receivables**	**Contract assets**
Group	$'000	$'000	$'000	$'000
Gross carrying amount	4,690	1,980	2,451	983
Loss allowance provision	(4,690)	(1,980)	(2,451)	(983)
Carrying amount	–	–	–	–

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Exposure to credit risk

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

Credit risk concentration profile

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

	Group			
	2024		2023	
	$'000	% of total	$'000	% of total
<u>By country:</u>				
Singapore	30,478	87	5,203	25
Malaysia	2,387	7	4,335	21
Thailand	2,035	6	11,356	54
	34,900	100	20,894	100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management objectives and policies *(cont'd)*

(b) ***Liquidity risk***

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group monitors its liquidity risk and maintains adequate liquid financial assets and stand-by credit facilities with different banks to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Analysis of financial instruments by remaining contractual maturities

At the end of the reporting period, all financial assets and financial liabilities, with the exception of financial liabilities highlighted in the maturity profile table below, are due to mature within one year at contractual undiscounted repayment amounts approximating their respective carrying values.

	Within 1 year $'000	**1 - 5 years** $'000	**After 5 years** $'000	**Total** $'000
Group				
2024				
Financial liabilities:				
Trade and other payables [(1)]	64,198	11,285	–	75,483
Other liabilities	25,272	–	–	25,272
Lease liabilities	4,700	11,507	4,732	20,939
Loans and borrowings	87,110	35,000	6,946	129,056
Total undiscounted financial liabilities	181,280	57,792	11,678	250,750
2023				
Financial liabilities:				
Trade and other payables [(1)]	61,506	4,085	–	65,591
Other liabilities	8,558	–	–	8,558
Lease liabilities	2,070	3,417	3,136	8,623
Loans and borrowings	94,345	37,069	7,856	139,270
Total undiscounted financial liabilities	166,479	44,571	10,992	222,042

(1) Excluding goods and services tax receivable and payable

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management objectives and policies *(cont'd)*

(b) ***Liquidity risk*** *(cont'd)*

	Within 1 year $'000	1 - 5 years $'000	After 5 years $'000	Total $'000
Company				
2024				
Financial liabilities:				
Amounts due to subsidiaries	26,366	–	–	26,366
Trade and other payables [(1)]	446	–	–	446
Other liabilities	3,032	–	–	3,032
Lease liabilities	109	437	3,027	3,573
Loans and borrowings	757	3,027	4,350	8,134
Total undiscounted financial liabilities	30,710	3,464	7,377	41,551
2023				
Financial liabilities:				
Amounts due to subsidiaries	15,002	–	–	15,002
Trade and other payables [(1)]	132	–	–	132
Other liabilities	1,512	–	–	1,512
Lease liabilities	109	437	3,136	3,682
Loans and borrowings	700	3,026	5,107	8,833
Total undiscounted financial liabilities	17,455	3,463	8,243	29,161

(1) Excluding goods and services tax receivable and payable

The table below shows the contractual expiry by maturity of the Company's contingent liabilities. The maximum amount of the financial guarantee contracts is allocated to the earliest period in which the guarantee could be called.

	Within 1 year $'000	1 - 5 years $'000	After 5 years $'000	Total $'000
Company				
2024				
Financial guarantees	17,845	26,650	11,160	55,655
2023				
Financial guarantees	9,824	42,117	11,261	63,202

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

33. Financial risk management objectives and policies *(cont'd)*

(c) ***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their interest-bearing loans and borrowings.

The Group's policy is to obtain the most favourable interest rates available. Surplus funds are placed with reputable banks.

At the end of the reporting period, approximately 0.3% (2023: 6%) of the Group's borrowings are at fixed rates of interest.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 10% (2023: 10%) lower/higher with all other variables held constant, the Group's profit before taxation would have been $355,000 (2023: $477,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility as in prior years.

(d) ***Foreign currency risk***

The Group has transactional currency exposures arising from its ordinary course of business that are denominated in a currency other than the respective functional currencies of Group entities, primarily SGD and Malaysian Ringgit (Ringgit). The foreign currency in which these transactions are denominated is mainly the United States Dollar ("USD"). The Group's exposure to foreign currency changes for USD is not material.

34. Capital management

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

35. Fair values of assets and liabilities

(a) ***Fair value hierarchy***

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

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

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) ***Assets and liabilities measured at fair value***

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

	2024 $'000			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1)	**Significant observable inputs other than quoted prices** (Level 2)	**Significant unobservable inputs** (Level 3)	**Total**
Group				
Assets measured at fair value				
Financial assets:				
Investment securities at fair value through profit or loss (Note 17)				
Unquoted equity securities	–	–	–	–
Quoted equity securities	10	–	–	10
	10	–	–	10
Non-financial assets:				
Investment property (Note 10)				
Dormitory estate with facilities	–	–	77,949	77,949

There were no transfers between Level 1 and Level 3 during 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

35. Fair values of assets and liabilities *(cont'd)*

(b) ***Assets and liabilities measured at fair value*** *(cont'd)*

	2023 $'000			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1)	**Significant observable inputs other than quoted prices** (Level 2)	**Significant unobservable inputs** (Level 3)	**Total**
Group				
Assets measured at fair value				
Financial assets:				
Investment securities at fair value through profit or loss (Note 17)				
Unquoted equity securities	–	–	–	–
Quoted equity securities	10	–	–	10
	10	–	–	10

There were no transfers between Level 1 and Level 3 during 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

35. Fair values of assets and liabilities *(cont'd)*

(c) ***Level 3 fair value measurements***

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

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value $'000	Valuation techniques	Unobservable inputs	Inter-relationship
31 December 2024				
Recurring fair value measurements				
<u>Investment securities at fair value through profit or loss (Note 17)</u>				
Unquoted equity securities	–	Income approach	Growth rate: 4.70%	The higher the growth rate, the higher the fair value
<u>Investment property (Note 10)</u>				
Dormitory estate with facilities	77,949	Discounted cash flows	Discount rate: 9.50%	The higher the discount rate, the lower the fair value
		Income capitalisation	Capitalisation rate: 8.50%	The higher the capitalisation rate, the lower the fair value
31 December 2023				
Recurring fair value measurements				
<u>Investment securities at fair value through profit or loss (Note 17)</u>				
Unquoted equity securities	–	Income approach	Growth rate: 4.70%	Higher growth rate, higher fair value

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

35. Fair values of assets and liabilities *(cont'd)*

(c) ***Level 3 fair value measurements*** *(cont'd)*

(ii) ***Valuation policies and procedures***

The Group's Chief Financial Officer (CFO) oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures. In this regard, the CFO reports to the Group's Audit & Risk Committee.

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

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information are reasonably available. For valuations that are sensitive to the unobservable inputs used, external valuation experts are required, to the extent practicable to use a minimum of two valuation approaches to allow for cross-checks.

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

The CFO reports its analysis and results of the external valuations to the Audit & Risk Committee. The Audit & Risk Committee performs a high-level independent review of the valuation process and results and recommends if any revisions need to be made before presenting the results to the Board of Directors for approval.

(d) ***Assets and liabilities not measured at fair value, for which fair value is disclosed***

Non-current trade payables (Note 25)

The carrying amounts of these financial liabilities are reasonable approximation of fair values estimated by discounting expected future cash flows, at the market rate of interest as at 31 December 2024 and 2023.

Current trade and other receivables and payables (Notes 19, 23 and 25), cash and bank balances (Note 24), other liabilities (Note 26), and amounts due from/(to) subsidiaries (Note 20)

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

35. Fair values of assets and liabilities *(cont'd)*

(d) ***Assets and liabilities not measured at fair value, for which fair value is disclosed*** *(cont'd)*

Non-current loans and borrowings (Note 27)

The carrying amount of these financial instruments are reasonable approximation of their fair values as they are floating rate instruments that re-priced to market interest rates on or near the end of the reporting period.

36. Segment information

Business information

For management purposes, the Group has five (2023: four) reportable segments organised based on their products and services as follows:

Specialised engineering

This segment is in the business of post-tensioning, installation of stay cable systems for structural engineering applications, piling and foundation systems, heavy lifting, bridge design and construction, maintenance, strengthening, retrofitting and prefabricated pre-finished volumetric construction systems.

General construction

This segment is in the business of design and build, general building construction, civil and structural engineering construction, and conservation and restoration of buildings.

Property development

This segment is in the business of property development, focusing on developing residential properties and mixed developments, and the provision of property management and consultancy services.

Green technology

This segment is in the business of system integration and distribution of renewable energy, and supply, installation and leasing of solar panels and grid connected systems.

Accommodation business

This segment is in the business of owing, developing, constructing, managing and operating dormitories, purpose-built workers' accommodation, student accommodation and other similar accommodation assets

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

36. Segment information *(cont'd)*

Business information *(cont'd)*

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

Segment revenue and expenses, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Inter-segment transfers of revenue and expenses include transfers between business segments and are eliminated on consolidation. Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties.

(a) ***Analysis by business segment***

	Specialised engineering $'000	**General construction** $'000	**Property development** $'000	**Green technology** $'000	**Accom-modation business** $'000	**Total** $'000
31 December 2024						
Revenue						
External revenue	71,548	157,476	34,568	5,559	20,354	289,505
Inter-segment revenue	316	14,407	–	156	4,519	19,398
Total revenue	71,864	171,883	34,568	5,715	24,873	308,903

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

36. Segment information *(cont'd)*

(a) ***Analysis by business segment*** *(cont'd)*

	Specialised engineering $'000	General construction $'000	Property development $'000	Green technology $'000	Accom-modation business $'000	Total $'000
31 December 2024						
Results:						
Interest income	(47)	(465)	(279)	–	(57)	(848)
Interest expense	1,188	69	3,667	–	784	5,708
Depreciation of property, plant and equipment	979	131	–	625	56	1,791
Depreciation of right-of-use assets	1,401	104	–	–	–	1,505
Share of results of associates	(18)	–	–	–	–	(18)
Share of results of joint ventures	(2)	(13)	(65)	–	–	(80)
Other non-cash items:						
Write-down of inventories	13	–	–	–	–	13
Write-down of properties held for sale	12	–	–	–	–	12
Impairment loss on property, plant and equipment	119	–	–	–	–	119
Amortisation of deferred income	–	–	–	(215)	–	(215)
Amortisation of capitalised contract costs and fulfilment costs	–	–	17,773	–	–	17,773
Accreted interest	–	–	–	91	–	91
Provision on trade receivables, other receivables and contract assets	6,575	1,153	–	33	–	7,761
Bad debt written off	9	–	–	–	–	9
Gain from provisional bargain purchase	–	–	–	–	(19,797)	(19,797)
Fair value loss on investment property	–	–	–	–	4,659	4,659
Gain on disposal of a subsidiary	(7,095)	–	–	–	–	(7,095)
Segment loss/(profit) before taxation	4,211	(4,402)	(2,715)	(1,758)	(29,959)	(34,623)
Income tax expense	330	–	117	–	2,302	2,749
Assets						
Investments in joint venture	68	–	675	–	–	743
Investments in associates	2,243	–	–	–	–	2,243
Additions to property, plant and equipment	70	159	–	96	91	416
Segment assets	53,062	62,580	190,457	9,240	78,087	393,426
Segment liabilities	34,886	64,903	158,688	3,168	6,682	268,327

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

36. Segment information *(cont'd)*

(a) ***Analysis by business segment*** *(cont'd)*

	Specialised engineering $'000	General construction $'000	Property development $'000	Green technology $'000	Total $'000
31 December 2023					
Revenue					
External revenue	69,111	51,272	112,300	4,572	237,255
Inter-segment revenue	3,620	31,698	–	511	35,829
Total revenue	72,731	82,970	112,300	5,083	273,084
Results:					
Interest income	(42)	(549)	(587)	–	(1,178)
Interest expense	1,473	10	5,620	–	7,103
Depreciation of property, plant and equipment	1,197	90	13	635	1,935
Depreciation of right-of-use assets	859	104	–	–	963
Share of results of associates	(818)	–	6	–	(812)
Share of results of joint ventures	(2)	(181)	(168)	–	(351)
Other non-cash items:					
Write-down of inventories	22	–	–	–	22
Write-down of properties held for sale	9	–	–	–	9
Amortisation of deferred income	–	–	–	(207)	(207)
Amortisation of capitalised contract costs and fulfilment costs	–	–	57,744	–	57,744
Accreted interest	–	–	–	95	95
(Write-back)/loss provision on trade receivables and contract assets	(726)	233	–	7	(486)
Bad debt written off	166	–	–	–	166
Segment loss/(profit) before taxation	10,075	(4,518)	(18,889)	(1,377)	(14,709)
Income tax (credit)/expense	(44)	–	3,018	–	2,974
Assets					
Investments in joint venture	62	–	610	–	672
Investments in associates	2,225	–	–	–	2,225
Additions to property, plant and equipment	631	269	–	(55)	845
Segment assets	77,024	47,402	192,197	9,620	326,243
Segment liabilities	60,033	40,773	125,425	3,836	230,067

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

36. Segment information *(cont'd)*

(a) ***Analysis by business segment*** *(cont'd)*

Reconciliations of reported segment revenue, profit before taxation, and other material items

	Group	
	2024	**2023**
	$'000	$'000
Revenue		
Total revenue for reportable segments	308,903	273,084
Management fee from an associate	28	42
Elimination of intersegment revenue	(19,398)	(35,829)
	289,533	237,297
Profit before taxation		
Total profit before taxation for reportable segments	34,623	14,709
Management fee from an associate	28	42
Unallocated amounts:		
- Other corporate income	627	218
- Other corporate expenses	(12,597)	(4,051)
	22,681	10,918

Reconciliations of reported segment assets and liabilities

	2024	2023
Assets		
Total assets for reportable segments	393,815	326,243
Other unallocated amounts	13,744	14,746
	407,559	340,989
Liabilities		
Total liabilities for reportable segments	268,716	230,067
Other unallocated amounts	12,082	10,807
	280,798	240,874

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

36. Segment information *(cont'd)*

(a) Analysis by business segment *(cont'd)*

	2024			2023		
Other material items	**Reportable segment totals** $'000	**Adjustments** $'000	**Entity totals** $'000	**Reportable segment totals** $'000	**Adjustments** $'000	**Entity totals** $'000
Interest income	(848)	–	(848)	(1,178)	–	(1,178)
Interest expense	5,708	251	5,959	7,103	207	7,310
Write-down of inventories	13	–	13	22	–	22
Impairment loss on property, plant and equipment	119	–	119	–	–	–
Write-down of properties held for sale	12	–	12	9	–	9
Accreted interest	266	–	266	95	–	95
Depreciation of property, plant and equipment	1,791	419	2,210	1,935	400	2,335
Depreciation of right-of-use assets	1,505	52	1,557	963	52	1,015
Provision/(write-back) on trade receivables, contract assets and other receivables	7,761	7,664	15,425	(486)	(101)	(587)
Bad debt written off	9	252	261	166	–	166
Additions to property, plant and equipment	416	101	517	845	240	1,085
Income tax expense	2,749	–	2,749	2,974	–	2,974

The adjustments are unallocated items comprising mainly corporate assets, liabilities and expenses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

36. Segment information *(cont'd)*

(b) ***Analysis by geographical segment***

	Revenue		Non-current assets	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Countries				
Singapore	264,927	207,116	118,453	33,995
Malaysia	19,070	18,328	9,889	10,861
Thailand	5,536	11,853	–	1,228
Others	–	–	2,243	2,225
	289,533	237,297	130,585	48,309

Information about major customers

During the financial year ended 31 December 2024, revenue from one major customer (2023: one major customer) amounted to $87,601,000 (2023: $21,356,000) arising from general construction (2023: general construction).

37. Dividends

	2024	**2023**
	$'000	$'000
Cash dividends on ordinary shares declared and paid as at 31 December 2024		
– Final exempt (one-tier) dividend for 2023: 0.3 cents (2022: 0.3 cents)	967	967
Proposed but not recognised as liability as at 31 December:		
Dividends on ordinary shares, subject to shareholders' approval at the AGM		
– Final exempt (one-tier) dividend for 2024: 0.3 cents (2023: 0.3 cents)	967	967

38. Authorisation of financial statements

The financial statements for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 4 April 2025.

CORPORATE GOVERNANCE

The Directors and Management of BBR Holdings (S) Ltd (the "Company") are committed to maintaining a high standard of corporate governance to protect the interests of shareholders as well as strengthen investors' confidence. The Company confirms that it has adhered to the principles and provisions of the Code of Corporate Governance 2018 ("2018 Code", last amended on 11 January 2023) for the financial year ended 31 December 2024 in all material aspects. In so far as any provision has not been complied with, the reason for the deviation has been explained appropriately in this report.

BOARD MATTERS

The Board's Conduct of 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.

The Board of Directors comprises seven Directors and three alternate Directors, namely:

Executive	:	Mr. Tan Kheng Hwee Andrew Mr. Voon Yok Lin Mr. Voon Chet Chie (alternate to Mr. Voon Yok Lin)
Non-Executive	:	Mr. Bruno Sergio Valsangiacomo Mr. Marcel Poser (alternate to Mr. Bruno Sergio Valsangiacomo) Dr. Pietro Brenni Mr. Romano William Fanconi (alternate to Dr. Pietro Brenni)
Independent	:	Mr. Lim Boon Cheng Mr. Chan Mun Wei Ms. Karen Lee Kiah Ling

The Board has overall responsibility for the long-term success of the Company and its value creation. Apart from its statutory responsibilities, the Board is responsible for overseeing and supervising the management and corporate affairs of the Group. Board members are expected to act in good faith and exercise independent judgement in the best interests of the Group. All Directors have objectively discharged their fiduciary duties and responsibilities in every circumstance in the best interests of the Company and hold Management accountable for performance.

The principal functions of the Board are:

- set the strategic direction of the Group and ensure the necessary financial and human resources are in place for the Group to meet its objectives;
- establish a framework of prudent and effective controls so as to safeguard the shareholders' interests and the Company's assets;
- review and approve financial performance of the Group including its half-yearly and full year financial results announcements;
- review and assess the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information controls, the effectiveness of its internal audit, risk management and compliance functions, and the adequacy of the resources allocated to these functions;
- identify key stakeholder groups and set the values and standards so as to ensure that obligations to these stakeholders and shareholders are met;

CORPORATE GOVERNANCE

- consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation;
- to approve annual plan and budgets, key operational matters, major funding proposals, investment and divestment proposals, corporate and financial restructuring, material acquisitions and disposal of assets, convening of shareholders' meetings, review and approve interested person transactions, recommend dividend payments, and share buybacks, where applicable;
- review and ensure that the appropriate policies and practices on corporate governance are in place;
- review and monitor Group policies and practices on compliance with legal and regulatory requirements;
- consider sustainability issues as part of its long-term strategy formulation with an assurance framework that provides comfort on sustainability practices, including the integration of sustainability-related matters and the monitoring of sustainability related risks and opportunities, as part of its long-term strategy formulation;
- assess annually the effectiveness of the Board and the Board Committees, and contributions of each Director;
- oversee the design and operation of the Company's remuneration policy and compensation framework; and
- develop a succession plan for Directors and key management personnel of the Company, including the Chairman and Chief Executive Officer ("CEO"), through the Nominating Committee.

Under the terms of reference of the Board of Directors, a Director shall fully avoid any conflict of interest possible and declare any actual and potential conflicts of interest. He/she should not vote on any matter in which he/she has any direct or indirect interest and should recuse himself/herself from the portion of the meeting where there is a potential conflict. In addition, his/her presence should not be counted towards the quorum of any meeting for any resolution where he/she is recused or refrained from voting.

The Group has in place a Code of Conduct and all employees are to demonstrate integrity and professionalism in the workplace. All staff are also required to declare any conflict of interest that he/she may have with the Group.

Every new Director will receive appropriate induction and in-depth briefings by senior management on the Group's structure, business units, operations, and policies when he/she is first appointed to the Board. This is to ensure that each incoming Director is familiar with the Company's business and governance practice.

Upon appointment of each Director, the Company will provide a formal letter to the Director, setting out the Director's duties and obligations.

During the year, the Directors were kept informed of and updated on the following:

- developments in accounting standards and code of corporate governance;
- Group strategies and industry trends and developments in the engineering and construction, property development, green technology and accommodation business; and
- relevant new legislation, regulations and changing commercial risks.

The updates and briefings were facilitated via attendance at conferences and seminars conducted by The Singapore Exchange Securities Trading Limited ("SGX-ST"), Singapore Institute of Directors and other external trainers, circulation of memoranda by Ernst & Young LLP, company secretary, and the Company, including briefings at Board and Board Committee meetings.

Directors are encouraged to attend training courses and conferences conducted by professional organisations or institutions to keep abreast of changes in laws, regulations and financial reporting standards, at the Company's expense.

CORPORATE GOVERNANCE

Any new Director who has no prior experience as a Director of a listed company must undergo the mandatory training in the roles and responsibilities of a Director of a listed company according to Rule 210(5)(a) of the Mainboard Listing Manual. Ms. Karen Lee Kiah Ling who was appointed to the Board on 2 January 2024 had attended the following modules of the Listed Entity Directors ("LED") Programme organised by the Singapore Institute of Directors:

LED 1 – Listed Entity Director Essentials
LED 2 – Board Dynamics
LED 3 – Board Performance
LED 4 – Stakeholder Engagement
LED 5 – Audit Committee Essentials
LED 6 – Board Risk Committee Essentials
LED 7 – Nominating Committee Essentials
LED 9 – Environmental, Social and Governance ("ESG") Essentials

Mr. Marcel Poser who was appointed to Board on 12 September 2024 as an alternate director to Mr. Bruno Sergio Valsangiacomo was previously a Director of the Company during the period from 24 April 2015 to 30 April 2021.

The approval of the Board is required for certain material transactions, which include the following:

- policy or strategic matters affecting the Group;
- major investment proposals or divestitures;
- reorganisation or substantial transactions which have a material impact on the Group;
- periodic announcements of financial results and annual reports;
- declaration of dividends to shareholders;
- approve the organisational structure of the Company and its key management positions;
- the compensation packages and incentive payment structure for key management positions in consultation with the Remuneration Committee;
- share buyback;
- recommendations for any issuance of shares and subdivision of shares;
- borrowing of funds;
- provision of any corporate guarantees by the Company; and
- any change to the terms of reference of any Board Committee.

All the Directors have objectively discharged their duties and responsibilities in every circumstance as fiduciaries in the interests of the Company. To facilitate effective management, the Board has delegated the authority to make certain decisions to the various Board Committees, namely the Audit & Risk Committee ("ARC"), Remuneration Committee ("RC") and Nominating Committee ("NC"). The effectiveness of each Board Committee is also closely monitored. The Board accepts that while these Board Committees have the authority to examine particular issues and will report back to the Board with their decision and/or recommendations, it has not abdicated its ultimate responsibilities. The composition of each Board Committee, the terms of reference for the respective Board Committees and their activities are disclosed in the following paragraphs.

Board and Board Committee meetings have been held regularly and as required by the particular circumstances in each financial year. The Company's Constitution has provided for meetings of Directors and Board Committees to be conducted by means of telephone and video-conference and other methods of simultaneous communication by electronic, telegraphic or other similar means, where applicable, by which the foreign Directors who reside overseas

CORPORATE GOVERNANCE

could participate in the meetings. Where appropriate, decisions may be taken by way of Directors' circulating resolutions in writing.

The number of meetings held in 2024 and the attendance of each Board member at these meetings was as follows:

Name of Director	Board	Audit & Risk Committee	Remuneration Committee	Nominating Committee
Number of meetings held	**4**	**4**	**1**	**2**
Number of meetings attended:				
Mr. Tan Kheng Hwee Andrew	4	4*	1*	2*
Mr. Voon Yok Lin / Voon Chet Chie	4	N.A.	N.A.	N.A.
Mr. Bruno Sergio Valsangiacomo / Marcel Poser	4	N.A.	1	N.A.
Dr. Pietro Brenni / Romano William Fanconi	4	N.A.	N.A.	N.A.
Prof. Yong Kwet Yew(1)	1	1	N.A.	N.A.
Mr. Lim Boon Cheng	4	4	1	2
Mr. Chan Mun Wei	4	4	1	2
Ms. Karen Lee Kiah Ling	4	4	1*	2

* Attendance by invitation

Notes:

(1) Prof. Yong Kwet Yew retired on 30 April 2024 following the conclusion of the last AGM and during his term within the financial year, he had attended all the Board and Board Committee meetings.

The NC has considered each Director's other board representations and principal commitments and is satisfied that each Director is able to carry out and has been adequately carrying out their duties as a Director of the Company and that each Director has given sufficient time and attention to the affairs of the Company and the Group.

The NC also determined that each Director has attended and actively participated in the discussions and deliberations of the Board and, where they hold Board Committee membership, of the Board Committees.

Management assists in the preparation of the formal papers for the Board and Board Committee meetings and such papers are circulated in advance of the meetings so as to provide complete, adequate and timely information prior to the meetings. The Management makes available to the Board quarterly management accounts, including explanations for variances between projected and actual results, annual budget reports, and yearly review of business segments and prospects.

In between Board meetings, the Board receives updates on important matters affecting the business from the CEO. The CEO is always available to answer questions from the Directors. In order to ensure that the Board is able to fulfil its responsibilities, the Management is required to provide timely information on matters that require the Board's decision and reports on material operational and financial matters of the Group on an on-going basis. The Directors also have unrestricted access to the Company's records and information.

CORPORATE GOVERNANCE

Management is invited to attend relevant discussions at Board and Board Committee meetings, where applicable, to address any queries which the Board may have. The Board has separate and independent access to the Management, the company secretary and internal and external auditors on all matters whenever they deem necessary.

Where decisions to be taken require expert opinion or specialised knowledge, the Directors, as a group or individually, may seek independent professional advice as and when necessary at the Company's expense. The appointment of such independent professional advisory is subject to approval by the Board.

The role of the company secretary is defined and includes responsibility for ensuring that Board procedures are followed and that relevant statutes, applicable rules and regulations are complied with. The company secretary or a representative from the company secretary's office attends all meetings of the Board and Board Committees as well as general meetings. The Board decides on the appointment and removal of the company secretary.

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.

The Company endeavours to maintain a strong and independent element on the Board. The Board comprises five Non-Executive Directors and two Executive Directors with Non-Executive Directors making up a majority of the Board during the year. There are three Independent Directors on the Board and Independent Directors make up at least one-third of the Board.

Prof. Yong Kwet Yew who was non-independent, was previously the non-executive Chairman of the Company until his retirement on 30 April 2024. The Company did not appoint any Chairman of the Board until 1 March 2025 when Mr. Lim Boon Cheng, an Independent Non-Executive Director, was appointed as the Chairman.

Although Independent Directors did not make up a majority of the Board during the period when Prof. Yong Kwet Yew served as the non-independent Chairman, the Company continued to uphold a strong and independent presence on the Board. During the interim period when the Company had not appointed a Chairman, Mr. Lim Boon Cheng who is independent, chaired all the Board meetings that were held.

The ARC, RC and NC are all chaired by an Independent Director and majority of the members in these committees are Independent Directors.

Executive Directors make up a minority on the Board while Non-Executive Directors form the majority. The Non-Executive Directors including the Independent Directors, constructively challenge Management's proposals or decisions with their independent judgement, help develop proposals on strategy and they review and monitor Management's performance against goals and objectives. Their views and opinions provide alternative perspectives to the Group's business.

Additionally, all Directors shall fully avoid any conflict of interest possible and declare any actual and potential conflicts of interest. He/she should not vote on any matter in which he/she has any direct or indirect interest and should recuse himself/herself from the portion of the meeting where there is a potential conflict. In addition, his/her presence should not be counted towards the quorum of any meeting for any resolution where he/she is recused or refrained from voting.

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Annually, the Independent Directors submit declarations to confirm their independence to the NC for their review and assessment. The NC, in its deliberation of the independence of a Director, takes into consideration the relevant provisions of the SGX-ST Listing Manual, the 2018 Code and where relevant, the recommendations set out in the Practice Guidance accompanying the 2018 Code.

The Company has adopted provisions set out in the 2018 Code in determining independence of Directors. 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 judgement in the best interests of the company.

The NC also takes into account the existence of relationships or circumstances, including those identified by the Listing Manual, the 2018 Code and the Practice Guidance, that are relevant in its determination as to whether a Director is independent. Such relationships and circumstances include (i) the employment of a Director or his/her immediate family whose remuneration is determined by the RC of the Company or any of its related corporations for the current or any of the past three financial years; (ii) a Director who has been a Director of the Company for an aggregate period of more than nine years; (iii) a Director or his/her immediate family member or any organisation in which they are related to, has in the current or immediate past financial year, provided to or received from the Company or any of its subsidiaries any significant payments or material services other than compensation for Board service; (iv) a Director or his/her immediate family member being related to any organization to which the Company or any of its subsidiaries received significant payments or material services during the financial year or the previous financial year; and (v) a Director who has been directly associated with a substantial shareholder of the Company in the current or previous financial year.

The NC and the Board have confirmed the independence of the Company's Independent Directors taking into consideration the following:

(a) none of the Independent Directors was employed by the Company or any of its related corporations for the current or any of the past three (3) financial years;

(b) none of the Independent Directors has an immediate family member who is, or has been in any of the past three (3) financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC; and

(c) none of the Independent Directors is directly or indirectly interested in the shares of the Company and the Group.

A new Independent Director, Ms. Karen Lee Kiah Ling, was appointed on 2 January 2024.

Currently, the Company does not have any Independent Directors who have served more than nine years.

In the current financial year, Mr. Chan Mun Wei continues to provide consulting services on sustainability matters and reporting through a firm owned by him to the Company at a fee of $18,500. In reviewing the independence of Mr. Chan Mun Wei, the NC has considered this transaction and given that the amount was less than the guideline of $50,000 in the Practice Guidance, the NC is of the view that the amount was not significant and it shall not affect his independence.

The Independent Directors of the Company communicate regularly to discuss matters relating to the Group's financial performance, corporate governance initiatives, board processes as well as succession planning and leadership development.

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The NC and the Board concur that all the three (3) Independent Directors are independent as they have continually demonstrated independence in the conduct, character and judgement, through, inter alia, their contributions to Board discussions and deliberations and the ability and preparedness to exercise independent business judgement and/or decisions for to the best interest of the Company and its stakeholders, without undue reliance, influence or consideration of the interested parties such as the CEO, other Directors, controlling shareholders and/or their associates. They have demonstrated strong independent conduct, character, and judgement over the years in discharging their duties and responsibilities as independent Directors of the Company with the utmost commitment in upholding the interest of the non-controlling shareholders and other stakeholders. In addition, they have expressed individual viewpoints, debated issues and objectively scrutinised and challenged Management. They have sought clarification and amplification as they deemed necessary, including through direct access to the Management.

The Company recognises and embraces the importance and benefits of having a diverse Board to enhance its performance and has adopted a Board Diversity Policy. The Company believes that diversity is an important attribute of a well-functioning and effective Board and will enhance the decision-making of the Board by utilising the variety of skills, industry and business experiences, gender, age, ethnicity and culture, geographical background and nationalities, tenure of service, and other distinguishing qualities of the members of the Board. All Director appointments will be based on merit, having due regard to the overall balance and effectiveness of the Board.

The Board has evaluated its size, composition and skills of its members to ensure an appropriate balance and diversity of skills, experience and knowledge.

Under the Board Diversity Policy, the Board strives to have one member with relevant experience in the Group's core markets; and some members with professional qualifications in accounting, legal or other professional background or discipline as may be determined by the Board to be necessary and/or beneficial to the Group. The Board recognised that skill-set and core competencies required of the Board may change over time as the business of the Group develops.

The Board is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment or discrimination on the basis of gender, race, nationality, religion, age, family status or sexual orientation. The Board recognises that gender is an important aspect of diversity and strives to have a Board composition where each gender has a representation on the Board. In line with this, a female Director, Ms. Karen Lee Kiah Ling, has been appointed to the Board.

The NC will review this Policy periodically as appropriate and make recommendations for changes, as appropriate, to the Board.

The current Board composition reflects the Company's commitment to Board diversity in terms of different professional experiences, skills, knowledge and gender. The Board comprises members that possess a wealth of experience ranging from accounting and finance, risk management and relevant industry knowledge who, as a group, provide core competencies necessary to meet the demands facing the Company and the industry and provide leadership of the Company. Any further progress made towards the implementation of the policy will be disclosed in our Corporate Governance Statement as appropriate.

CORPORATE GOVERNANCE

DIVERSITY OF THE BOARD		
	Number of Directors^	Proportion of Board
Core Competencies		
Accounting or finance	4	57%
Relevant Industry knowledge or experience	5	71%
Experience in risk management, audit and internal controls	4	57%
ESG and Sustainability	2	29%
Gender Male Female	 6 1	 86% 14%

^ Exclude alternate directors

The Board strives to have:

(a) one member who has direct or relevant experience in the Group's core business markets;

(b) some members with professional qualification in accounting or finance; and

(c) each gender has a representation on the Board.

As 71% of the Board has the relevant industry knowledge and 57% of the Board possesses competencies in the field of accounting and finance, this is in line with the Company's Board Diversity Policy. With the appointment of Ms. Karen Lee Kiah Ling, the Company's target that each gender has a representation on the Board has been met.

Key information regarding the Directors is set out under the section entitled "Board of Directors" in this Annual Report.

The Board is satisfied that the current size of the Board is appropriate for effective decision-making, given the size, scope and nature of the operations of the Company. It will continue to review the size and composition of the Board for effectiveness.

During Board and Board Committee meetings, our Non-Executive Directors have participated constructively in the mapping of strategic plans and reviewed critically the performance of the CEO and Management in meeting goals and objectives. They have informal meetings without the presence of the CEO and Management to discuss the performance of the Company and the Group.

In view of the above, the Company is of the view that the intent of Principle 2 of the Code is met with 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.

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Chairman and Chief Executive Officer

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.

The clear division of responsibilities between the Chairman and the Chief Executive Officer ensures a proper balance of power and authority of the Group.

Mr. Lim Boon Cheng was appointed as the Chairman of the Board on 1 March 2025.

The Chairman's role includes the following:

- scheduling meetings that enable the Board to perform its duties responsibly while not interfering with the flow of the Company's operations;
- preparing agendas for meetings in consultation with the CEO;
- exercise control over quality, quantity and timeliness of the flow of information between Management and the Board;
- assist in ensuring compliance with Company's guidelines on corporate governance;
- facilitating the effective contribution of the non-executive Directors;
- ensuring effective communication with shareholders;
- encourage constructive relations within the Board and between the Board and Management; and
- promote high standards of corporate governance.

Mr. Tan Kheng Hwee Andrew, the Group CEO, and Mr. Voon Yok Lin are Executive Directors of the Company. Together with the Management, they are responsible for the daily operations and administration of the Group.

The Board is of the view that power is not unduly concentrated in the hands of one individual nor is there any unfettered powers of decision-making that may compromise accountability and independent decision-making as all decisions and policy changes are conducted through the respective Board Committees, which are chaired by Independent Directors.

The Company has not appointed a lead independent Director because the Chairman and the CEO are separate persons and they are not family members. The Chairman is also an Independent Non-Executive Director who is not part of the management team.

Board Membership

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

The NC comprises three Independent Non-Executive Directors, namely:

Ms. Karen Lee Kiah Ling - Chairperson
Mr. Lim Boon Cheng
Mr. Chan Mun Wei

The NC was chaired by Mr. Lim Boon Cheng until 1 March 2025, when Ms. Karen Lee Kiah Ling took over the chair following a reconstitution of the Board and Board Committees while Mr. Lim Boon Cheng continues to serve in the NC as a member.

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The NC was established for the purpose of ensuring that there is a formal and transparent process for all board appointments.

The terms of reference of the NC are to:

- review the structure, size and composition of the Board and Board Committees;
- review the succession plans for the Board Chairman, Directors, CEO and other senior management;
- consider, at the request of the Board or the Chairman, all appointments to the Board and upon the appointment of a new Director, provide a formal appointment letter to the director, setting out the duties and obligations as a Director;
- provide advice and recommendations to the Board and the Chairman on re-nomination of Directors to the Board having regard to the director's contribution and performance, for example, attendance, preparedness, participation and candour including, if applicable, as an independent Director;
- determine annually, or whenever necessary during the year, whether or not a Director is independent, bearing in mind the circumstances set forth in the 2018 Code and any other salient factors;
- develop a transparent process for evaluating the performance of the Board and the contributions from the Directors on a year-to-year basis; and
- review the training and professional development programmes for the Board.

Selection, appointment and re-appointment of Directors

In the search for new Directors, the NC will identify the key attributes that an incoming Director should have based on the requirements of the Group, its nature of business, attributes of the existing Board members and Board diversity. After the Board has endorsed the key attributes, the search for potential candidates begins by first tapping on existing Directors' personal contacts and recommendations of business associates, followed by a shortlisting process by the NC. The NC interviews the shortlisted candidates, evaluate them taking into account the relevant expertise of the candidates and their potential contribution before making recommendations for further interview or approval by the Board. Should a controlling shareholder nominate a candidate as a non-executive and non-independent Director, the NC will perform an independent assessment as to whether he/she has the appropriate attributes to be a Director of a listed company prior to approval by the Board.

In re-appointment of Directors as and when their tenure of appointment is due, the NC evaluates several criteria, including relevant competencies, industry experience, number of other directorships, ability to carry out required tasks, qualifications, independence of the Director, his/her contribution and performance to the effectiveness of the Board.

With respect to the re-nomination and re-election of Directors, all Directors of the Company are subject to re-nomination and re-election at regular intervals and at least once every three years.

The NC is also tasked with deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director, particularly when he has multiple board representations, and to assess the maximum number of listed entity board representations which any one of the Directors may hold.

After conducting reviews, the NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group taking into consideration their attendance and active participation at Board meetings, and other activities besides Board meetings.

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Details of the Directors, including date of initial appointment, date of last re-election, directorships (other than BBR Holdings (S) Ltd) for both current and for the preceding five years, and principal appointments, are set out below:

Name of Directors	Date of First Appointment	Date of Last Re-election	Present Principal Commitments[4] (including Listed Directorship)	Past Five Years Principal Commitments[4] (including Listed Directorship)
Mr. Tan Kheng Hwee Andrew	01/04/1994	27/04/2023	Principal Commitments BBR Holdings (S) Ltd. and its group of companies	Principal Commitments BBR Holdings (S) Ltd. group of companies: Northern Retail Pte. Ltd. – Director BBR Kovan Pte. Ltd. – Director Wisteria Mall Management Pte. Ltd. – Director Trendsteq Pte. Ltd. – Director Lakehomes Pte. Ltd. – Director Siam BBR Systems Co., Ltd. – Director
Mr. Voon Yok Lin	21/06/2017	30/04/2024	Principal Commitments BBR Holdings (S) Ltd. and its group of companies, in particular, BBR Construction Systems (M) Sdn. Bhd. – Managing Director Strengthened Soil Wall (M) Sdn. Bhd. – Director BBR Modular Construction Sdn. Bhd. – Director Global Eco BBR JV Sdn. Bhd. – Director	Principal Commitments BBR Holdings (S) Ltd. group of companies: Siam BBR Systems Co., Ltd. – Director

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Name of Directors	Date of First Appointment	Date of Last Re-election	Present Principal Commitments[4] (including Listed Directorship)	Past Five Years Principal Commitments[4] (including Listed Directorship)
Mr. Bruno Sergio Valsangiacomo	11/02/1997	27/04/2023	Principal Commitments Switzerland FFC Fincoord Finance Coordinators Ltd. – Chairman Proceq SA – Chairman Stahlton AG – Vice-Chairman BBR Holding AG – Chairman Tectus SA – Chairman Stahlton Bauteile AG – Vice-Chairman Virtually Live (Switzerland) GmbH – Director Screening Eagle Technologies AG – Chairman United Kingdom Virtually Live Holding (UK) Ltd. – Board member Vesalius Holding Ltd. – Board member Gibraltar Oximesa Holdings Ltd. – Director British Virgin Islands Voco Ltd. - Director Singapore Screening Eagle Singapore Pte. Ltd. – Director	Principal Commitments Switzerland FFC Fincoord Holding AG – Chairman Brain Forum – Board member

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Name of Directors	Date of First Appointment	Date of Last Re-election	Present Principal Commitments(4) (including Listed Directorship)	Past Five Years Principal Commitments(4) (including Listed Directorship)
Dr. Pietro Brenni	03/05/2021	29/04/2022	Principal Commitments Brenni Engineering SA - CEO, Chairman Stahlton AG – Board Chairman Stahlton Bauteile AG – Board member BBR Holding AG – Board member	–
Mr. Lim Boon Cheng	03/05/2021	29/04/2022	Principal Commitments AIB MT Fund Asia Pte. Ltd. (In Members' Voluntary Liquidation) – Director Listed Directorships(5) Design Capital Ltd, listed on Hong Kong Stock Exchange	Principal Commitments FG Investors Pte. Ltd. – Director FGPO (Singapore) Ltd. – Director Fitzroy Corporate Advisory – Owner Listed Directorships(5) Advanced Holdings Ltd. – Director
Mr. Chan Mun Wei	09/05/2023	30/04/2024	Principal Commitments SustainableSG – Founder and Principal Consultant ESR REIT – Board Sustainability Committee member	Principal Commitments The Conference Board – ESG Center Leader for Asia
Ms. Karen Lee Kiah Ling	02/01/2024	30/04/2024	Principal Commitments ESR-REIT Management (S) Limited – Deputy CEO	Principal Commitments LOGOS Property Management Pte. Ltd. – Director ARA Logos Logistics Trust Management Limited – CEO 2TPC Pte. Ltd. – Director ALOG Singapore One Pte .Ltd. (Struck off) - Director ESR-REIT MTN Pte. Ltd. – Director ESR-REIT SPV2 Pte. Ltd. – Director ESR-REIT INV Pte. Ltd. – Director ESR-REIT INV2 Pte. Ltd. – Director ESR-REIT INV3 Pte. Ltd. – Director ALOG TSA Pte. Ltd. – Director ALOG (Australia) Pte. Ltd. – Director Tuas South Avenue Pte. Ltd. – Director LSLV Project 5 Pte. Ltd. – Director

CORPORATE GOVERNANCE

Name of Directors	Date of First Appointment	Date of Last Re-election	Present Principal Commitments(4) (including Listed Directorship)	Past Five Years Principal Commitments(4) (including Listed Directorship)
Mr. Romano William Fanconi(1)	03/05/2021	–	Principal Commitments Switzerland FFC Fincoord Finance Coordinators Ltd. – Managing Partner Tectus S.A. – Board member Proceq S.A. – Board member BBR Holding AG – Board member BBR VT International Ltd – Board member GEHAG Real Estate AG – Board member Virtually Live (Switzerland) GmbH – Director NeuroPro AG – Chairman United Kingdom Virtually Live Holding Ltd. – Director Vesalius Holdings Ltd. – Director Canada Contessa Development Inc. – Board member	Principal Commitments Switzerland FFC Fincoord Holding AG – Board member Vektor AG (Liquidated) – Liquidator United States Proceq US Inc. – Director China Proceq Trading (Shanghai) Co. Ltd. – Supervisor Iceland Icelandic Water Holdings hf. – Board member Singapore Proceq Asia Pte. Ltd. – Director
Mr. Voon Chet Chie(2)	21/06/2017	–	Principal Commitments BBR Holdings (S) Ltd. and its group of companies, in particular, BBR Construction Systems (M) Sdn. Bhd. – Director and Director (Operations) Strengthened Soil Wall (M) Sdn. Bhd. – Director BBR Modular Construction Sdn. Bhd. – Director Global Eco BBR JV Sdn. Bhd. – Director	Principal Commitments Nil

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Name of Directors	Date of First Appointment	Date of Last Re-election	Present Principal Commitments[4] (including Listed Directorship)	Past Five Years Principal Commitments[4] (including Listed Directorship)
Mr. Marcel Poser[3][6]	12/09/2024	–	Principal Commitments Switzerland Tectus S.A. – Board member BBR VT International Ltd – Board member Screening Eagle Technologies AG – Board member Singapore Screening Eagle Singapore Pte. Ltd. – Director	Principal Commitments Switzerland GEHAG Real Estate AG – Chairman Proceq S.A. – Executive Co-Chairman Vektor AG – Chairman BBR Holding A.G. – Board member United States of America Proceq USA Inc. – Director Singapore Proceq Asia Pte. Ltd. – Director Listed Directorships[5] BBR Holdings (S) Ltd. – Director[6]

(1) Alternate Director to Dr. Pietro Brenni
(2) Alternate Director to Mr. Voon Yok Lin
(3) Alternate Director to Mr. Bruno Sergio Valsangiacomo
(4) Principal appointments include all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships, and involvement in non-profit organisations
(5) Listed directorships refer to directorships in companies listed on Singapore Exchange Securities Trading Limited ("SGX-ST") unless otherwise indicated
(6) Mr. Marcel Poser was a director of the Company from 24 April 2015 to 30 April 2021

All retiring Directors are subject to an assessment by their peers and NC on factors such as level of participation and effectiveness in meetings, depth of industry experience and business knowledge. Based on the assessment collated, the NC would recommend re-election of the retiring Directors at each annual general meeting.

In accordance with Regulation 111 of the Constitution of the Company, the following Directors are due to retire by rotation at the forthcoming Annual General Meeting ("AGM"):

Mr. Tan Kheng Hwee Andrew
Mr. Lim Boon Cheng
Dr. Pietro Brenni

CORPORATE GOVERNANCE

The NC has recommended Mr. Tan Kheng Hwee Andrew, Mr. Lim Boon Cheng and Dr. Pietro Brenni for re-election as Directors of the Company at the AGM. In making its recommendations, the NC evaluates their contributions and performance at the Board, Board committees, participation and any special contributions.

If re-elected at the AGM, Mr. Tan Kheng Hwee Andrew will remain as an Executive Director of the Company.

If re-elected at the AGM, Mr. Lim Boon Cheng, being an Independent Director, will remain as the Chairman of the Board and ARC and a member of RC and NC.

If re-elected at the AGM, Dr. Pietro Brenni will remain as a Non-Executive Director.

The NC is responsible for reviewing the independence of each Director on an annual basis. The details of the review conducted are set out under Principle 2 of this 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.

An annual board evaluation process has been implemented by the NC for assessing the effectiveness of the Board as a whole and that of each of its Board Committees, as well as the contribution by the Chairman and each individual Director to the Board. The assessment parameters which had been approved by the Board include, among other things, Board's composition, performance, process and procedures, risk management and internal controls, individual Director's competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience, leadership and communication skills and customer-based experience or knowledge, contributions to the Board and long-term strategies of the Company. Changes, if any, to the assessment parameters are justified by the Board.

Based on the evaluation for 2024, the NC is satisfied that the Directors have shown commitment and devoted sufficient time in discharging their responsibilities adequately towards the Group, notwithstanding that some of the Board members have multiple board representations. Since multiple board representations do not hinder them from carrying out their duties as Directors of the Company, the Board has not set a maximum limit on the number of listed companies' board representations for its Directors.

No external consultant has been engaged to facilitate the annual board evaluation process. The company secretary facilitated the evaluation without engaging an external consultant.

The Board and the NC strive to ensure that Directors on the Board possess the experience and knowledge that are critical to the Group's business, and that each Director brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

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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.

The RC comprises three Non-Executive Directors, with two of its members, including the Chairman, being Independent Directors. They are:

Mr. Chan Mun Wei - Chairman
Mr. Lim Boon Cheng
Mr. Bruno Sergio Valsangiacomo

The RC is responsible for ensuring a formal and transparent procedure for developing policy on executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his own remuneration.

The duties and responsibilities of the RC include, among others:

- review and recommend to the Board a framework of remuneration for the Board and key management personnel ("KMP");
- review the specific remuneration packages for each Director and the CEO (or executive of equivalent rank if the CEO is not a Director) as well as KMP. Remuneration includes, but not limited to director's fees, salaries, allowances, bonus, options, share-based incentives and benefits in kind;
- review all aspects of remuneration, including the termination clause of the service contracts of the CEO and KMP to ensure that it is fair and reasonable and not overly generous; and
- review and recommend salary adjustments and bonuses of the CEO and KMP at each year-end.

Recommendations from the RC are submitted to the entire Board for endorsement.

The RC has not sought external advice on remuneration for Directors. In its deliberations, the RC takes into consideration industry practices and norms in compensation, in addition to the Company's relative performance to the industry.

The Board has reviewed the composition of the RC which comprises entirely Non-Executive Directors to minimise the risk of any potential conflict of interest. Although Mr. Bruno Sergio Valsangiacomo, a member of the RC, is deemed to be a substantial shareholder of the Company, the Board is of the view that the risk for any potential conflict is minimal.

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.

The remuneration structure of the CEO and key executives comprises fixed and variable compensation components. The fixed compensation consists of basic salary and fixed allowances, and variable compensation, in the form of bonus and performance shares. The variable compensation is approved by the RC upon the achievement of

CORPORATE GOVERNANCE

individual and corporate performance conditions which are aligned with the interests of shareholders and other stakeholders and promotes long-term success of the Company and the Group.

No personnel is entitled to termination, retirement and post-employment benefits. The Company has not structured any contractual provisions in employee appointment letters to reclaim incentive components of remuneration in exceptional circumstances of misstatements of financial results or misconduct resulting in financial loss to the Company. If such events were to occur, it shall avail itself to existing legal remedies to recover excessive incentives paid.

The Independent Directors and Non-Executive Directors are paid director's fees only, the value of which has taken into consideration the effort, time spent, scope and extent of responsibilities and benchmarked against market expectations. Accordingly, the RC views that director's fees of the Non-Executive Directors are not over-compensated. The yearly fees are recommended by the RC, endorsed by the Board and will be subject to approval by members of the Company at annual general meetings. Travelling and accommodation expenses of overseas Non-Executive Directors to Board and general meetings in Singapore are reimbursed by the Company.

The RC determined that the remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship to the Company and KMP to successfully manage the Company for the long term.

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.

<u>Directors of the Company</u>

The breakdown of the total remuneration of the Directors based on amounts recorded in financial year 2024 are as follows:

Name of Directors	**Basic salary**	**Variable performance bonus**	**Benefits-in-kind and others**	**Director's fees[6]**	**Total**
	$	$	$	$	$
<u>Executive Directors</u>					
Mr. Tan Kheng Hwee Andrew[1]	592,026	1,792,955	22,463	25,000	2,432,444
Mr. Voon Yok Lin	179,408	–	3,953	25,000	208,361
Mr. Voon Chet Chie[2]	84,097	3,115	–	–	87,212
<u>Non-Executive Directors</u>					
Mr. Bruno Sergio Valsangiacomo/ Mr. Marcel Poser[3]	–	–	–	28,000	28,000
Dr. Pietro Brenni/Mr. Romano William Fanconi[4]	–	–	–	25,000	25,000
Prof. Yong Kwet Yew[5]	–	–	–	20,000	20,000
<u>Independent Non-Executive Directors</u>					
Mr. Lim Boon Cheng	–	–	–	72,000	72,000
Mr. Chan Mun Wei	–	–	–	45,000	45,000
Ms. Karen Lee Kiah Ling	–	–	–	38,000	38,000

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(1) Mr. Tan Kheng Hwee Andrew is also the CEO of the Company
(2) Alternate Director to Mr. Voon Yok Lin
(3) Alternate Director to Mr. Bruno Sergio Valsangiacomo
(4) Alternate Director to Dr. Pietro Brenni
(5) Retired on 30 April 2024
(6) Directors' fees relate to fees payable accrued for financial year 2024 which are subject to approval at the forthcoming AGM

The Directors' fees for financial year 2023 amounted to $283,000.00 were paid in financial year 2024 after approval by the members at the AGM held on 30 April 2024.

The Directors' fees for financial year 2024 amounted to $278,000.00 are subject to approval by the members at the forthcoming AGM to be held on 30 April 2025.

Key Management Personnel ("**KMP**")

Compensation of KMP consists of salary, bonus and performance share awards that are dependent on the performance of the Company, the Group and individual performance.

The remuneration bands and components in percentage terms of the top five KMP are as follows:

Remuneration Band	Number of key executives	Basic salary	Variable performance bonus	Benefits-in-kind and others	Total
		%	%	%	%
$250,000 to below $500,000	3	83	16	1	100
Below $250,000	2	92	8	–	100

The Board is of the view that given the sensitive and confidential nature of employees' remuneration, detailed disclosure of the compensation for KMP is not in the best interests of the Company and the Group. Such disclosure would disadvantage the Group in relation to its competitors and may affect adversely the cohesion and spirit of teamwork prevailing among the employees of the Group.

The annual aggregate remuneration paid to the top five KMP (excluding the CEO) for the financial year 2024 is approximately $1,499,000.

Immediate Family Members of Director, Chief Executive Officer or Substantial Shareholder

Except for Mr. Voon Yok Lin and Mr. Voon Chet Chie who are both Directors of the Company and are related to each other, there was no employee who is an immediate family member of a Director, CEO or Substantial Shareholder of the Company and whose remuneration exceeds S$100,000 for the financial year ended 31 December 2024.

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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.

The Management has developed a risk register, which involved identifying and evaluating key business risks, likely consequences should the event occur and mitigating controls in place to manage these risks. The Management constantly monitors the identified risks, pre-empt new risks in a dynamic operating environment and take necessary actions to mitigate these risks.

The Risk Management Report is on pages 156 to 162.

The Board and the ARC are satisfied that there is adequate and effective material internal control in place for the Group to address financial, operational, compliance and information technology risks after considering the following:

- The Board, through the ARC, is responsible for oversight of the risk management responsibilities, internal controls and governance processes delegated to Management;
- Internal auditors ("IA") plans its internal audit schedules independently in consultation with the Management on an annual basis and submits the internal audit plan to the ARC for approval. The ARC also meets with the IA at least once a year without the presence of the Management to gather feedback on the Management's level of cooperation and other matters that warrant the ARC's attention. All internal audit reports are submitted to the ARC for deliberation, with copies of these reports extended to the relevant senior management for prompt corrective actions as recommended. Furthermore, IA's summary of findings, recommendations and updates on Management's actions taken are discussed at the half-yearly ARC meetings together with the external auditors;
- The ARC reviews the audit plans of the external auditors of the Company and ensures the adequacy of controls for the accounting system. The ARC held discussions with the Management and the auditors on the observations of the auditors in the management letter. The ARC was generally satisfied with the Management's responses during the discussions and suggested improvements, where appropriate;
- The ARC reviews the half-yearly and annual financial statements, the auditors' report on the annual financial statements of the Group and the Company and the significant matters together with the external auditors and Management before their submission to the Board of Directors;
- The ARC evaluates the effectiveness of the Group and the Company's material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the IA and observations of the external auditors;
- The ARC reviews interested person transactions in accordance with the requirements of the SGX-ST Listing Manual;
- The ARC and the Board are satisfied that policies and procedures for key business processes had been established. These include ISO procedures, financial policies, standard operating procedures, conflict of interest policy and a whistleblowing mechanism;
- For financial year 2024, the Board has received assurance from the CEO and the Chief Financial Officer ("CFO") that, to the best of their knowledge, the financial records have been properly maintained and the financial statements give a true and fair view of the operations and finances of the Company and the Group;

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- The Board has also received assurance from the CEO and the responsible KMP, that the risk management and internal control systems are adequate and effective, based on the established risk management and internal control systems, work performed by the internal and external auditors and reviews performed by Management; and
- All Directors and executive officers have submitted undertakings that they have complied with Rule 720(1) of the SGX-ST Mainboard Listing Rules.

The system of internal controls maintained by the Management is adequate and effective to meet the needs of the current business environment. However, the Board notes that the review of the Group's systems of internal control is a continuing process and there is always room for improvement having regard that no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgement in decision making, human error, natural disasters, losses, fraud or other irregularities. The system of internal controls adopted by the Group is therefore designed to minimise rather than eliminate the risk of failure to achieve business objectives.

Based on (i) the established risk management framework; (ii) the internal control systems in place and (iii) the work performed by the internal and external auditors, the Board, with the concurrence of the ARC, is of the opinion that the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems were adequate and effective as at 31 December 2024.

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

The ARC comprises three Non-Executive Directors, all of whom are Independent Directors, namely:

Mr. Lim Boon Cheng- Chairman
Mr. Chan Mun Wei
Mr. Karen Lee Kiah Ling

Mr. Lim Boon Cheng, the ARC Chairman, is well qualified to discharge their duties, as he possesses the necessary recent and relevant accounting and related financial management expertise and experience.

None of the ARC members were ever previous partners of the Company's external auditor, Ernst & Young LLP, nor do they have any financial interest in the auditing entity.

The duties and responsibilities of the ARC include those described in the Companies Act 1967 of Singapore and the 2018 Code. The main responsibilities include:

- review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- review at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- review the assurance from the CEO and the CFO on the financial records and financial statements;
- review and make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors of the Company and the Group, including fixing their remuneration and terms of engagement;
- review the audit plan of the external and internal auditors;
- review the adequacy, effectiveness, independence, scope and results of the external and internal audit functions and ensure coordination between external and internal auditors and the Management;

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- oversee the establishment and operation of the whistleblowing process in the Company and review policies and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up;
- review the Group's financial and operating results and accounting policies;
- review the consolidated financial statements of the Group before submission to the Board together with the external auditors' report on those financial statements;
- review the half-yearly and full-year announcements as well as the related press releases (if any) on the results and financial position of the Group before submission to the Board for approval for release to SGX-ST; and
- review interested person transactions to ensure that each has been conducted on an arm's length basis.

The ARC has explicit authority to investigate any matter within its charter, full access to and co-operation of Management and full discretion, to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The CEO and the CFO were invited to attend meetings of the ARC to report and brief the Committee on the financial and operational performance of the Group and answer queries raised by the ARC.

The ARC has reviewed the half-yearly and full-year financial statements of the Group in conjunction with the report issued by external auditors before announcement on SGXNET. Since the cessation of quarterly reporting by the Company on SGXNET in 2020, the ARC and the Board have continued to review and monitor the Group's quarterly results.

The following significant matters were highlighted by external auditors as key audit matters (KAMs) for the financial year ended 31 December 2024, which were discussed with Management and reviewed by the ARC.

Significant matters	How the ARC reviewed the matter and what decision was made
Revenue recognition on construction contracts	The ARC reviewed the approach and methodology applied to the revenue recognition on construction contracts where revenue is recognised over time based on the Percentage of Completion ("POC"). The ARC considered the approach and methodology used to be appropriate for its nature of business and they are in line with prevailing accounting standards and business practices. The ARC has also reviewed Management's judgement and assumptions used in the determination of POC.
Provision for expected credit loss on trade receivables and contract assets	The ARC reviewed the approach and methodology applied to the provision for credit loss on trade receivables and contract assets. This comprised recognising appropriate amounts of loss allowance, and the identification of credit impaired debtors on trade receivables and contract assets balances. The Group has established a provision matrix to calculate expected credit losses that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Details on the KAMs can be found in the Independent Auditor's Report on pages 25 to 26. Based on its review as well as discussion with Management and the external auditors, the ARC is satisfied that the KAMs have been properly dealt with.

In the ARC meetings held quarterly during the financial year, the ARC has reviewed all interested person transactions entered into by the Group. From the review, the ARC is satisfied that all such transactions have been conducted on an arm's length basis and has recommended to the Board for the approval of those transactions.

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The ARC has reviewed the work performed by the external auditors, Ernst & Young LLP, after taking into consideration the relevant guidelines issued to the Audit Committees by Singapore Exchange Trading Limited and/or the Singapore Accounting & Corporate Regulatory Authority.

After taking into consideration the adequacy of the resources and experience of Ernst & Young LLP (including the audit partner in charge of auditing the Company), the time spent by the audit team members, the other audit engagements of Ernst & Young LLP, the number and experience of supervisory and professional staff assigned to the audit, the inspection results of the audit partner in charge, as well as the Group's size and complexity, the ARC and the Board are of the view that Ernst & Young LLP has been able to assist the Company in meeting its audit obligations.

Saved as disclosed in the financial statements on pages 77 and 84 to 86 of the Annual Report, the Company engages Ernst & Young LLP for all its Singapore incorporated subsidiaries, associates and joint venture companies as well as its significant foreign-incorporated subsidiaries. For the Singapore subsidiary that is not audited by Ernst & Young LLP, the Board and ARC had considered suitability of the auditor appointed, taking into consideration the adequacy of the resources and experience of the auditor, and are satisfied that the appointment would not compromise the standard and effectiveness of the audit of the Group.

Accordingly, the Company is in compliance with Rules 712 and 715 of the SGX-ST Mainboard Listing Rules.

In accordance with Rule 1207(6) of the SGX-ST Mainboard Listing Rules, the audit fees paid to Ernst & Young LLP for the statutory audit and audit related services and non-audit services for the financial year ended 31 December 2024 for the Group, including associates and joint ventures, amounted to $301,100 and $45,500 respectively.

The ARC has conducted an annual review of non-audit services provided by the external auditors to the Group and is satisfied that the nature and extent of such services do not affect the independence of the external auditors.

The ARC is satisfied with the independence and objectivity of the external auditors and recommends to the Board the nomination of the external auditors for re-appointment.

The ARC meets the external auditors without the presence of the Management annually. The external auditors have attended ARC meetings held during the financial year to present their audit reports, where applicable.

The Company has in place a whistleblowing framework which serves to encourage and provide a channel whereby employees may, in good faith and in confidence, raise concerns about possible improprieties in financial reporting and other concerns, to ensure independent investigation of such matters and appropriate follow-up action. Staff may wish to report to his/her immediate supervisor or the Company Secretary. If these channels are not appropriate in view of the circumstance or nature of the incident, the matter can be reported to the ARC Chairman. Protection is given to the person reporting any irregularity in good faith. The whistleblower's identity is kept confidential and his/her interests will be safeguarded at all times. He/She will be protected from reprisals for whistleblowing in good faith, even if no violation is found to have occurred eventually. A review committee, comprising the ARC, any senior management staff and/or professionals which the review committee may include at their discretion, will be set up to look into the concerns raised. The review committee may appoint one or more investigating officers to conduct the investigation and the findings of the investigation will be communicated to the review committee for their necessary action. There have been no reported incidents pertaining to whistleblowing for the financial year 2024.

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The Company has established an internal audit function that is independent of the activities it audits. The internal audit function is presently outsourced and conducted by One e-Risk Services Pte Ltd, a professional risk advisory company. It is a member of The Institute of Internal Auditors ("IIA") and meets the standards set by internationally recognised professional bodies such as the Standards for the Professional Practice of Internal Auditing set by IIA. One e-Risk is a well-resourced service provider of internal audit. Their appointment, removal, evaluation and compensation are approved by the ARC. The Company has given the IA full access to its documents, records, premises and personnel in the course of their work.

The internal audit function is independent and reports directly to the ARC. To ensure the adequacy of the internal audit function, the ARC meets at least once a year to review the internal audit findings and to approve the annual internal audit plans. Annual reviews are conducted on the adequacy and effectiveness of the Company's risk management and internal control systems, which may include financial, operational, compliance and information technology controls. The members of the ARC have unrestricted access to the IA on all matters whenever they deem necessary and have met the IA without the presence of the Management at least once annually.

The IA meets the standards set by recognised professional bodies, including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The ARC has reviewed the adequacy of the Company's internal audit function and is satisfied that it is independent, effective, adequately resourced and has appropriate standing within the Company.

The ARC will continue to review the adequacy of the internal audit function annually.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder 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.

The Directors and Management are mindful of the obligation to provide shareholders with information on all major developments and other material information that affects the Group on a timely basis. The Company does not practice selective disclosure of material information.

Information is communicated to shareholders on a timely basis through:

- Annual reports and circulars;
- SGXNET announcements and press releases, where applicable;
- Half-yearly financial results and annual reports are broadcast via SGXNET within the prescribed period;
- Notices and explanatory notes of the general meetings; and
- the Company's website at http://www.bbr.com.sg

The Board provides shareholders with a balanced and understandable assessment of the Group's financial performance, position, and prospects through the announcement of half-yearly and annual financial results and press release (where appropriate) via SGXNET.

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Shareholders can access both general information such as business activities, project history, as well as investor-related information on the Group via the Company's website.

Conduct of General Meetings

Shareholders are notified of general meetings within the prescribed period before the scheduled date of such meetings via notices in annual reports or circulars, announcements on SGXNET and advertisements in the Business Times (unless such requirement is otherwise waived by the relevant regulatory authorities). Members are entitled to attend all general meetings so as to participate effectively and vote. They are also given the opportunity to share and communicate their views and seek clarification with the Board on issues relating to the Group's performance either formally at or informally after the meeting. Shareholders are informed of the rules, including voting procedures that govern general meetings of members at the commencement of each meeting.

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue with provision of explanatory notes unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting. No such resolutions were tabled in the previous annual general meeting held.

All resolutions tabled at general meetings are voted by poll in the presence of the scrutineers. Results of the polling are made known to members before the meeting is concluded and announced on the SGXNET immediately after the meeting.

All Directors and the Chief Financial Officer will strive to attend general meetings to address any questions and concerns of the shareholders. The external auditors will also be present to address shareholders' queries about the conduct of audit, the preparation and content of the auditor's report.

The Company's constitution allows for absentia voting at general meetings of shareholders but the Company is not implementing absentia voting methods such as voting via mail, e-mail or fax as issues concerning authentication, security, privacy and integrity have to be satisfactorily dealt with and resolved. Banking corporation or subsidiary of such corporation whose business includes the provision of nominee services and person that provide custodial services for securities and who holds shares of the Company in that capacity are entitled to appoint more than two proxies to attend, speak and vote at general meetings.

Conduct of 2024 AGM

During the financial year under review, the Company's 30th AGM was convened physically. Shareholders (including Central Provident Fund Investment Scheme members ("**CPF Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**")) may participate in the AGM by (a) attending the AGM in person; (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or (c) voting at the AGM themselves personally; or through their duly appointed proxy(ies).

Shareholders were allowed to raise questions at the AGM or submit questions related to the resolutions to be tabled for approval at the AGM in advance. The Company then published its responses to the substantial and relevant questions, if any, submitted by the shareholders on SGXNET.

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The Company publishes the minutes of general meetings on its corporate website as well as through announcements via SGXNET. The minutes will include information of the Directors, Management and, where relevant, the external auditor and advisors who attended the meeting, details of any questions raised by members and the answers given by the Board and/or Management. The minutes of the previous AGM held on 30 April 2024 was announced and published on 28 May 2024. The minutes of an EGM held on 3 June 2024 was announced and published on 26 June 2024.

Dividend Policy

The Company does not have a fixed dividend policy in place. In determining the annual dividend payout, the Board will consider setting aside sufficient funds for investments, capital expenditure, equity contribution for property development projects, working capital and other requirements as the Board may deem fit for the best interests of the Company and the Group.

A dividend of 0.3 cents for FY2023 was approved by shareholders at the last AGM held on 30 April 2024 and paid on 28 May 2024.

A dividend of 0.3 cents has been proposed for FY2024 representing a dividend payout of approximately 5% of its current earnings.

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.

The annual general meetings and extraordinary general meetings are the principal forums for dialogue with shareholders and venues for shareholders to express their views on various matters affecting the Company and to stay informed of the Group's strategy and goals. Shareholders and members are encouraged to participate in the meetings by raising relevant questions or to seek clarification on the motions to be debated and decided upon. According to the Company's constitution, a member who is not a relevant intermediary, is entitled to attend, speak and vote at general meetings, may either vote in person or appoint not more than two proxies to attend, speak and vote on his behalf. Member who is a relevant intermediary, either banking corporation, its wholly-owned subsidiary that provide nominee services or a person that provide custodial services for securities, may appoint more than two proxies to attend, speak and vote at the general meetings.

The Chairman of the respective committees are present and available to address questions at general meetings. The external auditors are invited to general meetings, in particular, the annual general meetings, to assist the Directors in addressing any relevant queries by the members.

Shareholders are given the opportunity to raise questions at general meetings or submit questions related to the resolutions to be tabled for approval at the general meetings in advance. The Company shall publish its responses to the substantial and relevant questions, if any, submitted by the shareholders on SGXNET.

The Directors and Management of the Company continue to place emphasis on its investor relations efforts to engage and strengthen relationships with shareholders. It believes that regular, timely, effective and fair communication with shareholders is part of good corporate governance practices.

CORPORATE GOVERNANCE

The Investor Relations team communicates with financial analysts to update them on the latest corporate development and at the same time address their queries, if any. The CEO and CFO may hold analysts' briefings on the Company's financial results and business updates after they have been announced on SGXNET. Interviews with the appropriate media may be organised from time to time.

Shareholders with questions may contact the Company's investor relations which are managed by Waterbrooks Consultants Pte Ltd, through the Company's website at *www.bbr.com.sg*, from which shareholders can access, provides all publicly announced financial information, corporate announcements, media releases and annual reports which shareholders can access at any time.

MANAGING STAKEHOLDERS RELATIONSHIP

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.

The Group has regularly engaged its stakeholders through various mediums and channels to ensure that the business interests are aligned with those of the stakeholders, to understand and address the concerns so as to improve services and products' standards, as well as to sustain business operations for long term growth.

The stakeholders identified are those who are impacted by or who will be impacted by the Group's business and operations. They are our future generation, employees, customers, suppliers and the community.

The Group has undertaken a process to determine the environmental, social and governance issues which are important to these stakeholders. These issues form the materiality matrix upon which targets, performance and progress are reviewed by the Board annually.

Having identified the stakeholders and the material issues, the Company has mapped out the key areas of focus in relation to the Management of the respective stakeholder relationships.

More information is available in the annual Sustainability Report, which will be published by the Company at a later date, a copy of which will be made available on the Company's website in due course.

ADDITIONAL INFORMATION

Dealings in the Company's Shares (Rule 1207(19) of the SGX-ST Listing Manual)

The Company has adopted policies in line with the requirements of the listing rules of SGX-ST on dealings in the Company's securities. The Company and all officers and employees of the Group are not allowed to deal in the Company's shares while in possession of unpublished material price-sensitive information and on short-term considerations, and during the period commencing one month before the announcement of the Company's half year and full year financial statements up till the date when the relevant announcements have been released.

CORPORATE GOVERNANCE

Risk Management Policies and Processes (Rule 1207(4)(b)(iv) of the SGX-ST Listing Manual)

The Group's overall risk management policy aims to minimise potential adverse effects on the financial performance of the Group. The Group has adopted risk management policies and processes that seek to mitigate these risks in a cost-effective manner.

Information on risk management, policies and processes are disclosed in the financial statements as well as Risk Management Report on pages 156 to 162.

Material Contracts (Rule 1207(8) of the SGX-ST Listing Manual)

There were no material contracts entered into by the Company and its subsidiaries in financial year 2024, save as disclosed under "Interested Person Transactions" in this section and in the financial statements, which involved the interests of the CEO, any Director or controlling shareholders of the Company.

Interested Person Transactions (Rule 907 of the SGX-ST Listing Manual)

No general mandate has been obtained for interested person transactions pursuant to Rule 920(1) of the SGX-ST Mainboard Listing Rules. The aggregate value of interested person's transactions carried out during the financial year ended 31 December 2024 by the Group based on the Group's effective interest in the transactions was as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
	S$'000	S$'000
BBR VT International Ltd (A related corporation of BBR Holding AG, Switzerland, a controlling shareholder of the Company)	1,530	–

The above interested person transactions were carried out on an arm's-length basis.

Sustainability Report (Rules 711A and 711B of the SGX-ST Mainboard Listing Rules)

The Board recognises the importance of sustainability in our Group's business operations and performance and oversees the overall strategic plan including considering sustainability and environmental issues as part of our strategic formulation. It is our belief that building a sustainable business is vital to our continued success and that we must be fully accountable for our impact on the environment, our customers, our people and our community as well as its financial performance.

CORPORATE GOVERNANCE

In response to growing climate change challenges, the Group has continuously sought to minimise the environmental impact and reduce carbon footprint of its activities through energy conservation, optimising paper consumption and managing waste. The Group is adopting a progressive approach towards managing and reporting climate-related risks and opportunities. Climate-related physical and transition risks relevant to the business have been identified, assessed and mitigating measures implemented. These climate-related risks are now integrated into the Group's overall risk management policies and process.

All our employees are urged to minimise paper wastage at work by adhering to our internal paper usage reduction guidelines, such as setting double-sided printing as a default, lower grammage paper being used for daily printing, and blank sides of unneeded single-sided copies being used for printing drafts. Wherever possible, we go green by adopting a paperless approach for record-keeping. In addition, the Board emphasises the need to provide and maintain a safe and healthy work environment for the Company's employees. Given the high-risk nature of construction activities, we place greater emphasis on health and safety training, awareness, procedures and general education, and aim to develop a culture whereby safety is ingrained into each and every employee and subcontractor working with us.

Information on the Group's Corporate ESG policies and practices will be included in its Sustainability Report which will be released via SGXNET no later than 4 months after the end of the financial year.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr. Tan Kheng Hwee Andrew, Mr. Lim Boon Cheng and Dr. Pietro Brenni are the Directors who are seeking re-election at the forthcoming Thirty-First Annual General Meeting ("AGM") of the Company to be convened on Wednesday, 30 April 2025 at 4.00 p.m. (the "Retiring Directors").

Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the information relating to the Retiring Directors, in accordance with Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:

	Mr. Tan Kheng Hwee Andrew	**Mr. Lim Boon Cheng**	**Dr. Pietro Brenni**
Date of Appointment	01/04/1994	03/05/2021	03/05/2021
Date of last re-appointment (if applicable)	27/04/2023	29/04/2022	29/04/2022
Age	70	69	58
Country of principal residence	Singapore	Singapore	Switzerland
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has considered the recommendation of the Nominating Committee and assessment of Mr. Tan Kheng Hwee Andrew's performance, contributions, competencies and commitment in the discharge of his duties as a Director, *inter alia*, and is satisfied that he will continue to contribute to the Board.	The Board has considered the recommendation of the Nominating Committee (save for Mr. Lim Boon Cheng) and assessment of Mr. Lim Boon Cheng's performance, contributions, competencies and commitment in the discharge of his duties as a Director, *inter alia*, and is satisfied that he will continue to contribute to the Board.	The Board has considered the recommendation of the Nominating Committee and assessment of Dr. Pietro Brenni's performance, contributions, competencies and commitment in the discharge of his duties as a Director, *inter alia*, and is satisfied that he will continue to contribute to the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive He is responsible for the strategic management and business development of the Group.	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Chief Executive Officer	Independent Non-Executive Director and Chairman of the Board; Chairman of Audit & Risk Committee and a member of the Remuneration Committee / Nominating Committee	Non-Executive Director

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Kheng Hwee Andrew	**Mr. Lim Boon Cheng**	**Dr. Pietro Brenni**
Professional qualifications	Mr. Tan holds a Bachelor Degree of Engineering (Honours) from the then University of Singapore (now the National University of Singapore) and a Master of Science in Civil Engineering from the National University of Singapore. He is also a registered Professional Engineer with the Professional Engineers Board Singapore, and a senior member of the Institute of Engineers, Singapore.	Master of Business Administration, University of Ulster, Northern Ireland, UK Fellow of Chartered Accountants Ireland Fellow of the Institute of Singapore Chartered Accountants	MSc and PhD in Structural Engineering ETHZ Member of Swiss Engineer and Architect Professional Association SIA Member of Swiss Association of Consulting Engineers suisse.ing Member of Canton Ticino Engineer and Architect Professional Association OTIA Member of International Association for Bridges and Structural Engineering IABSE
Working experience and occupation(s) during the past 10 years	From 1994 to present: Executive Director of BBR Holdings (S) Ltd. Additional appointment as Chief Executive Officer in 1997.	Mr. Lim has more than 30 years of experience in the accounting industry, primarily in auditing, financial accounting and business advisory work: <u>Past</u> FG Investors Pte. Ltd. – Director FGPO (Singapore) Pte. Ltd. – Director FG Property No. 1 Pte. Ltd. – Director Fitzroy Corporate Advisory – Owner Advanced Holdings Ltd. – Director <u>Present</u> AIB MT Fund Asia Pte. Ltd. (In Members' Voluntary Liquidation) – Director <u>Listed Companies</u> BBR Holdings (S) Ltd. - Director Design Capital Ltd. - Director	Dr. Brenni is currently the CEO and Board President of Brenni Engineering SA. He is a non-executive director of BBR Holdings (S) Ltd. He is also a Board member of BBR Holding AG and and Stahlton Bauteile AG and Board Chairman Stahlton AG.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Kheng Hwee Andrew	Mr. Lim Boon Cheng	Dr. Pietro Brenni
Shareholding interest in the listed issuer and its subsidiaries	17,478,874 shares of the Company	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No
Conflict of interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments including directorships (for the last 5 years)	Past Nil Present BBR Holdings (S) Ltd. group of companies Listed Directorship BBR Holdings (S) Ltd.	Past Advanced Holdings Ltd. Fitzroy Corporate Advisory – Owner Present AIB MT Fund Asia Pte. Ltd. (In Members' Voluntary Liquidation) – Director Listed Directorship BBR Holdings (S) Ltd. Design Capital Ltd.	Past Nil Present Brenni Engineering SA – CEO, Board President Stahlton AG – Board Chairman Stahlton Bauteile AG – Board Member BBR Holding AG – Board member Listed Directorship BBR Holdings (S) Ltd.
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

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

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Kheng Hwee Andrew	Mr. Lim Boon Cheng	Dr. Pietro Brenni
(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 of dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offences in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust)?	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling or any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Kheng Hwee Andrew	Mr. Lim Boon Cheng	Dr. Pietro Brenni
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-	No	No	No
(i) Any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
(ii) Any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) Any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) Any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No	No	No
In connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?			

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Kheng Hwee Andrew	Mr. Lim Boon Cheng	Dr. Pietro Brenni
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed company as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable	Not applicable	Not applicable

RISK MANAGEMENT REPORT

The Board of Directors has the overall responsibility for overseeing the risk governance framework of BBR so as to ensure that management maintains a sound system of risk management to safeguard shareholders' interest and the company's key assets. To this end, it has established a Risk Management Committee ("RMC") comprising the management of key operating units of the Group. The RMC will report to the Audit and Risk Committee for all aspects of risk governance.

BBR's Enterprise Risk Management ("ERM") framework is an integral part of its business decision-making process and by identifying potential risks which may affect its business and putting in place measures to mitigate the impact and likelihood of these risks occurring, the ERM framework provides better assurance that its business objectives, as well as BBR's long term and short-term objectives can be achieved.

BBR's ERM framework is a platform with consistent risk management procedures and methodologies applied across the whole organisation. Risks are also managed to be within the Group's risk profile as determined by the Board of Directors. The ERM framework delineates risk preventive measures, risk detective measures and risk corrective action for risks identified by the Group in the context of its operational and business environment. Preventive measures reduce or eliminate the likelihood of a risk event occurring. Detective measures identify risk events that have occurred or are impending. Corrective actions reduce or eliminate the consequences of a risk event that has occurred. More priority is put into identifying and preventing risk events from occurring than in corrective action for events that occur as prevention is far more cost efficient than correction.

BBR's ERM framework improves the Group's operational efficiency, enhances its business strategies and creates value for shareholders in the following ways:

1. By proactively identifying and managing risks through a suite of mitigating controls. This enables the Group to mitigate unforeseen risks and undesirable consequences which may materially impact the Group's business performance;
2. By assigning clear roles and responsibilities to staff for better accountability. Establishing risk reporting channels, enables the Group to proactively escalate risks as they occur as opposed to waiting for annual updates of BBR's risk register; and
3. By having an organisation-wide platform for managing risks, ERM empowers personnel to take ownership of relevant risks identified in their departments and at construction sites and ensure that the appropriate controls are implemented to mitigate the occurrence and impact of these risks, thus ultimately facilitating the achievement of corporate objectives.

Enterprise Risk Management Process

The ERM process begins with BBR's individual business units defining the operating environment, followed by identification of associated risks and establishing likely consequences should the event occur. The process also involves identifying existing mitigating controls and their design effectiveness. BBR's operating environment is defined in the context of the Group's strategic objectives i.e. its vision, mission, key business objectives, and what it considers as key assets which need to be protected. Additionally, enterprise risks are reviewed annually to ensure their relevance and effectiveness in the context of changing business conditions and strategic goals. The risks identified are grouped into the following four categories:

- Strategic Risks
- Operational Risks
- Financial Risks
- Compliance Risks

Next, an Enterprise Risk Assessment methodology is used to rate the risks. This involves risks analysis to determine the level of risk exposure to enable the prioritisation of risk and calibrate the amount of management focus and effort

RISK MANAGEMENT REPORT

required. Each risk is evaluated to determine the likelihood of occurrence and severity of each consequence for that risk after factoring the effectiveness of existing mitigating controls. All the components of the ERM framework are objective, measurable and able to be documented and rated for effectiveness.

Example: Overall Risk Rating = Consequence of the Event x Likelihood of Occurrence

In a dynamic operating environment, risks are regularly monitored as well as identification of emerging risks that may affect the achievement of the Group's objectives. Risk are periodically reviewed by the Board.

The following sections outline key risks within the Group's ERM framework that may impact the financial status and operational effectiveness of BBR's businesses.

STRATEGIC RISKS

Competition risk

Singapore is a key market for BBR's businesses. The availability of public sector as well as private sector construction projects constantly attracts new players resulting in keener competition and lower margins. In recent years, the Group sees increased competition from overseas players from countries such as the People's Republic of China, Japan and South Korea. The Group monitors the competitive landscape by conducting periodic market scans and also measures the effectiveness of marketing initiatives to increase brand awareness and grow its customer base. The Group also explores partnership and collaboration with overseas players instead of direct competition with them.

For BBR's property development business, a crucial factor is the availability of sites that are suitable for development, design and construction. The business development team's role is to identify potential sites and conduct due diligence on its suitability before it is proposed to the management for investment consideration. The availability of capital for funding the acquisition of suitable plots of land is a strategic business risk which must be addressed prior to investment commitment.

The Group also mitigates competition risk by exploring business opportunities in the region.

The Group has further diversified into the accommodation business through the acquisition of an existing dormitory with more than 5,000 beds and an occupancy rate of 100% as of 28 February 2025. With plans to develop, own and operate new accommodation assets as well as provision of property management services to third parties for foreign worker dormitory and student accommodation, this creates a new revenue stream for the Group and diversifies the existing business.

Political and regulatory risks

All projects are assigned a risk quotient for political and regulatory risk. As the Group operates in a few countries outside of Singapore, the risk exposure in each country is varied. The exposure to changing government policies and regulations within the local and global market environment entails a continual review of business plans. Preventive measures include performing due diligence prior to investments and identifying established local and global partners that are able to identify and mitigate any potential regulatory shifts. Additionally, we maintain close working relationships with business partners and authorities to keep abreast of developments, policy and regulatory changes in the construction and property development industries.

Changes to government policies

The Group operates amid a backdrop of government legislation, regulations and policies governing, among other things, employment of foreign workers, licensing of builders, approval and execution of plans and building works,

RISK MANAGEMENT REPORT

workplace safety and health mainly in Singapore, Malaysia, Thailand and the Philippines. The Singapore government has legislated the adoption of more productive construction methods, such as, Prefabricated Prefinished Volumetric Construction ("PPVC") for certain public sector projects and selected government land sales sites.

To keep abreast of changing policies, the business development team holds regular dialogues with the regulatory authorities and participates in industry workgroups to give feedback on potential regulatory changes. In order to uphold our first-mover advantage in PPVC, besides constantly upgrading BBR's steel modular system with the latest know-how, project execution methodology has to be proficient. We would send our project staff regularly for training to keep them updated on changes in government regulations or policies in Singapore and other relevant countries, as well as on new safety and building standards imposed by the regulatory authorities.

Sales of development properties are affected by cooling measures imposed by the government from time to time. As such, we are continually keeping abreast of property market developments so as to enable us to better manage our property development business.

OPERATIONAL RISKS

Contractual risks and management

The Group has established a Tender Committee to evaluate the risks associated with contractual issues and tender compliances. The objective of the evaluation is to minimise contractual risks of the Group. Prior to the submission of tenders, additional clarification is sought from clients/consultants, queries received by the management are discussed and appropriate replies to the clients/consultants are prepared accordingly.

All agreed contractual matters are incorporated in the contracts for completeness and accuracy after discussions. However, in the event that clarifications sought by the management are not complete by the deadline stipulated for the tender, the management will enclose a qualification to that particular effect in the tender submission and these are further discussed at the tender interview with the clients/consultants.

Technical risks and management

The Group's technical risks exposure is minimal as it has highly qualified technical personnel and it also engages external specialist consultants to look into all aspects of technical matters. For projects that involve higher quantifiable risks, these factors will be taken into account during the tender stage. Clarification will be sought from the clients/consultants for matters that are not clear and proper records and documentation, where applicable, are prepared.

Partnership alliances to undertake projects jointly

The Group may enter into joint ventures to further its business plans. Disagreements regarding the conduct of business or operations, inconsistent economic or business goals, disputes as to the scope of responsibilities and obligations and differing financial capacities among partners may adversely affect the performance of the joint ventures. Further, amid deteriorating economic and/or financial conditions, joint venture partners may be unable to fulfil their respective contractual obligations, such as capital calls, as well as experience a decline in their creditworthiness.

The Group has addressed these risks by providing for executive committees ("Exco") to be set up in joint ventures and appointing its own personnel to participate actively in the progress of the project via the Exco. Key policy matters are defined and agreed upfront in contractual documents, stipulating detriments of defaulting parties for specific events. Prior to forming an alliance, there will be due diligence performed on the potential partners.

RISK MANAGEMENT REPORT

Performance, quality, cost overruns and liquidated damages for project delays

Project execution is affected by factors such as fluctuations in costs of materials, equipment and labour, control of materials usage and costs, proficiency of project staff and workers, changes in project design and specifications, accidents at worksites, environmental impacts, delays in approval from the relevant authorities, stop-work orders, cost overruns and unfavourable weather conditions. Performance and quality of the projects delivered depend very much on the ability to develop and construct sites according to construction schedule, design and specifications. Projects may also be slapped with liquidated damages if delays due to factors attributable to the Group occur, leading to non-completion within the construction period.

Initiatives by the Group to mitigate the above risks include periodic project milestone monitoring and regular budget review and update meetings involving project execution teams and management. Quality certifications such as ISO 9001 are in place as part of project and quality management across the Group. Construction budgets may also include provisions in anticipation of cost overruns. To better equip personnel with skillsets to perform their functional roles, raise competencies and productivity levels during project executions, staff undergo relevant professional as well as technical training courses. The Group also conducts regular checks on the quality of work done for its projects.

BBR's centralised procurement facilitates the consolidation of purchases across projects to achieve economies of scale. The purchasing department is tasked with pre-qualifying vendors to ensure that they fulfil prerequisites such as sub-contractors being listed in the Building and Construction Authority ("BCA")'s Contractors Registration System and have the relevant workheads. An annual evaluation of each vendor's performance is conducted and vendors who do not fulfil requirements are dropped from the pre-approved vendor list. To mitigate the impact of cost fluctuations, contract terms may include a price fluctuation clause for key construction materials, such as rebar and concrete.

ISO 9001 accreditations govern project and quality management across the Group. Delay events are formally notified in writing on a timely basis to clients to minimise liquidated damages, while extension of time applications is judiciously pursued with proper documentation of delay events, site minutes of meetings, photographs and project correspondences.

Performance by sub-contractors

The Group engages third-party sub-contractors to perform various services for its projects, to the extent that the end product is substantially dependent on the performance of these subcontractors. These subcontractors may default, fall back on scheduled progress or quality standards may be below par. If their services are discontinued, alternative subcontractors are appointed and more often than not, at higher costs and longer completion duration, for which such additional costs cannot be recovered from the defaulting contractor.

BBR minimises this risk by assessing all subcontractors' quality of work after each project and maintains a list of pre-approved subcontractors for each workhead. Subcontractors are awarded not purely on price but assessed on quality of services and the company's financial strength. Other insurances include retention sums and submission of performance bonds to BBR.

Overhead cost management of PPVC Modules

Production and fabrication of PPVC modules require facilities like fitting yard and lifting equipment. The cost of such facilities is part of fixed overhead costs. The facilities may be left idle upon completion of projects and this will in turn result in high unutilised overheads. The Group develops the sales strategy and engages in active marketing activities to ensure the efficient utilisation of the facilities. This includes exploring overseas markets for sales opportunities of PPVC modules. Besides, the Group considers entering into short-term lease contracts for high value machines and equipment.

RISK MANAGEMENT REPORT

Shipment and transportation of PPVC modules

Deploying the PPVC system enables BBR to achieve labour productivity and operational efficiency via off-site prefabrication of steel units, complete with internal finishes, fixtures and fittings at holding yards, which are then transported to construction sites for installation and assembly to form modular apartments. There could be delays by the logistics firm due to insufficient base cargo to justify shipments, or adverse weather conditions at sea. During transportation of the finished heavy and bulky modules to the project site, accidents may happen en route, causing not only delays and damages to the modules, but to third parties too.

BBR mitigates this risk by engaging only experienced logistics vendors with good track records and having adequate insurance coverage to minimise any loss from shipment delays and damages to goods. Adequate insurance coverage is fundamental to hedge against all forms of damages consequent to accidents.

Quality control of PPVC modules

As a manufacturer of PPVC modules, quality control of the modules is of utmost importance. The Group has stringent quality assurance and quality control requirements at each stage of works and close supervision at the factory where the modules are constructed off-site. Selection of sub-contractors is based on quality and price rather than solely on price. Materials used are tested if necessary to ensure that they meet the project requirements and quality standards.

Labour shortage

The Group is highly dependent on foreign workers for its construction projects. Increasingly stringent labour policies in Singapore and Malaysia have resulted in limited supply of foreign workers and higher foreign workers' levy. Further to that, the Foreign Employee Dormitories Act raised the required standards and living conditions for foreign workers, which led to shortage in supply of dormitories as well as higher cost. With BBR's new accommodation business through an acquisition of an existing dormitory, the Group is able to mitigate some costs by securing sufficient beds for its own workers. To address this, the Group improved its manpower planning and efficiency through sharing of resources among the Group entities and upgrading of skillsets, deploying the use of PPVC, Building Information Modelling ("BIM") software and applications, and other automation. This improved productivity and thereby reducing our reliance on labour.

FINANCIAL RISKS

Credit risks

The Group's exposure to credit risk arises primarily from trade receivables, contract assets including retention receivables and loans to a joint venture. The Group's receivable balances are monitored closely on an ongoing basis to ensure the exposure to bad debts is not significant. Additionally, the Group conducts business only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group will take extra steps to monitor its debtors' collection vigilantly to minimise its credit exposure. In addition, as the Group explores prospective projects in the region, the Group will adopt more stringent review of credit standing of the customers and review of payment terms and retention sum. All these will have to be balanced against the Group's objective to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure.

Interest rate risks

The Group is subject to interest rate risks resulting from adverse movements in market interest rates, arising primarily from the interest-bearing loans and borrowings. The Group manages its interest rate exposure by using both fixed and floating rates borrowings and interest rate swaps. The Group also manages its cash flow, times its loan repayments with sales collection if applicable, and places surplus funds in fixed deposits with reputable banks.

RISK MANAGEMENT REPORT

Foreign exchange risks

The Group is subject to foreign exchange risks as a result of transactions denominated in currencies other than the respective functional currencies of its companies. The main foreign currencies involved are United States Dollars, Renminbi and Swiss Francs. The Group closely monitors for fluctuations and if necessary, may enter into forward currency contracts to partially hedge its foreign currency exposure.

In addition to transactional exposure, the Group is exposed to currency translation risk, mainly in Malaysian Ringgit and Thai Baht, from net investments in its foreign subsidiaries, BBR Construction Systems (M) Sdn Bhd and Siam BBR Systems Co., Ltd.

Capital management

BBR recognises the importance of prudent capital management to support the Group's overall business operations and strategic investments. To remain competitive, BBR must have adequate financing on terms acceptable to the Group to continually invest in capital equipment, facilities and technological improvements for its businesses, aside from sufficient working capital facilities to finance the completion of its projects. A common condition for project awards is the procurement of a performance bond by an acceptable financial institution to guarantee the Group's contractual performance in the project.

Prudent capital management is particularly pertinent for PPVC because there is a longer time gap between the payment for cost of supplies and collection from our client for some of the PPVC projects. Unlike general construction and specialised engineering projects where claims are progressively paid by the client for work performed, payment for some PPVC projects is due only when the completed module is installed at the site.

Financial institutions grant facilities to companies based on the company's financial performance and other factors that are beyond its control, such as general economic and political conditions. Hence, we maintain good relationships and open communication with our major bankers and have sufficient available lines of credit facilities. By aligning the Group's capital management strategy with its short and mid-term goals, investment and expansion plans need not be curtailed in the event financing is unsuccessful or withdrawn. Also, the Group negotiates with banks to establish loan covenants, where required, with ample headroom and monitors the outcome on a quarterly basis.

Tariff for Production of Solar Energy

For the Group's green technology segment, it is involved in projects to supply, install and lease solar panels and grid connected-systems to customers on a long-term basis. Power purchase agreements ("PPAs") are entered into for up to 25 years where the selling price of solar energy is pegged to the prevailing Singapore electricity tariff set by the Energy Market Authority ("EMA") and there may be no floor price set. As a key component in determining the cost of electricity is fuel cost, the income stream derived from the PPAs over the lease period would be affected by movements in oil prices, resulting in EMA adjusting the electricity tariff. However, BBR has not hedged income receivable from its solar leasing contracts because current revenue derived is relatively low and the cost of hedging does not merit the benefits.

COMPLIANCE RISKS

Workplace Safety and Health

Accidents at work sites may disrupt operations as a result of partial or full stop-work orders, fines, claims from injured parties for damages, and any claims which may not be covered by the Group's insurance policies. If an offence is committed under the Workplace Safety and Health Act, BBR and/or its officers may be liable to fines or imprisonment, as well as demerit points imposed by the Ministry of Manpower ("MOM") on the company. If

RISK MANAGEMENT REPORT

the company continues to breach workplace safety and health rules, applications for new and renewal of work passes for foreign employees will be rejected by the MOM. Any partial or full stop-work orders will also disrupt the operations and cause delays in the completion of a project, resulting in liquidated damages under the contract with our customers.

BBR has placed great emphasis on workplace safety and health by establishing safety programmes, standard operating procedures and protocols for staff. These safety measures have been extended to subcontractors who are obliged to conform to these practices or face fines for breaches. Apart from the appointment of qualified Safety Officers who perform regular site safety inspections, safe practices are reinforced by conducting mandatory safety induction sessions for site staff to familiarise themselves with safety policies, holding regular safety meetings, promoting a behavioural safety approach to all staff and workers, and educating them to take ownership for personal safety.

Climate Change and Environmental Risks

Climate change and environmental risks are becoming an increasing concern. Climate-related risks are categorised into physical risks and transition risks. Physical risks are risks related to the physical impacts of climate change (both acute and chronic). Acute physical risks include increased severity of extreme weather events while chronic physical risks refer to longer-term shifts in climate patterns e.g. sustained higher temperature, rising sea levels, increasing frequency of heavy rain and wind, and decreased rainfall.

Physical risks such as natural catastrophes, extreme weather conditions and the escalating future threats of climate change induced incidents may disrupt the Group's construction activities and pose safety risks to our workers. Extreme rainfall and increased flooding events can lead to physical infrastructure damage, supply chain disruption resulting in delays in transportation and delivery of building materials and spike in prices, construction site damage and challenging or unsafe working conditions. It may also result in increased wear and tear and damage to assets. All these will eventually increase maintenance cost, cause delays to project timelines and thus our operations and financial performance may be adversely affected.

The Group has made efforts to mitigate physical risks by close monitoring of weather forecasts to safeguard worker safety, ensuring adequate preparation such as heatwave response plans, and where necessary, evaluation of physical climate risk exposure of projects.

Transition risks are risks related to the transition to a lower-carbon economy and include changes to policy and legal obligations, technology innovation, changing market demands for products and changing stakeholder expectations.

Transition risks may include mandatory disclosures of carbon emissions disclosures, more stringent building materials and construction requirements and introduction of new regulations potentially leading to new methods of working, greater compliance costs, increased construction costs and even project delays.

In mitigating transition risks, the Group will stay well informed of regulatory developments, build up knowledge and the ability to assess lower carbon products and materials, as well as decarbonise operations through adoption of energy efficient equipment and processes, for example, replacing old diesel-powered equipment to electricity operated equipment or more fuel-efficient equipment where feasible. In the delivery of products and services to customers, PPVC currently used by the Group is considered a Green Construction Methodology because it is in line with the BCA's drive towards Design for Manufacturing and Assembly, a key pillar in the Construction Industry Transformation Map. Furthermore, the Group engages in the design and installation of solar photovoltaic systems for customers, which reduce greenhouse gas emissions.

STATISTICS OF SHAREHOLDINGS

AS AT 13 MARCH 2025

Issued and fully paid capital	:	$49,082,199
Number of ordinary shares (excluding treasury shares)	:	322,386,218
Number of treasury shares	:	2,324,200
Class of shares	:	Ordinary
Voting rights	:	1 vote for each ordinary share held (excluding treasury shares)

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	37	0.58	1,261	0.00
100 - 1,000	1,862	28.95	1,141,716	0.36
1,001 - 10,000	3,102	48.23	14,541,937	4.51
10,001 - 1,000,000	1,407	21.88	68,225,117	21.16
1,000,001 AND	23	0.36	238,476,187	73.97
TOTAL	**6,431**	**100.00**	**322,386,218**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	% [1]
1	BBR HOLDING AG	85,632,978	26.56
2	DBS NOMINEES (PRIVATE) LIMITED	27,776,774	8.62
3	UOB KAY HIAN PRIVATE LIMITED	25,212,000	7.82
4	CITIBANK NOMINEES SINGAPORE PTE LTD	21,702,500	6.73
5	DB NOMINEES (SINGAPORE) PTE LTD	17,389,900	5.39
6	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	11,719,400	3.64
7	KHOO YOK KEE OR CHIU HONG KEONG	9,230,000	2.86
8	ONG KIAN KOK	7,801,600	2.42
9	PHILLIP SECURITIES PTE LTD	6,735,692	2.09
10	NG SENG HUA	5,031,200	1.56
11	DUNCAN PRODUCTS PTE LTD	2,700,073	0.84
12	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	2,338,800	0.73
13	JONATHAN CHADWICK	2,000,000	0.62
14	TAN BAN PIN	1,761,500	0.55
15	TIONG WOON CRANE & TRANSPORT (PTE) LTD	1,696,788	0.53
16	TYT BUILDERS PTE LTD	1,560,182	0.48
17	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	1,549,700	0.48
18	TAN HUA TOCK	1,263,700	0.39
19	NG HWEE KOON	1,203,500	0.37
20	ABN AMRO CLEARING BANK N.V.	1,075,000	0.33
	TOTAL	**235,381,287**	**73.01**

Note:

(1) Percentage is calculated based on 322,386,218 ordinary shares (excluding treasury shares) as at 13 March 2025.

STATISTICS OF SHAREHOLDINGS

AS AT 13 MARCH 2025

TREASURY SHARES

As at 13 March 2025, 2,324,200 ordinary shares are held as treasury share, representing 0.72% of the total number of issued shares excluding treasury shares.

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct Interest	Deemed of Interest	Total Interest
BBR Holding AG, Switzerland	85,632,978	–	85,632,978
Tectus S.A. (1)	–	85,632,978	85,632,978
Claudia Valsamgiacomo-Brandestini (2)	–	85,632,978	85,632,978
Bruno Sergio Valsangiacomo (3)	–	85,632,978	85,632,978
Vesna Eckert-Brandestini (2)	–	85,632,978	85,632,978
Nick Brandestini (2)	–	85,632,978	85,632,978
Tan Kheng Hwee Andrew (4)	17,250,474	228,400	17,478,874
Voon Yok Lin (5)	16,690,000	–	16,690,000
Chiu Hong Keong or Khoo Yok Kee (6)	26,160,700	40,000	26,200,700
ZYG Investmeny Pte Ltd (7)	22,731,400	–	22,731,400
Lau Kah Soon (7)	–	22,731,400	22,731,400
Tan See Choy (7)	–	22,731,400	22,731,400

Notes:

(1) Tectus S.A. is deemed to have interests in the Company's shares held by BBR Holding AG, Switzerlad by virtue of its holding in aggregate not less than 20% of the voting shares of BBR Holding AG, Switzerland.

(2) Mrs Claudia Valsangiacomo-Brandestini, Ms Vesna Eckart-Brandestini and Mr Nick Brandestini are each deemed to have an interest in the Company's shares held by BBR Holding AG, Switzerland by virtue of each of them holding not less than 20% of the voting shares of Tectus S.A.

(3) Mr Bruno Sergio Valsangiacomo is deemed to have an interest of the Company's ahres held by BBR Holding AG, Switzerland by virtue of him together with his wife, Mrs Claudia Valsangiacomo-Brandestini, holding in aggreate not less than 20% of the voting shares of Tectus S.A.

(4) The shares of Mr Tan Kheng Hwee Andrew are held in the name of DBS Nominees Pte Ltd. He is seemed to have an interest in the Company's shares held by his wife, Ms Koh Peck Pohm Phyllis.

(5) The shares of Mr Voon Yok Lin are held in the name of Citibank Nominees Singapore Pte Ltd.

(6) Mr Chiu Hong Keong or Ms Khoo Yok Kee are deemed to have an interest in the shares held by their son, Mr Chiu Wei Wen.

(7) Mr Lau Kah Soon is the spouse of Mdm Tan See Choy. Mr Lau Kah Soon and Mdm Tan See Choy are the shareholders of ZYG Investment Pte Ltd, each holding 50% of the shares in ZYG Investment Pte Ltd.

PUBLIC SHAREHOLDING

As at 13 March 2025, based on the registers of shareholders and to the best knowledge of the Company, approximately 47.64% of the Company's shares were held in the hands of the public. The Company has complied with the Mainboard Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

BBR HOLDINGS (S) LTD
UEN 199304349M
(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that the 31st Annual General Meeting ("**AGM**") of BBR HOLDINGS (S) LTD (the "**Company**") will be held at 50 Changi South Street 1, BBR Building, Singapore 486126 on Wednesday, 30 April 2025 at 4.00 p.m. for the following purposes:

AS ORDINARY BUSINESSES

1. To receive and adopt the Directors' Statement and the audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Auditor's Report thereto. **(Resolution 1)**
2. To declare a first and final (tax exempt one-tier) dividend of 0.3 cents for each ordinary share for the financial year ended 31 December 2024. **(Resolution 2)**
3. To re-elect Mr. Tan Kheng Hwee Andrew, a director retiring by rotation pursuant to Regulation 111 of the Company's Constitution. [*see Explanatory Note (a)*] **(Resolution 3)**
4. To re-elect Dr. Pietro Brenni, a director retiring by rotation pursuant to Regulation 111 of the Company's Constitution. [*see Explanatory Note (b)*] **(Resolution 4)**
5. To re-elect Mr. Lim Boon Cheng, a director retiring by rotation pursuant to Regulation 111 of the Company's Constitution. [*see Explanatory Note (c)*] **(Resolution 5)**
6. To approve payment of $278,000 as Directors' fees for the financial year ended 31 December 2024 (2023: $283,000). **(Resolution 6)**
7. To re-appoint Ernst & Young LLP as Auditor of the Company and to authorise the Directors to fix the auditor's remuneration. **(Resolution 7)**
8. To transact any other ordinary business that may properly be transacted at an annual general meeting.

AS SPECIAL BUSINESSES

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

   Proposed Authority to Allot and Issue Shares

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

   "THAT: **(Resolution 8)**
   pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Companies Act**") and the Mainboard Listing Rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") as may for the time being be applicable, authority be and is hereby given to the Directors to:

   (a) (i) allot and issue shares in the share capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise;

NOTICE OF ANNUAL GENERAL MEETING

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued or other transferable rights to subscribe for or purchase shares including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares; and/or

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalization issues, at any time upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

(b) issue Shares in pursuance of any Instrument made or granted by the Directors while such authority was in force (notwithstanding that the authority conferred by the members may have ceased to be in force);

Provided that

(1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution):

(A) shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the share capital of the Company (as calculated in accordance with sub-paragraph (2) below); and

(B) the aggregate number of Shares to be issued other than on a pro rata basis to the shareholders of the Company does not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the share capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of 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 aggregate number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the aggregate number of issued Shares (excluding treasury shares and subsidiary holdings) in the share 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 convertible securities; or

(B) new Shares arising from the exercise of share option or the vesting of share awards, provided the options or awards were granted in compliance with the Mainboard Listing Rules of the SGX-ST; and

(C) any subsequent bonus issue, consolidation or subdivision of Shares, where applicable.

provided further that adjustment in accordance with sub-paragraphs (A) and (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 Mainboard 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 for the time being of the Company; and

NOTICE OF ANNUAL GENERAL MEETING

(4) unless revoked or varied by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to this Resolution may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of passing of this Resolution and expiring on the earliest of:

(A) the date on which the next annual general meeting of the Company is held; or

(B) the date by which the next annual general meeting of the Company is required by law to be held. [*see Explanatory Note(d)*]

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

Authority to Allot and Issue Shares under The 2024 BBR Share Plan **(Resolution 9)**

"THAT

pursuant to Section 161 of the Companies Act 1967, the Directors of the Company be authorised and empowered to offer and grant awards in accordance with the provisions of the 2024 BBR Share Plan ("**Plan**") and to allot and issue, transfer and/or deliver from time to time such number of fully paid-up shares in the capital of the Company as may be required to be delivered pursuant to the vesting of the awards under the Plan, provided that the aggregate number of new shares which may be issued and existing shares which may be delivered (whether such existing shares are acquired pursuant to the Share Purchase Mandate and/or held as treasury shares, or otherwise) pursuant to awards granted under the Plan on any date, when added to the number of shares issued and issuable and existing shares delivered and deliverable in respect of (a) all awards granted under the Plan and (b) all options or awards granted under any other option scheme or share plan of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time. [*see Explanatory Note (e)*]

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

Proposed Renewal of the Share Purchase Mandate

"THAT: **(Resolution 10)**

(a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued Shares not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter 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 scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and listing 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**");

NOTICE OF ANNUAL GENERAL MEETING

(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 in paragraph (a) of this Resolution may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

   (i) the date on which the next annual general meeting of the Company is held;
   (ii) the date by which the next annual general meeting of the Company is required by law to be held; or
   (iii) the date on which purchases or acquisitions of Shares are carried out to the full extent mandated;

(c) in this Resolution:

   "**subsidiary holdings**" has the meaning ascribed to it in the Mainboard Listing Rules of the SGX-ST;

   "**Prescribed Limit**" means 10% of the total number of issued Shares of the Company (excluding any Shares which are held as treasury shares and subsidiary holdings) as at the date of the passing of this Resolution; and

   "**Maximum Price**", in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

   (i) in the case of a Market Purchase, 105% of the Average Closing Price (as hereinafter defined); and
   (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price (as hereinafter defined),

   where:

   "**Average Closing Price**" means the average of the Closing Market Prices of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during such five-Market Day period and the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;

   "**Closing Market Price**" means the last dealt price for a Share transacted through the SGX-ST's trading system as shown in any publication of the SGX-ST or other sources;

   "**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

   "**Market Day**" means a day on which the SGX-ST is open for trading in securities; and

(d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution."

NOTICE OF ANNUAL GENERAL MEETING

All capitalised terms used in this Notice which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Appendix (including supplements and modifications thereto). Shareholders should refer to the Appendix for information relating to, *inter alia*, the proposed renewal of the Share Purchase Mandate. [*see Explanatory Note (f)*]

BY ORDER OF THE BOARD

Liew Meng Ling
Company Secretary
Singapore, 10 April 2025

Explanatory Note to Ordinary Business

(a) Ordinary Resolution 3 – Mr. Tan Kheng Hwee Andrew, is an Executive Director of the Company. Detailed information about Mr. Tan Kheng Hwee Andrew can be found in the "Board of Directors" section of the Company's Annual Report as well as the section titled "Additional Information on Directors Seeking Re-election" for additional information. Mr. Tan Kheng Hwee Andrew will, upon re-election as a Director of the Company, remain as an Executive Director and Chief Executive Officer of the Company.

(b) Ordinary Resolutions 4 – Dr. Pietro Brenni is a Non-Executive Director of the Company. Detailed information about Dr. Pietro Brenni can be found in the "Board of Directors" section of the Company's Annual Report as well as the section titled "Additional Information on Directors Seeking Re-election" for additional information. Dr. Pietro Brenni, will upon re-election as a Director of the Company, remain as a Non-Executive Director of the Company. The appointment of Mr. Romano William Fanconi as his alternate shall continue upon re-election of Dr. Pietro Brenni as a Director of the Company.

(c) Ordinary Resolution 5 – Mr. Lim Boon Cheng is an Independent Non-Executive Director of the Company and the Chairman of the Board, Chairman of the Audit and Risk Committee and a member of the Nominating Committee and Remuneration Committee. Detailed information about Mr. Lim Boon Cheng can be found in the "Board of Directors" section of the Company's Annual Report as well as the section titled "Additional Information on Directors Seeking Re-election" for additional information. Mr. Lim Boon Cheng will, upon re-election as a director of the Company, remain as an Independent Non-Executive Director of the Company, Chairman of the Board, Chairman of the Audit and Risk Committee and a member of the Nominating Committee and Remuneration Committee.

Explanatory Note to Special Business

(d) Ordinary Resolution 8 – if passed, will empower the Directors of the Company to issue shares and convertible securities in the Company up to a number not exceeding fifty percent (50%) of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings), of which up to twenty percent (20%) may be issued other than on a pro rata basis to the shareholders. For the purpose of determining the aggregate number of shares and convertible securities that may be issued, the aggregate number of issued shares is based on the aggregate number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the date of passing of the Resolution after adjusting for new issuance of shares, and subsequent consolidation or subdivision of shares, where applicable.

(e) Ordinary Resolution 9 – if passed, will empower the Directors to grant awards under the 2024 BBR Share Plan ("**Plan**"), and to issue fully paid-up shares pursuant to the vesting of awards under the Plan, provided that the aggregate number of new Shares which may be issued and existing Shares which may be delivered (whether such existing Shares are acquired pursuant to the Share Purchase Mandate and/or held as treasury shares, or otherwise) pursuant to awards granted under the Plan on any date, when added to the number of shares issued and issuable and existing shares delivered and deliverable in respect of (a) all awards granted under the Plan and (b) all options or awards granted under any other option scheme or share plan of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.

Any Shareholder who is eligible to participate in the Plan is reminded to abstain from voting on his/her Shares in respect of Ordinary Resolution 9. The Company will disregard any votes cast by such Shareholder.

NOTICE OF ANNUAL GENERAL MEETING

(f) Ordinary Resolution 10 - if passed, will empower the Directors to exercise all powers of the Company to purchase or otherwise acquire (whether by way of Market Purchases or Off-Market Purchases) up to 10 percent (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the terms of the Share Purchase Mandate set out in the Appendix. The authority conferred by this Resolution will continue in force until 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 the date on which purchases or acquisitions of Shares are carried out to the full extent mandated, whichever is the earlier, unless previously revoked or varied at a general meeting.

The Company intends to use the Group's internal resources, or external loans and borrowings or a combination of both to finance its purchases or acquisitions of Shares pursuant to the Share Purchase Mandate. The amount of funding required for the Company to purchase or acquire the Shares under the Share Purchase Mandate will depend on, inter alia, the aggregate number of Shares purchased or acquired and the consideration paid at the relevant time.

For illustrative purposes only, the financial effects of purchases or acquisitions of Shares under the Share Purchase Mandate on the audited financial statements of the Company and the Group for the financial year ended 31 December 2024, based on certain stated assumptions, are set out in section 2.7 of the Appendix.

NOTES FOR MEMBERS

1. The members of the Company are invited to **attend physically** at the AGM. **There will be no option for shareholders to participate virtually**. Printed copies of this Notice, the accompanying Proxy Form and Request Form will be sent to members and will be made available on the Company's website at *https://www.bbr.listedcompany.com/agm/html* and on the SGXNet at *https://www.sgx.com/securities/company-announcements*. A member will need an internet browser and PDF reader to view these documents.

2. Members (including Central Provident Fund Investment Scheme members ("**CPF Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**")) may participate in the AGM by:
   (a) attending the AGM in person;
   (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or
   (c) voting at the AGM
      (i) themselves personally; or
      (ii) through their duly appointed proxy(ies).

   CPF Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes **by 5.00 p.m. on 18 April 2025**.

   Please bring along your NRIC/passport to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process.

3. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

   Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

4. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967.
   (a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
   (b) a person holding a capital market services license to provide custodial services under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
   (c) the Central Provident Fund Board ("**CPF**") established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

NOTICE OF ANNUAL GENERAL MEETING

5. A member can appoint the Chairman of the AGM as his/her/its proxy **but** this is **not mandatory**.

   If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

6. The Proxy Form must be submitted to the Company in the following manner:
   (a) if submitted via email, be sent to agm@bbr.com.sg; or
   (b) if submitted by post, must be deposited at the registered office of the Company at 50 Changi South Street 1, BBR Building, Singapore 486126.

   in either case, by **4.00 p.m.** on **27 April 2025**, being no later than seventy-two (72) hours before the time fixed for the AGM. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before sending it by email to the email address provided above.

   The instrument appointing a proxy(ies) must be signed by the appointer or 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 common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. Where the instrument appointing a proxy(ies) is signed on behalf of the appointer by an attorney, the letter or power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

   The Company shall be entitled to reject the instrument of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument of proxy (such as in the case where the appointer submits more than one (1) instrument of proxy).

   In the case of a member whose shares are entered against his/her name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), the Company may reject any instrument of proxy lodged if such member, being the appointer, is not shown to have any shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

   Completion and return of the instrument appointing a proxy shall not preclude a member from attending, speaking and voting at the AGM if he/she so wishes. Any appointment of a proxy or proxies shall be deemed revoked if a member subsequently 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 of proxy to the AGM.

7. Members may raise questions at the AGM or submit questions related to the resolutions to be tabled for approval at the AGM, in advance of the AGM. For members who would like to submit questions in advance of the AGM, they may do so by **10.00 a.m.** on **21 April 2025**:
   (a) by email to agm@bbr.com.sg; or
   (b) by post to the registered office of the Company at 50 Changi South Street 1, BBR Building, Singapore 486126.

   Members submitting questions are requested to state: (a) their full name; and (b) the member's identification/ registration number, failing which the Company shall be entitled to regard the submission as invalid. The Company will publish its responses to the substantial and relevant questions submitted by members prior to the abovementioned deadline on the Company's website and SGXNet by **4.00 p.m.** on **25 April 2025** (being at least 48 hours before the deadline for submission of the Proxy Form).

8. For questions received after 10.00 a.m. on 21 April 2025, the Company will endeavour to address all substantial and relevant questions submitted by members prior to or during the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed. The Company will publish the responses to such questions together with the minutes of the AGM on SGXNet and the Company's website at *https://www.bbr.listedcompany.com/agm/html* within one (1) month after the date of the AGM.

9. Members are reminded to check SGXNet for any latest updates on the status of the AGM.

NOTICE OF ANNUAL GENERAL MEETING

Personal Data Privacy:
By attending the AGM, submitting questions in advance of the AGM and/or submitting an instrument appointing a proxy(ies) (including the Chairman of the AGM) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that all information submitted is true and accurate, and where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), 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) 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.

NOTICE OF RECORD DATE AND DIVIDEND PAYMENT DATE

NOTICE IS ALSO HEREBY GIVEN that, subject to the approval of shareholders being obtained at the Thirty-First Annual General Meeting ("**AGM**"), the Transfer Books and Register of Members of the Company will be closed on **14 May 2025** at **5.00 p.m.** (the "**Record Date**") for the purpose of determining members' entitlements to the first and final (tax exempt one-tier) dividend of 0.3 cents per share for the financial year ended 31 December 2024 (the "**Proposed Dividend**").

Duly completed registrable transfers received by the Company's share registrar, Boardroom Corporate and Advisory Services Pte. Ltd. of 1 Harbourfront Ave, #14-07 Keppel Bay Tower, Singapore 098632, up to 5.00 pm on the Record Date will be registered to determine shareholders' entitlements to the Proposed Dividend.

Shareholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 pm on the Record Date will be entitled to the Proposed Dividend.

The Proposed Dividend, if approved at the AGM, will be paid on 28 May 2025.

BBR HOLDINGS (S) LTD
UEN: 199304349M
(Incorporated in the Republic of Singapore)

PROXY FORM

IMPORTANT: PLEASE READ THE NOTES OVERLEAF
BEFORE COMPLETING THIS PROXY FORM

Important:	
1.	Relevant intermediaries as defined in Section 181 of the Companies Act 1967 of Singapore may appoint more than two (2) proxies to attend, speak and vote at the Annual General Meeting.
2.	This Proxy Form is not valid for use by CPF/SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3.	CPF/SRS investors who wish to attend and vote at the Annual General Meeting should contact their CPF/SRS Approved Nominee (as may be applicable).

*I/We (Name) ________________________ NRIC No./Passport No./UEN: ____________

of (Address) ____
being a *member/members of **BBR HOLDINGS (S) LTD** (“**Company**”), hereby appoint

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

*and/or

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

or failing *him/her/them, or if no person is named above, hereby appoint the Chairman of the Meeting as *my/our proxy/proxies to vote for *me/our behalf at the 31st Annual General Meeting (“**AGM**”) of the Company to be held at 50 Changi South Street 1, BBR Building, Singapore 486126 on Wednesday, 30 April 2025 at 4:00 p.m. and at any adjournment thereof.

*I/we direct *my/our *proxy/proxies to vote for, against or abstain the Resolutions to be proposed at the AGM as indicated below. If no specific direction as to voting is given or in the event of any matter arising at the AGM, *my/our *proxy/proxies will vote or abstain from voting at *his/her own discretion.

No	**Ordinary Resolutions –** Ordinary Business	**For#**	**Against#**	**Abstain#**
1.	Adoption of audited Financial Statements for the financial year ended 31 December 2024, Directors’ Statement and Auditor’s Report			
2.	Declaration of first and final dividend			
3.	Re-election of Mr. Tan Kheng Hwee Andrew as a Director			
4.	Re-election of Dr. Pietro Brenni as a Director			
5.	Re-election of Mr. Lim Boon Cheng as a Director			
6.	Approval of Directors’ Fees for FY2024			
7.	Re-appointment of Ernst & Young LLP as Auditor and authorise Directors to fix the Auditor's remuneration			
	Ordinary Resolutions – Special Business			
8.	Authority to issue shares pursuant to Section 161 of the Companies Act 1967			
9.	Authority to grant awards and allot and issue shares under the 2024 BBR Share Plan			
10.	Approval of the proposed renewal of Share Purchase Mandate			

* *Delete where applicable*
\# *Voting will be conducted by poll. If you wish to exercise all your votes “**For**” or “**Against**” or "**Abstain**" a resolution, please indicate with a “**X**” within the box provided in respect to the resolution. Alternatively, please indicate the number of votes within the box in respect of that resolution. In the absence of specific directions in respect of a specific resolution, that resolution will be treated as invalid.*

Dated this ____________ day of April 2025

Total number of shares held in	
Depository Register	
Register of Members	

____
Signature(s) of the Shareholder(s) /
Common Seal of Corporate Shareholder

Notes:

1. Member should insert the total number of shares held.

1.1 If the member has shares entered in the Depository Register (as defined in section 81SF of the Securities and Futures Act 2001 of Singapore), please insert that number of shares.

1.2 If the member has shares registered in the Register of Members, please insert that number of shares.

1.3 If the member has shares entered in the Depository Register and shares registered in the Register of Members, please insert the aggregate number of shares entered in the Depository Register and registered in the Register of Members.

1.4 If no number of shares is inserted, the Proxy Form shall be deemed to relate to all the shares held by the member.

2. This Proxy Form is not valid for use by investors and shall be ineffective for all intents and purposes if used or purported to be used by them. An investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify his/her voting instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator at least 7 working days before the date of the AGM to submit his/her vote.

3. The Proxy Form must be under the hand of the appointor or his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

4. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof shall be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.

5. The duly executed Proxy Forms must be submitted to the Company in the following manner, not less than seventy-two (72) hours before the time appointed for holding the AGM:
   (a) if submitted by post, must be deposited at the registered office of the Company at **50 Changi South Street 1**, BBR Building, Singapore 486126;
   (b) if submitted electronically, be sent by email to **agm@bbr.com.sg**;

   A member who wishes to submit hard copy of the Proxy Form, must complete with specific voting instructions and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

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AFFIX
POSTAGE
STAMP

The Company Secretary

BBR HOLDINGS (S) LTD

50 CHANGI SOUTH STREET 1

BBR BUILDING

SINGAPORE 486126

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6. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form.

7. In the case of a member whose shares are entered in the Depository Register, the Company may reject any Proxy Form lodged if such member is not shown to have shares entered in the Depository Register as at seventy-two (72) hours before the time appointed for the holding of the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy

By submitting the Proxy Form, the member is deemed to have accepted and agreed to the personal data privacy terms as set out in the Notice of 31st Annual General Meeting dated 10 April 2025.

"Personal data" in the Proxy Form has the same meaning as "personal data" in the Personal Data Protection Act 2012.

BBR HOLDINGS (S) LTD
UEN: 199304349M
(Incorporated in Singapore)

REQUEST FORM

10 April 2025

Dear Shareholder/Member

We are pleased to enclose printed copies of Notice and Proxy Form for the upcoming 31st Annual General Meeting ("**AGM**") of BBR Holdings (S) Ltd ("**BBR**") to be held on Wednesday, 30 April 2025 at 4.00 p.m.

The Annual Report for the financial year ended 31 December 2024 ("**Annual Report 2024**") and the Appendix to the Notice of AGM dated 10 April 2025 in relation to the proposed renewal of the share purchase mandate (the "**Appendix**") are available on BBR's website at www.bbr.com.sg from the date of this letter. You will need an internet browser and PDF reader to view these documents.

We sincerely hope that you will join our sustainability efforts and embrace e-communications. If you wish to receive printed copies of Annual Report 2024 and/or the Appendix, please complete the Request Form below and return it to us no later than 24 April 2025. Alternatively, you may email to corpcomm@bbr.com.sg. All previous requests for printed annual reports will be disregarded.

By completing, signing and returning the Request Form to BBR, you agree and acknowledge that we and/or our service provider may collect, use, disclose and retain your personal data, as contained in your submitted Request Form or which is otherwise collected from you and your authorised representative(s), for the purposes of processing and effecting your request.

Yours faithfully
For and on behalf of
BBR HOLDINGS (S) LTD
Liew Meng Ling
Company Secretary

Request Form

To: **BBR Holdings (S) Ltd**

Please tick accordingly. Incomplete or incorrectly completed forms will not be processed.

*I/We wish to receive printed copy of:

☐ Annual Report 2024 ☐ the Appendix

Name(s) of Shareholder(s): ______________________ NRIC/Passport No.: ____________

The BBR shares are held by *me/us under or through:

☐ CDP Securities Account No. 1 6 8 1 - ☐☐☐☐☐☐☐ - ☐☐☐☐

☐ CPF Investment Scheme (CPFIS) Account

☐ Physical Scripts

Mailing Address: ____

Signature(s): ____________________ Date: ____________

Delete where applicable

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STAMP

The Company Secretary

BBR HOLDINGS (S) LTD

50 CHANGI SOUTH STREET 1

BBR BUILDING

SINGAPORE 486126

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BBR HOLDINGS (S) LTD
Reg. No.: 199304349M

50 Changi South Street 1 BBR Building Singapore 486126
Tel: 6546 2280 ▪ **Fax:** 6546 2268 ▪ www.bbr.com.sg