



TA CORPORATION LTD.



# PRIMED FOR GROWTH

ANNUAL REPORT 2025

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# CORPORATE PROFILE

## OUR VISION

To be the preferred property developer and construction services provider through our pursuit of uncompromising quality and excellence

## OUR MISSION

We are committed to delivering quality products and services with our hallmark excellence, growing with our greatest assets – our people, and delivering shareholder value

### ABOUT TA CORPORATION

With a history that can be traced back to 1972, TA Corporation is an established property and construction group, with businesses in distribution as well as the provision of workers accommodation and manufacturing in Singapore and across the region, including Thailand, Cambodia, Malaysia, China, and Myanmar.

### REAL ESTATE DEVELOPMENT

Backed by its strong competencies in the construction business since the 1970s and in-depth experience in working with established real estate developers, the Group has established a reputation as a developer of quality well-located residential developments, targeting the middle to upper middle markets for more than 20 years ago. Some of its completed residential developments in Singapore include Leonie Hill Residences, The Citrine, Parc Seabreeze, Auralis, Coralis, Starlight Suites, Gambir Ridge, The Cristallo, The Skywoods, Terra Villas and Ascent@456, as well as a serviced apartment, 12 on Shan.

The Group has also successfully ventured overseas through joint ventures in property development projects in China, Thailand, and Cambodia. Its current regional portfolio includes distinctive mixed-use developments such as freehold multi-phased mixed development in Khlong Sam District, Pathum Thani Province in Bangkok, and The Gateway – an iconic mixed-use development comprising an office tower, a residential tower, and two levels of retail and F&B outlets located in Phnom Penh, Cambodia.

### CONSTRUCTION

TA Corporation's main construction business is undertaken through its wholly owned subsidiary, Cornerstone Builders Pte Ltd with more than 20 years of track records.

Leveraging on the high demand for precast components in Singapore property and construction business demand to enhance productivity, the Group operates a precast factory in Johor, Malaysia, servicing clients in both public and private sectors in Singapore.

The Group also provides complementary services to its construction segment including fabrication of metal works and erection of building structural steels.

### REAL ESTATE INVESTMENT

The Group owns and operates over 9,000 dormitory beds, which cater to foreign workers working in Singapore. This dormitory business is part of the Group's strategy to grow its recurring income streams.

### DISTRIBUTION

TA Corporation has expanded its distribution of high performance motor oil and lubricants beyond Singapore to Mekong region. The Group, through its subsidiaries and 50%-owned joint ventures, distributes well-known brands, comprising Shell, GS Caltex and Repsol. In addition, the Group's joint ventures distribute construction equipment, heavy commercial vehicles, trucks, buses, passenger vehicles and automotive spare parts under the CASE, MECO and VOLVO brands.

TA Corporation was listed on the SGX Mainboard on 21 November 2011.

# CHAIRMAN'S STATEMENT

## DEAR SHAREHOLDERS,

We are pleased to present TA Corporation's Annual Report for the financial year ended 31 December 2025 ("FY2025"). We have turned a corner and are confident that there are better days ahead. Since undertaking various measures, which included liquidating and disposing loss-making and non-core business segments, improving capital positions, and undertaking a corporate reorganisation exercise, we have stabilised the Group's financial position. We have also entered into a debt restructuring exercise to enhance our cash position and reduce financial risks. Externally, the business environment also improved, as reflected in the expansion of Singapore's economy by 5.0% for the whole of 2025 and growth forecast for 2026 upgraded to 2.0% to 4.0% from earlier projections.<sup>1</sup> While the global economy is still subject to vicissitudes, the momentum of 2025 had been expected to be sustained into 2026, supported by investments in Artificial Intelligence (AI), robust trade activity despite tariff threats and expansionary fiscal policies of certain developed economies. As such, the global economy was projected to grow by 3.3%.<sup>2</sup> Should these projections materialise, they augur well for us as we begin our new financial year with cautious optimism.

## CONSTRUCTION

We recorded revenue of S\$30.8 million for the Group's Construction segment, a decrease of S\$3.3 million from revenue of S\$34.1 million for the financial year ended 31 December 2024 ("FY2024"), due to lower revenue recognition for projects that were completed during the year. For main contract works, we continued to focus our efforts on niche projects in the industrial and residential sectors, with shorter completion timeframes and lower contract value to better manage risk exposure and allocation of resources. As at 31 December 2025, our total order book stood at S\$79.3 million, comprising a mix of residential and industrial projects, supplies of precast components and construction-related products.

Building and construction as a whole grew by 5.2% in 2025, albeit slower than the 5.4% expansion in 2024.<sup>3</sup> Demand came from both the private and public sector. The continuing strong outlook for this sector due to large scale infrastructural, community, educational and health facilities, as well as housing projects, provides a positive outlook for our precast and prefabrication business which manufactures and supplies 2D and 3D components for private



<sup>1</sup> Ministry of Trade and Industry, "MTI Upgrades 2026 GDP Growth Forecast to '2.0 to 4.0 Per Cent'", 10 February 2026.

<sup>2</sup> International Monetary Fund, "Global Economy: Steady and Divergent Forces", 19 January 2026.

<sup>3</sup> Ministry of Trade and Industry, "Economic Survey of Singapore", February 2026.

## CHAIRMAN'S STATEMENT

and public sector projects in Singapore. We are looking towards expanding our precast business into Malaysia, given the growth of construction activity there. We will continue to use technology to enhance production efficiency as well as logistics and delivery processes.

### REAL ESTATE INVESTMENT

Our Real Estate Investment segment achieved revenue of S\$47.7 million in FY2025, which is an increase of S\$0.5 million over FY2024's segmental revenue of S\$47.2 million arising from improvement in bed rates while occupancy rate remained at 100% (FY2024: 100%).

There is continued healthy demand for dormitory beds, driven by the construction, marine and manufacturing sectors. This business segment has contributed to the Group's top and bottom lines as profits remain healthy. Improved purpose-built dormitories by dormitory operators, have lifted overall bed rates across the industry. The Ministry of Manpower ("MOM") itself is spearheading the industry by building and operating its first dormitory, NESST Tukang dormitory, which is built in line with higher standards set by MOM during the pandemic in 2021. We foresee this as having a positive downstream effect on bed rates and performance of this sector.

The Group has been given a waiver from the requirements of the Dormitory Transition Scheme which was introduced by MOM in 2023 to enhance migrant workers housing resilience and improve their living conditions. Nevertheless, despite the waiver we are continuing our efforts in improving our dormitories in order to consistently achieve high standards in terms of the living conditions of our dormitory with worker welfare top of mind. We are looking at ways to use technology to improve the management of our dormitory so as to streamline labour and manpower while improving operations.

### REAL ESTATE DEVELOPMENT

The Real Estate Development segment's performance improved, registering a S\$25.9 million increase in revenue to S\$28.1 million in FY2025 as compared to S\$2.2 million in FY2024. The sector's commendable performance was mainly due to the Group's completion of its performance obligations, which led to the derecognition of contract liabilities and the recognition of revenue from the sale of development properties in Cambodia.

We have halted future developments in these countries for the time-being, given the current economic and political situations. In Cambodia, the unsold residential units of our mixed-used development, The Gateway, in the Central Business District of Phnom Penh, are being actively marketed with more attractive terms, in order to meet buyer demands. There is positive demand for attractively-priced units, particularly by local buyers, and this coupled with the government's continued support for the real estate sector with extended tax exemptions and incentives have created an overall attractive investment climate.<sup>4</sup>

Similarly in Thailand, we are divesting our unsold units in our freehold multi-phased mixed development projects in the Khlong Sam District, Pathum Thani Province in Bangkok. The property market in Thailand is facing certain challenges, namely, stricter lending criteria imposed by banks due to high household debt levels, which has led to a more muted demand in the domestic market. Developers have had to recalibrate sales strategies to focus on clearing existing inventory. Nevertheless, there is still resilience in the market amongst foreign investors with Thailand remaining an attractive destination for the global property investor.<sup>5</sup> We will continue to monitor the situation and adopt strategies to maximise our sales given the prevailing economic and sector sentiment.

### DISTRIBUTION BUSINESS

We recorded revenue of S\$16.2 million for this segment in FY2025 as compared with S\$11.3 million for FY2024, an increase of S\$4.9 million arising from increased activities in overseas markets. We distribute a variety of products in Singapore, Myanmar and Thailand which include high performance motor oils, lubricants, construction, mining and power equipment and heavy commercial vehicles, trucks, buses, passenger vehicles and automotive spare parts. Working through subsidiaries and joint venture companies with established partners particularly in overseas markets, we have developed an efficient and effective distribution network.

<sup>4</sup> Khmer Times, "Key Takeaways from Knight Frank's 2025 H1 Real Estate Report – Phnom Penh", 3 September 2025.

<sup>5</sup> The Savills Blog, "Thailand Property Market 2026: Strategic Outlook and Emerging Trends."

# CHAIRMAN'S STATEMENT

In Myanmar, there are significant headwinds as the country grapples with the ongoing political conflicts and structural challenges, which were exacerbated by the earthquake in March 2025.<sup>6</sup> We intend to continue with our strategy of focusing on supporting our existing customers, exercising prudence with respect to operational costs and maintaining close relationships with our business partners there. We will continue to look for niche areas of growth in this market. As for Thailand, the economy is projected to experience slower growth in 2026 with an improved outlook in 2027.<sup>7</sup> Thailand has great untapped potential in green manufacturing, with manufacturing as a whole still a cornerstone of their economy. As such, we will maintain our strategic directions in as far as our distribution business there is concerned, remaining open to any potential new opportunities.

## DEBT RESTRUCTURING PLAN AND TRADING RESUMPTION

During the year, the Group completed its debt restructuring plan with its bank lenders and the liquidators of Tiong Aik Construction Pte. Ltd.

In October 2025, Noteholders of the Group's S\$300,000,000 Multicurrency Medium Term Note Programme (the "Notes") agreed, among various resolutions, to extend the maturity date of the Notes, from 26 July 2026 to 31 December 2032, disapply default interest for the entire tenure of the Notes, and amend the interest rates of the Notes from 6.00 per cent per annum, payable semi-annually in arrear, to 4.50 per cent per annum, payable at maturity, with effect from 31 December 2025. This will strengthen the Group's financial position further and place it in good stead to pursue further business opportunities for growth.

Following the completion of the debt restructuring plan and fulfilment of trading resumption conditions, the Company resumed trading of its securities on 26 February 2026.

## STABILISING THE GROUP, PURSUING POTENTIAL OPPORTUNITIES

We are now in a stronger position to pursue further growth opportunities in the near future, having stabilised the Group's debt position, liquidated non-core and loss-making businesses, recycled capital through divestment of certain assets and reorganised the business for operational efficiency. The outlook for the Group remains promising. We will continue to pursue business opportunities across all our business segments but with circumspection and financial prudence.

Having regard for the need to prioritise the stability of the Group's financial situation and working capital for operations and possible investments, the Board has decided not to declare any dividends for the financial year under review.

While the economic outlook for Singapore and the region had looked promising, the recent geopolitical events have upended most forecast. The outbreak of the war against Iran in March 2026, may have a widespread economic and political impact, particularly if it turns out to be a protracted conflict. Increased oil prices, disruption in shipping routes and supply chains will negatively impact every country, particularly those like Singapore which depend on external trade. We are, however, confident that we will be able to withstand the external challenges, given the strong foundation we have built and the resilience of our Group.

## APPRECIATION AND ACKNOWLEDGEMENTS

It leaves us now to express our sincerest appreciation to our staff and executive management team for their hard work and dedication. I would like to extend my heartfelt gratitude to our Board of Directors whose steady hands and wise counsel have helped steer the course to a position of greater stability. To Mr Mervyn Goh, my deepest appreciation for his dedicated and distinguish service during his tenure as Director. Lastly but importantly, thanks to our business partners, associates, customers, and shareholders for continuing to support the Group. We look forward to working with and for all of you to bring another year of growth to the Group.

## NEO TIAM BOON, PBM

*Executive Chairman*

*13 April 2026*

<sup>6</sup> World Bank Group, "Myanmar's Economy Shows Moderate Signs of Recovery Amid Earthquake and Conflict Impacts", 8 December 2025.

<sup>7</sup> World Bank Group, "Thailand Economic Monitor February 2026: Advanced Green Manufacturing for Growth", 12 February 2026.

## FINANCIAL AND OPERATIONS REVIEW

The Group has registered a commendable performance in the financial year ended 31 December 2025 (“**FY2025**”), having taken various measures to improve its financial position, divest non-core and loss making businesses and enhance operations through corporate reorganisation. The Group’s FY2025 financial results and operations review bear testament to the success of its measures.

The Group’s revenue for FY2025 improved by 29.5% or S\$28.0 million to S\$122.8 million from S\$94.8 million in the financial year ended 31 December 2024 (“**FY2024**”). The revenue growth was mainly due to the increase of revenue recorded in the Real Estate Development and the Distribution segments. The Real Estate Development segment recorded an increase in revenue of S\$25.9 million, from S\$2.2 million in FY2024 to S\$28.1 million in FY2025 mainly due to the derecognition of contract liabilities and recognition of revenue from the sale of development properties in Cambodia as the Group completed its performance obligations. In addition, the Group’s Distribution segment reported higher revenue of S\$16.2 million in FY2025 as compared to S\$11.3 million in FY2024 arising from increased activities in overseas markets.

In line with the higher revenue, the Group’s gross profit increased to S\$60.8 million from S\$58.4 million the previous financial year, representing an increase of 4.1% or S\$2.4 million. Notwithstanding the increase in gross profit, gross profit margin decreased from 61.6% in FY2024 to 49.5% for the year under review. The decrease was primarily due to higher cost of sales arising from the S\$3.4 million write-down of certain development properties, where the estimated net realisable value was lower than their cost.

The Group’s net profit after tax was S\$67.3 million in FY2025, as compared to S\$13.4 million recorded in FY2024, representing a S\$53.9 million increase. The increased profitability was due to marginal increase in other income, other gains recorded, decreased selling and distribution and general and administrative expenses as well as lower finance costs and an increase in share of profit, net of tax of associates and joint ventures.

In terms of the Group’s balance sheet, the Group’s net cash position was S\$22.1 million and total assets stood at S\$524.7 million. Net asset value per share was S\$0.23.

### Construction

The Group’s Construction segment recorded revenue of S\$30.8 million, a S\$3.3 million or 9.7% decrease from revenue of S\$34.1 million in FY2024. Construction revenue made up 25.1% of Group revenue. The lower revenue was due to lower revenue recognition for projects completed during the year. Profitability-wise, the segment registered a net profit of S\$1.2 million in FY2025 as compared to S\$2.0 million in FY2024. The lower net profit was due to higher material costs. As at 31 December 2025, the Group’s construction order book stood at approximately S\$79.3 million, comprising a mix

of residential and industrial projects, as well as supplies of precast components. The Group, through its wholly-owned subsidiary, Cornerstone Builders Pte Ltd, has been awarded the tender for main contract work by Bethesda Community for the proposed erection of a 5-storey church and ancillary facilities, worth S\$20.8 million. The Group thus has three ongoing main contract projects which it is focusing on for timely completion according to schedule.

The Group’s precast and prefabrication business benefitted from the overall expansion in the construction industry. The outlook for this segment remains promising given the increased construction activity not only in Singapore but in Malaysia as well due to the growth of data centres there.

According to projections by the Building and Construction Authority (BCA), total construction demand is expected to remain steady at S\$47 billion to S\$53 billion in 2026, similar to 2025.<sup>1</sup> Demand will be supported by major projects such as Changi Terminal 5, the Marina Bay Sands Integrated Resort expansion, the New Tengah General & Community Hospital, the Downtown Line 2 Extension and the Thomson-East Coast Line Extension. Over the medium term, construction demand is projected to average S\$39 billion and S\$46 billion per year from 2027 to 2030, supported by large developments including NUH redevelopment, various junior colleges, and the new SUSS City Campus. As such, despite ongoing cost pressures from manpower constraints, fuel prices, and utilities,



<sup>1</sup> Building and Construction Authority, “Steady Construction Demand In 2026 As Singapore Steps Up Support for Built Environment Firms Through Collaboration and Innovation”, 22 January 2026.

## FINANCIAL AND OPERATIONS REVIEW

barring other unforeseen circumstances, the near-term outlook for the construction sector remains positive. The Group will continue to actively pursue new opportunities to expand and strengthen its project pipeline.

### Real Estate Investment

The Real Estate Investment segment achieved revenue of S\$47.7 million in FY2025, which is an increase of S\$0.5 million or 1.1% over FY2024's segmental revenue of S\$47.2 million. This represents a substantial 38.8% of the Group's revenue, with the segment remaining a key contributor. The improved revenue resulted from healthy rental and occupancy rates. The segment registered net profit of S\$12.3 million in FY2025 as compared to S\$21.9 million the previous year. The lower segmental profit was mainly attributed to the loss allowance recognised on financial assets.

The Group owns and operates a 9,180-bed purpose-built workers' dormitory in Tuas, which continues to record healthy rental and occupancy rates. The dormitory houses predominantly workers from the marine sector, with about 50% coming from the marine sector. The Group continued in its efforts to improve its dormitory, ensuring that proper living standards for worker comfort and well-being were met. The Group works with various service providers to run educational classes such as English classes and recreational activities, such as yoga for its tenants. To facilitate reskilling and upskilling opportunities for workers, the Dormitory collaborates with a registered training provider to conduct courses within the

Dormitory. Although the dormitory has been given a waiver from the requirements of the Dormitory Transition Scheme which was introduced by the Ministry of Manpower in 2023, the Group's efforts in improving its property is ongoing.

The outlook of the dormitory business remains positive, underpinned by sustained demand for migrant worker accommodation across multiple sectors. While there are no plans in the immediate future to augment activities in this area, the Group remains open to opportunities further down the line.

### Real Estate Development

The Real Estate Development sector registered a S\$25.9 million increase in revenue to S\$28.1 million in FY2025 as compared to S\$2.2 million in FY2024. The sector's performance was driven largely by the derecognition of contract liabilities and revenue recognition from the sale of development properties in Cambodia, the Group having completed its performance obligations. Segmental profit for FY2025 stood at S\$9.6 million as against S\$0.4 million in FY2024. The significant improvement in profitability was in line with the increase in revenue.

In both Cambodia and Thailand, the focus of the Group was on actively marketing unsold units with more attractive payment terms as permitted by the financial regulatory environment in those countries. Future developments in these countries have been halted for the time-being, given the current economic and political



# FINANCIAL AND OPERATIONS REVIEW



situations there. The performance of this segment remains subject to local market conditions as well as broader international investor sentiment. Both markets are still able to attract investors looking for quality developments.

## Distribution Business

The Distribution Business segment registered revenue of S\$16.2 million in FY2025 as compared with S\$11.3 million for FY2024, representing an increase of S\$4.9 million or 43.4% arising from increased activities in overseas markets. The segment represented 13.2% of Group revenue. Its net profit for FY2025 was S\$5.2 million as compared to S\$0.7 million in FY2024. Its increased profitability was on account of improved gross profit margin and lower foreign exchange losses recorded.

The Group's portfolio of products which it distributes across markets in South-east Asia such as Singapore, Thailand and Myanmar range from high performance motor oils and lubricants to heavy commercial trucks and vehicles. The Group carries out its activities in these markets through subsidiaries and joint venture companies.

In Myanmar, where the Group has been operating for a significant period, it distributes lubricants and related products through its 50%-owned joint venture company, Eternal Synergy Pte Ltd. as well as commercial vehicles, trucks, buses and vans and automotive spare parts through another 50%-owned joint venture company, Synergy Truck Pte Ltd. Synergy Truck Pte Ltd one of the country's leading commercial vehicles and construction equipment distributors. It distributes automotive spare parts under the 'Iveco' brands, along with 'CASE' construction equipment and automotive spare parts.

Due to the political situation in Myanmar, the Group's strategy remains unchanged, which is to keep a tight rein over costs, keeping operations lean and nimble and servicing mainly existing clients.

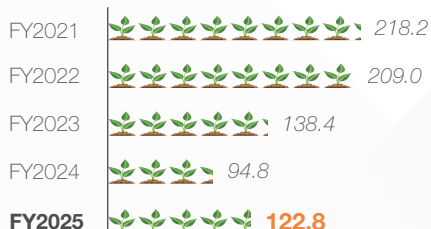
## Outlook for 2026 and Beyond

The initial projections for the global economy and Singapore had been positive given the stronger-than-expected fourth quarter performances across developed countries. The optimistic outlook was due to global trade remaining resilient despite the imposition of US tariffs as well as investment in industries such as artificial intelligence. Nevertheless, the US-Israel strikes against Iran in March 2026 is likely to have a profound impact on the global economy, notably the increase in oil prices and transshipment costs, as major shipping routes through the Gulf and the Straits of Hormuz face disruption or closure. Nevertheless, the Group remains ready to buckle down and tackle these challenges head on, given the Group's resilience, operational readiness and clear strategic direction.

# FINANCIAL HIGHLIGHTS

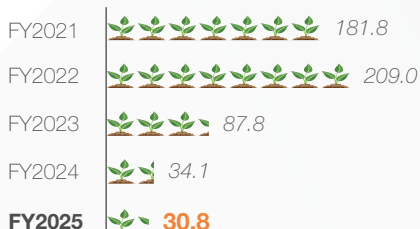
## GROUP REVENUE

(\$'MILLION)



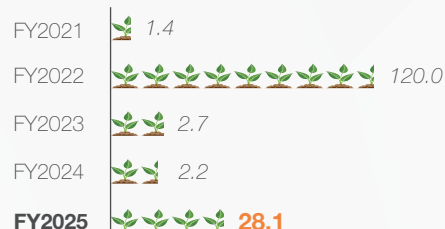
## CONSTRUCTION

(\$'MILLION)



## REAL ESTATE DEVELOPMENT

(\$'MILLION)



## REAL ESTATE INVESTMENT

(\$'MILLION)



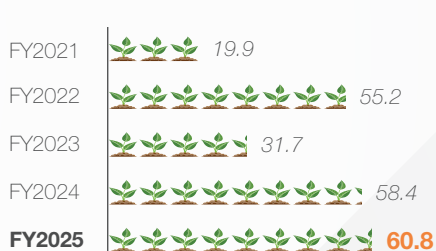
## DISTRIBUTION

(\$'MILLION)



## GROSS PROFIT

(\$'MILLION)



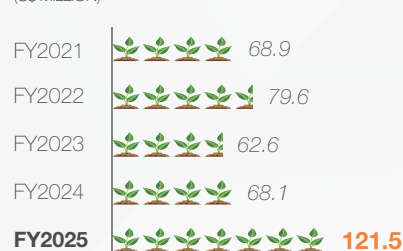
## PROFIT (LOSS) AFTER TAX

(\$'MILLION)



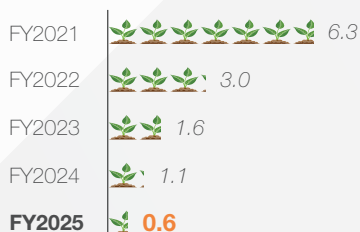
## EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

(\$'MILLION)



## GEARING RATIO

(TIMES)



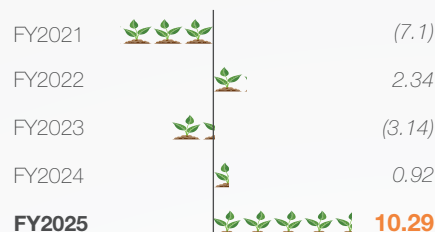
## NET ASSET VALUE PER SHARE<sup>1</sup>

(CENTS)



## EARNINGS (LOSS) PER SHARE<sup>2</sup>

(CENTS)



<sup>1</sup> Based on issued share capital of 518,068,220 shares for FY2025, FY2024, FY2023, FY2022, FY2021.

<sup>2</sup> Based on weighted average number of 518,068,220 shares for FY2025, FY2024, FY2023, FY2022, FY2021.

## BOARD OF DIRECTORS



### MR NEO TIAM BOON, PBM

Executive Chairman and  
Chief Executive Officer

Mr Neo Tiam Boon, PBM was appointed to the Board on 7 March 2011 and was last elected as a director on 27 June 2025. Mr Neo is the Executive Chairman and Chief Executive Officer of TA Corporation Ltd., an established property and construction group with a growing suite of businesses in distribution and real estate development and investment, listed on the Mainboard of the Singapore Exchange.

A management veteran, Mr Neo has over 27 years of management experience. He helms overall business development, financial and strategic planning as well as human resources at TA Corporation Ltd..

Mr Neo joined TA Corporation Ltd. in 1996 and spearheaded the Group's strategy and tactical diversification of its business model beyond construction, to expand its income streams for long term sustainable growth. Under his leadership, TA Corporation Ltd. diversified into the real estate development, distribution and real estate investment businesses. Mr Neo played an instrumental role in leading the Group's successful regionalization into fast-growing markets such as Thailand, Cambodia, India, Malaysia, China, and Myanmar.

Mr Neo believes in giving back to society and championing causes for education. He was a member of the Board of Governors for the UOB-SMU Asian Enterprise Institute, a partnership between United Overseas Bank, Singapore Management University and local enterprises, providing strategic guidance and facilitating the exchange of knowledge and resources to support the growth and development of local enterprises and students. Mr Neo was also involved in giving public seminar and talks at the Business Families Institute @ Singapore Management University on managing family business. He was also an active grassroots leader and had served in various capacities for more than 27 years.

Mr Neo graduated with a Bachelor of Science in Business Administration from the University of Arkansas in 1986. He was conferred the Public Service Medal (Pingat Bakti Masyarakat) by the President of the Republic of Singapore in 2005 in recognition for his public service and community work.



### MR FONG HENG BOO, PBM

Lead Independent Director

Mr Fong Heng Boo, PBM was appointed as the Company's Lead Independent Director on 1 December 2017 and was last re-elected as a Director on 25 July 2024. He is also appointed as the Chairman of the Audit Committee and the Remuneration Committee and is a member of the Nominating Committee.

From 1975 to 1993, Mr Fong was with the Auditor-General's Office ("AGO"), Singapore and held the position of Assistant Auditor-General. Prior to his retirement in December 2014, Mr Fong was the Director (Special Duties) at the Singapore Totalisator Board where he led the Finance and Investment functions.

Mr Fong has over 49 years of experience in auditing, finance, business development and corporate governance. He graduated from the University of Singapore (now known as the National University of Singapore) with a Bachelor of Accountancy (Honours) in 1973.

Mr Fong is also an independent director of three other listed SGX companies, as well as being a Board member of Agency of Integrated Care Pte Ltd.

The present directorships of Mr Fong in listed companies are set out below:

Director of:

- Bonvest Holdings Limited (SGX)
- Livingstone Health Holdings Ltd (SGX)
- Keong Hong Holdings Limited (SGX)
- Kwan Yong Holdings Limited (HKEX)
- UOA Development Bhd (KLSE)



### MR MERVYN GOH BIN GUAN

Non-Independent and  
Non-Executive Director

Mr Mervyn Goh Bin Guan was appointed as the Company's Independent Director on 20 September 2011 and was last re-elected and re-designated as a Non-Independent and Non-Executive Director on 25 July 2024. He serves as a member of the Audit Committee, Remuneration Committee and Nominating Committee.

Mr Goh is currently a consultant with Lawhub LLC. Prior to this, he was the Vice President (Legal) for The Great Eastern Life Assurance Company Limited from 2008 to 2010, a partner with Wee Woon Hong & Associates from 2006 to 2008, and a partner with Chui Sim Goh & Lim from 1994 to 2006. Mr Goh graduated from the National University of Singapore with a Bachelor of Laws (Honours) in 1989 and was called to the Singapore Bar in 1990. Mr Goh also previously served as a committee member in the Kampong Kembangan Community Club Management Committee from 2005 to 2010.



### MR PANG TENG TUAN

Independent Director

Mr Pang Teng Tuan was appointed as the Company's Independent Director on 3 December 2018 and was last re-elected as a Director on 27 June 2025. He serves as Chairman of the Nominating Committee and member of the Audit Committee and the Remuneration Committee.

Mr Pang is a director of Serenade Capital Advisors, an advisory firm that provides corporate advisory service from 2005. He was vice president of private equity, investment management for The Great Eastern Life Assurance Company Limited from 2008 to 2013. From 2007 to 2008, he was head of strategic investments and investor relations for a SGX listed semi-conductor equipment manufacturer. From 2005 and 2006, he was vice president, business development for NatSteel Asia and from 2003 to 2005, he was with the investment banking department of Hong Leong Bank (Singapore). Mr Pang started his career as a corporate advisory consultant with Ernst and Young. He graduated from Queensland University of Technology with a Bachelor of Business (Accountancy) degree and is a CPA with CPA Australia.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Neo Tiam Boon, PBM

*Executive Chairman and Chief Executive Officer*

### Fong Heng Boo, PBM

*Lead Independent Director*

### Mervyn Goh Bin Guan

*Non-Independent and Non-Executive Director*

### Pang Teng Tuan

*Independent Director*

## AUDIT COMMITTEE

Fong Heng Boo, PBM (Chairman)

Mervyn Goh Bin Guan

Pang Teng Tuan

## NOMINATING COMMITTEE

Pang Teng Tuan (Chairman)

Fong Heng Boo, PBM

Mervyn Goh Bin Guan

Neo Tiam Boon, PBM

## REMUNERATION COMMITTEE

Fong Heng Boo, PBM (Chairman)

Mervyn Goh Bin Guan

Pang Teng Tuan

## COMPANY SECRETARIES

Foo Soon Soo

Chiang Yi Shin

## AUDITORS

CLA Global TS Public Accounting Corporation

80 Robinson Road

#25-00

Singapore 068898

Director-in-charge: Lee Tze Shiong

(Appointed since 24 November 2022)

## PRINCIPAL BANKERS

United Overseas Bank Limited

Oversea-Chinese Banking Corporation Limited

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# STATEMENT OF CORPORATE GOVERNANCE

**TA Corporation Ltd.** (the “**Company**”) and its subsidiaries (the “**Group**”) are committed to ensuring and maintaining high standard of corporate governance. This report sets out the Group’s corporate governance practices for the financial year ended 31 December 2025 (“**FY2025**”) with reference to the Code of Corporate Governance 2018 (the “**Code**”) and accompanying Practice Guidance (updated on 14 December 2023). The Company has complied in all material aspects with the principles and guidelines of the Code as well as compliance with the requirements of Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual. Where there are deviations from the Code, explanations have been provided.

## 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.**

### **Provision 1.1**

#### ***Principal duties and responsibilities of the Board***

The Board of Directors of the Company (the “**Board**”) provides leadership to the Group by setting the corporate policies and strategic directions. The Board oversees the Group’s affairs and is accountable to shareholders for the management of the Group business and its performance. The Board has in place a Code of Conduct and Ethics which sets the appropriate tone-from-the-top and desired organisational culture and ensures proper accountability within the Group. The Directors facing conflicts of interest are required to recuse themselves from discussions and decisions involving the issues of conflict. The Board has a Board Charter which sets out the responsibilities for it to oversee the business affairs of the Group and the matters that are specifically reserved to the Board for approval.

The Board Charter sets out the principal duties and responsibilities of the Board as follows:

- (a) provide entrepreneurial leadership, set strategic directions, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- (b) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders’ interests and the Group’s assets;
- (c) review management performance;
- (d) identify the key stakeholder groups and recognise that their perceptions affect the Group’s reputation;
- (e) set the Group’s values and standards, and ensure that obligations to shareholders and other stakeholders are understood and met; and
- (f) consider sustainability issues as part of its strategy.

### **Provision 1.2**

#### ***Orientation, training and updates***

The Company has in place an orientation process. A new incoming director is issued a formal letter of appointment setting out his duties and obligations, and where appropriate, incorporating processes to deal with possible conflicts of interest that may arise.

Incoming Directors joining the Board will be briefed by the Nominating Committee (“**NC**”) on their Directors’ duties and obligations and be introduced to the Group’s business and governance practice and arrangements, in particular the Company’s policies relating to the disclosure of interests in securities, disclosure of conflicts of interest in transactions involving the Company, prohibition on dealings in the Company’s securities and restrictions on the disclosure of price-sensitive and trade sensitive information. He/She will also be brief by the Management on the business activities of the Group and its strategic direction.

First-time Directors appointed to the Board will also receive briefings on areas such as accounting, legal and key developments in industries where the Group operates and will undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by SGX-ST.

# STATEMENT OF CORPORATE GOVERNANCE

The incoming Directors will meet the senior management and the Company Secretaries to familiarise themselves with their roles, organisation structure and business practices. This will enable them to get acquainted with senior management and the Company Secretaries thereby facilitating board interaction and independent access to senior management and the Company Secretaries.

All Directors are from time to time furnished with information concerning the Company to enable them to be fully cognisant of the decisions and actions of the Company's executive management. The management also provides the Board with regular management reports, whenever necessary and Board papers are sent to Directors before each Board and Board Committee meetings.

For the year under review, the Directors are continually and regularly updated on the Group's business and governance practices. On a half yearly basis, the Board is briefed on any material recent changes to the accounting standards and regulatory updates. Briefings and updates provided for Directors in FY2025 include the following:

- The external auditors briefed the AC members on respective updates on financial reporting standards relevant to the Group.
- The Board was briefed on relevant rules and regulations including requirements of the SGX-ST's listing rules, the provisions of the Companies Act and the Code by the Company Secretaries.
- The CEO updates the Board on the Group's business and strategic developments at each Board meeting.
- Management highlights salient issues as well as risk management considerations for industries and regions where the Group operates.

Pursuant to Rule 720(7) of the SGX-ST Listing Rules, all Directors had attended the sustainability training conducted by Singapore Institute of Directors as prescribed by the SGX-ST.

## **Provision 1.3**

### **Matters requiring Board approval**

Matters specifically reserved for the Board's decision are set out in the Board Charter:

- (a) matters involving a conflict of interest for a substantial shareholder or a director;
- (b) strategic policies of the Group;
- (c) material acquisitions and disposal of assets;
- (d) corporate or financial restructuring;
- (e) share issuances, interim dividends and other returns to shareholders; and
- (f) any investment or expenditure not in the ordinary course of business and where the amount falls within Rule 1004(b) to (d) of the Listing Manual of the SGX-ST.

The Board is accountable to the shareholders and the Directors are aware of their duties at law which requires them to act in good faith and in the best interests of the Company and to comply with the Listing Rules of the SGX-ST. The Directors have each signed the respective undertaking in the form set out in Appendix 7.7 of the Listing Rules to undertake to use their best endeavours to comply with the Listing Rules and to procure that the Company shall so comply. The Directors have also procured a similar undertaking from the Chief Financial Officer ("**CFO**") in his capacity as Executive Officer.

# STATEMENT OF CORPORATE GOVERNANCE

## **Provision 1.4**

### **Board Committees**

In carrying out and discharging its duties and responsibilities efficiently and effectively, the Board is supported by various Board Committees namely the NC, the Remuneration Committee (“**RC**”) and the Audit Committee (“**AC**”) without the Board abdicating its responsibilities.

These Committees function within clearly defined terms of references and operating procedures, including procedures for dealing with conflicts of interest, which are reviewed on a regular basis. A Board Committee member is required to disclose his interest and recuse himself from discussions and decisions involving a conflict of interest. The Board also constantly reviews the effectiveness of each committee.

(Please refer to Principles 4 to 10 herein for further information on the activities of the NC, RC and AC respectively.)

## **Provision 1.5**

### **Attendance at Board and Board Committees meetings**

The Board meets regularly and as warranted by particular circumstances or as deemed appropriate by the Board members. The Company's Constitution allows the Board meetings to be conducted by way of telephonic or video conference meetings.

Directors' attendance at Board and Board Committees meetings in FY2025 is disclosed below

	<b>Board</b>	<b>AC</b>	<b>RC</b>	<b>NC</b>
<b>Number of meetings held</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>2</b>
<b>Name of Director</b>				
Mr Neo Tiam Boon	3	*3	*1	2
Mr Fong Heng Boo	3	3	1	2
Mr Pang Teng Tuan	3	3	1	2
Mr Mervyn Goh Bin Guan	3	3	1	2

\* Attended the meeting as invitee

When a Director has multiple board representations, the NC also considers whether the Director is able to and has adequately carried out his duties as a Director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments.

## **Provisions 1.6 and 1.7**

### **Access to information**

The Board has unrestricted access to the Company's records and information. The Board has separate and independent access to the Company Secretaries and senior management of the Company and of the Group at all times in carrying out their duties. The Company Secretaries attend all Board meetings and meetings of the Committees of the Company where necessary and ensure that Board procedures are followed and that applicable laws, rules and regulations are complied with.

In between Board meetings, important matters concerning the Company are also put to the Board for its decision by way of email correspondences, circulating resolutions in writing for the directors' approval together with supporting memoranda to enable the directors to make informed decisions.

The Board takes independent professional advice as and when necessary, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to discharge its responsibilities effectively.

# STATEMENT OF CORPORATE GOVERNANCE

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

The Board recognises the importance of the Company's responsibility to achieve sustainable business growth in terms of corporate social responsibility ("CSR") and environment conservation for the communities in which the Group operates. The Group's CSR and various initiatives are set out in the Sustainability Report. The Group will issue its FY2025 Sustainability Report by 15 April 2026. The Sustainability Report will be posted on SGXNet and the corporate website. In compliance with the Listing Rules, the sustainability reporting process is subjected to internal review and the Directors have undergone sustainability training as prescribed by SGX-ST.

## 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.**

As at the date of the Annual Report, the Board comprises four (4) members as follows:

Mr Neo Tiam Boon	Chairman and Chief Executive Officer
Mr Fong Heng Boo	Lead Independent Director
Mr Pang Teng Tuan	Independent Director
Mr Mervyn Goh Bin Guan	Non-Executive and Non-Independent Director

Board and Board Committees membership are as follows:

Name of Director	Board	Audit Committee	Remuneration Committee	Nominating Committee
Neo Tiam Boon	Chairman	–	–	Member
Fong Heng Boo	Member	Chairman	Chairman	Member
Pang Teng Tuan	Member	Member	Member	Chairman
Mervyn Goh Bin Guan	Member	Member	Member	Member

### Provision 2.1

#### Board independence

The NC reviews the independence of each Director annually taking into account the existence of relationships or circumstances, including the Code's definition of Independent Director as well as the independence criteria as set out in Rule 210(5)(d) of the SGX-ST Listing Rules.

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 can interfere, or be reasonably perceived to interfere with the exercise of the director's independent business judgement to the best interest of the Company. The NC assessed that there are no relationships with the Group or its management, which would impair the independence of the Independent Directors.

The NC is satisfied that none of the Independent Directors (i) is employed by the Company or any of its related corporations for the current or any of the past three financial years; or (ii) has an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the RC.

The Board has reviewed and concurred with the NC's assessment. Each of the Independent Directors has abstained from deliberations and decisions of the NC and the Board concerning his independence.

# STATEMENT OF CORPORATE GOVERNANCE

## **Provision 2.2**

### ***Independent Directors make up a majority of the Board***

While the composition of the Board does not comply with Provision 2.2 of the Code, the Board believes that given the current structure of the Board with a Lead Independent Director, and with all the Board Committees comprising a majority of independent directors and are chaired by Independent Directors, there is adequate level of independence in the Board consistent with Principle 2 of the Code.

## **Provision 2.3**

### ***Non-Executive Directors make up a majority of the Board***

The three (3) Non-Executive Directors (of whom two (2) are Independent Directors) make up the majority of the Board in compliance with Provision 2.3 of the Code.

## **Provision 2.4**

### ***Board composition and size***

The Company has in place a Board Diversity Policy, which endorses the principle that the Board should have a balance of skill, knowledge, experience and diversity of perspectives to ensure effective decision making and governance of the Company and its businesses.

The NC annually reviews and assesses the Board composition and recommends the appointment of new directors, where applicable. For new and continuing appointments, the NC will consider factors such as skills, experience, age, gender, educational and professional background, tenure of service and other relevant personal attributes that are important and needed to support good decision making at the Board level. Core competencies, which are taken into account in the selection and appointment of Directors, include banking, finance, accounting, business and management experience, industry, legal and information technology knowledge, familiarity with regulatory requirements and knowledge of risk management, audit and internal controls. As gender is an important aspect of diversity, the NC will strive to ensure that in its Board renewal, the search for candidates for Board appointments will include female candidates that meet the set requirements and as part of its long-term succession planning, the Company has established initiatives to identify and mentor high-potential candidates, ensuring a robust leadership pipeline for future board appointments. These efforts include targeted executive mentoring and leadership training to equip candidates with the necessary governance and strategic skills. This initiative not only strengthens our governance framework but also reflects our broader mission to promote equity and inclusivity in corporate leadership.

All Board appointments will be made on merit, taking into account the skills, experience, independence and knowledge that the particular director can bring to the Board and with due regards for the benefits of diversity on the Board.

The NC has reviewed the current composition of the Board and is of the view that the Board is of the appropriate size taking into account the scope and nature of the operations of the Group and the requirements of the business.

The Board targets to have (1) gender diversity on the Board in the next board renewal exercise where applicable and (2) skill diversity to include at least two (2) members with banking, finance, accounting, and include members with business and management experience, industry, legal and information technology knowledge, familiarity with regulatory requirements and knowledge of risk management, audit and internal controls.

The NC views the current Board as comprising persons whose diverse skills, experience and attributes meet the Board's skill diversity target and provide for effective direction for the Group. The Board concurs with the NC and has considered that management will continue to benefit from the Directors' respective expertise and diverse background.

For gender diversity, the Board remains committed to fostering gender balance within its composition.

Details of the Directors' academic and professional qualification are set out in Board of Directors' section of this Annual Report.

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## **Provision 2.5**

### **Regular meetings of Non-Executive Directors**

Non-Executive and/or Independent Directors, led by the Lead Independent Director, would meet and/or communicate without the presence of Management where appropriate and necessary. For the year under review, the three Non-Executive Directors discuss pertinent matters such as the performance of Management, risk management, internal controls, Management succession planning and important business issues.

## **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.**

## **Provisions 3.1 and 3.2**

### **Separation of role of Chairman and Chief Executive Officer**

The roles of the Chairman and Chief Executive Officer (“CEO”) are currently assumed by Mr Neo Tiam Boon that deviates from Provision 3.1 of the Code.

As Chairman, Mr Neo’s responsibilities include:

- leading the Board to ensure its effectiveness by promoting a culture of openness and debate at the Board;
- encourages exchange of views, steering effective, productive and comprehensive discussions amongst Board members;
- setting the agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
- ensuring Directors receive complete, adequate and timely information;
- scheduling of meetings (with assistance from the Company Secretaries) to enable the Board to perform its duties responsibly while not interfering with the flow of the Group’s operations;
- ensuring effective communication with shareholders and other stakeholders; and
- promoting high standard of corporate governance.

As CEO, Mr Neo is responsible for executing the Group’s strategies, goals and plans established by the Board. He has overall responsibility of the Group’s operations and organisational effectiveness, establishes and maintains a sound system of internal controls and risk management as well as promoting a culture of integrity, ethical behaviour, and sound values.

Any major proposals and decisions made by Mr Neo as CEO will be discussed and reviewed by the AC. With half the Board made up of Independent Directors, the appointment of Lead Independent Director, Board Committees comprised of majority of Independent Directors and chaired by Independent Director, there is a strong independent element to the decision making process of the Board with no one individual dominating the Board’s decision-making. The appointment and performance of the Chairman and CEO are reviewed by the NC and his remuneration package is reviewed by the RC.

Arising from the above, the Board believes that there are sufficient strong and independent elements and adequate safeguards in place against an uneven concentration of power and authority in a single individual. There is also a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making which are consistent with the intent of Principle 3 of the Code.

The Board has no dissenting views on the Chairman’s Statement for the year in review.

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## **Provision 3.3**

### **Lead Independent Director**

Mr Fong Heng Boo was appointed as the Lead Independent Director on 1 December 2017 as Lead Independent Director. Mr Fong provide leadership in situations where the Chairman is conflicted, he is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate. The Company has posted the contact of the Lead Independent Director on its corporate website to facilitate shareholders and other stakeholders who wish to communicate with the Lead Independent Director.

## **BOARD MEMBERSHIP**

**Principle 4: The board has a formal and transparent process for the appointment and re-election of directors, taking into account the need for progressive renewal of the Board.**

### **Provisions 4.1 and 4.2**

#### **NC membership and key terms of reference**

The NC comprises four (4) members, two of whom including its Chairman are Independent Directors.

The members of the NC are:

Mr Pang Teng Tuan	Chairman	Independent Director
Mr Fong Heng Boo	Member	Lead Independent Director
Mr Mervyn Goh Bin Guan	Member	Non-Executive and Non-Independent Director
Mr Neo Tiam Boon	Member	Chairman and CEO

The Independent Directors believe that the NC benefits from the legal expertise of Mr Goh. Mr Neo's membership in the NC facilitates effective Board succession planning and identification of core competencies and leadership by the NC.

The NC has written terms of reference as follows:

- (a) review of Board succession plans for Directors, in particular the appointment and/or replacement of the Chairman, CEO and key management personnel;
- (b) develop a process for evaluation of the performance of the Board, its Board Committees and Directors, and undertake assessment of the effectiveness of the Board, Board Committees and individual Directors, including setting a limit on multiple board representations for Directors where applicable;
- (c) review the training and professional development programmes for the Board;
- (d) recommend to the Board the appointment and re-appointment of Directors; and
- (e) reviewing and determining annually if a Director is independent, in accordance with the Code, independence criteria as set out in Rule 210(5)(d) of the SGX-ST Listing Rules as well as any other salient factors.

The NC annually reviews the composition of the Board to ensure that the Board has appropriate size, with balance of expertise, skills, attributes and abilities. To ensure continuity of leadership, succession planning is in place including contingency arrangement to ensure the Board will be able to function smoothly notwithstanding any unexpected event, ensuring no disruption to the Group's business operations.

# STATEMENT OF CORPORATE GOVERNANCE

## **Provision 4.3**

### **Selection, appointment and re-appointment of Directors**

The Company has the following process for the selection, appointment and re-appointment of Directors to the Board:

- (a) NC recommends to the Board a suitable size. Evaluate the balance of skills, knowledge and experience of Board members required to add value and facilitate effective decision making, taking into consideration the scope and nature of the Group's operations;
- (b) NC consider various channels for potential candidates including internal promotion, recommendations from Directors/Substantial Shareholders/Management or external search consultants;
- (c) NC evaluates the candidates' capabilities by taking into consideration certain criteria such as diversity of skills, experience, background, gender, age, ethnicity, and other relevant factors, and how the candidates fit into the overall desired competency matrix of the Board;
- (d) NC conduct formal interviews with the short-listed candidates to assess their suitability, qualifications, skills, experience, background, status of independence and other relevant factors to determine how the short-listed candidates fit into the desired competency matrix of the Board and verify that the short-listed candidates are aware of the expectations and level of commitment required; and
- (e) NC make recommendation to the Board for approval.

In accordance with the Company's Constitution, one-third of the Directors shall be required to retire from office by rotation and subject themselves to re-election by shareholders at every Annual General Meeting ("**AGM**") of the Company. Rule 720(5) of the Listing Rule of the SGX-ST also requires that all directors must submit themselves for re-nomination and re-appointment at least once every three years. The Directors to retire by rotation shall include any Director who wishes to retire and not to offer himself for re-election and any further Directors who have been longest in office since they were last re-election by rotation.

The date of initial appointment and last-election of each Director are set out as follows:

<b>Name of Director</b>	<b>Appointment</b>	<b>Date of Initial appointment</b>	<b>Date of Last re-election</b>
Neo Tiam Boon	Executive Director and Chief Executive Officer	7 March 2011	27 June 2025
Fong Heng Boo	Non-Executive/Independent Director	1 December 2017	25 July 2024
Pang Teng Tuan	Non-Executive/Independent Director	3 December 2018	27 June 2025
Mervyn Goh Bin Guan	Non-Executive/Non-Independent Director	20 September 2011	25 July 2024

Pursuant to the Company's Constitution Mr Fong Heng Boo and Mr Mervyn Goh Bin Guan will retire by rotation. Mr Goh did not wish to seek re-election and will retire at the conclusion of the forthcoming AGM. Mr Fong has consented to re-election.

After assessing the contribution and performance of the retiring Directors, NC has recommended to the Board that Mr Fong be nominated for re-election at the forthcoming AGM. Mr Fong had abstained from voting on any resolutions and making recommendations and/or participating in any deliberations of the NC in respect of the assessment of contribution, performance, independence and re-election as a Director.

Mr Fong will, upon re-election as a Director, remain as the Lead Independent Director, Chairman of the AC and RC and a member of the NC.

In accordance with Rule 720(6) of the SGX-ST Listing Rules, information as set out in Appendix 7.4.1 on Mr Fong is provided in the Statement of Corporate Governance of this Annual Report.

# STATEMENT OF CORPORATE GOVERNANCE

## **Provision 4.4**

### **Continuous review of Directors' independence**

The NC determines the independence of each Independent Director annually, and when circumstances require, having regard to the circumstances set out in the Provision 2.1 of the Code, its Practice Guidance and Rule 210(5)(d) of the SGX-ST Listing Rules. The NC requires all the Independent Directors to confirm their independence and their relationships with the Directors, Management and substantial shareholders (5% or more stake) of the Company by a declaration in writing annually.

The NC has assessed the independence of Mr Fong Heng Boo and Mr Pang Teng Tuan and is satisfied that there are no relationship or other factors such as financial assistance, past association, business dealings, being a representative of a shareholder, financial dependence, relationship with the Group or the Group's management, which would impair or compromise their independent judgment or which would deem them not to be independent. Each of the Independent Directors has abstained from the NC's deliberation in respect of his independence.

The NC is of the view that there is sufficient independence on the Board and its composition is appropriate to facilitate effective decision-making.

## **Provision 4.5**

### **Commitment of Directors with Multiple Board Representatives**

The NC has set guidelines on the maximum number of Board appointments in listed companies that a Board member can hold to ensure that the Directors are able to commit their time to effectively discharge their responsibilities. Based on the guidelines set by the NC, each Board member cannot have more than six listed Board representations including the Company. All the Directors currently do not sit on the boards of more than six listed companies.

Key information on the Directors including directorships and chairmanships in other listed companies, other major appointments, academic/professional qualifications, membership/chairmanship in the Company's Board Committees, date of first appointment and last re-election, etc. is set out in Board of Directors' section of this Annual Report.

## **BOARD PERFORMANCE**

### **Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.**

#### **Provisions 5.1 and 5.2**

##### **Evaluation and assessment**

The NC recommends the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Chairman and each individual Director, subject to the Board's approval.

The Board approved the recommendations and undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

The Board is evaluated on various aspects of Board performance, such as Board's level of governance, effective delegation to the Board Committees, leadership and accountability. The Board Committees are evaluated on their competence to perform their functions, and their effectiveness in assisting the Board in the management of the Group business. The individual Directors are evaluated based on factors such as knowledge of the Company's business and industry knowledge and contribution to Board discussion.

All directors are given a Board evaluation questionnaire and self-evaluation questionnaire to express their view of various aspects of the performance of the Board, the Board Committees and their individual performance so as to assess the overall effectiveness of the Board.

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The Company Secretaries compile the respective evaluations of the Board and Board Committees into consolidated reports. The reports are discussed at the NC meeting and also shared with the entire Board.

The Chairman will act on the results of the performance evaluation, and, in consultation with the NC, propose, where appropriate, new members to be appointed to the Board or seek the resignation of directors.

Where a Director has multiple board representations, the NC will evaluate whether or not the Director is able to carry out and has been adequately carrying out his duties as a Director of the Company. For the current year, the NC is satisfied that each Director has allocated sufficient time and resources to the affairs of the Company.

The NC has reviewed the performance evaluations of the Board, Board Committees and individual Directors and is satisfied that the Board and Board Committees have been effective in the conduct of their respective duties, and the Directors have each contributed to the effectiveness of the Board.

The Company does not use any external professional facilitator for the assessments of the Board, Board Committees and individual Directors, and will consider the use of such facilitator as and when appropriate.

## REMUNERATION MATTERS

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

### *Provisions 6.1 and 6.2*

#### ***Remuneration Committee and terms of reference***

The RC comprises the following three (3) members, majority of whom including the Chairman are independent:

Mr Fong Heng Boo	Chairman	Lead Independent Director
Mr Pang Teng Tuan	Member	Independent Director
Mr Mervyn Goh Bin Guan	Member	Non-Executive and Non-Independent Director

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

- (a) review and recommend to the Board a framework for remuneration for the Directors and key management personnel of the Company;
- (b) review and recommend Directors' fees for Independent Directors for approval at the AGM;
- (a) determine specific remuneration packages for each Executive Director as well as key management personnel;
- (d) review the Group's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous;
- (e) review the remuneration of employees who are immediate family members of Director or the CEO to ensure that the remuneration of each of such employee commensurate with his or her duties and responsibilities, and no preferential treatment is given to him or her; and
- (f) review and recommend the engagement of remuneration consultant at the request of management or as it deems appropriate for the Company.

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During the year, the RC considered and approved the fee framework for Independent Directors and Non-Executive Director, the remuneration package of the Executive Director and key management personnel which are submitted to and approved by the Board. No member of the RC was involved in deciding his own remuneration.

Director's fees for the Independent Directors and Non-Executive Director are set in accordance with the remuneration framework comprising basic fees and committee fees, taking into account their effort, time spent and responsibilities. These are subject to the approval of the Company's shareholders during the Company's AGM.

## **Provision 6.3**

### **Remuneration packages**

In setting remuneration packages, the Company takes into accounts all aspects of remuneration (including termination clauses) and considers the remuneration and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of the individuals. The RC also reviews the Company's obligations arising in the event of termination of the Executive Directors' and key management personnel's' contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses to both parties.

## **Provision 6.4**

### **Engagement of remuneration consultant**

The RC may from time to time, when necessary or required, seek professional advice from remuneration consultants. It is the RC's policy that any remuneration consultant if appointed would be independent of the Directors or any organisations they are associated with and the Management of the Company so the consultant is objective and independent. The expense of such services shall be borne by the Company. For FY2025, the Company did not engage any independent remuneration consultant.

## **LEVEL AND MIX OF REMUNERATION**

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

## **Provisions 7.1, 7.2 and 7.3**

### **Remuneration of Directors and key management personnel**

In setting remuneration packages, the RC will take into consideration the pay and employment conditions within the industry and in comparable companies. The level and structure of remuneration is aligned with the long-term interest and risk policies of the Company, and should be appropriate to attract, retain and motivate (a) the Directors to provide good stewardship of the Company, and (b) key management personnel to successfully manage the Company. However, the Company should avoid paying more than is necessary for this purpose.

Under the Company's remuneration policy and structure, the performance conditions are set out to link rewards to overall strategic and financial goals of the Company. An appropriate proportion of the remuneration of the Executive Directors and key management personnel are linked to the overall performance of the Group, contribution of the operating units to the Group performance and assessment of their individual performance to the contribution of the operating units that they are employed in.

The remuneration of Executive Directors and key management personnel comprises a variable component. The variable component is performance related and is linked to the Group's/Company's performance as well as individual's performance. The variable component takes into account industry conditions, comparative performance of players in the market, where appropriate and available, return to shareholders, and individual performance in terms of responsibilities, experience and achievements.

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Each of the Executive Directors and key management personnel have a service agreement with the Company which can be terminated by either party giving notice of resignation/termination. Each appointment is on an ongoing basis and no onerous or over-generous removal clauses are contained in the letter of employment. The RC would periodically review the Group's remuneration framework to ensure compensation for Executive Directors and key management personnel remains linked to both short-term performance and the Group's strategy for long-term sustainability. Executive Directors do not receive directors' fees.

Currently, the Company has no long-term incentive scheme, such as share option or other share incentive schemes for its employees. The RC has reviewed and is satisfied that the existing remuneration structure for Executive Directors and key management personnel for their fixed and variable components would continue to be adequate in incentivising performance without being over-excessive.

For the year under review, the RC has reviewed the remuneration of Executive Directors and key management personnel in accordance with their performance criteria and recommended them to the Board. The Board has approved the RC's recommendations.

For Non-Executive Directors of the Company, the structure and level of Directors' fee are tied to their respective roles and responsibilities on the Board and Committees. Changes to the Group's business and corporate governance revisions and practices, assessment of Directors' contributions and attendance at meetings are taken into consideration in determining the Directors' fee structure.

The fee for Non-Executive Directors comprise a basic retainer fee and additional fee for appointment to Board Committees.

The framework of Directors' fee for Independent Directors is as follows:

Basic Director's fee	\$37,500 per annum
AC Chairman	\$25,000 per annum
AC member	\$12,500 per annum
NC or RC Chairman	\$6,250 per annum
NC or RC member	\$3,750 per annum

The RC has reviewed and approved the above fee structure for Non-Executive Directors as being reflective of their responsibilities and work commitments. In view of the challenges faced by the Company post Covid-19 pandemic and ongoing restructuring process, the Non-Executive Directors have opted for a 15% reduction in their fees since FY2021 to show solidarity and support to the Company. With the completion of the Company's restructuring and the resumption of trading of the shares of the Company on the Singapore Exchange, the RC has recommended the fees for the Non-Executive Directors be restored to their full amount. The Board approved the Directors' fees for FY2025 based on the above fee structure.

The Company does not have any contractual provisions in the employment contracts for the Company to reclaim incentive components of remuneration from Executive Directors and key management personnel. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the operating unit (and not on forward-looking results) as well as individual performance, "claw-back" provisions in the service agreements may not be relevant or appropriate.

### 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.**

# STATEMENT OF CORPORATE GOVERNANCE

## Provisions 8.1 and 8.3

### Remuneration of Directors, CEO and top five key management personnel

The remuneration of each individual Director and the CEO for FY2025 is as follows:

Remuneration Bands and Name	Fee \$	Salary \$	Bonus \$	Post-employment Benefit \$	Benefits-in-kind \$	Total \$
<b>\$250,001 to \$500,000</b>						
<b>Executive Director</b>						
Neo Tiam Boon	85,000 <sup>(1)</sup>	78,000	252,329	9,360	29,357	454,046
<b>Up to \$250,000</b>						
<b>Non-Executive Directors</b>						
Fong Heng Boo	72,500	–	–	–	–	72,500
Mervyn Goh Bin Guan	57,500	–	–	–	–	57,500
Pang Teng Tuan	60,000	–	–	–	–	60,000

(1) Mr Neo Tiam Boon received Director's fee in aggregate of \$85,000 for his role as Director of Nexus Point Investments Pte. Ltd. and Prime Industries Pre-cast Pte. Ltd.

The remuneration of the top five key management personnel (who are not Directors nor the CEO) for FY2025 is as follows:

Remuneration Bands	Fee %	Salary %	Bonus %	Post-employment Benefit %	Benefits-in-kind %	Total %
<b>Up to \$250,000</b>						
First Executive <sup>(2)</sup>	26	66	–	7	1	100
Second Executive	–	75	9	8	8	100
Third Executive	–	70	20	8	2	100
Fourth Executive	–	82	9	9	–	100
Fifth Executive	–	74	18	8	–	100

(2) First Executive received Director's fee from Nexus Point Investments Pte. Ltd., a 62% owned subsidiary, for her role as a director.

The Group operates under highly competitive conditions in the local and regional market place. With full disclosure, the competitors have publicly available information of profile of the Company's key personnel and remuneration benchmark.

The Company does not have similar information and is seriously disadvantaged as compared to its competitors in retaining and recruitment of key personnel. Loss of its key personnel involves considerable loss of operational know-how and cost in recruitment of similar talent and gestation period for new key personnel to be fully inducted into the Company's work practices. All this would impact its business competitive edge vis-à-vis its competitors. Disclosure of the names of the key management personnel will be not in the interest of the Company from a business perspective. The Company believes the above disclosure provides a balance between the interest of the Company and provision of information to shareholders and is consistent with the intent of Principle 8 of the Code.

For FY2025, the aggregate remuneration (including employer CPF and benefits-in-kind) of the top five key management personnel (who are not Directors) was \$975,867.

# STATEMENT OF CORPORATE GOVERNANCE

## **Provision 8.2**

### **Employees who are substantial shareholders, or immediate family members of a Director, the CEO or a substantial shareholder**

Saved as disclosed in the following table, there is no other employee who is a substantial shareholder or an immediate family member of a Director, the CEO or a substantial shareholder whose remuneration exceeds \$100,000 for FY2025.

Remuneration Bands	Relationship
<b><u>\$200,001 to \$300,000</u></b> Liong Cailin, Wendy	Daughter of controlling shareholder – Mr Liong Kiam Teck Niece of substantial shareholders – Mr Neo Tiam Boon, Mr Neo Tiam Poon @ Neo Thiam Poon and Mr Neo Thiam An
<b><u>\$100,001 to \$200,000</u></b> Liong Chai Yin, Fiona	Daughter of controlling shareholder – Mr Liong Kiam Teck Niece of substantial shareholders – Mr Neo Tiam Boon, Mr Neo Tiam Poon @ Neo Thiam Poon and Mr Neo Thiam An
Neo Tiam Poon @ Neo Thiam Poon	Substantial shareholder Sibling of controlling shareholder – Mr Liong Kiam Teck and substantial shareholders, Mr Neo Tiam Boon and Mr Neo Thiam An

## **RISK MANAGEMENT AND INTERNAL CONTROLS**

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

#### **Provision 9.1**

##### **Nature and extent of significant risks**

The Board determines the Group's levels of risk tolerance and risk policies, and oversees the management in the design, implementation and monitoring of the Group's risk management and internal control systems.

The Group recognised the importance of maintaining a sound system of risk management and internal controls to safeguard the shareholders' interest and the Group's assets. The Group maintains a system of internal controls for all companies within the Group. The controls are to provide reasonable assurance (but not absolute guarantee) that assets are adequately safeguarded, operational and information technology controls are in place, business risks are suitably addressed and proper accounting records are maintained.

The AC reviews and reports to the Board on the adequacy and effectiveness of the Group's internal control and risk management system. In assessing the adequacy and effectiveness of internal controls and risk management system, the AC ensures primarily that key objectives are met, material assets are properly safeguarded, fraud or errors in the accounting records are prevented or detected, accounting records are accurate and complete, and reliable financial information is prepared in compliance with applicable internal policies, laws and regulations.

The significant risks of the Group are deliberated by Management and reported to the AC regularly. The AC is assisted by a Risk Management Committee ("**RMC**") comprising senior management personnel, including the CEO, CFO, Group Chief Operating Officer ("**COO**") and other senior personnel, has oversight of risk management in the Group to ensure that a robust risk management system is maintained. The AC reviews the adequacy and effectiveness of the internal controls and risk management system, which includes the documented policies and procedures, proper segregation of duties, approval procedures and authorities, as well as checks-and-balances built into the business processes.

# STATEMENT OF CORPORATE GOVERNANCE

## **Provision 9.2**

### **Assurance from CEO, CFO, COO and key management personnel**

For FY2025, the Board has received assurance from the CEO and CFO in the execution of their respective duties as CEO and CFO and to the best of their knowledge and belief, the financial records have been properly maintained and the financial statements give a true and fair view of the Company's current operations and finances, and regarding the effectiveness of the Company's risk management and internal control system. The Board also received assurances from the key management personnel of the Group's subsidiaries who are responsible regarding the adequacy and effectiveness of the risk management and internal control systems of the respective Group's subsidiaries.

### **Rule 1207(10) of SGX-ST Listing Rules**

Based on the review of the significant risks identified, and the internal controls established and maintained by the Group, work performed by the risk management committee and external auditors, reviews performed by the AC, and the aforesaid assurances from the CEO, CFO and other key management personnel, the Board, 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 for the year ended 31 December 2025. The AC concurs with the Board.

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

## **AUDIT COMMITTEE**

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

#### **Provisions 10.1 and 10.2**

#### **Duties and composite of AC**

The AC comprises the following three (3) members, majority of whom, including the Chairman, are independent.

Mr Fong Heng Boo	Chairman	Lead Independent Director
Mr Pang Teng Tuan	Member	Independent Director
Mr Mervyn Goh Bin Guan	Member	Non-Executive and Non-Independent Director

The Chairman of the AC, Mr Fong Heng Boo, has over 49 years of experience in auditing, finance, business development and corporate governance. Mr Fong graduated from the University of Singapore (now known as the National University of Singapore) with a Bachelor of Accountancy (Honours) in 1973. Mr Mervyn Goh graduated from the National University of Singapore with a Bachelor of Laws (Honours) in 1989 and was called to the Singapore Bar in 1990. Mr Pang Teng Tuan graduated from the Queensland University of Technology with a Bachelor of Business (Accountancy) degree and is a CPA with CPA Australia. He had considerable experience in investment management. All the AC members are informed of changes in accounting standards and issues through updates from the external auditors. The Board is satisfied that the members of the AC including the Chairman have recent and relevant accounting or related financial management expertise or experience to discharge the AC's functions.

The AC functions under the terms of reference that sets out its key responsibilities are as follows:

- (a) To review the financial statements of the Company and the Group, in particular significant financial reporting issues and judgements so as to ensure the integrity of the financial statements and any announcements relating to the Group's financial performance before submission to the Board;
- (b) To review and report to the board annually on the adequacy and effectiveness of the Group's internal controls including financial, operational, compliance and information technology controls and risk management systems;

## STATEMENT OF CORPORATE GOVERNANCE

- (c) To review the assurance from the CEO and the CFO on the financial records and financial statements;
- (d) To review the audit plan of the internal and external auditors and report including key audit matters included in the Independent Auditor's Report;
- (e) To review the scope adequacy, effectiveness and independence of the external audit and internal audit functions;
- (f) To review the independence of the external auditors and make recommendations to the Board on the appointment, re-appointment and removal of the external auditors and internal auditors, and their remuneration;
- (g) To review interested person transactions and potential conflicts of interest; and
- (h) To review arrangements by which the staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

The AC reviewed the key audit matters ("**KAMs**") for FY2025. The AC considered the approach, methodology and key assumptions applied. The AC concluded that management's accounting treatment and estimates in the KAMs were appropriate. The KAMs are as set out in the independent auditor's report section of this Annual Report.

The AC has explicit authority to investigate any matter within its terms of reference. The AC is authorised to obtain independent professional advice if it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by the Company. The AC has full access to and co-operation of the management and has full discretion to invite any Director or executive officer to attend its meetings, and has been given reasonable resources to enable it to discharge its functions. No member of the AC or any Director is involved in the deliberations and voting on any resolutions in respect of matters he is interested in.

### **Rule 712, 715 and 716 of SGX-ST Listing Rules**

The external auditor, CLA Global TS Public Accounting Corporation ("**CLA**") is registered with the Accounting and Corporate Regulatory Authority ("**ACRA**"). They are also the external auditors of the Company's Singapore-incorporated significant subsidiaries. The Singapore-incorporated non-significant subsidiaries and significant associated companies were audited by audit firms registered with ACRA. Further details on the audit firms appointed for Singapore-Incorporated significant associate companies set out on page 104 of this Annual Report. Having considered the size and complexity of the Singapore-incorporated non-significant subsidiaries and significant associated companies and assess the reputation, experience and resources of the alternative audit firms, the Board and AC are satisfied that the appointment of different audit firms would not compromise the standard and effectiveness of the Company's audit.

The AC has reviewed and confirmed that CLA is a suitable audit firm to meet the Company's audit obligations, after taking into consideration the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority and having regard to the adequacy of resources and experience of the firm and the assigned audit engagement partner, the size and complexity of the Group, number and experience of supervisory and professional staff assigned to the Group's audit. The AC is satisfied with the independence and objectivity of the external auditor and has recommended that CLA be re-appointed as the Company's external auditor in respect of financial year ending 31 December 2026 at the forthcoming AGM.

The Company confirms compliance with Rule 712 and Rule 715 of the Listing Manual of the SGX-ST.

### **Rule 1207(6) of the SGX-ST Listing Rules**

CLA did not perform non-audit services during FY2025. The aggregate amount of audit fees paid to the external auditors for FY2025 are \$354,000 as set out on page 120 of this Annual Report.

# STATEMENT OF CORPORATE GOVERNANCE

## ***Whistleblowing policy***

The AC is responsible for the oversight and monitoring of any whistleblowing matters. The Company has a Whistleblowing policy by which staff of the Group and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters to the Chairman with a copy of such raised concerns to the AC Chairman. Such concerns raised are independently investigated and appropriate follow-up action is taken.

The Company will treat all information received confidentially and protect the identity and the interest of all whistleblowers. The Company will not tolerate the harassment or victimisation of a whistle-blower. Furthermore, no person should suffer reprisal as a result of reporting a genuine concern, even if they turn out to be mistaken. Where it is determined that there is a prima facie case that an employee has suffered adverse treatment, harassment or victimisation as a result of his or her disclosure, a further investigation may take place and disciplinary action may be taken against the perpetrator in accordance with the relevant procedures.

Following evaluation of a complaint, and depending on the nature of the complaint, investigation may be conducted internally by an independent team nominated by the Chairman, or referred to the external auditors or investigated by an independent committee of inquiry nominated by the AC Chairman. If the Chairman decides not to proceed with the investigation, the decision must be explained as fully as possible to the person who raised the concern. It is then open to the person to make disclosure again to the AC Chairman. The AC Chairman shall report to the AC on recommended disciplinary or remedial action, if any. The AC will bring recommended actions to the other members of the Board for attention and after conclusion of deliberations, the agreed course of action will be dealt with by the executives.

The Whistleblowing policy is communicated to all employees and new recruits as part of the Group's efforts to promote awareness of fraud control.

## ***Provision 10.3***

### ***Restriction on AC membership***

None of the AC members are former partners or Directors of, or have any financial interests in, the Company's existing auditing firm or auditing corporation.

## ***Provision 10.4***

### ***Internal Audit function***

The AC is tasked to oversee the implementation of an effective system of internal controls as well as putting in place a risk management framework to continually identify, evaluate and manage significant business risks of the Group. The AC has the mandate to authorise special reviews or investigations, where appropriate in discharging its responsibilities.

The internal audit function of the Group is currently outsourced to RSM SG Risk Advisory Pte Ltd ("**RSM**"), a professional advisory firm providing corporate governance, internal audit, enterprise risk assessment, technology as well as fraud risks and regulatory compliance services. The internal audit team is led by Mr Keith Tan, a Chartered Accountant of Singapore with extensive internal and risk management experience. All his team members have the relevant qualifications and experience and/or members of relevant professional bodies.

The Internal Auditor reports directly to the AC and supports the AC in their role to assess the adequacy and effectiveness of the Group's overall system of operational, financial, technology and compliance related controls.

To ensure the adequacy of the internal audit function, the AC reviews and approves the internal audit plan on an annual basis. The findings and recommendations of the internal auditors, the management's responses, and the management's implementation of the recommendations have been reviewed and approved by the AC.

The Internal Audit function is independent of all the areas and activities which are covered under the scope of review and they have unfettered access to all documents and personnel relating to the areas or activities which are covered under the annual internal audit plan.

# STATEMENT OF CORPORATE GOVERNANCE

The internal audit function operates within the standards consistent with the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors (IIA), an international professional association with global headquarters in United States of America.

RSM is a corporate member of the Institute of Internal Auditors Singapore (IIAS), an affiliate of the IIA. Processes are in place to ensure that the professional competence of the IA staff is maintained and upgraded through continuing training and education programmes which comprised technical and non-technical training for the development of the IA staff.

The AC is satisfied with the quality and effectiveness of the Internal Audit function and that the Internal Audit function is currently adequately resourced and has appropriate independent standing within the Group to perform its functions effectively.

## **Provision 10.5**

### **Meeting with the external auditors and internal auditors without the presence of Management**

The AC has met with the CLA and RSM without the presence of Management, to discuss the results of their audit, findings and their evaluation of the systems of internal controls, for the year under review.

## **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.**

## **Provision 11.1**

### **General meetings**

Shareholders are encouraged to attend the general meetings to ensure a greater level of shareholders' participation and for them to be kept up to date with the strategies and goals of the Group. Every shareholder has the right to receive notice of general meetings and to vote thereat.

All documents in relation to a general meeting will be published via SGXNet. All shareholders shall receive printed copies of Notice of general meeting, Proxy Form and the Request form for other documents including but not limited to Annual Report, Circular, etc. To facilitate participation by the shareholders, the Constitution of the Company allows the shareholders entitled to attend and vote at general meetings of the Company to appoint not more than two proxies to attend and vote on behalf. In the case of a shareholder who is a relevant intermediary (as defined in the Act), it may appoint more than two proxies but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. The proxy forms are to be deposited at the Company's Share Registrar office not less than 72 hours before the meeting. Notice of a general meeting is sent out at least 14 days before the meeting so that sufficient notice of meeting is given to shareholders to attend the meeting or appoint proxies to attend and vote in their stead.

All resolutions at general meetings are required to be voted by poll under the Listing Rules of the SGX-ST, the procedures of which will be explained by the appointed independent scrutineer at the general meeting. The total number and percentage of votes cast for and against each resolution will be read out by the Chairman of the meeting during the general meetings and subsequent announcement made via SGXNet.

# STATEMENT OF CORPORATE GOVERNANCE

## **Provision 11.2**

### **Separate resolutions at general meetings**

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue 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.

## **Provision 11.3**

### **Attendees at general meetings**

The Directors (including chairpersons of the Board Committees) attend general meetings of the Company to answer shareholders queries and the external auditors will also be present in addressing queries raised by shareholders relating to the conduct of the audit and the preparation and the content of the auditors' report.

The AGM held on 27 June 2025 was attended by all Directors in respect of FY2024. The external auditors, CLA Global TS Public Accounting Corporation were also present.

## **Provision 11.4**

### **Absentia voting at general meetings**

The Company's Constitution allowing appointment of proxies for a shareholder who is absent from a general meeting to exercise his vote in absence through his proxy or proxies. The Company's Constitution allows a member (other than a relevant intermediary as defined in Section 181 of the Companies Act) to appoint one or two proxies to attend and vote at its general meetings. The Companies Act allows relevant intermediaries which include CPF Approved Nominees to appoint multiple proxies, and empower CPF investors to attend and vote at general meetings of the Company as their CPF Approved Nominees' proxies.

## **Provision 11.5**

### **Minutes of general meetings**

The Company prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and Management. The Company published its minutes of general meetings via the SGXNet and on the Company's corporate website within one (1) month from the conclusion of the general meetings.

## **Provision 11.6**

### **Dividend policy**

The Company has not formalised a dividend policy. The frequency and amount of dividend distribution will depend on general financial condition, results of operations, capital requirements, cash flow and general business conditions, development plans and other factors as the Directors may deem appropriate. Pay-outs, if any, are clearly communicated to shareholders through the financial results announcements via the SGXNet.

# STATEMENT OF CORPORATE GOVERNANCE

## 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.**

### ***Provision 12.1***

#### ***Avenues for communication between the Board and shareholders***

In line with the continuous disclosure obligations under the requirements of the SGX-ST Listing Manual and requirements of the Act, the Board informs the shareholders promptly of all major developments that may have a material impact on the Group through

- (a) SGXNet announcements;
- (b) Annual Report; and
- (c) Notices of AGM and/or extraordinary general meeting ("**EGM**")

The Company communicates (at least once annually at the AGM) with its shareholders and facilitates the participation of shareholders during general meetings and (where applicable) other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

### ***Provisions 12.2 and 12.3***

#### ***Investor relations policy***

The Company's investor relations policy is to communicate with its shareholders through timely and equal dissemination of information and news through announcements via SGXNet and its online investor relations site within its corporate website at <http://www.tacorp.com.sg> where it updates shareholders and investors on the latest news and business developments of the Group.

Shareholders are also provided with an investor relations contact at [info@tacorp.com.sg](mailto:info@tacorp.com.sg), which they may contact the Company with questions, exchange of view and through which the Company may respond as soon as practicable.

## ENGAGEMENT WITH STAKEHOLDERS

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

### ***Provisions 13.1***

#### ***Identification and stakeholder relationships***

The Group identifies stakeholders as groups that have an impact or have the potential to be impacted by its business, as well as those external organisations that have expertise in aspects that the Group considers material. It includes employees, customers, contractors and suppliers, investors, community, government and regulatory agencies.

The Company values input from all of its stakeholder groups and uses a variety of channels and platforms to engage with them as well as receive their feedback.

# STATEMENT OF CORPORATE GOVERNANCE

## **Provision 13.2**

### **Management of stakeholder relationships**

The Group engages with the stakeholders through its sustainability initiatives as set out in its Sustainability Report. The Sustainability Report which highlights the Group's strategy and key areas of focus in relation to managing stakeholders' relationships during FY2025 have been set out in the Company's standalone Sustainability Report to be released by 15 April 2026 and will upload the full Sustainability Report in its corporate website mentioned below.

## **Provision 13.3**

### **Corporate website**

The Company maintains a corporate website at <http://www.tacorp.com.sg> at which stakeholders can access information on the Group. The website provides, inter alia, corporate announcements, press releases and profiles of the Group. The Company has an online investor relations site within its corporate website as an outreach to shareholders and all other stakeholders. Shareholders and stakeholders are provided with an investor relations contact at [info@tacorp.com.sg](mailto:info@tacorp.com.sg).

## **OTHER CORPORATE GOVERNANCE MATTERS**

### **DEALING IN SECURITIES**

The Company has adopted an internal compliance code which prohibits dealings in the securities of the Company by Directors and officers while in possession of price-sensitive information. The Company, Directors and officers should not deal in the Company's securities on short term consideration and are prohibited from dealing in the securities of the Company during the period beginning two weeks prior to the announcement of financial results of each of the first three quarters of the financial year, and one month before the announcement of full year results, and ending on the date of such announcements (if the Company announce its quarterly financial statements, whether required by the SGX-ST or otherwise), or one month before the announcement of the Company's half year financial statement and full year financial statements (if the Company does not announce its quarterly financial statements), and ending on the date of announcement of the relevant results.

In addition, Directors and officers are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

The Company confirms it has complied with the best practice pursuant to Listing Rule 1207(19)(c) in not dealing in its securities during the restricted trading periods.

### **MATERIAL CONTRACTS**

Saved as disclosed above, there were no other material contracts entered into by the Company or its subsidiary companies involving the interest of the CEO, any Director, or controlling shareholder since the end of the previous financial year.

### **INTERESTED PERSONS TRANSACTIONS**

The Company has set out procedures governing all interested person transactions ("IPTs") to ensure that they are reported in a timely manner to the AC and that the transactions are carried out fairly on an arm's length basis and on normal commercial terms, and will not be prejudicial to the interests of the Company and its shareholders. All IPTs are review by the AC to ensure compliance.

For the year under review, the AC has reviewed the rationale and terms of the IPTs and is of the view that the IPTs are carried out fairly on an arm's length basis, on normal commercial terms and not prejudicial to the interests of the shareholders.

## STATEMENT OF CORPORATE GOVERNANCE

The Company does not have a shareholders' mandate for IPTs. Details of IPTs for the year ended 31 December 2025 are as follows:

Name of Interested person and nature of transaction	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Listing Manual Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Listing Manual Rule 920 (excluding transactions less than S\$100,000) S\$'000
<p><u>Matsushita Greatwall Corporation Private Limited</u></p> <p>Construction contract</p>	<p>Associate of director – Neo Tiam Boon</p> <p>Associate of controlling shareholder – Liong Kiam Teck</p>	<p>39,700<sup>(1)</sup></p>	<p>–</p>
<p><u>Sinotac Group Pte. Ltd.</u></p> <p>Interest from loan @ 3% per annum</p> <p>Interest from subscription of Series 3 Multicurrency Medium Terms @ 6% per annum</p>	<p>Associate of director – Neo Tiam Boon</p> <p>Associate of controlling shareholder – Liong Kiam Teck</p>	<p>554</p> <p>525</p>	<p>–</p> <p>–</p>
<p><u>Neo Tiam Boon and spouse</u></p> <p>Interest from subscription of Series 3 Multicurrency Medium Terms @ 6% per annum</p>	<p>Director and his spouse</p>	<p>165</p>	<p>–</p>
<p><u>Liong Kiam Teck and his child</u></p> <p>Interest from subscription of Series 3 Multicurrency Medium Terms @ 6% per annum</p>	<p>Controlling shareholder – Liong Kiam Teck</p> <p>Sibling of Director – Neo Tiam Boon</p>	<p>135</p>	<p>–</p>
<p><u>Neo Tiam Poon @ Neo Thiam Poon</u></p> <p>Interest from subscription of Series 3 Multicurrency Medium Terms @ 6% per annum</p>	<p>Sibling of Director – Neo Tiam Boon</p> <p>Sibling of controlling shareholder – Liong Kiam Teck</p>	<p>45</p>	<p>–</p>

(1) At the extraordinary general meeting of the Company held on 29 January 2026, shareholders approved and ratified the award of contract to Cornerstone Builders Pte. Ltd. (a wholly-owned subsidiary) by Matsushita Greatwall Corporation Private Limited for the proposed new erection of a 6-storey single-user industrial building worth S\$39.7 million as an interested person transaction. Please refer to the Company's circular dated 14 January 2026 for further details.

## STATEMENT OF CORPORATE GOVERNANCE

Name of Interested person and nature of transaction	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Listing Manual Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Listing Manual Rule 920 (excluding transactions less than S\$100,000) S\$'000
<u>Neo Bee Lan</u>  Interest from subscription of Series 3 Multicurrency Medium Terms @ 6% per annum	Sibling of Director – Neo Tiam Boon  Sibling of controlling shareholder – Liong Kiam Teck	15	–
<u>Lee Hua Yong</u>  Interest from subscription of Series 3 Multicurrency Medium Terms @ 6% per annum	Spouse of Neo Thiam An who is the sibling of  Director – Neo Tiam Boon  Controlling shareholder – Liong Kiam Teck	15	–
<u>Lee Kim Lian, Juliana</u>  Interest from subscription of Series 3 Multicurrency Medium Terms @ 6% per annum	Spouse of Director – Mervyn Goh Bin Guan	30	–

# STATEMENT OF CORPORATE GOVERNANCE

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION PURSUANT TO APPENDIX 7.4.1 OF LISTING MANUAL OF THE SGX-ST

Name of Director	Mr Fong Heng Boo
Date of Appointment	1 December 2017
Date of last re-appointment (if applicable)	25 July 2024
Age	76 (8 December 1949)
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	After having considered the qualifications, working experiences and skills of Mr Fong, the Board with the recommendation of the NC is of the view that he has requisite experience and capabilities to assume the responsibilities as lead independent director of the Company.
Whether the appointment is executive and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Lead Independent Non-Executive Director (AC and RC Chairman, NC member)
Professional qualifications	Bachelor of Accountancy (Honours), and University of Singapore (now known as: National University of Singapore)
Working experience and occupation(s) during the past 10 years	Director (Special Duties) at Singapore Totalisator Board (led the Finance and Investment functions)
Shareholding interest in the listed issuer and its subsidiaries	None
Shareholding Details (in listed issuer and subsidiaries)	NA
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None
Conflict of interest (including any competing business)	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes

# STATEMENT OF CORPORATE GOVERNANCE

Name of Director	Mr Fong Heng Boo
<p>Other Principal Commitments* Including Directorships</p> <p>* "Principal Commitments" has the same meaning as defined in the Code.</p> <p># These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)</p>	<p>Past (for the last 5 years)</p> <ol style="list-style-type: none"> <li>CapitaLand China Trust Management Ltd (f.k.a CapitaLand Retail China Trust Management Ltd) (Independent Director)</li> <li>CapitaLand Township Development Fund II Pte Ltd (Non Executive Director)</li> <li>CapitaLand Township Development Fund Pte Ltd (Non Executive Director)</li> <li>Singapore Health Services Pte Ltd (Non Executive Director)</li> <li>Surbana Jurong Private Limited (NED)</li> <li>SY Holdings Limited (f.k.a. Shengye Capital Ltd (Independent Director HKEx))</li> </ol> <p>Present</p> <ol style="list-style-type: none"> <li>Livingstone Health Holdings Limited. (Independent Director – SGX)</li> <li>Bonvest Holdings Limited (Independent Director – SGX)</li> <li>Keong Hong Holdings Limited (Independent Director – SGX)</li> <li>Kwan Yong Holdings Limited (Independent Director – HKEx)</li> <li>UOA Development Bhd (Independent Director – Bursa Malaysia)</li> <li>Agency for integrated Care Pte Ltd (NED)</li> </ol>
<p>(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?</p>	No
<p>(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?</p>	No
<p>(c) Whether there is any unsatisfied judgment against him?</p>	No
<p>(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?</p>	No

## STATEMENT OF CORPORATE GOVERNANCE

Name of Director	Mr Fong Heng Boo
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(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
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: —	No
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	Yes. Mr Fong was an employee (General Manager, Corporate Affairs) of Amcol Holdings Ltd between January 1995 and May 1996. He was a prosecution witness in March 1998 in a court case involving three (3) Directors of Amcol Holdings Ltd. The three (3) directors were charged for failure to act honestly in their discharge of duties as Directors under section 157(1) and 157(3) of the Companies Act 1967.
(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

## STATEMENT OF CORPORATE GOVERNANCE

Name of Director	Mr Fong Heng Boo
(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
(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
(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

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The directors present their statement together with the audited consolidated financial statements of TA Corporation Ltd. (the "**Company**") and its subsidiaries (the "**Group**") and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2025.

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 49 to 126 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Group 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 as follows:

Neo Tiam Boon  
Fong Heng Boo  
Mervyn Goh Bin Guan  
Pang Teng Tuan

## Arrangements to enable director to acquire shares and debentures

Neither at the end of the financial year nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than as disclosed in this statement.

## Directors' interests in shares and debentures

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967, except as follows:

Name of directors, alternate directors and companies in which interests are held	Shareholdings/Debentures registered in name of directors		Shareholdings/Debentures in which directors are deemed to have an interest	
	At 31.12.2025	At 1.1.2025	At 31.12.2025	At 1.1.2025
<u>The Company</u> (No. of ordinary shares)				
Neo Tiam Boon	87,857,147	87,857,147	—	—

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## Directors' interests in shares and debentures (Continued)

Name of directors, alternate directors and companies in which interests are held	Shareholdings/debentures registered in name of directors		Shareholdings/debentures in which directors are deemed to have an interest	
	At 31.12.2025	At 1.1.2025	At 31.12.2025	At 1.1.2025
The Company (\$27 million 4.5% medium term notes due in December 2032 <sup>(i)</sup> )				
Neo Tiam Boon	2,500,000	2,500,000	250,000	250,000
Mervyn Goh Bin Guan	–	–	500,000	500,000

<sup>(i)</sup> The Company entered into a fifth supplemental trust deed on 31 October 2025 with its trustee. Accordingly, the maturity date of the notes has been extended from 26 July 2026 to 31 December 2032.

By virtue of Section 7 of the Singapore Companies Act 1967, Neo Tiam Boon is deemed to have an interest in all the subsidiaries of the Company.

The directors' interests in the shares and debentures of the Company at 21 January 2026 were the same as those as at 31 December 2025.

## Share options

### (a) Options to take up unissued shares

During the financial year, no options to take up unissued shares of the Company or any corporation in the Group were granted.

### (b) Options exercised

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

### (c) Unissued shares under options

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under options.

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## Audit committee

The Audit Committee ("**AC**") comprises 3 members, all of whom are independent and non-executive. The Chairman of the AC is Fong Heng Boo and the other members of the AC are Mervyn Goh Bin Guan and Pang Teng Tuan.

The AC is authorised by the Board of Directors to investigate any matters within its terms of reference. It has unrestricted access to information pertaining to the Group, to both internal and external auditors, and to all employees of the Group. Reasonable resources have been made available to the AC to enable it to discharge its duties properly.

The key responsibilities of the AC include the following:

- To review the external and internal audit plans and audit reports, the scope and results of the internal audit procedures and results of the internal auditors' examination and evaluation of the Group's systems of internal accounting controls;
- To review the half-year and annual financial statements and any formal announcements relating to the Group's financial performance before submission to our Board of Directors for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and any other relevant statutory or regulatory requirements;
- To review and report to the Board of Directors annually on the adequacy and effectiveness of the Group's internal controls including financial, operational, compliance and information technology controls and risk management systems;
- To review the independence of the external auditors and internal auditors and make recommendations to the Board on the appointment, re-appointment and removal of the external auditors and internal auditors;
- To review interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual of the SGX-ST and potential conflicts of interest;
- To review arrangements by which the staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and
- Generally undertake such other functions and duties as may be required by statute or the Listing Manual of the SGX-ST or by such amendments as may be made thereto from time to time.

The AC has full access to and has the co-operation of the management and has been given the resources required for it to discharge its functions properly. It also has full discretion to invite any director and executive officer to attend its meetings. The independent auditor and internal auditors have unrestricted access to the AC.

The AC has recommended to the directors the nomination of CLA Global TS Public Accounting Corporation for re-appointment as the external auditors of the Company at its forthcoming Annual General Meeting.

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## Independent auditor

The independent auditor, CLA Global TS Public Accounting Corporation, has expressed its willingness to accept reappointment.

On behalf of the board of directors

.....  
Neo Tiam Boon  
*Director*

.....  
Fong Heng Boo  
*Director*

13 April 2026

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TA CORPORATION LTD.

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of TA Corporation Ltd. (the "**Company**") and its subsidiaries (the "**Group**"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial year ended on that date.

### Basis for Opinion

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

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TA CORPORATION LTD.

## Key Audit Matters

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

### Key Audit Matter

#### Going concern

**(Refer to Notes 1, 3.1.1 and 4(b)(v) to the financial statements.)**

The Group recorded a total comprehensive income of \$65.7 million and positive operating cash flows of \$30.5 million for the financial year ended 31 December 2025, and as of that date, the Group's current assets amounted to \$227.4 million, while its current liabilities amounted to \$151.5 million. However, the Group's current assets include development properties of \$130.3 million, which may not be realisable within one year, as the normal operating cycle for development properties exceeds one year.

The above indicates the existence of events or conditions that may cast significant doubt on the Group's ability to continue as a going concern.

Management has assessed the Group's ability to continue as a going concern and has prepared the financial statements on a going concern basis. In making this assessment, management considered the Group's ability to generate operating cash flows from its core business activities, the successful execution of debt restructuring arrangements with its bank lenders and other stakeholders during the financial year, and cash flow projections for the next twelve months, including the expected realisation of development properties and continued access to financing facilities.

Based on these factors, management is of the view that the Group will be able to meet its obligations as and when they fall due within the next twelve months.

### How the audit addressed the matter

Our audit procedures focused on evaluating the key assumptions used by management. These procedures included the following:

- Discussed and evaluated management's assessment of the Group's ability to continue as a going concern and the justification for the appropriateness of the going concern assumption;
- Reviewed cash flow projections and sensitivity analysis, along with the assumptions made; and
- Reviewed the adequacy of the presentation and disclosure of the going concern assumption in the financial statements.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TA CORPORATION LTD.

## Key Audit Matter

### **Accounting for construction contracts (Refer to Notes 3.2.1, 10, 24, 25 and 28 to the financial statements)**

Construction projects contributed \$14.4 million of the Group's revenue for the financial year ended 31 December 2025. For these projects, the Group recognises revenue over time using the input method (i.e. "cost-to-cost" method).

Significant Management assumptions, judgements and estimates are required in determining the total budgeted costs for each project, which impacts percentage of completion. Also, significant judgements and estimates are required to determine the contract sum, particularly on accounting for variation orders, omissions, and any other variable considerations.

When a project is completed or likely to be completed later than contractually agreed, the Company may be held liable for liquidated damages. Provisions for onerous contracts are recognised whenever total budgeted costs exceed the contract sum on an individual project basis.

## How the audit addressed the matter

We obtained an understanding of the Group's process for estimating total budgeted costs. On an individual project basis, we also:

- Obtained understanding through inspection of contracts and project documentation;
- Verified total contract sum to contracts and variation orders and recomputed revenue recognised for the current financial year based on application of the input method;
- Assessed reasonableness of total budgeted costs, including inclusion of variation orders from suppliers;
- Evaluated the adequacy of provisions of liquidated damages for delays in project completion;
- Evaluated the adequacy of provisions for onerous contracts when total budgeted costs are likely to exceed the contract sum; and
- Held discussions with Management and Contracts Department to understand status of projects and its assessments of accounting implications.

We have also assessed the adequacy and appropriateness of the related disclosures made in the financial statements.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TA CORPORATION LTD.

## Key Audit Matter

### Valuation of development properties (Refer to Notes 3.2.2 and 11 to the financial statements)

The Group owns \$130.3 million of development properties as at 31 December 2025 which represents 25% of the Group's total assets.

The development properties are held with the intention for development and sale in the ordinary course of business and are stated at the lower of cost and net realisable value ("**NRV**").

Management estimated NRV by obtaining professional valuations or using actual transacted price.

Specific audit focus in this area is required, as the determination of the estimated NRV of the development properties involves significant judgements and is dependent upon the Group's assessment of market demand and market prices at the reporting date on the comparable properties of the same characteristics within the same vicinity based on the independent professional valuers' (the "**valuer**") estimation of the fair values of the land and the developments. The valuation process is inherently subjective and involves significant judgements in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied.

## How the audit addressed the matter

In respect of valuation of the properties by the management's professional valuer, we performed the procedures as described below for "Valuation of investment properties".

In obtaining sufficient audit evidence to determine the NRV of the development properties, we:

- Discussed with Management regarding its plan and status of the Group's development properties; and
- Obtained and reviewed the valuation reports from the valuer, together with our internal valuation specialists, to evaluate the appropriateness of valuation methodologies and significant underlying assumptions used in the valuation.

For uncompleted properties, we evaluated management's estimates of total costs to completion which are based on contracted amounts and projections based on historical experience.

We have also assessed the adequacy and appropriateness of the related disclosures made in the financial statements.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TA CORPORATION LTD.

## Key Audit Matter

### Valuation of investment properties (Refer to Notes 3.2.3 and 14 to the financial statements)

The Group holds investment properties comprising a dormitory located in Singapore, serviced apartments located in Thailand and commercial and residential units located in Cambodia. As at 31 December 2025, the carrying amount of the Group's investment properties is \$253.2 million, which represents 48% of the Group's total assets.

The investment properties are held for long-term rental yield and/or capital appreciation. Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers.

The valuations involve significant judgement and estimate with regards to determining appropriate valuation methods, (i) by reference to market evidence of transacted prices per square meter in the open market for comparable properties, adjusted for differences such as location, age, tenure, and size; and (ii) discounted cash flow method.

## How the audit addressed the matter

In respect of valuation of the properties by the management's professional valuer, we performed the following:

- Evaluated the independence and competence of the valuer;
- Tested the reliability of information, including underlying lease and financial information provided to the external valuers;
- Assessed the reasonableness of the discount rate, rental rate, cost per bed for the dormitory by benchmarking these against those of comparable properties based on information available as at 31 December 2025;
- Together with our internal valuation specialists, we reviewed and assessed the appropriateness of inputs, assumptions, and methodology used by the Management and valuer; and
- Held discussions with Management, valuer, and our valuation specialist to understand, challenge, and clarify Management's valuation.

We have also assessed the adequacy and appropriateness of the related disclosures made in the financial statements.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TA CORPORATION LTD.

## **Other Information**

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

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

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

## **Responsibilities of Management and Directors for the Financial Statements**

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TA CORPORATION LTD.

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

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

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

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

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

## **Report on Other Legal and Regulatory Requirements**

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

The engagement director on the audit resulting in this independent auditor's report is Lee Tze Shiong.

**CLA Global TS Public Accounting Corporation**  
**Public Accountants and Chartered Accountants**

**13 April 2026**

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and bank balances	6	50,001	58,682	333	77
Trade and other receivables	7	25,873	37,012	–	1,326
Deposits and prepayments	8	12,155	13,070	7	16
Inventories	9	3,055	3,306	–	–
Contract assets	10	6,008	6,076	–	–
Development properties	11	130,306	185,617	–	–
Total current assets		227,398	303,763	340	1,419
<b>Non-current assets</b>					
Property, plant and equipment	13	11,087	10,871	–	–
Investment properties	14	253,249	243,178	–	–
Goodwill	15	31	31	–	–
Subsidiaries	16	–	–	73,681	76,606
Associates and joint ventures	17	16,150	16,517	–	–
Trade and other receivables	7	16,832	20,606	60,265	66,398
Total non-current assets		297,349	291,203	133,946	143,004
<b>Total assets</b>		524,747	594,966	134,286	144,423
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Borrowings	20	29,692	26,252	–	–
Trade and other payables	21	57,500	112,783	16,344	23,104
Lease liabilities	22	302	349	–	–
Term notes	23	–	26,936	–	26,936
Contract liabilities	24	50,827	95,397	–	–
Provisions	25	1,441	4,375	–	3,893
Income tax payable		6,917	6,490	–	–
Other current liabilities	18	4,809	–	4,809	–
Total current liabilities		151,488	272,582	21,153	53,933
<b>Non-current liabilities</b>					
Borrowings	20	72,568	73,563	–	–
Trade and other payables	21	88,364	93,662	31,186	30,918
Lease liabilities	22	195	397	–	–
Term notes	23	27,000	–	27,000	–
Provisions	25	–	36,054	–	36,054
Deferred tax liabilities	19	24	25	–	–
Total non-current liabilities		188,151	203,701	58,186	66,972
<b>Total liabilities</b>		339,639	476,283	79,339	120,905
<b>Capital, reserves and non-controlling interests</b>					
Share capital	26	154,189	154,189	154,189	154,189
Reserves	27	1,092	414	678	–
Translation reserves		(2,689)	(2,062)	–	–
Accumulated losses		(31,137)	(84,430)	(99,920)	(130,671)
Equity attributable to owners of the Company		121,455	68,111	54,947	23,518
Non-controlling interests	16	63,653	50,572	–	–
Total equity		185,108	118,683	54,947	23,518
<b>Total liabilities and equity</b>		524,747	594,966	134,286	144,423

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

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 \$'000	2024 \$'000
<b>Continuing Operations</b>			
<b>Revenue</b>	28	122,787	94,842
<b>Cost of sales</b>		(62,016)	(36,426)
<b>Gross profit</b>		60,771	58,416
Other income	29	5,336	5,453
Other gains/(losses)	30	39,002	(57)
Loss allowance recognised on financial assets	7	(6,010)	(5,405)
Selling and distribution costs		(459)	(2,660)
General and administrative expenses		(17,900)	(16,564)
Other operating expenses	31	(27)	(11,934)
Share of profit of associates and joint ventures		2,014	1,445
Finance costs	32	(8,887)	(9,159)
<b>Profit before income tax</b>		73,840	19,535
Income tax expense	33	(6,503)	(6,825)
<b>Profit from continuing operations</b>	34	67,337	12,710
<b>Discontinued operations</b>			
Profit from discontinued operations	12	–	716
Total profit		67,337	13,426
<b>Other comprehensive (loss)/income:</b>			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		(1,523)	1,391
Share of other comprehensive loss of associates and joint ventures		(67)	(262)
		(1,590)	1,129
<b>Total comprehensive income for the financial year</b>		65,747	14,555
<b>Profit attributable to:</b>			
Owners of the Company		53,293	4,790
Non-controlling interests		14,044	8,636
		67,337	13,426
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		52,666	5,546
Non-controlling interests		13,081	9,009
		65,747	14,555
<b>Earnings per share (cents):</b>			
Basic and diluted	35	10.29	0.92

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Share capital \$'000	Reserves \$'000	Translation reserves \$'000	Accumulated losses \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total \$'000
<b>Group</b>							
Balance as at 1 January 2025	154,189	414	(2,062)	(84,430)	68,111	50,572	118,683
<i>Total comprehensive (loss)/income for the financial year:</i>							
Profit for the financial year	–	–	–	53,293	53,293	14,044	67,337
Other comprehensive loss for the financial year	–	–	(627)	–	(627)	(963)	(1,590)
Total	–	–	(627)	53,293	52,666	13,081	65,747
<i>Transactions with owners, recognised directly in equity:</i>							
Issuance of mandatory convertible notes	–	678	–	–	678	–	678
	–	678	–	–	678	–	678
<b>Balance as at 31 December 2025</b>	<u>154,189</u>	<u>1,092</u>	<u>(2,689)</u>	<u>(31,137)</u>	<u>121,455</u>	<u>63,653</u>	<u>185,108</u>
Balance as at 1 January 2024	154,189	432	(2,827)	(89,220)	62,574	42,329	104,903
<i>Total comprehensive income for the financial year:</i>							
Profit for the financial year	–	–	–	4,790	4,790	8,636	13,426
Other comprehensive income for the financial year	–	–	756	–	756	373	1,129
Total	–	–	756	4,790	5,546	9,009	14,555
<i>Transactions with owners, recognised directly in equity:</i>							
Disposal of controlling interest in subsidiary (Note 6)	–	(18)	9	–	(9)	(801)	(810)
Increase of subsidiary share capital	–	–	–	–	–	35	35
	–	(18)	9	–	(9)	(766)	(775)
<b>Balance as at 31 December 2024</b>	<u>154,189</u>	<u>414</u>	<u>(2,062)</u>	<u>(84,430)</u>	<u>68,111</u>	<u>50,572</u>	<u>118,683</u>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Share capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total \$'000
<b>Company</b>				
Balance as at 1 January 2025	154,189	–	(130,671)	23,518
<i>Total comprehensive income for the financial year:</i>				
Profit for the financial year	–	–	30,751	30,751
	–	–	30,751	30,751
<i>Transactions with owners, recognised directly in equity:</i>				
Issuance of mandatory convertible notes	–	678	–	678
	–	678	–	678
<b>Balance as at 31 December 2025</b>	<b>154,189</b>	<b>678</b>	<b>(99,920)</b>	<b>54,947</b>
Balance as at 1 January 2024	154,189	–	(112,018)	42,171
<i>Total comprehensive loss for the financial year:</i>				
Loss for the financial year	–	–	(18,653)	(18,653)
	–	–	(18,653)	(18,653)
<b>Balance as at 31 December 2024</b>	<b>154,189</b>	<b>–</b>	<b>(130,671)</b>	<b>23,518</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group	
		2025 \$'000	2024 \$'000
<b>Operating activities</b>			
Profit before income tax		73,840	19,535
Profit from discontinued operations	12	–	716
		<u>73,840</u>	<u>20,251</u>
Adjustments for:			
Depreciation expenses	34	1,746	1,359
Share of profit of associates and joint ventures		(2,014)	(1,445)
Impairment loss on investment in associates and joint ventures	30	1,414	–
Net fair value loss on investment properties	30	1,736	7,101
Gain on disposal of property, plant and equipment	30	(228)	(6)
Finance costs	32	8,887	9,159
Interest income	29	(2,582)	(2,700)
Loss allowance recognised on financial assets	7	6,010	5,405
Provision for onerous contracts	25(b)	39	41
Provision for liquidated damages	25(c)	856	441
Provision for warranty and defects	25(d)	64	–
Recognition of performance bonds	31	–	11,341
Bad debts	31	24	–
Effect of lease modifications		–	17
Prepayments written off		–	585
Gain on derecognition of net liabilities of disposed subsidiaries	30	(43,042)	(8,055)
Reversal of write-off obsolete inventories	34	(62)	–
Write-down of development properties	34	3,433	–
Gain on disposal of subsidiaries	6	–	(464)
Operating cash flows before changes in working capital		<u>50,121</u>	<u>43,030</u>
Change in working capital, net of effects from disposal of subsidiaries:			
Trade and other receivables		9,359	(479)
Deposits and prepayments		262	(1,685)
Inventories		280	227
Contract assets		68	(1,704)
Development properties		31,110	11,232
Trade and other payables		(7,781)	9,766
Contract liabilities		(40,271)	2,035
Provisions		–	(1,744)
Cash generated from operations		<u>43,148</u>	<u>60,678</u>
Income tax paid		(6,056)	(3,694)
Interest paid		(6,584)	(8,722)
Net cash generated from operating activities		<u>30,508</u>	<u>48,262</u>

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group	
		2025 \$'000	2024 \$'000
<b>Investing activities</b>			
Interest received		540	575
Purchase of property, plant and equipment	13(b)	(1,775)	(1,287)
Proceeds from disposal of property, plant and equipment		258	74
Proceeds from disposal of non-current assets held for sale		–	19,391
Repayment from associates and joint ventures		–	3,793
Dividends received from joint ventures		900	990
Disposal of subsidiaries, net of cash disposed of	6	–	(2,659)
Net cash (used in)/generated from investing activities		(77)	20,877
<b>Financing activities</b>			
Proceeds from borrowings		–	2,041
Proceeds from issue of shares in subsidiaries to non-controlling shareholders		–	35
Repayment of borrowings		(35,905)	(49,135)
Repayment of loan from non-controlling shareholders of subsidiaries		(2,622)	–
Repayment of principal portion of lease liabilities		(330)	(237)
Uplifting/(pledging) of cash and fixed deposits pledged		4,182	(7,573)
Net cash used in financing activities		(34,675)	(54,869)
Net (decrease)/increase in cash and cash equivalents		(4,244)	14,270
Cash and cash equivalents at beginning of the financial year		26,618	12,349
Effect of exchange rate changes		(255)	(1)
<b>Cash and cash equivalents at end of the financial year</b>	<b>6</b>	<b>22,119</b>	<b>26,618</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

## 1 GENERAL

The Company is incorporated in Singapore with its principal place of business and registered office at 8 Kaki Bukit Avenue 1 #04-08, Singapore 417941. The Company is listed on the Mainboard of the Singapore Exchange Securities Trading Limited. The financial statements are expressed in Singapore Dollar (“\$”), which is also the functional currency of the Company. All financial information presented in \$ have been rounded to the nearest thousand, unless otherwise stated.

The principal activity of the Company is that of investment holding.

The principal activities of its significant subsidiaries, associates and joint ventures are disclosed in Notes 16 and 17 respectively.

### **Going concern**

The Group’s current assets amounted to \$227.4 million (2024: \$303.8 million) and its current liabilities amounted to \$151.5 million (2024: \$272.6 million). However, the Group’s current assets include development properties of \$130.3 million (2024: \$185.6 million) that may not be realisable within one year as the normal operating cycle for development properties exceeds one year. These conditions may cast significant doubt on the Group’s ability to continue as a going concern.

In assessing the appropriateness of the going concern assumption, the Directors are of the view that the use of the going concern basis of accounting in the preparation of the consolidated financial statements is appropriate, based on the following factors:

- (a) On 27 March 2025, the Company entered a debt restructuring agreement with the liquidators of its former subsidiary, Tiong Aik Construction Pte Ltd (in liquidation) (“**TAC**”), effecting a mutual release and discharge of debts and/or liabilities, claims or demands and duties or obligations owed by and between the Group and TAC. The debt restructuring agreement includes the novation of debts of \$39.9 million to Bank Lenders (the “**Novated Debts**”), cash payment of \$1.0 million to TAC by 15 May 2025, the issuance of mandatory convertible notes of \$5.0 million bearing a simple interest rate of 2.8% per year, the assignment of sales and rental proceeds from certain units in the Group’s development properties valued at \$7 million by 31 July 2025, in relation to the amounts owing of \$13 million by the Group to TAC.

On 30 July 2025, the Group completed the implementation of the TAC debt restructuring plan. The cash payment of \$1.0 million was made on 8 May 2025, the mandatory convertible notes of \$5.0 million were issued on 15 May 2025, and the deed of assignment of sales and rental proceeds was executed on 30 July 2025;

- (b) On 27 March 2025, the Group entered into debt restructuring agreements with bank lenders, restructuring the Novated Debts over a repayment period commencing on 28 April 2025 and ending on 26 December 2029. The agreements included certain conditions subsequent to be fulfilled by the extended deadline of 15 January 2026.

On 15 January 2026, all conditions subsequent were met and the Group completed the implementation of debt restructuring plan with its bank lenders;

- (c) The achievement of forecasted operating cash flows from the Group’s core business, including but not limited to improving profit margins through streamlining the business operations, achieving healthy rental and occupancy rates for its dormitory operations, securing new construction projects, ensuring timely completion of construction projects, and enhancing liquidity management; and

- (d) Continued support from the Medium Term Notes Noteholders through the deferral of their rights on the principal amount of approximately \$27 million owed under the Notes, and the successful restructuring of the Notes liabilities, pursuant to a consent solicitation exercise which was completed on 31 October 2025.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 1 GENERAL (CONTINUED)

### *Going concern (Continued)*

Accordingly, the consolidated financial statements of the Group for the financial year ended 31 December 2025 have been prepared on a going concern basis.

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION

### 2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”) under the historical cost convention.

The preparation of these financial statements in conformity with SFRS(I)s requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

### *Interpretations and amendments to published standards effective in 2025*

On 1 January 2025, the Group has adopted the new or amended SFRS(I)s and Interpretations of SFRS(I) (“**INT SFRS(I)**”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

### 2.2 Basis of consolidation

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

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.2 Basis of consolidation (Continued)

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

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

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

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the group are eliminated on consolidation.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

#### ***Changes in the Group's ownership interests in existing subsidiaries***

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 or the cost on initial recognition of an investment in an associate or a joint venture, whichever is applicable.

In the Company's separate financial statements, investments in subsidiaries, associates and joint ventures are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.3 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values of assets given by the Group to the former owners of the acquiree, liabilities incurred by the Group and equity interests issued by the Group in exchange for control of the acquiree. The fair values are those prevailing at the acquisition date. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at their fair values prevailing at the acquisition date. Subsequent changes in such fair values are adjusted against the cost of acquisition if they qualify as measurement period adjustments. Accounting for subsequent changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I) are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payment* at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.
- Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another SFRS(I).
- If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.
- The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, subject to a maximum of one year from acquisition date.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.4 Financial instruments

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

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

#### **Financial assets**

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

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

#### Classification of financial assets

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

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("**FVTOCI**"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.4 Financial instruments (Continued)

#### *Financial assets (Continued)*

##### Amortised cost and effective interest method

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

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

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

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI.

##### Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("**ECL**") on investments in debt instruments that are measured at amortised cost or at FVTOCI and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.4 Financial instruments (Continued)

#### *Financial assets (Continued)*

##### Significant increase in credit risk

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

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

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- breach of settlement contract or default in contractual obligations.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group also considers a financial asset to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

For loan commitments and financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contract, the Group considers the changes in the risk that the specified debtor will default on the contract. For loan commitment, the Group considers changes in the risk of a default occurring on the loan to which a loan commitment relates.

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.4 Financial instruments (Continued)

#### *Financial assets (Continued)*

##### Definition of default

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

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full without recourse by the Group to actions such as realising security held (if any).

##### Credit-impaired financial assets

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

- (a) significant financial difficulty of the issuer or the borrower; or
- (b) a breach of contract, such as a default or past due event; or
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

##### Write-off policy

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

##### Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.4 Financial instruments (Continued)

#### *Financial assets (Continued)*

##### Measurement and recognition of expected credit losses (Continued)

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

- Nature of financial instruments (i.e. the Group's trade and other receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors;
- Nature of collaterals for finance lease receivables; and
- Nature of business practice and legal framework certain geographic region.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI.

##### Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.4 Financial instruments (Continued)

#### *Financial liabilities*

##### Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

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

##### Financial liabilities

Trade and other payables are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Interest-bearing bank loans and term notes are subsequently measured at amortised cost, using the effective interest method. Interest expense calculated using the effective interest method is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

##### Financial guarantee contracts

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

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

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

##### Derecognition of financial liabilities

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.5 Leases

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

#### ***The Group as lessor***

The Group enters into lease agreements as a lessor with respect to its investment property.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

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

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes lease and non-lease components, the Group applies SFRS(I) 15 to allocate the consideration under the contract to each component.

#### ***The Group as lessee***

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

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

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented within "property, plant and equipment". Right-of-use asset which meets the definition of an investment property is presented within "investment properties" and accounted for in accordance with the accounting policy for investment properties.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.5 Leases (Continued)

#### *The Group as lessee (Continued)*

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

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

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

The lease liability is presented as a separate line in the statement of financial position.

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

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.5 Leases (Continued)

#### *The Group as lessee (Continued)*

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset (except when it meets the definition of an investment property) is impaired and accounts for any identified impairment loss as described below.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other operating expenses' in the statement of profit or loss.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

### 2.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and applicable variable selling expenses.

### 2.7 Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs (refer to Note 2.18 on borrowing costs) and any fair value gains or losses on qualifying cash flow hedges of property, plant and equipment that are transferred from the hedging reserve.

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

	<u>Useful lives</u>
Leasehold properties	Over remaining lease periods
Plant and equipment	3 to 7 years
Motor vehicles	5 years

Depreciation is not provided on properties under construction and freehold land. Building on freehold land is depreciated over 30 years.

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.8 Investment properties

Investment properties are properties held to earn long-term rental yields and/or for capital appreciation, including property under construction for such purposes, is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value, determined annually by independent professional valuers on the highest and best use basis. Changes in the fair value of investment property are recognised in profit or loss.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefit is expected from the property. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

### 2.9 Development properties

Development properties are properties held for development and sale in the ordinary course of business. They include completed properties and properties in the course of development. Unsold properties are stated at the lower of cost and estimated net realisable value. Net realisable value represents the estimated selling price net of selling expenses. For incomplete properties, all estimated cost to complete the properties are deducted when estimating net realisable value.

### 2.10 Contract assets and liabilities

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.

### 2.11 Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net amounts of the identifiable assets acquired and the liabilities assumed at the acquisition date.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of (i) the consideration transferred; (ii) the amount of any non-controlling interest in the acquiree; and (iii) the fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the business combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.12 Associates and joint ventures (Equity accounted investees)

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

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

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates or joint ventures. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates or joint ventures.

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.12 Associates and joint ventures (Equity accounted investees) (Continued)

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

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

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

### 2.13 Impairment of non-financial assets (excluding goodwill)

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.14 Provisions

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

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

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

#### ***Onerous contracts***

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

### 2.15 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

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

Government grants relating to assets are deducted against the carrying amount of the assets.

### 2.16 Revenue recognition

The Group recognises revenue from the following major sources:

- construction contracts;
- sale of development properties;
- sale of goods;
- worker training and other services; and
- rental income.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.16 Revenue recognition (Continued)

#### ***Revenue from construction contracts***

(i) Main contractor for properties construction

The Group constructs residential, industrial and commercial properties with customers under its provision of services as a main contractor. Contracts are entered into before construction of the properties begins.

(ii) General builders and general engineering

The Group carries out fabrication and repair of metal formworks, erection of building structural steels and provision of general engineering services.

(iii) Manufacturing of precast components

The Group manufactures concrete precast components for the building industry.

Under the terms of the contracts for (i) to (iii) above, the Group's performance does not create an asset with alternative use to the Group and the Group has an enforceable right to payment for work done. Revenue from construction contracts is therefore recognised over time on a cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under SFRS(I) 15 *Revenue from Contracts with Customers*.

The Group becomes entitled to invoice customers for construction projects based on achieving a series of performance-related milestones. When a particular milestone is reached, the customer is sent a relevant statement of work signed by a third party assessor and an invoice for the related milestone payment.

For construction contracts, the period between the recognition of revenue under the cost-to-cost method and the milestone payment is always less than one year.

Revenue from precast components is recognised when goods are delivered to the customer and all criteria for acceptance have been satisfied which is the point when control of goods has transferred to the customer.

#### ***Sale of development properties***

The Group develops and sells residential and commercial 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.

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 related costs incurred to date as a proportion of the estimated total construction and other related costs to be incurred.

Progress billings to the customer are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. When the period between the recognition of revenue and payment by the customer exceeds one year, an adjustment is made to the transaction price for the time value of money. 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.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.16 Revenue recognition (Continued)

#### ***Sale of development properties (Continued)***

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 relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

For development properties whereby the Group has no enforceable right to payment until legal title has passed to the customer, revenue is recognised at a point in time, when the legal title has been transferred to the customer. The revenue is measured at the transaction price agreed under the contract.

#### ***Revenue from sale of goods***

The Group sells lubricants, petroleum and related products. Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied, which is the point when control of goods has transferred to the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Under the Group's standard contract terms, customers do not have a right of return.

#### ***Rental income***

Rental income from investment properties is recognised on a straight-line basis over the term of the relevant lease.

#### ***Interest income***

Interest income from financial assets at amortised cost is recognised using the effective interest rate method.

#### ***Dividend income***

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

#### ***Service income***

Revenue from services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.17 Borrowing costs

Borrowing costs directly attributable to the construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended sale, are added to the cost of those assets, until such time when the assets are substantially ready for their intended sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for inclusion as cost of the assets.

Borrowing costs relating to borrowings taken up specifically to finance development properties for which associated revenue is not recognised over time, development of investment properties or properties are added to the cost of the projects or assets.

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

### 2.18 Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

### 2.19 Employee leave entitlement

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

### 2.20 Income tax

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

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

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.20 Income tax (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Except for investment properties measured using the fair value model, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

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

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

### 2.21 Foreign currency transactions and translation

The individual financial statements of each entity within the Group are measured and presented in the currency of the primary economic environment in which the respective entities operate (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

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

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

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the relevant period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.21 Foreign currency transactions and translation (Continued)

On consolidation, exchange differences arising from the translation of income and expenses of foreign operations, the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and the translation of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in foreign currency translation reserve, a component of the Group's equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the end of the reporting period.

On the disposal of a foreign operation, accumulated foreign currency translation reserve related to that foreign operation is transferred from equity to profit or loss when the gain or loss on disposal is recognised.

### 2.22 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, cash at bank, fixed deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

### 2.23 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held for sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held for sale. Equity accounting ceased when the investment in associates and joint ventures are classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and:

- (a) represents a separate major line of business or geographical area of operations; or
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- (c) is a subsidiary acquired exclusively with a view to resale.

### 2.24 Share capital and treasury shares

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

When any entity within the Group purchases the Company's ordinary shares ("**treasury shares**"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

### 2.24 Share capital and treasury shares (Continued)

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

### 2.25 Segment reporting

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

## 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

### 3.1 Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimates (as described in Note 3.2) that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

#### 3.1.1 Going concern assumption

The judgements relating to the going concern assumption are set out in Notes 1 and 4(b)(v).

#### 3.1.2 Sale of development properties

As described in Note 2, the Group develops and sells residential and commercial 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.

In determining the point of transfer of control, management reviews the legally binding terms and arrangements of the sales contracts. Judgement is exercised in concluding the timing of revenue recognition, particularly in jurisdictions where terms in sale and purchase agreements are not standardised. Accordingly, timing of revenue recognition for properties in the same jurisdiction may vary depending on the contractual terms and arrangement. The carrying amount of development properties at the end of the financial year is disclosed in Note 11 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

### 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, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### 3.2.1 Construction contracts

The Group recognises revenue from construction of residential, industrial and commercial properties using the percentage of completion method. The stage of completion is measured by reference to proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

Significant assumptions and judgements are involved in estimating costs to completion for construction contracts; and in the case of contract work, the recoverable amounts for any variation work. In making these estimates of cost to completion which have yet to be contracted for are based on past experience, prevailing market conditions, and factors specific to the construction contracts.

Management has reviewed costs incurred during the period which construction activities were suspended and determined costs which do not represent additional progress towards satisfaction of the Group's performance obligation and accordingly, presented them as part of 'General and administrative expenses' instead of contract costs incurred.

Management has assessed their eligibility on the conditions precedent for such measures, if applicable before recognising them as a reduction of cost or contract modifications. Significant estimates and judgments are involved in determining the adjustments to costs and contract sums.

During the course of a project, the contract sum may also be adjusted for variations, omissions and other variable consideration (including liquidated damages). Variations could relate to unpriced change orders approved by customers for which management has to estimate the transaction price. In estimating certain variable consideration to be included in the transaction price, management applies most likely amount approach.

Management reviews construction contracts for foreseeable losses whenever there is indication that the sum of fixed price contract and any variation sums may be lower than the total expected construction cost.

The above judgements and estimates affect the amount of revenue recognised (Note 28), the cost included in cost of sales; the recognised profits included; contract assets (Note 10), contract liabilities (Note 24) and provisions (Note 25). Management's estimates take into account known significant events and information available when the financial statements are prepared. They are subject to periodic reassessment. Current estimates may be subject to material change in future depending on market conditions and the results of actions to be taken in future.

#### 3.2.2 Net realisable value of development properties

Development properties (Note 11) are stated at the lower of cost or net realisable value. In determining the net realisable value, management estimates the potential sales proceeds less cost to sell. The estimated selling prices are based either on (i) actual selling price or (ii) selling prices for comparable developments and takes into consideration prevailing market conditions.

In assessing the recoverable amounts of properties for sale and the related costs, management considers the specific courses of action that it has taken or plans to take and expectations regarding the results of these actions. Write-down of development properties is charged to profit or loss (included in cost of sales).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

### 3.2 Key sources of estimation uncertainty (Continued)

#### 3.2.3 Fair value of investment properties

As at 31 December 2025, the carrying value of the Group's investment properties of approximately \$253.2 million (2024: \$243.2 million) accounted for 48% (2024: 41%) of the Group's total assets. The Group, with reliance on independent professional valuers, applies estimates, assumptions and judgements in the determination of fair values for investment properties. The valuation forms the basis for the carrying amounts of the investment properties held directly by the Group in the consolidated financial statements. There is significant judgement in determining the key inputs used in the valuation. These key inputs include discount rate, rental rate, market value of comparable property, capitalisation rate and cost per square metre, and are dependent on the nature of each investment property and the prevailing market conditions. The key unobservable inputs used to determine the fair value of the investment properties are disclosed in Note 14.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### 3.2.4 Recoverable amount of receivables from associates/joint ventures and investment in associates

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

The Group has 50% equity stake in the joint venture, SZI. The Group assesses at the end of each financial year whether the receivables due from SZI are recoverable. As at 31 December 2025, the carrying amount of receivables due from SZI is \$10.7 million (2024: \$14.3 million) (net of allowance of approximately \$12.7 million (2024: \$8.7 million)).

In 2015, SZI and its wholly-owned subsidiary Dalian Blue Oasis Properties Co., Ltd. ("**DBOP**") entered into agreements to purchase completed and partially completed property units and rights of usage of basement and carpark in DSPDS's multi-phase mixed development in PRC (Singapore Garden, the "**Development**") for amounts totalling RMB201.1 million (equivalent to \$42.2 million).

In 2018, DBOP issued a notification letter to DSPDC on its intent to cancel the sale and purchase agreements ("**SPAs**") for the sale of residential units from DSPDC to DBOP due to non-delivery of the fully paid purchased residential units within the contracted period under the SPAs by DSPDC. A cancellation agreement was entered into between both parties whereby DSPDC had to refund RMB148.4 million (approximately \$29.4 million) due to DBOP and as at 31 December 2025, DBOP has receivables (including interest income receivable) amounting to RMB38.4 million (equivalent to \$7.0 million) (2024: RMB38.4 million (equivalent to \$7.1 million)) from DSPDC relating to the refund.

Rights of usage of carpark bought by DBOP have not been transferred as at 31 December 2025. After considering the financial position of SZI group and the valuation of the properties in the Development at 31 December 2025 by an independent valuer, management expects the amount of \$10.7 million (2024: \$14.3 million) to be recoverable from SZI. The fair values of the properties are determined using direct comparison method (2024: Direct comparison method).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

### 3.2 Key sources of estimation uncertainty (Continued)

#### 3.2.5 Expected credit losses of trade and other receivables (other than disclosed in Note 3.2.4 above) and contract assets

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The carrying amounts of trade and other receivables and contract assets are disclosed in Notes 7 and 10 respectively in the financial statements.

#### 3.2.6 Impairment in investments in subsidiaries, associates and joint ventures

The Group assesses annually whether there is any indication of impairment in its investments in subsidiaries, associates and joint ventures. Management has carried out a review of the recoverable amount of the investment in subsidiaries, associates and joint ventures having regard to the existing performance and the carrying value of the net tangible assets of the respective subsidiaries, associates and joint ventures.

Where there is indicator of impairment, management has estimated the recoverable amount based on higher of fair value less costs to sell or value-in-use. Significant estimates and judgements are involved in determining the appropriate valuation method (for fair value assessment) and assumptions applied.

As at the end of the reporting period, allowance for impairment loss of \$41.0 million (2024: \$51.7 million) and impairment loss of \$11.6 million (2024: \$10.2 million) have been made for investments in subsidiaries (Note 16), and associates and joint ventures (Note 17) respectively based on the market conditions reflecting the recoverability of the net assets in subsidiaries, associates and joint ventures.

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

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

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

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Financial assets</b>				
Financial assets at amortised cost	93,696	117,190	60,597	67,801
<b>Financial liabilities</b>				
Financial liabilities at amortised cost	278,463	333,190	79,338	80,958
Lease liabilities	497	746	–	–

The Group and the Company do not have any significant financial instruments which are subject to enforceable master netting arrangements or similar netting agreements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

### (b) *Financial risk management policies and objectives*

The Group's overall financial risk management program seeks to minimise potential adverse effects of financial performance of the Group arising from foreign exchange risk, interest rate risk, credit risk and liquidity risk.

The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

### (i) Foreign exchange risk management

The Group's exposure to foreign currency risk primarily arises from its foreign currency denominated cash and bank balances, trade and other receivables, and trade and other payables. The Group has some investments in foreign subsidiaries and associates, whose net assets are exposed to currency translation risk. As far as possible, the Group relies on natural hedges of matching foreign currency denominated assets and liabilities of the same currency. The Group does not have any derivative financial instruments relating to foreign currency risk.

US Dollar is the currency which gives rise to most of the Group's foreign exchange exposures. At the end of the reporting period, the carrying amounts of significant monetary assets and monetary liabilities denominated in US Dollar are as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Assets	6,552	4,862	–	–
Liabilities	40	293	–	–

### Foreign currency sensitivity

The following illustrates the sensitivity to a 10% increase and decrease in US Dollar against the functional currency of each group entity. 10% is the sensitivity rate used when reporting foreign currency risk internally to the Board of Directors. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

A 10% weakening of the functional currency of each group entity and the Company against the US Dollar would increase (decrease) loss before tax for the financial year of the Group and Company by the amounts shown below. This analysis assumes that all other variables remain constant.

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
US Dollar	(651)	(457)	–	–

A 10% strengthening of the functional currency of each group entity and the Company against the US Dollar would have decreased/(increased) loss before tax of the Group and Company for the financial year by the same amount shown above, on the basis that all other variables remain constant.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(b) *Financial risk management policies and objectives (Continued)*

(ii) Interest rate risk management

The Group's and the Company's exposure to interest rate risk relates primarily to debt obligations. The interest rates for borrowings are stated in Note 20 to the financial statements.

The Group may from time to time enter into derivative financial instruments to manage its exposures to interest rate risk.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period and on the assumption that the change took place at the beginning of a financial year and is held constant throughout the reporting period.

Had interest rates been 50 basis points higher or lower and all other variables were held constant, the Group's loss before tax for the financial year ended 31 December 2025 would have increased/decreased by \$0.5 million (2024: \$0.5 million).

(iii) Overview of the Group's exposure to credit risk

Credit risk refers to the risk that counterparties may default on their contractual obligations resulting in financial loss to the Group.

The carrying amounts of financial assets and contract assets as stated in the statements of financial position and the exposure to calls on corporate guarantees (Note 37), represents the Group's and Company's maximum exposure to credit risk without taking into account the value of any collateral which can reduce the exposure.

To measure the exposures to credit risk, trade receivables and contract assets have been grouped based on characteristics and the days past due derived from the Group's own trading records. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group uses its trading records to rate its major customers and other debtors.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(b) *Financial risk management policies and objectives (Continued)*

(iii) Overview of the Group's exposure to credit risk (Continued)

The tables below detail the credit quality of the Group's and Company's trade and other receivables and contract assets as well as maximum exposure to credit risk:

Group	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
<b>2025</b>						
Trade receivables	7	(i)	Lifetime ECL (simplified approach)	16,247	(1,015)	15,232
Other receivables	7	(ii)	12-month ECL	27,469	–	27,469
Other receivables	7	(iii)	Lifetime ECL-credit impaired	57,813	(57,813)	–
Contract assets	10	(i)	Lifetime ECL (simplified approach)	6,008	–	6,008
				<u>107,537</u>	<u>(58,828)</u>	<u>48,709</u>

### 2024

Trade receivables	7	(i)	Lifetime ECL (simplified approach)	28,361	(4,586)	23,775
Other receivables	7	(ii)	12-month ECL	33,834	–	33,834
Other receivables	7	(iii)	Lifetime ECL-credit impaired	39,260	(39,260)	–
Contract assets	10	(i)	Lifetime ECL (simplified approach)	6,076	–	6,076
				<u>107,531</u>	<u>(43,846)</u>	<u>63,685</u>

Company	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
<b>2025</b>						
Other receivables	7	(iii)	Lifetime ECL-credit impaired	<u>100,500</u>	<u>(40,235)</u>	<u>60,265</u>

### 2024

Other receivables	7	(iii)	Lifetime ECL-credit impaired	<u>101,270</u>	<u>(33,546)</u>	<u>67,724</u>
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- (i) The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.
- (ii) The Group determines that these receivables are not past due and have low risk of default.
- (iii) Loss allowance has been determined after taking into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate.

Cash and cash equivalents are subject to immaterial credit loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(b) *Financial risk management policies and objectives (Continued)*

(iv) Credit risk management

Before accepting any new customer, management assesses the potential customer's credit quality and defines credit limits by customer. Limits granted to customers are reviewed periodically. The Group's exposure to credit risks and the credit limits to counterparties are continuously monitored. The Group monitors collections due and follow up with debtors as part of the credit management process.

Trade receivables consist of a number of customers from the construction and real estate industry. The Group does not have any significant credit risk exposure to any single counterparty or any group of related counterparties.

The credit risk on liquid funds is limited because the counterparties are banks with good credit-ratings.

The Group carries out construction work for the public and private sectors. Credit risks are taken into consideration in the decision to participate in tenders for construction contracts.

Rental deposits are received as security from tenants of its investment properties.

The maximum amount the Company could be liable to settle under the corporate guarantees given to banks in connection with facilities utilised by the subsidiaries is stated in Note 37.

Management monitors the financial performance of the parties in respect of which the Group or the Company has provided guarantees to third parties.

(v) Liquidity risk management

Going concern assessment

The Group's current assets amounted to \$227.4 million (2024: \$303.7 million) and its current liabilities amounted to \$151.5 million (2024: \$272.6 million). However, the Group's current assets include development properties of \$130.3 million (2024: \$185.6 million) that may not be realisable within one year as the normal operating cycle for development properties exceeds one year.

The factors above, along with the other matters disclosed in Note 1 to the financial statements, indicate the existence of events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. Notwithstanding this, management has assessed that the Group is still able to maintain sufficient liquidity to enable the Group to continue as a going concern for at least the next 12 months from the date of authorisation of these financial statements as disclosed in Note 1 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(b) *Financial risk management policies and objectives (Continued)*

### Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents future interest which are not included in the carrying amount of the financial liability on the statements of financial position.

<u>Group</u>	<b>Weighted average effective interest rate %</b>	<b>On demand or within 1 year \$'000</b>	<b>Within 2 to 5 years \$'000</b>	<b>After 5 years \$'000</b>	<b>Adjustment \$'000</b>	<b>Total \$'000</b>
<b><u>2025</u></b>						
Non-interest bearing	–	56,215	29,396	–	–	85,611
Lease liabilities (fixed rate)	2.9	330	206	–	(39)	497
Fixed interest rate instruments	3.6	9,122	71,220	29,430	(17,576)	92,196
Variable interest rate instruments	4.2	33,433	80,259	–	(13,036)	100,656
		<u>99,100</u>	<u>181,081</u>	<u>29,430</u>	<u>(30,651)</u>	<u>278,960</u>
<b><u>2024</u></b>						
Non-interest bearing	–	103,077	38,081	–	–	141,158
Lease liabilities (fixed rate)	2.9	377	427	–	(58)	746
Fixed interest rate instruments	3.8	41,658	64,164	–	(10,428)	95,394
Variable interest rate instruments	5.9	31,623	89,982	–	(24,967)	96,638
		<u>176,735</u>	<u>192,654</u>	<u>–</u>	<u>(35,453)</u>	<u>333,936</u>

<u>Company</u>	<b>Weighted average effective interest rate %</b>	<b>On demand or within 1 year \$'000</b>	<b>Within 2 to 5 years \$'000</b>	<b>After 5 years \$'000</b>	<b>Adjustment \$'000</b>	<b>Total \$'000</b>
<b><u>2025</u></b>						
Non-interest bearing	–	8,244	1,997	–	–	10,241
Fixed interest rate instruments	3.6	15,409	37,337	29,430	(13,079)	69,097
		<u>23,653</u>	<u>39,334</u>	<u>29,430</u>	<u>(13,079)</u>	<u>79,338</u>
<b><u>2024</u></b>						
Non-interest bearing	–	6,220	1,729	–	–	7,949
Fixed interest rate instruments	1.7	46,683	30,011	–	(3,685)	73,009
		<u>52,903</u>	<u>31,740</u>	<u>–</u>	<u>(3,685)</u>	<u>80,958</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(b) *Financial risk management policies and objectives (Continued)*

### Non-derivative financial assets

The following table details the expected maturity for non-derivative financial assets based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The adjustment column represents the future interest which is not included in the carrying amount of the financial asset on the statements of financial position.

<u>Group</u>	<b>Weighted average effective interest rate %</b>	<b>On demand or within 1 year \$'000</b>	<b>Within 2 to 5 years \$'000</b>	<b>Adjustment \$'000</b>	<b>Total \$'000</b>
<b><u>2025</u></b>					
Non-interest bearing	–	9,070	9,643	–	18,713
Fixed interest rate instruments	3.0	29,139	51,797	(5,958)	74,983
		<u>38,209</u>	<u>61,440</u>	<u>(5,958)</u>	<u>93,696</u>
<b><u>2024</u></b>					
Non-interest bearing	–	50,831	7,503	–	58,334
Fixed interest rate instruments	2.5	37,412	25,186	(3,742)	58,856
		<u>88,243</u>	<u>32,689</u>	<u>(3,742)</u>	<u>117,190</u>
<u>Company</u>	<b>Weighted average effective interest rate %</b>	<b>On demand or within 1 year \$'000</b>	<b>Within 2 to 5 years \$'000</b>	<b>Adjustment \$'000</b>	<b>Total \$'000</b>
<b><u>2025</u></b>					
Non-interest bearing	–	332	42,896	–	43,228
Fixed interest rate instruments	4.2	2,104	25,784	(10,519)	17,369
		<u>2,436</u>	<u>68,680</u>	<u>(10,519)</u>	<u>60,597</u>
<b><u>2024</u></b>					
Non-interest bearing	–	1,402	10,903	–	12,305
Fixed interest rate instruments	4.0	2,246	64,479	(11,229)	55,496
		<u>3,648</u>	<u>75,382</u>	<u>(11,229)</u>	<u>67,801</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

(b) *Financial risk management policies and objectives (Continued)*

(vi) Fair value of financial assets and financial liabilities

The carrying amounts of cash and bank balances, trade and other current receivables and payables, and other current liabilities approximate their respective fair values due to relatively short-term maturity of these financial instruments.

The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

(c) *Capital management policies and objectives*

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while optimising the return to stakeholders through a mix of equity balance and debts which comprise bank borrowings (Note 20), lease liabilities (Note 22) and term notes (Note 23).

Management reviews the capital structure on an annual basis. As a part of this review, management considers the cost of capital; and the tenures and risks associated with each class of capital. Management also reviews compliance with financial covenants associated with borrowings. On 31 October 2025, the Group has obtained approval from the term notes holders through a consent solicitation exercise (i) extend the maturity date of the Series 003 notes from 26 July 2026 to 31 December 2032; (ii) disapply default interest for the entire tenure of the notes; (iii) insert put option whereby the holder of any notes shall have the right to require the Group to redeem such notes at their principal amount on 31 December 2030; (iv) amend the call redemption dates under the Trust Deed of the term notes; (v) amend the interest rate of the notes from 6% p.a., payable semi-annually in arrear, to 4.5% p.a., payable at maturity, with effect from 31 December 2025; (vi) insert a provision to provide for repayment of interest on the Notes according to the interest repayment schedule set out in the Fifth Supplemental Trust Deed; (vii) suspension from compliance with the financial covenants for the period from 27 July 2026 to 31 December 2032; and (viii) permit all future notices to be given to note holders by way of an announcement on the website of the SGX-ST.

The Group balances its overall capital structure through issuance of new debt or the redemption of existing debt, issuance of new shares or payment of dividends. The Group's overall strategy for capital management remains unchanged from the prior year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 5 RELATED COMPANY AND RELATED PARTY TRANSACTIONS

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

Transactions between members of the Group have been eliminated on consolidation and are not disclosed.

Transactions with related parties during the financial year other than disclosed elsewhere in the financial statements were as follows:

	Group	
	2025 \$'000	2024 \$'000
<u>Income from/(expenses charged) by associates</u>		
Accounting and administrative services	42	34
Interest income	1,396	1,388
Interest expense	(268)	(268)
<u>Income from/(expenses charged by) joint ventures</u>		
Interest income	646	737
Rental income	8	2
Sale of goods	–	200
<u>Income from/(expenses charged by) companies in which certain directors have control</u>		
Construction contracts revenue	5,116	–
Sales of goods	14	–
Accounting and administrative services	64	–
Maintenance income	10	162
Rental income	21	32
Worker management services	(2)	(13)
Dormitory rental expense	–	(44)
Interest expense	(1,079)	(1,108)
Others	(2)	–
<u>Directors</u>		
Interest expense	(195)	(261)
<u>Key management personnel</u>		
Interest expenses	(180)	(114)

### Compensation of directors and key management personnel

The remuneration of directors and other key management personnel during the financial year was as follows:

	Group	
	2025 \$'000	2024 \$'000
Short-term benefits	1,913	1,391
Post-employment benefits (including Central Provident Fund)	138	116
Director fees	551	491
	<u>2,602</u>	<u>1,998</u>

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 6 CASH AND BANK BALANCES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash at bank and in hand	24,305	21,953	333	77
Fixed deposits <sup>(1)</sup>	25,696	36,729	–	–
	50,001	58,682	333	77
Less: Pledged cash and fixed deposits <sup>(2)</sup>	(27,882)	(32,064)	–	–
Cash and cash equivalents in the consolidated statement of cash flows	22,119	26,618	333	77

<sup>(1)</sup> Fixed deposits earn interest ranging from 0.05% to 4.05% (2024: 0.5% to 5.23%) per annum.

<sup>(2)</sup> Tenure for pledged fixed deposits range from 1 to 12 months (2024: 1 to 6 months).

### Disposal of subsidiaries

On 18 January 2024, the Group disposed of its 90%-owned subsidiary Aston Air Control Pte Ltd. The effects of the disposal on the cash flows of the Group were:

	Group 2024 \$'000
Carrying amounts of assets and liabilities as at the date of disposal:	
Cash and bank balances	2,659
Trade and other receivables	3,012
Inventories	741
Property, plant and equipment (inclusive of Right-of-use assets)	236
Total assets	6,648
Trade and other payables, representing total liabilities	5,902
Net assets derecognised	746
Less: Non-controlling interests	(801)
Reclassification of capital reserve	(18)
Reclassification of currency translation reserve	9
Net liabilities disposed of	(64)
Gain on disposal	464
Consideration on disposal	400
Less: Cash and bank balances in subsidiaries disposed of	(2,659)
Net cash outflow from disposal	(2,259)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 7 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Trade receivables due from:				
Sale of goods and services	2,323	4,610	–	–
Property development customers	6,731	10,834	–	–
Construction contract customers	5,476	12,768	–	–
Associates	57	91	–	–
Joint ventures	837	–	–	–
Companies in which certain directors have control	823	58	–	–
Less: Loss allowance				
– Associates	(57)	(57)	–	–
– Third parties	(958)	(4,529)	–	–
	<u>15,232</u>	<u>23,775</u>	<u>–</u>	<u>–</u>
Other receivables due from:				
Third parties	344	5,080	–	1,326
Associates	48,998	47,651	–	–
Joint ventures	35,755	32,910	–	–
Subsidiaries	–	–	100,500	99,944
Companies in which certain directors have control	185	155	–	–
Less: Loss allowance				
– Third parties	(4)	(137)	–	–
– Associates	(42,760)	(41,124)	–	–
– Joint ventures	(15,049)	(10,701)	–	–
– Subsidiaries	–	–	(40,235)	(33,546)
	<u>27,469</u>	<u>33,834</u>	<u>60,265</u>	<u>67,724</u>
Staff loans	4	9	–	–
Total trade and other receivables	<u>42,705</u>	<u>57,618</u>	<u>60,265</u>	<u>67,724</u>
Current	25,873	37,012	–	1,326
Non-current	16,832	20,606	60,265	66,398
	<u>42,705</u>	<u>57,618</u>	<u>60,265</u>	<u>67,724</u>

### 7.1 Trade receivables

Credit periods generally range from 30 to 120 days (2024: 30 to 120 days). No interest is charged on overdue trade receivables. Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses ("ECL"). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. None of the trade receivables that have been written off is subject to enforcement activities.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 7 TRADE AND OTHER RECEIVABLES (CONTINUED)

### 7.1 Trade receivables (Continued)

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

	Expected weighted credit loss rate %	Estimated total gross carrying amount at default \$'000	Lifetime ECL \$'000	Total \$'000
<b>2025</b>				
Current (not past due)	*	2,856	–	2,856
1 to 90 days past due	*	3,042	–	3,042
91 to 180 days past due	*	1,242	–	1,242
181 to 360 days past due	0.6	1,434	(8)	1,426
More than 360 days past due	13.1	7,673	(1,007)	6,666
		<u>16,247</u>	<u>(1,015)</u>	<u>15,232</u>
<b>2024</b>				
Current (not past due)	*	220	–	220
1 to 90 days past due	*	6,717	–	6,717
91 to 180 days past due	*	2,455	–	2,455
181 to 360 days past due	*	154	–	154
More than 360 days past due	24.4	18,815	(4,586)	14,229
		<u>28,361</u>	<u>(4,586)</u>	<u>23,775</u>

\* The weighted credit loss rate is assessed as negligible. Included in amounts past due more than 180 days is \$6.7 million (2024: \$10.8 million) for which billings were made based on contractual arrangements with the buyers for certain development properties. Corresponding contract liabilities (Note 24) are recognised for these billings.

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

Group	\$'000
Balance as at 1 January 2024	3,415
Exchange differences	(4)
Amounts written off against allowance	(210)
Adjustments	903
Loss allowance recognised in profit or loss during the financial year	<u>482</u>
<b>Balance as at 31 December 2024</b>	4,586
Exchange differences	11
Amounts written off against allowance	(3,574)
Reversal of loss allowance recognised in profit or loss during the financial year	<u>(8)</u>
<b>Balance as at 31 December 2025</b>	<u>1,015</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 7 TRADE AND OTHER RECEIVABLES (CONTINUED)

### 7.2 Other receivables

Interest is charged at 2.50% to 6.75% (2024: 2.50% to 6.75%) per annum by the Group and Company on other receivables due from certain associates, joint ventures and subsidiaries.

The Company's other receivables due from subsidiaries are unsecured and have no fixed repayment terms.

Other receivables due from companies in which certain directors have control are unsecured and non-interest bearing and repayable on demand.

For purpose of impairment assessment, other receivables are considered to have low risk of default as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition apart for those which loss allowance has been recognised. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

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

Group	\$'000
Balance as at 1 January 2024	48,539
Amounts written off against allowance	(1,500)
Loss allowance recognised in profit or loss during the financial year	4,923
<b>Balance as at 31 December 2024</b>	<b>51,962</b>
Amounts written off against allowance	(167)
Loss allowance recognised in profit or loss during the financial year	6,018
<b>Balance as at 31 December 2025</b>	<b>57,813</b>

## 8 DEPOSITS AND PREPAYMENTS

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Deposits placed with third parties	990	890	–	–
Prepayments	11,165	12,180	7	16
	<u>12,155</u>	<u>13,070</u>	<u>7</u>	<u>16</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 9 INVENTORIES

	Group	
	2025 \$'000	2024 \$'000
Finished goods	2,125	2,668
Raw materials	930	638
	<u>3,055</u>	<u>3,306</u>

The cost of inventories recognised as an expense for the financial year amounted to \$11.0 million (2024: \$13.0 million), which is included in the line 'Cost of sales' in the consolidated statement of other comprehensive income.

## 10 CONTRACT ASSETS

	Group	
	2025 \$'000	2024 \$'000
Retention monies on contract work:		
– Third parties	3,384	3,833
Accrued income:		
– Construction contract customers	2,624	2,243
	<u>6,008</u>	<u>6,076</u>

Amounts relating to construction contracts customers are balances due from customers under construction contracts that arise when the Group completed the work but not billed. The Group had previously recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. Retention monies are classified as current as they are expected to be received within the Group's normal operating cycle.

Significant changes in contract assets in the current and prior year are due to changes in (i) retention monies which will coincide with the progress of work performed; (ii) measurement of progress contract asset which have not been billed as at year end; and (iii) variable consideration arising from delay of completion of contract work (netted against accrued income).

Management always estimates the loss allowance on amounts due from customers at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the construction industry. None of the amounts due from customers at the end of the reporting period is past due and no loss allowance is recognised as the credit loss rate is assessed as negligible.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 11 DEVELOPMENT PROPERTIES

	Group	
	2025 \$'000	2024 \$'000
Completed properties held for sale:		
Balance at beginning of the financial year	135,723	152,395
Reclassified to investment properties (Note 14)	(12,206)	(2,202)
Cost of development properties recognised as cost of sales (Note 34)	(17,333)	(971)
Amount written down to net realisable value	(697)	–
Adjustments	(13,234)	(18,883)
Exchange differences	(6,647)	5,384
Balance at end of the financial year	85,606	135,723
Properties under development:		
Unsold units	35,074	37,807
Contract costs (Note (i))	9,626	12,087
	44,700	49,894
	130,306	185,617

Development properties are classified as current assets in accordance with SFRS(I) 1-1 *Presentation of Financial Statements* as they are expected to be realised in the normal operating cycle.

The carrying amount of development properties which are mortgaged to banks as security for credit facilities obtained by the Group (Note 20) amounted to \$129.6 million (2024: \$181.2 million).

The cost of development properties includes the following items which have been charged during the financial year:

	Group	
	2025 \$'000	2024 \$'000
Interest expense capitalised (Note 32)	–	3,002
Write-down of development properties, net (Note 34)	3,433	–

### Note (i) Contract Costs – Capitalised commission

Management expects the incremental commission fees paid to property agents as a result of securing sale contracts to be recoverable from customers. The Group has therefore capitalised the commission fees and amortised these commission fees when the related revenue is recognised.

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of the financial year	12,087	9,048
Additions	10	3,039
Amount written down to net realisable value <sup>(a)</sup>	(2,736)	–
Exchange differences	265	–
Balance at end of the financial year	9,626	12,087

<sup>(a)</sup> Write-down of certain development properties to net realisable value, where the estimated net realisable value was lower than cost.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 11 DEVELOPMENT PROPERTIES (CONTINUED)

The weighted average rate of capitalisation of the interest expenses for the financial year ended 31 December 2025 is Nil% (2024: 8.21%) per annum.

Particulars of the development properties as at 31 December 2025 are as follows:

Description	Location	Approximate saleable area (Sq. Metres)	Completed/ estimated date of completion	Tenure	Site area (Sq. Metres)
<u>Properties in Thailand</u>					
De lyara Grande (Commercial and residential)	Khlong Luang District Pathum Thani, Thailand	1,049*	Completed	Freehold	16,000
Commercial and residential	Khlong Sam District Pathum Thani, Thailand	44,684**	Partially completed	Freehold	89,580
<u>Property in Cambodia</u>					
The Gateway (Commercial and residential)	Russian Boulevard, Phnom Penh, Cambodia	64,200	Completed#	Freehold	6,072

\* Area of completed units yet to be sold.

\*\* Except for Phase 1 with saleable area of 4,760 Sq Metres which was completed in August 2021, the remaining phases' development plans have not been finalised.

# The development is completed except for Residential Tower 2 development with saleable area of 19,448 Sq Metres which is substantially completed.

## 12 NON-CURRENT ASSETS HELD FOR SALE/LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

On 18 January 2024, the Company entered into a sale and purchase agreement for the disposal of 567,000 ordinary shares of Aston Air Control Pte Ltd ("**AAC**") held by the Company, representing 90% of the issued and paid-up share capital of AAC.

The entire results from AAC was presented separately on the statement of comprehensive income as "Discontinued operations" for the financial year ended 31 December 2024. The disposal was completed on 18 January 2024.

(a) The results of the discontinued operations and the re-measurement of the disposal group are as follows:

	2024 \$'000
Revenue	1,419
Cost of sales	(1,182)
Gross profit	237
Other income	132
General and administrative expenses	(108)
Other operating expenses	(7)
Finance costs	(2)
Profit before income tax from discontinued operations	252
Income tax expense	-
Profit from discontinued operations	252
Gain on disposal (Note 6)	464
<b>Net profit from discontinued operations</b>	<b>716</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 12 NON-CURRENT ASSETS HELD FOR SALE/LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE (CONTINUED)

(b) The impact of the discontinued operations on the cash flows of the Group was as follows:

	<b>Group 2024 \$'000</b>
Operating cash inflows	788
Investing cash outflows	(1)
Financing cash outflows	(4)
<b>Total cash inflows</b>	<u>783</u>

## 13 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold properties \$'000	Leasehold properties \$'000	Work in progress \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Total \$'000
<b>Cost:</b>						
At 1 January 2024	7,170	2,083	664	15,386	3,790	29,093
Additions	–	–	44	1,425	251	1,720
Exchange differences	597	29	41	567	180	1,414
Written off	–	–	–	(26)	–	(26)
Disposals	–	(730)	–	(63)	(371)	(1,164)
<b>At 31 December 2024 and 1 January 2025</b>	<u>7,767</u>	<u>1,382</u>	<u>749</u>	<u>17,289</u>	<u>3,850</u>	<u>31,037</u>
Additions	–	–	–	1,742	53	1,795
Exchange differences	301	(79)	29	148	(3)	396
Written off	(61)	–	–	(1,107)	(50)	(1,218)
Disposals	–	–	–	(401)	(326)	(727)
<b>At 31 December 2025</b>	<u>8,007</u>	<u>1,303</u>	<u>778</u>	<u>17,671</u>	<u>3,524</u>	<u>31,283</u>
<b>Accumulated depreciation:</b>						
At 1 January 2024	1,559	593	–	13,839	3,103	19,094
Depreciation (Note 34)	180	26	–	892	261	1,359
Exchange differences	(335)	400	–	517	250	832
Written off	–	–	–	(23)	–	(23)
Disposals	–	(730)	–	(63)	(303)	(1,096)
<b>At 31 December 2024 and 1 January 2025</b>	<u>1,404</u>	<u>289</u>	<u>–</u>	<u>15,162</u>	<u>3,311</u>	<u>20,166</u>
Depreciation (Note 34)	173	25	–	1,307	241	1,746
Exchange differences	61	(17)	–	97	(5)	136
Written off	–	–	–	(1,105)	(50)	(1,155)
Disposals	–	–	–	(397)	(300)	(697)
<b>At 31 December 2025</b>	<u>1,638</u>	<u>297</u>	<u>–</u>	<u>15,064</u>	<u>3,197</u>	<u>20,196</u>
<b>Net book value:</b>						
<b>At 31 December 2025</b>	<u>6,369</u>	<u>1,006</u>	<u>778</u>	<u>2,607</u>	<u>327</u>	<u>11,087</u>
At 31 December 2024	<u>6,363</u>	<u>1,093</u>	<u>749</u>	<u>2,127</u>	<u>539</u>	<u>10,871</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) The carrying amount of the Group's property, plant and equipment includes the following right-of-use ("ROU") assets:

	2025 \$'000	2024 \$'000
Plant and equipment	314	475
Motor vehicles	129	268
Total	443	743

The depreciation arising from ROU assets charged during the financial year is as follows:

	2025 \$'000	2024 \$'000
Plant and equipment	164	100
Motor vehicles	161	188
Total	325	288

Additions to ROU assets amounted to \$20,000 (2024: \$433,000) for the financial year ended 31 December 2025.

- (b) Cash payments of \$1.8 million (2024: \$1.3 million) were made to purchase property, plant and equipment during the financial year.

## 14 INVESTMENT PROPERTIES

	Group	
	2025 \$'000	2024 \$'000
<u>At fair value</u>		
Balance at beginning of the financial year	243,178	248,000
Reclassified from development properties* (Note 11)	12,206	2,202
Changes in fair value included in profit or loss (Note 30)	(1,736)	(7,101)
Exchange differences	(399)	77
Balance at end of the financial year	253,249	243,178

- \* The Group reclassified certain development properties as investment properties following the commencement of long-term lease arrangements. These properties are held to earn rental income.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 14 INVESTMENT PROPERTIES (CONTINUED)

Details of the investment properties are as follows:

Location	Description	Title	Gross area (Sq. Metres)
1 Tuas South Street 12 Singapore 636946	Dormitory	Leasehold (20 years from 7 July 2014)	52,038
The Gateway Office Tower, #10-01, #11-02 to #11-04, #11-10 to #11-12, #15-11, #15-12, #17-05 to #17-07, #20-07 to #20-09, #21-01 to #21-03, #21-08 to #21-11, #21-13, #23-01 to #23-13, Carpark 9F, Phum 10, Sangkat Phsar Depo, Khan Toul Kork, Phnom Penh, Cambodia; and The Gateway Residential Tower, #19-04, #20-05, #20-09, #28-05, Phum 10, Sangkat Phsar Depo, Khan Toul Kork, Phnom Penh, Cambodia	Commercial and residential	Freehold	4,807
iResidence, Khlong Luang District Pathum Thani, Thailand	Serviced apartment	Freehold	3,399

The fair values of the Group's investment properties have been determined on the basis of valuations carried out at or close to the respective year end dates by independent qualified valuers experienced in the location and category of the properties being valued. The valuations were arrived at (i) by reference to market evidence of transacted prices per square metre in the open market for comparable properties, adjusted for differences such as location, age and size; (ii) discounted cash flow analysis; and/or (iii) income capitalisation method.

The Group classified fair value measurement using a fair value hierarchy that reflects the nature and complexity of the significant inputs used in making the measurement. Fair value measurements of the Group's investment properties at 31 December 2025 and 2024 are classified as Level 3 in the fair value hierarchy, as defined in Note 3 to the financial statements.

The following table shows the significant unobservable inputs used in the valuation models for the investment properties classified as Level 3 in the fair value hierarchy:

Valuation technique	Significant unobservable input(s)	Significant unobservable input(s)			
		Residential	Commercial	Serviced apartment	Dormitory
Direct comparison method	Comparable price (Adjusted price per number of beds) <sup>(1)</sup>	NA	NA	NA	\$25,000 (2024: \$26,000)
Direct comparison method	Comparable price (Adjusted price per square metre) <sup>(1)</sup>	\$4,300 to \$5,200 (2024: \$5,100 to \$5,800)	\$4,800 to \$6,100 (2024: \$5,000 to \$6,700)	NA	NA
Discounted cash flow (DCF) analysis	Discount rate <sup>(2)</sup>	NA	NA	10% (2024: NA)	8% (2024: 8%)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 14 INVESTMENT PROPERTIES (CONTINUED)

NA: Not applicable.

<sup>(1)</sup> Any significant isolated increase (decrease) in these inputs would result in a significantly higher (lower) fair value measurement.

<sup>(2)</sup> Any significant isolated increase (decrease) in these inputs would result in a significantly lower (higher) fair value measurement.

The investment properties are mortgaged to banks as security for credit facilities obtained by the Group (Note 20).

## 15 GOODWILL

	Group	
	2025 \$'000	2024 \$'000
<b>At cost:</b>		
Balance at beginning and end of the financial year	867	867
<b>Accumulated impairment losses:</b>		
Balance at beginning and end of the financial year	836	836
<b>Carrying amount:</b>	31	31

Goodwill acquired in a business combination is allocated, at acquisition, to the following cash-generating units ("CGUs") that are expected to benefit from that business combination:

	Group	
	2025 \$'000	2024 \$'000
Cash-generating units		
Others	31	31

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

## 16 SUBSIDIARIES

	Company	
	2025 \$'000	2024 \$'000
Cash-generating units		
Unquoted equity shares at cost	128,354	128,349
Add: Additions during the financial year	–	5
Less: Strike-off of subsidiary	(13,668)	–
Less: Allowance for impairment		
Balance at beginning of the financial year	(51,748)	(51,748)
Impairment loss	(925)	–
Reversal of impairment on subsidiary struck off	11,668	–
Balance at end of the financial year	(41,005)	(51,748)
	73,681	76,606

The Company carried out a review of the recoverable amounts of the investments in subsidiaries based on fair value less costs to sell. Based on the review performed, additional impairment loss of \$925,000 (2024: \$Nil) was recognised during the financial year ended 31 December 2025.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 16 SUBSIDIARIES (CONTINUED)

Details of the Company's significant subsidiaries are as follows:

Name of significant subsidiaries	Principal activities/country of incorporation and operations	Group's proportion of voting power held	
		2025 %	2024 %
Sino Holdings (S'pore) Pte Ltd	Investment holding/Singapore	100	100
Cornerstone Builders Pte. Ltd.	Building construction/Singapore	100	100
Credence Engineering Pte. Ltd. <sup>(5)</sup>	Building construction/Singapore	75	75
<u>Held by Sino Holdings (S'pore) Pte Ltd</u> TA Realty Pte. Ltd.	Real estate development/Singapore	100	100
Nexus Point Investments Pte. Ltd.	Dormitory operator/Singapore	62	62
Sireerin Signature Co., Ltd <sup>(1)</sup>	Real estate development/Thailand	70	70
Prime Industries Pre-cast Pte. Ltd.	Structural works, specialised construction and related activities/Singapore	100	100
Pure Genesis Sdn. Bhd. <sup>(2)</sup>	Manufacturer of pre-cast, pre-stressed reinforced concrete products/Malaysia	100	100
Que Holdings Pte. Ltd.	Trading in lubricants/Singapore	51	51
Invest (CR) Pte. Ltd.	Investment holding/Singapore	85	85
<u>Held by Invest (CR) Pte. Ltd.</u> TACC (C.R) Ltd. <sup>(3)</sup>	Real estate development/Cambodia	72.25	72.25
<u>Held by Cornerstone Builders Pte. Ltd.</u> Quest Homes Pte. Ltd.	Real estate development/Singapore	100	100
<u>Held by Que Holdings Pte. Ltd.</u> TA Resources Myanmar Company Limited <sup>(4)</sup>	Trading in lubricants/Myanmar	51	51

### Note

Apart from Sireerin Signature Co., Ltd which the Group's proportion of ownership interest is 49%, the ownership interest in the above significant subsidiaries is the same as voting power held.

<sup>(1)</sup> Audited by P.J. Accounting and Audit Company Limited, Thailand.

<sup>(2)</sup> Audited by Azman Wong & Co Plt, Malaysia.

<sup>(3)</sup> No statutory audit requirement. The entity is audited by Fii & Associates, Cambodia for consolidation purposes.

<sup>(4)</sup> No statutory audit requirement. The entity is audited by CLA Global TS Public Accounting Corporation for consolidation purposes.

<sup>(5)</sup> On 6 August 2024, the Company subscribed for 5,000 new ordinary shares in the capital of the entity for cash consideration of \$5,000. Subsequent to the share subscription, the entity's issued and paid-up share capital has increased from \$100,000 to \$140,000, comprising 140,000 ordinary shares and the percentage shareholding of the Company in the entity's issued and paid-up share capital has decreased from 100% to 75%.

All other subsidiaries listed above are audited by CLA Global TS Public Accounting Corporation, Singapore.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 16 SUBSIDIARIES (CONTINUED)

### Non-controlling interests

	Group	
	2025 \$'000	2024 \$'000
<u>Carrying value of non-controlling interests</u>		
Nexus Point Investments Pte. Ltd.	54,852	46,182
Que Holdings Pte. Ltd.	3,390	3,309
TACC (C.R) Ltd.	5,018	1,917
Other subsidiaries with immaterial non-controlling interests	393	(836)
	<u>63,653</u>	<u>50,572</u>

*Summarised financial information of subsidiaries with material non-controlling interests*

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

Name of significant subsidiaries	Nexus Point Investments Pte. Ltd. \$'000	Que Holdings Pte. Ltd. \$'000	TACC (C.R) Ltd. \$'000
<b>2025</b>			
<b><u>Summarised income statements</u></b>			
Revenue	47,681	7,989	26,816
Profit after taxation	22,816	552	13,376
Other comprehensive loss	–	(388)	(2,203)
<b>Total comprehensive income</b>	<u>22,816</u>	<u>164</u>	<u>11,173</u>
<u>Attributable to non-controlling interests:</u>			
Profit after taxation	8,670	271	3,712
Other comprehensive loss	–	(191)	(612)
<b>Total comprehensive income</b>	<u>8,670</u>	<u>80</u>	<u>3,100</u>
<b><u>Summarised financial position</u></b>			
Current assets	33,991	9,566	144,543
Non-current assets	231,102	–	19,419
Current liabilities	(33,983)	(2,648)	(76,117)
Non-current liabilities	(86,763)	–	(66,964)
<b>Net assets</b>	<u>144,347</u>	<u>6,918</u>	<u>20,880</u>
<b><u>Summarised cash flows</u></b>			
Net cash generated from operating activities	27,548	136	5,050
Net cash generated from/(used in) investing activities	160	49	(83)
Net cash used in financing activities	(26,942)	–	(5,208)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 16 SUBSIDIARIES (CONTINUED)

Summarised financial information of subsidiaries with material non-controlling interests (Continued)

Name of significant subsidiaries	Nexus Point	Que Holdings	TACC (C.R)
	Investments Pte. Ltd. \$'000	Pte. Ltd. \$'000	Ltd. \$'000
<b>2024</b>			
<b>Summarised income statements</b>			
Revenue	46,544	4,274	–
Profit after taxation	20,377	84	2,423
Other comprehensive income	–	210	1,196
<b>Total comprehensive income</b>	<b>20,377</b>	<b>294</b>	<b>3,619</b>
Attributable to non-controlling interests:			
Profit after taxation	7,743	41	672
Other comprehensive income	–	103	332
<b>Total comprehensive income</b>	<b>7,743</b>	<b>144</b>	<b>1,004</b>
<b>Summarised financial position</b>			
Current assets	33,194	7,017	189,307
Non-current assets	239,226	–	4,212
Current liabilities	(33,253)	(263)	(107,379)
Non-current liabilities	(117,636)	–	(76,432)
<b>Net assets</b>	<b>121,531</b>	<b>6,754</b>	<b>9,708</b>
<b>Summarised cash flows</b>			
Net cash generated from/(used in) operating activities	35,335	(970)	3,394
Net cash (used in)/generated from investing activities	(111)	407	(30)
Net cash (used in)/generated from financing activities	(32,285)	717	(4,531)

## 17 ASSOCIATES AND JOINT VENTURES

	Group	
	2025 \$'000	2024 \$'000
<u>Associates</u>		
Cost of investment in associates	10,674	10,674
Allowance for impairment in an associate	(9,066)	(9,066)
Share of post-acquisition total comprehensive income, net of dividend received	4,390	4,999
	<b>5,998</b>	<b>6,607</b>
<u>Joint ventures</u>		
Cost of investment in joint ventures	12,189	12,189
Allowance for impairment in joint ventures (Note 30)	(2,532)	(1,118)
Share of post-acquisition total comprehensive loss, net of dividend received	(1,721)	(3,377)
	<b>7,936</b>	<b>7,694</b>
Interest in an unincorporated joint venture	2,216	2,216
Total associates and joint ventures	<b>16,150</b>	<b>16,517</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 17 ASSOCIATES AND JOINT VENTURES (CONTINUED)

(a) Details of the Group's significant associates and joint ventures are as follows:

Name of significant associates and joint ventures	Principal activities/ Country of incorporation and operations	Effective equity interest		Proportion of ownership and voting power held	
		2025 %	2024 %	2025 %	2024 %
<u>Associates</u>					
<u>Held by Sino Holdings (S'pore) Pte Ltd</u>					
Meadows Bright Development Pte Ltd <sup>(1)</sup>	Real estate development/ Singapore	50	50	50	50
Dalian Shicheng Property Development (S) Pte. Ltd. <sup>(5)</sup>	Investment holding/ Singapore	42.97	42.97	42.97	42.97
FSKH Development Pte. Ltd. <sup>(3)</sup>	Real estate development/ Singapore	20	20	20	20
<u>Held by Dalian Shicheng Property Development (S) Pte. Ltd.</u>					
Dalian Shicheng Property Development Co., Ltd. <sup>(4)</sup>	Development of properties/ People's Republic of China	42.97	42.97	42.97	42.97
<u>Joint ventures</u>					
<u>Held by Sino Holdings (S'pore) Pte Ltd</u>					
Soon Zhou Investments Pte. Ltd. <sup>(2)</sup>	Investment holding/ Singapore	50	50	50	50
Eternal Synergy Pte. Ltd. <sup>(5)</sup>	Trading/Singapore	50	50	50	50
Synergy Truck Pte. Ltd. <sup>(5)</sup>	Trading/Singapore	50	50	50	50
<u>Held by Soon Zhou Investments Pte. Ltd</u>					
Blue Oasis Investments Pte. Ltd. <sup>(2)</sup>	Investment holding/ Singapore	50	50	50	50
Dalian Blue Oasis Properties Co., Ltd. <sup>(4)</sup>	Investment holding/People's Republic of China	50	50	50	50
<u>Held by Synergy Truck Pte. Ltd.</u>					
Myanmar Synergy Company Limited <sup>(6)</sup>	Trading/Myanmar	50	50	50	50
<u>Held by Eternal Synergy Pte. Ltd.</u>					
Eternal Company Limited <sup>(6)</sup>	Trading/Myanmar	50	50	50	50

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 17 ASSOCIATES AND JOINT VENTURES (CONTINUED)

- (a) Details of the Group's significant associates and joint ventures are as follows: (Continued)

All of the above associates and joint ventures are accounted for using the equity method in these consolidated financial statements.

- (1) Audited by Allied Assurance PAF, Singapore.  
 (2) Audited by BDO LLP, Singapore.  
 (3) Audited by Ernst & Young LLP, Singapore.  
 (4) Audited by BDO China Shu Lan Pan CPAs LLP, China.  
 (5) Audited by Chan Leng Leng & Co., Singapore.  
 (6) No statutory audit requirement. Chan Leng Leng & Co., performed review for consolidation purposes.

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

### Meadows Bright Development Pte Ltd

	2025 \$'000	2024 \$'000
Current assets	23,533	23,283
Current liabilities	(13,404)	(13,408)
Equity	10,129	9,875
Other income	273	272
Profit for the financial year, representing total comprehensive income for the financial year	253	253

Reconciliation of the above summarised financial information to the carrying amount of the interest in Meadows Bright Development Pte Ltd recognised in the consolidated financial statements:

	2025 \$'000	2024 \$'000
Net assets of the associate	10,129	9,875
Proportion of the Group's ownership in the associate	50%	50%
Carrying amount of the Group's interest in the associate	5,064	4,938

### Dalian Shicheng Property Development (S) Pte. Ltd. ("DSPDS") and its subsidiaries

	2025 \$'000	2024 \$'000
Current assets	18,051	19,929
Non-current assets	2,576	3,046
Current liabilities	(132,361)	(129,478)
Capital deficiency	(111,734)	(106,503)
Revenue	916	2,228
Loss for the financial year	(3,488)	(3,621)
Other comprehensive income for the financial year	182	184
Total comprehensive loss for the financial year	(3,306)	(3,437)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 17 ASSOCIATES AND JOINT VENTURES (CONTINUED)

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

Dalian Shicheng Property Development (S) Pte. Ltd. ("DSPDS") and its subsidiaries (Continued)

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

	2025 \$'000	2024 \$'000
Net liabilities of the associate	(111,734)	(106,503)
Proportion of the Group's ownership in the associate	42.97%	42.97%
	(48,012)	(45,764)
Pre-acquisition losses not recorded by the Group	8,007	8,007
	(40,005)	(37,757)
Carrying amount of the Group's interest in the associate comprising cost plus share of post-acquisition results of the associate	–	–
Cumulative share of losses not recognised	(40,005)	(37,757)

At 31 December 2025 and 2024, management considers the amount of investment in DSPDS to be fully impaired. The ability to recover the advances from the associate in the future is dependent on the ability of the associates' PRC wholly owned subsidiary to generate profits from its operations and remit the funds from the PRC into Singapore, which is subject to the PRC exchange control regulations.

Management has assessed that there are tax liabilities associated with the sales and purchase transactions. Based on probability-weighted approach, management has determined the tax obligation to be \$3.6 million (2024: \$3.5 million) for Dalian Shicheng Property Development Co., Ltd. and \$0.4 million (2024: \$0.4 million) for DBOP. These potential tax obligations have been recognised by the associate and joint venture at the end of the financial year. Due to the uncertainty associated with such tax items, it is possible that on conclusion of such tax matters at a future date, the final outcome may differ significantly.

FSKH Development Pte. Ltd.

	2025 \$'000	2024 \$'000
Current assets	6,153	10,681
Current liabilities	(1,489)	(2,342)
Equity	4,664	8,339
Profit for the financial year, representing total comprehensive income for the financial year	825	136
Dividends received from associate during the financial year	900	990

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 17 ASSOCIATES AND JOINT VENTURES (CONTINUED)

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

FSKH Development Pte. Ltd. (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in FSKH Development Pte. Ltd. recognised in the consolidated financial statements:

	2025 \$'000	2024 \$'000
Net assets of the associate	4,664	8,339
Proportion of the Group's ownership in the associate	20%	20%
	<u>933</u>	<u>1,668</u>
Carrying amount of the Group's interest in the associate comprising cost plus share of post-acquisition results of the associate	<u>933</u>	<u>1,668</u>

(c) Summarised financial information in respect of each of the Group's material joint ventures is set out below.

Soon Zhou Investments Pte. Ltd. ("SZI") and its subsidiaries

	2025 \$'000	2024 \$'000
Current assets	14,274	13,632
Non-current assets	13,351	15,178
Current liabilities	(50,208)	(49,215)
Non-current liabilities	(25)	(131)
Capital deficiency	<u>(22,608)</u>	<u>(20,536)</u>
Revenue	57	555
Loss for the financial year	(1,951)	(2,080)
Other comprehensive loss for the financial year	(120)	–
Total comprehensive loss for the financial year	<u>(2,071)</u>	<u>(2,080)</u>

Reconciliation of the above summarised financial information to the carrying amount of the interest in Soon Zhou Investments Pte. Ltd. recognised in the consolidated financial statements:

	2025 \$'000	2024 \$'000
Net liabilities of the joint venture	(22,608)	(20,536)
Proportion of the Group's ownership in the joint venture	50%	50%
	<u>(11,304)</u>	<u>(10,268)</u>
Carrying amount of the Group's interest in the joint venture	–	–
Cumulative share of losses not recognised	<u>(11,304)</u>	<u>(10,268)</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 17 ASSOCIATES AND JOINT VENTURES (CONTINUED)

- (c) Summarised financial information in respect of each of the Group's material joint ventures is set out below.  
(Continued)

### Synergy Truck Pte. Ltd. and its subsidiary

	2025 \$'000	2024 \$'000
Current assets	9,101	9,904
Non-current assets	2,567	2,987
Current liabilities	(9,073)	(9,886)
Equity	2,595	3,005
Revenue	3,340	2,881
Profit/(loss) for the financial year	88	(334)
Other comprehensive loss for the financial year	(124)	(20)
Total comprehensive loss for the financial year	(36)	(354)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Synergy Truck Pte. Ltd. recognised in the consolidated financial statements:

	2025 \$'000	2024 \$'000
Net assets of the joint venture	2,595	3,005
Proportion of the Group's ownership in the joint venture	50%	50%
Premium paid on acquisition	1,298	1,503
Carrying amount of the Group's interest in the joint venture	2,524	2,729

### Eternal Synergy Pte. Ltd. and its subsidiary

	2025 \$'000	2024 \$'000
Current assets	10,169	7,747
Non-current assets	135	151
Current liabilities	(1,064)	(1,198)
Equity	9,240	6,700
Revenue	8,644	6,599
Profit for the financial year	1,808	1,602
Other comprehensive income/(loss) for the financial year	141	(883)
Total comprehensive income for the financial year	1,949	719

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 17 ASSOCIATES AND JOINT VENTURES (CONTINUED)

- (c) Summarised financial information in respect of each of the Group's material joint ventures is set out below.  
(Continued)

Eternal Synergy Pte. Ltd. and its subsidiary (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Eternal Synergy Pte. Ltd. recognised in the consolidated financial statements:

	2025 \$'000	2024 \$'000
Net assets of the joint venture	9,240	6,700
Proportion of the Group's ownership in the joint venture	50%	50%
	4,620	3,350
Premium paid on acquisition	2,073	2,073
Carrying amount of the Group's interest in the joint venture	6,693	5,423

Aggregate information of joint ventures that are not individually material

	2025 \$'000	2024 \$'000
The Group's share of profit for the financial year	527	276
The Group's share of other comprehensive income	31	281
The Group's share of total comprehensive income	558	557
Aggregate carrying amount of the Group's interests in these joint ventures	1,874	1,178
Cumulative share of losses not recognised	(4,329)	(4,324)

- (d) The Group's 49% interest in an unincorporated joint venture is recorded at cost contributed towards acquisition of a land. The joint venture has no operating results.

## 18 OTHER CURRENT LIABILITIES

During the financial year, the Company issued 2.8% mandatory convertible notes ("MCNs") with principal amounts of \$330,000 and \$5,000,000 to the liquidators of Tiong Aik Resources (S) Pte Ltd (in liquidation) ("TAR") and Tiong Aik Construction Pte Ltd (in liquidation) ("TAC"), respectively, pursuant to settlement and restructuring arrangements entered into on 17 March 2025 and 27 March 2025, respectively.

The MCNs bear interest at 2.8% per annum, payable annually in arrears, and mature five to six years from the respective issuance dates, unless converted or redeemed earlier. The MCNs will be mandatorily converted into ordinary shares of the Company upon the resumption of trading of the Company's shares on the SGX-ST, subject to the relevant approvals. If conversion does not occur prior to maturity, the notes are redeemable in cash at their principal amount together with accrued interest.

The TAC MCNs contain a conversion feature at a fixed conversion price and are accounted for as compound financial instruments, comprising a liability component and an equity component. The liability component represents the present value of the contractual interest and principal payments discounted at the market rate of interest applicable to similar liabilities without a conversion feature, while the equity component represents the conversion option. The TAR MCNs contain a conversion feature with a variable conversion price and are accounted for as financial liabilities measured at amortised cost.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 18 OTHER CURRENT LIABILITIES (CONTINUED)

The carrying amount of the liability component of the mandatory convertible notes at the balance sheet date is derived as follows:

	Group and Company 2025 \$'000
Face value of mandatory convertible notes at issuance	5,330
Equity conversion component on initial recognition (Note 27(b))	(678)
Liability component on initial recognition	4,652
Accumulated amortisation of interest expense (Note 32)	157
Liability component at end of the financial year	4,809

## 19 DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities recognised by the Group and the movements thereon, during the current and prior reporting period:

	Accelerated tax depreciation \$'000
<b>At 1 January 2024</b>	39
Credited to profit or loss (Note 33)	(14)
<b>At 31 December 2024 and 1 January 2025</b>	25
Credited to profit or loss (Note 33)	(1)
<b>At 31 December 2025</b>	24

## 20 BORROWINGS

	Group	
	2025 \$'000	2024 \$'000
<u>Secured</u>		
Bank loans	102,260	99,815
Less: Amount due for settlement within 12 months (shown under current liabilities)	(29,692)	(26,252)
Amount due for settlement after 12 months	72,568	73,563

Borrowings amounting to \$1.6 million (2024: \$3.2 million) and \$100.7 million (2024: \$96.6 million) bear fixed interest rate and variable interest rate respectively (Note 4(b)(v)).

Management estimates that the carrying amounts of the bank loans approximate their fair values as the bank loan primarily bear variable market interest rates.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 20 BORROWINGS (CONTINUED)

The Group has the following secured bank loans:

- (a) Loans of \$38.2 million (2024: \$62.5 million) are secured by mortgages over the Group's investment properties (Note 14) and certain fixed deposits; and
- (b) Loans of \$26.6 million (2024: \$33.8 million) are secured by mortgages over the Group's development properties (Note 11) and certain fixed deposits.

Notwithstanding the above, the Company's bank loans are secured by legal assignment of sales proceeds from the development property of a subsidiary and corporate guarantees from two of its subsidiaries. Corporate guarantees are provided for all other borrowings by the Company. Certain loans are also secured by guarantees from certain non-controlling shareholders of partially-owned subsidiaries. The fair value of these corporate guarantees is assessed by the management to be insignificant as the primary securities are the mortgaged properties.

### Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	1 January 2025 \$'000	Financing cash flows <sup>(i)</sup> \$'000	New lease liabilities \$'000	Other changes <sup>(ii)</sup> \$'000	31 December 2025 \$'000
Bank loans	99,815	(35,905)	–	38,350	102,260
Lease liabilities (Note 22)	746	(330)	56	25	497
Term notes (Note 23)	26,936	–	–	64	27,000
Loan from a company in which certain directors have interest in (Note 21)	18,459	–	–	–	18,459
Advance from associates (Note 21)	12,459	–	–	268	12,727
Advance from non-controlling shareholders of subsidiaries (Note 21)	62,263	(2,622)	–	(2,963)	56,678
	<u>220,678</u>	<u>(38,857)</u>	<u>56</u>	<u>35,744</u>	<u>217,621</u>

	1 January 2024 \$'000	Financing cash flows <sup>(i)</sup> \$'000	New lease liabilities \$'000	Other changes <sup>(ii)</sup> \$'000	31 December 2024 \$'000
Bank loans	146,204	(46,389)	–	–	99,815
Invoice financing	590	(590)	–	–	–
Bank overdraft	115	(115)	–	–	–
Lease liabilities (Note 22)	419	(237)	536	28	746
Term notes (Note 23)	26,823	–	–	113	26,936
Loan from a company in which certain directors have interest in (Note 21)	18,459	–	–	–	18,459
Advance from associates (Note 21)	12,191	–	–	268	12,459
Advance from non-controlling shareholders of subsidiaries (Note 21)	56,619	–	–	5,644	62,263
	<u>261,420</u>	<u>(47,331)</u>	<u>536</u>	<u>6,053</u>	<u>220,678</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 20 BORROWINGS (CONTINUED)

### Reconciliation of liabilities arising from financing activities (Continued)

<sup>(i)</sup> The cash flows make up the net amount of proceeds from borrowings and repayments of borrowings in the consolidated statement of cash flows.

<sup>(ii)</sup> Other changes include interest accruals and payments, advance from associate offset with other receivables and effect of lease modifications.

## 21 TRADE AND OTHER PAYABLES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Trade payables:				
Third parties	8,039	15,049	–	–
Companies in which certain directors have control	–	285	–	–
Associates	202	214	–	–
Joint ventures	18	22	–	–
Other payables:				
Third parties	13,535	61,984	238	10,269
Subsidiaries	–	–	8,978	7,520
Associates	12,727	12,459	12,727	12,459
Joint ventures	2,668	1,645	–	–
Companies in which certain directors have control	2,254	1,711	–	39
Non-controlling shareholders of subsidiaries	56,678	62,263	–	–
Non-controlling directors of subsidiaries	1,603	1,494	–	–
Loan from a company in which certain directors have interest in	18,459	18,459	18,459	18,459
Accrued operating expenses	10,755	9,284	7,128	5,276
Accrued contract cost	600	3,818	–	–
Retention payables	8,652	9,011	–	–
Deposits received	9,282	8,741	–	–
Advance billings	392	6	–	–
Total trade and other payables	<u>145,864</u>	<u>206,445</u>	<u>47,530</u>	<u>54,022</u>
Current	57,500	112,783	16,344	23,104
Non-current	88,364	93,662	31,186	30,918
	<u>145,864</u>	<u>206,445</u>	<u>47,530</u>	<u>54,022</u>

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. No interest is charged on trade payables which are overdue.

Other payables due to third parties are unsecured, non-interest bearing and repayable on demand.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 21 TRADE AND OTHER PAYABLES (CONTINUED)

The balances owing to related parties are unsecured and repayable on demand. Included in other payables due to non-controlling shareholders of subsidiaries and associates are \$56.7 million (2024: \$62.3 million) and \$12,727 (2024: \$12,459) which bear average interest at 3% (2024: 3%) and 2.5% (2024: 2.5%) per annum respectively and are not expected to be repaid in the next 12 months. The Company's other payables to subsidiaries and associates bear interest of 2.5% (2024: 2.5%) per annum. Loan from a company in which certain directors have interest in bear interest at 3% (2024: 3%) per annum, which is not expected to be repaid in the next 12 months. Retention payables are classified as current as they are expected to be repaid within the Group's normal operating cycle.

The carrying amounts of the non-current trade and other payables approximate their fair values.

## 22 LEASE LIABILITIES

	Group	
	2025 \$'000	2024 \$'000
Maturity analysis:		
Within 1 year	330	377
Within 2 to 5 years	206	427
	<u>536</u>	<u>804</u>
Less: Future interest costs	(39)	(58)
	<u>497</u>	<u>746</u>
Current	302	349
Non-current	195	397
	<u>497</u>	<u>746</u>

The average effective interest rate approximates 2.96% (2024: 2.94%) per annum. Interest rates are fixed at the contract rates.

## 23 TERM NOTES

	Group and Company	
	2025 \$'000	2024 \$'000
<u>Unsecured</u>		
Multi-currency term notes, net of issuance cost	27,000	26,936
Current	–	26,936
Non-current	27,000	–
	<u>27,000</u>	<u>26,936</u>

The term notes which are listed on SGX-ST bear interest at the fixed rate of 4.5% (2024: 6.0%) per annum. As disclosed in Note 4(c), the maturity date of the term notes has been extended to 31 December 2032. Interest is payable at maturity (2024: on a half-yearly basis).

The carrying amount of the term notes approximates its fair value. The fair value of the term notes is determined based on the over-the-counter quoted price.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 24 CONTRACT LIABILITIES

	Group	
	2025 \$'000	2024 \$'000
Construction contracts	–	11,622
Amounts received in advance for development properties	50,827	83,775
	<u>50,827</u>	<u>95,397</u>

Contract liabilities on construction contracts represent the progress billings exceeding costs incurred plus recognised profits. The amount is recognised as revenue when the Group performs under the contract.

Significant changes in the contract liabilities balances during the period are as follows.

	Group	
	2025 \$'000	2024 \$'000
Revenue recognised that was included in contract liabilities at the beginning of the financial year	(38,027)	(12,264)
Progress billing of construction contracts	–	11,622
(Decrease)/increase due to cash received, excluding amounts recognised as revenue during the financial year	(2,244)	2,677
Exchange differences	(4,299)	–
	<u>(44,570)</u>	<u>2,035</u>

## 25 PROVISIONS

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current</i>				
Corporate guarantees (Note (a))	–	3,893	–	3,893
Onerous contract (Note (b))	80	41	–	–
Liquidated damages (Note (c))	1,297	441	–	–
Warranty and defects (Note (d))	64	–	–	–
	<u>1,441</u>	<u>4,375</u>	<u>–</u>	<u>3,893</u>
<i>Non-current</i>				
Corporate guarantees (Note (a))	–	36,054	–	36,054
	<u>1,441</u>	<u>40,429</u>	<u>–</u>	<u>39,947</u>

### (a) Corporate guarantees

The corporate guarantees provision relates to corporate guarantees provided for the borrowings of TAC that was placed under liquidation on 17 July 2023.

On 27 March 2025, the Group entered into Debt Restructuring Agreements with Bank Lenders ("**Banks DRA**") restructuring the Novated Debts of \$39.9 million over a repayment period commencing 28 April 2025 and ending on 26 December 2029. Following the novation and restructuring of the borrowings, the provision previously recognised for the corporate guarantees was utilised in full during the financial year ended 31 December 2025.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 25 PROVISIONS (CONTINUED)

### (a) Corporate guarantees (Continued)

During the financial year ended 31 December 2025, the Group recognised \$Nil (2024: \$11.3 million) for the corporate guarantees provided for the borrowings of TAC.

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Balance at beginning of the financial year	39,947	30,350	39,947	30,350
Provision made	–	11,341	–	11,341
Provision utilised	(39,947)	(1,744)	(39,947)	(1,744)
Balance at end of the financial year	–	39,947	–	39,947

### (b) Onerous contract

At the end of the reporting period, the Group recognised \$80,000 (2024: \$41,000) provisions for unavoidable costs of fulfilling certain construction contract obligations with customers, that were in excess of the economic benefits expected to be received under the contracts. The provision for the onerous contract is expected to be utilised by end of the contract term.

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of the financial year	41	–
Provision made	39	41
Balance at end of the financial year	80	41

### (c) Liquidated damages

The provision for liquidated damages relates to penalties payable under contractual agreements with customers arising from delays in project completion. The provision represents management's best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account contractual terms, project progress and ongoing negotiations with customers. The majority of these obligations are expected to be settled within the next 12 months.

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of the financial year	441	–
Provision made	856	441
Balance at end of the financial year	1,297	441

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 25 PROVISIONS (CONTINUED)

### (d) Warranty and defects

The Group offers one-year warranties on construction works for completed projects and undertakes to rectify defects that arise during the warranty period. A provision is recognised at the balance sheet date based on historical claims experience and the expected level of repairs required for similar projects.

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of the financial year	–	–
Provision made	64	–
Balance at end of the financial year	64	–

## 26 SHARE CAPITAL

	Group and Company			
	2025	2024	2025	2024
	Number of ordinary shares		\$'000	\$'000
Issued and paid up:				
Balance at beginning and end of the financial year	518,068,220	518,068,220	154,189	154,189

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

## 27 RESERVES

	Group and Company	
	2025 \$'000	2024 \$'000
Capital reserve (Note (a))	414	414
Equity component of mandatory convertible notes (Note (b))	678	–
	1,092	414

### (a) Capital reserve

The capital reserve arose from the gift of shares in the Company previously owned by the executive directors to certain employees of the Group.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 27 RESERVES (CONTINUED)

(b) *Equity component of mandatory convertible notes*

The carrying amount of the equity component of the mandatory convertible notes at the balance sheet date is as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of the financial year	–	–
Equity component of mandatory convertible notes (Note 18)	678	–
Balance at end of the financial year	<u>678</u>	<u>–</u>

## 28 REVENUE

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

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

	Group	
	2025 \$'000	2024 \$'000
Revenue from:		
Construction		
– Construction contracts	14,351	13,458
– Sale of goods	16,324	20,627
	<u>30,675</u>	<u>34,085</u>
Real estate investment		
– Rental of properties	47,664	47,409
Real estate development		
– Rendering of service	781	1,080
– Sale of development properties	27,353	941
Distribution		
– Sale of goods	16,314	11,327
	<u>122,787</u>	<u>94,842</u>
<u>Timing of revenue recognition*</u>		
At a point in time	60,772	33,975
Over time	<u>40,055</u>	<u>38,285</u>

\* These disclosures under SFRS(I) 15 are not applicable to revenue from lease contracts amounting to \$22.0 million (2024: \$22.6 million).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 28 REVENUE (CONTINUED)

### Transaction price allocated to the remaining performance obligations

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

	2025 \$'000	2024 \$'000
Construction contracts	79,255	34,750

Variable consideration of \$2.3 million (2024: \$2.4 million) that is constrained and therefore not included in the transaction price is excluded in the amount presented above.

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

Management expects that the transaction price allocated to the unsatisfied contracts as of 31 December 2025 will be recognised as revenue over the next 2 years (2024: 2 years).

## 29 OTHER INCOME

	Group	
	2025 \$'000	2024 \$'000
Rental income	1,251	700
Rental income from associates and joint ventures	2	–
Maintenance income from companies in which certain directors have control (Note 5)	10	162
Project management and administrative fee	127	46
Interest income	540	575
Interest income from associates and joint ventures (Note 5)	2,042	2,125
Government grant income	43	92
Other sundry income	1,321	1,753
	<u>5,336</u>	<u>5,453</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 30 OTHER GAINS/(LOSSES)

	Group	
	2025 \$'000	2024 \$'000
Gain on disposal of property, plant and equipment	228	6
Net fair value loss on investment properties (Note 14)	(1,736)	(7,101)
Impairment loss on investment in associates and joint ventures (Note 17)	(1,414)	–
Foreign exchange losses, net	(1,118)	(1,017)
Gain on derecognition of net liabilities of disposed subsidiaries <sup>(a)</sup>	43,042	8,055
	<u>39,002</u>	<u>(57)</u>

<sup>(a)</sup> On 27 March 2025, the Company entered into a debt restructuring agreement with the liquidators of its former subsidiary, Tiong Aik Construction Pte Ltd (in liquidation) ("**TAC**"), pursuant to which there was a mutual release and discharge of obligations, claims and liabilities between the Group and TAC.

## 31 OTHER OPERATING EXPENSES

	Group	
	2025 \$'000	2024 \$'000
Recognition of performance bonds	–	11,341
Fines and penalties	3	7
Bad debts	24	–
Others	–	586
	<u>27</u>	<u>11,934</u>

## 32 FINANCE COSTS

	Group	
	2025 \$'000	2024 \$'000
Interest on borrowings	7,764	11,280
Interest on borrowings from non-controlling interest	939	855
Interest on lease liabilities	27	26
Interest on mandatory convertible notes (Note 18)	157	–
Total borrowing costs	<u>8,887</u>	<u>12,161</u>
Less: Amounts included as cost of development properties (Note 11)	<u>–</u>	<u>(3,002)</u>
	<u>8,887</u>	<u>9,159</u>

## 33 INCOME TAX EXPENSE

	Group	
	2025 \$'000	2024 \$'000
Current income tax:		
– for the financial year	7,547	6,824
– (over)/under provision in prior years	(1,043)	15
Deferred income tax (Note 19)	<u>(1)</u>	<u>(14)</u>
	<u>6,503</u>	<u>6,825</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 33 INCOME TAX EXPENSE (CONTINUED)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using Singapore standard rate of income tax as follows:

	Group	
	2025 \$'000	2024 \$'000
Profit before income tax from		
– continuing operations	73,840	19,535
– discontinued operations (Note 12)	–	716
	<u>73,840</u>	<u>20,251</u>
Share of profit of associates and joint ventures, net of tax	(2,014)	(1,445)
	<u>71,826</u>	<u>18,806</u>
Tax calculated using Singapore statutory tax rate of 17% (2024: 17%)	12,210	3,197
Tax effect of (income)/expenses that are not (taxable)/deductible in determining taxable profit	(3,253)	3,775
Effect of differences in tax rate in other jurisdictions	283	89
Deferred tax (expense)/benefit not recognised	(75)	78
(Over)/under provision in prior years	(1,043)	15
Income tax exemption	(46)	(65)
Tax rebate	(61)	(90)
Utilisation of deferred tax benefits previously not recognised	(1,924)	(570)
Others	412	396
	<u>6,503</u>	<u>6,825</u>

The Group has unrecognised tax losses of \$53,863,000 (2024: \$56,460,000) and capital allowances of \$113,000 (2024: \$280,000) at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses have no expiry date.

No deferred tax assets in respect of the above amounting to approximately \$9,176,000 (2024: \$9,646,000), have been recognised due to unpredictability of future profit streams.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 34 PROFIT FOR THE FINANCIAL YEAR

This has been arrived at after charging/(crediting):

	Group	
	2025 \$'000	2024 \$'000
Cost of development properties recognised as cost of sales (Note 11)	17,333	971
Write-down of development properties (Note 11)	3,433	–
(Reversal of)/write-off obsolete inventories	(62)	62
Depreciation expenses (Note 13)	1,746	1,359
Legal and professional fees	1,921	1,715
Property tax and repair and maintenance	3,549	2,935
Rental expenses – short term and low value leases	677	317
Directors' remuneration:		
– of the Company	442	160
– of the subsidiaries	663	473
Employee benefits (excluding directors' remuneration)	13,800	11,481
Audit fees paid/payable to:		
– auditors of the Company	354	254
– other auditors	37	28

## 35 EARNINGS PER SHARE

The calculation of the basic loss per share is based on the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

There were no dilutive earnings per share for the financial years ended 31 December 2025 and 2024 as there were no dilutive potential ordinary shares outstanding.

	2025	2024
Profit attributable to equity holders of the Company (\$'000)	53,293	4,790
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	518,068	518,068
Basic and diluted earnings per share (cents per share)	10.29	0.92

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 36 SEGMENT INFORMATION

For the purpose of resource allocation and assessment of segment performance, the Group's operating decision makers have determined the reportable segments as follows:

### Construction

General builders and construction contractors, training of workers, general engineering and sale of construction materials.

### Real estate investment

Investment in real estate.

### Real estate development

Development of residential and commercial projects and project management services.

### Distribution

Sale and distribution of petroleum based lubricant products, automotive tyres and commercial vehicles.

### Others

This comprises management and administration services.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2.

All assets are allocated to reportable segments. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

All liabilities are allocated to reportable segments. Liabilities incurred jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 36 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Group's operating decision makers for the reputable segments on continuing operations are as follows:

	Construction \$'000	Real estate investment \$'000	Real estate development \$'000	Distribution \$'000	Others \$'000	Elimination \$'000	Total \$'000
<b>2025</b>							
<b>REVENUE</b>							
External revenue	30,787	47,660	28,138	16,202	–	–	122,787
Inter-segment revenue	25,588	389	–	5,821	–	(31,798)	–
	<u>56,375</u>	<u>48,049</u>	<u>28,138</u>	<u>22,023</u>	<u>–</u>	<u>(31,798)</u>	<u>122,787</u>
<b>EXPENSES</b>							
Sale of goods (construction)	16,324	–	–	–	–	–	16,324
Construction contracts	14,351	–	–	–	–	–	14,351
(Reversal)/recognition of loss allowance recognised on financial assets	(13)	6,014	–	(34)	43	–	6,010
Depreciation expenses	1,247	340	57	102	–	–	1,746
Net fair value loss on investment properties	–	8,200	(6,464)	–	–	–	1,736
	<u>–</u>	<u>8,200</u>	<u>(6,464)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,736</u>
<b>RESULTS</b>							
Segment results	1,023	19,531	12,287	5,606	41,698	–	80,145
Interest income	56	2,425	1	100	–	–	2,582
Finance costs	(115)	(3,417)	(2,615)	(77)	(2,663)	–	(8,887)
Profit before income tax	964	18,539	9,673	5,629	39,035	–	73,840
Income tax expense	216	(6,239)	(66)	(414)	–	–	(6,503)
Profit for the financial year	<u>1,180</u>	<u>12,300</u>	<u>9,607</u>	<u>5,215</u>	<u>39,035</u>	<u>–</u>	<u>67,337</u>
<b>STATEMENT OF FINANCIAL POSITION</b>							
Segment assets	<u>31,792</u>	<u>302,387</u>	<u>171,698</u>	<u>18,531</u>	<u>339</u>	<u>–</u>	<u>524,747</u>
Segment liabilities	<u>13,165</u>	<u>124,245</u>	<u>126,651</u>	<u>5,218</u>	<u>70,360</u>	<u>–</u>	<u>339,639</u>
<b>OTHER INFORMATION</b>							
Associates and joint ventures	<u>–</u>	<u>14,217</u>	<u>6</u>	<u>1,927</u>	<u>–</u>	<u>–</u>	<u>16,150</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 36 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Group's operating decision makers for the reputable segments on continuing operations are as follows: (Continued)

	Construction \$'000	Real estate investment \$'000	Real estate development \$'000	Distribution \$'000	Others \$'000	Elimination \$'000	Total \$'000
<b>2024</b>							
<b>REVENUE</b>							
External revenue	34,085	47,232	2,198	11,327	–	–	94,842
Inter-segment revenue	15,157	443	259	4,355	–	(20,214)	–
	49,242	47,675	2,457	15,682	–	(20,214)	94,842
<b>EXPENSES</b>							
Sale of goods (construction)	20,627	–	–	–	–	–	20,627
Construction contracts	13,458	–	–	–	–	–	13,458
Loss allowance/(reversal of loss allowance) recognised on financial assets	494	4,928	–	(17)	–	–	5,405
Depreciation expenses	911	243	50	155	–	–	1,359
Net fair value loss on investment properties	–	9,000	(1,899)	–	–	–	7,101
<b>RESULTS</b>							
Segment results	2,769	30,592	1,432	877	(9,676)	–	27,944
Interest income	24	2,551	–	125	–	–	2,700
Finance costs	(252)	(5,284)	(958)	(101)	(2,564)	–	(9,159)
Profit/(loss) before income tax	2,541	27,859	474	901	(12,240)	–	19,535
Income tax expense	(553)	(5,993)	(95)	(184)	–	–	(6,825)
Profit/(loss) for the financial year	1,988	21,866	379	717	(12,240)	–	12,710
<b>STATEMENT OF FINANCIAL POSITION</b>							
Segment assets	35,729	326,386	216,970	14,463	1,418	–	594,966
Segment liabilities	33,012	152,286	172,435	5,166	113,384	–	476,283
<b>OTHER INFORMATION</b>							
Associates and joint ventures	–	15,283	6	1,228	–	–	16,517

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 36 SEGMENT INFORMATION (CONTINUED)

### Geographical segments

	Singapore \$'000	Myanmar \$'000	Cambodia \$'000	Other countries <sup>(i)</sup> \$'000	Total \$'000
<b>2025</b>					
<b>Revenue</b>	80,775	13,878	27,597	537	122,787
<b>Non-current assets</b>	262,863	3,008	19,425	12,053	297,349
<b>2024</b>					
Revenue	82,481	10,371	1,049	941	94,842
Non-current assets	274,989	2,453	5,383	8,378	291,203

<sup>(i)</sup> Includes Malaysia and Thailand.

## 37 GUARANTEES AND CONTINGENT LIABILITIES

- (a) The Company provided corporate guarantees to banks in respect of bank facilities provided to its subsidiaries. The total bank borrowings outstanding at 31 December 2025 was \$102.3 million (2024: \$99.8 million). The fair values of the corporate guarantees were assessed by management to be insignificant at the inception of the guarantees as the primary securities were mortgaged properties.
- (b) Corporate guarantees have been given by the Group to financial institutions in respect of bankers' guarantees amounting to \$0.8 million (2024: \$1.3 million), performance bonds/guarantees amounting to \$2.3 million (2024: \$3.4 million) and standby letter of credit amounting to \$0.5 million (2024: \$0.5 million).

## 38 OPERATING LEASE ARRANGEMENTS

### The Group as lessee

At 31 December 2025, the Group is committed to \$75,000 (2024: \$23,000) for short-term leases.

### The Group as lessor

Operating leases, in which the Group is the lessor, arise from the Group's investment properties with lease terms of between 1 to 5 years. Certain operating lease contracts contain one year extension option and market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

Maturity analysis of operating lease payments:

	Group	
	2025 \$'000	2024 \$'000
Year 1	27,914	40,316
Year 2	1,593	8,896
Year 3	198	902
Year 4	123	30
Year 5	72	–
Total	29,900	50,144

## 39 EVENT AFTER REPORTING PERIOD

Subsequent to the reporting period, geopolitical tensions arising from US-Iran conflict has had significant economic and strategic consequences for Singapore, notably the increase in energy costs, supply chain disruption and increase in shipping and logistics costs.

Management is assessing the potential impact on the Group's operations, including cost escalations and possible delays in project completion. As at the date of authorisation of these financial statements, the financial effects cannot be reliably estimated.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 40 NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published and are relevant for the Group's accounting periods beginning on or after 1 January 2026 and which the Group has not early adopted.

**Amendments to SFRS(I) 9 and SFRS(I) 7** – Amendments to the Classification and Measurement of Financial Instruments (effective for annual reporting periods beginning on or after 1 January 2026)

SFRS(I) 9 and SFRS(I) 7 are amended to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments are:

- clarify the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Group does not expect these amendments to have a material impact on its operations or financial statements.

**SFRS(I) 18** – Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance (comprising of the statement of profit or loss and other comprehensive income) and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of SFRS(I) 18 will have no impact on the group's net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:
  - Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
  - SFRS(I) 18 has specific requirements on the category in which derivative gains or losses are recognised – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the group currently recognises some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognised, and the group is currently evaluating the need for change.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 40 NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

**SFRS(I) 18** – Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027) (Continued)

- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.
- The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
  - for the first annual period of application of SFRS(I) 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying SFRS(I) 18 and the amounts previously presented applying SFRS(I) 1-1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows. The group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with SFRS(I) 18.

The group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with SFRS(I) 18.

**SFRS(I) 19** – Subsidiaries without Public Accountability: Disclosures (effective for annual reporting periods beginning on or after 1 January 2027)

SFRS(I) 19 allows for certain eligible subsidiaries of parent entities that report under SFRS(I) Accounting Standards to apply reduced disclosure requirements. This new standard works alongside other SFRS(I). An eligible subsidiary applies the requirements in other SFRS(I) except for the disclosure requirements; and it applies instead the reduced disclosure requirements in SFRS(I) 19.

SFRS(I) 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with SFRS(I) Accounting Standards.

The Group does not expect this standard to have an impact on its operations or financial statements.

## 41 AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements for the financial year ended 31 December 2025 were authorised for issued in accordance with a resolution of Board of Directors of TA Corporation Ltd. on 13 April 2026.

# SHAREHOLDERS' INFORMATION

AS AT 31 MARCH 2026

## SHARE CAPITAL

Issued and fully paid capital	:	S\$161,557,303.37
Total number of shares in issue	:	591,531,580
Treasury Shares	:	Nil
Subsidiary Holdings	:	Nil
Class of shares	:	Ordinary shares
Voting rights	:	1 vote per share

## STATISTICS OF SHAREHOLDINGS

Size of Shareholding	Number of Shareholders		Number of Shares	
		%		%
1 – 99	12	1.83	360	0.00
100 – 1,000	99	15.14	62,965	0.01
1,001 – 10,000	227	34.71	1,012,287	0.17
10,001 – 1,000,000	297	45.41	25,817,194	4.37
1,000,001 and above	19	2.91	564,638,774	95.45
	<u>654</u>	<u>100.00</u>	<u>591,531,580</u>	<u>100.00</u>

## SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Liong Kiam Teck	174,187,102	29.45	–	–
Neo Tiam Boon	87,857,147	14.85	–	–
Neo Tiam Poon @ Neo Thiam Poon	83,599,752	14.13	–	–
Neo Thiam An	41,412,840	7.00	–	–
Koh Wee Seng	52,033,064	8.80	–	–
Phillip Securities Pte Ltd	70,006,380	11.83	–	–

# SHAREHOLDERS' INFORMATION

AS AT 31 MARCH 2026

## TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	Number of Shares	%
1.	Liong Kiam Teck	174,166,149	29.44
2.	Neo Tiam Boon	87,857,147	14.85
3.	Phillip Securities Pte Ltd	85,750,314	14.50
4.	Neo Tiam Poon @ Neo Thiam Poon	83,599,752	14.13
5.	Neo Thiam An	41,412,840	7.00
6.	Koh Wee Seng	26,813,125	4.53
7.	Tan Su Lan @ Tan Soo Lung	23,252,045	3.93
8.	United Overseas Bank Nominees Pte Ltd	10,084,000	1.71
9.	UOB Kay Hian Pte Ltd	7,652,000	1.29
10.	Maybank Securities Pte. Ltd.	7,068,499	1.19
11.	Lim & Tan Securities Pte Ltd	3,941,643	0.67
12.	Tan Lee Hua	3,268,100	0.55
13.	Lim Seng Kuan	2,581,500	0.44
14.	Muthu Kumar	1,535,262	0.26
15.	Yeo Lai Huat	1,256,000	0.21
16.	Yap Bau Tan	1,248,600	0.21
17.	Lee Chee Hong	1,052,858	0.18
18.	DBS Nominees Pte Ltd	1,051,370	0.18
19.	Tam Chee Chong	1,047,570	0.18
20.	Ko Lee Meng	965,000	0.16
		565,603,774	95.61

## PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on information available to the Company as at 31 March 2026, approximately 13.75% of the issued ordinary shares of the Company are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

## TREASURY SHARES – RULE 1207 (9)(7)

The Company does not hold any Treasury Shares.

# NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“**AGM**”) of TA Corporation Ltd. (the “**Company**”) will be held at Heron Room, Level 2, Seletar Country Club, 101 Seletar Club Road, Singapore 798273 on Thursday, 30 April 2026 at 11.00 a.m. for the purpose of considering and, if thought fit, passing with or without any modifications, the following ordinary resolutions:

## AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and Audited Financial Statements of the Company and its subsidiaries for the year ended 31 December 2025 and the Auditors’ Report thereon. **(Resolution 1)**
2. To approve Directors’ fees of S\$190,000 for the financial year ended 31 December 2025 (2024: S\$159,700). **(Resolution 2)**
3. To re-elect Mr Fong Heng Boo, a Director retiring under Regulation 89 of the Constitution of the Company. **(Resolution 3)**  
**(See Explanatory Note 1)**

Mr Fong Heng Boo will, upon being re-elected as a Director of the Company, remain as Chairman of the Audit and Remuneration Committees and a member of the Nominating Committee. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

4. To note the retirement of Mr Mervyn Goh Bin Guan, a Director retiring under Regulation 89 of the Constitution of the Company.

Mr Mervyn Goh will retire as Director of the Company at the conclusion of the AGM. Upon his retirement, he will cease to be member of the Audit, Remuneration and Nominating Committees. Upon his retirement, the Board and the Nominating Committee will, guided by the criteria in the Listing Manual and the Code of Corporate Governance (the “**Code**”), review the composition of the Board as well as the Audit, Remuneration and Nominating Committees, so as to ensure that the composition of the Board and of such committees complies with the requirements of the Listing Manual and the Code. An announcement will be made at the appropriate time.

5. To re-appoint CLA Global TS Public Accounting Corporation as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 4)**

## AS SPECIAL BUSINESS

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

6. **Authority to allot and issue shares** **(Resolution 5)**  
**(See Explanatory Note 2)**

“That pursuant to Section 161 of the Companies Act 1967 (the “**Companies Act**”), and the listing rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) authority be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

  - (a) (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, “**Instruments**”) including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors in their absolute discretion deem fit; and

# NOTICE OF THE ANNUAL GENERAL MEETING

- (b) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force; provided always that:
- (i) 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) does not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings), and for the purpose of this Resolution, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be the Company's total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for;
- (a) new shares arising from the conversion or exercise of convertible securities;
- (b) new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST, and
- (c) any subsequent bonus issue, consolidation or subdivision of the Company's shares,
- whereby adjustments in accordance with (a) or (b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution, and
- (ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier."

## 7. ANY OTHER BUSINESS

To transact any other business that may be properly transacted at an Annual General Meeting.

## BY ORDER OF THE BOARD

Foo Soon Soo/Chiang Yi Shin  
Company Secretaries  
Singapore, 15 April 2026

# NOTICE OF THE ANNUAL GENERAL MEETING

## Explanatory Notes:

1. Detailed information on Mr Fong Heng Boo as set out in Appendix 7.4.1 of the Listing Manual of the SGX-ST are found in the Statement of Corporate Governance of the Company's Annual Report 2025.
2. Resolution 5, if passed, will empower the Directors of the Company from the date of the AGM until the next annual general meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate fifty per cent (50%) of the total number of issued shares excluding (treasury shares and subsidiary holdings) of the Company of which the total number of shares and convertible securities issued other than on a pro rata basis to existing shareholders shall not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time the Resolution is passed, for such purposes as they consider would be in the interests of the Company. The total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company for this purpose shall be the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed (after adjusting for new shares arising from the conversion of convertible securities or share options on issue at the time this Resolution is passed and any subsequent bonus issues consolidation or subdivision of the Company's shares). This authority will, unless revoked or varied at a general meeting, expire at the next annual general meeting of the Company.

## NOTES ABOUT THE CONDUCT OF THE AGM

1. The AGM will be held physically at Heron Room, Level 2, Seletar Country Club, 101 Seletar Club Road, Singapore 798273 on Thursday, 30 April 2026 at 11.00 a.m. There will be no option to participate virtually.
  2. Printed copies of this Notice of AGM, Proxy Form and the Request Form for a printed copy of the Annual Report 2025 will be despatched by post to the members of the Company. The Annual Report 2025 will not be despatched to the members of the Company. All documents (the Annual Report 2025, this Notice of AGM, the Proxy Form, and Request Form) have been, or will be, published on the SGX website at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://www.tacorp.com.sg/ir-annual-reports>.
  3. Submission of Proxy Form
    - (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.
    - (b) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act 1967) is entitled to appoint more than two proxies to attend, speak and vote at the meeting.
    - (c) A proxy need not be a member of the Company.
    - (d) If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
    - (e) The Proxy Form (a copy of which is attached hereto), duly completed and signed, must be submitted by:
      - (i) mail to the Company's registered office at 8 Kaki Bukit Avenue 1, #04-08 Singapore 417941; or
      - (ii) electronic mail to [agm@tacorp.com.sg](mailto:agm@tacorp.com.sg).
- To be received by the Company no later than 11:00 a.m. on 27 April 2026 being 72 hours before the time fixed for the AGM.**
- (f) An investor who buys shares using CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his/her votes at the AGM in person if appointed as proxy of his/her CPF Agent Bank and/or SRS Operator. If the CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their respective CPF Agent Banks and SRS Operators to appoint the Chairman of the Meeting to act as their proxy.
4. Submission of questions
  - (a) Members, CPF Investors and SRS Investors may submit substantial and relevant questions related to the resolutions to be tabled at the AGM ahead of the AGM by email to [agm@tacorp.com.sg](mailto:agm@tacorp.com.sg) by 11.00 a.m. on 23 April 2026.
  - (b) The Company will endeavour to address all substantial and relevant questions if received by the prescribed deadline in (a) by 11.00 a.m. on 23 April 2026 and post the answers on SGXNET and the Company's website by 27 April 2026. For substantial and relevant questions received after the prescribed deadline, the Company will endeavour to address them together with questions raised at the AGM. Where substantially similar questions are received, they will be consolidated and not all questions may be individually addressed.

# NOTICE OF THE ANNUAL GENERAL MEETING

## 5. Minutes of AGM

The minutes of the AGM together with the responses to the substantial and relevant question(s) by the shareholders not already answered and announced, will be posted on the SGXNet and the Company's website within one month after the date of the AGM.

## PERSONAL DATA PRIVACY

By submitting the Proxy Form, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) for the Purposes, and (iii) agrees to provide the Company with written evidence of such prior consent upon reasonable request.

# TA CORPORATION LTD.

Co. Registration No. 201105512R  
(Incorporated in the Republic of Singapore)

## PROXY FORM

### IMPORTANT

1. This Proxy Form is not valid for use by investors who hold shares in the Company ("**Shares**") through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), including CPF/SRS investors. Such investors should approach their relevant intermediaries as soon as possible to specify their voting instructions.
2. **Personal Data Privacy**  
By submitting an instrument appointing a proxy, the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 15 April 2026.

I/We, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport/Company Registration Number) of \_\_\_\_\_ (Address) being a member/members of TA CORPORATION LTD. (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of shareholdings to be represented by proxy (%)

and/or (delete as appropriate)

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or failing him/her/them, the Chairman of the Annual General Meeting (the "**AGM**") as my/our proxy/proxies, to vote for me/us on my/our behalf at the AGM of the Company to be held at Heron Room, Level 2, Seletar Country Club, 101 Seletar Club Road, Singapore 798273 on Thursday, 30 April 2026 at 11.00 a.m.\*\* and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the AGM as indicated with a tick (✓) or an (X) in the spaces provided hereunder.

**Please indicate your vote "For" or "Against" or "Abstain" with a tick (✓) or cross (X) within the box provided.**

No	Ordinary Resolutions	No. of votes or indicate with a tick (✓) or cross (X)*		
		For	Against	Abstain
<b>Ordinary Business</b>				
1.	To receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December 2025 and the Auditors' Report thereon.			
2.	To approve Directors' fees of S\$190,000 for the financial year ended 31 December 2025.			
3.	To re-elect Mr Fong Heng Boo as Director.			
4.	To re-appoint CLA Global TS Public Accounting Corporation as Auditors of the Company and to authorise the Directors to fix their remuneration.			
<b>Special Business</b>				
5.	To authorise Directors to issue shares pursuant to Section 161 of the Companies Act 1967.			

\* All resolutions would be put to vote by poll in accordance with the listing rules of Singapore Exchange Securities Trading Limited. If you wish to exercise all your votes "For" or "Against" or "Abstain", please tick (✓) or cross (X) within the box provided. Alternatively, please indicate the number of votes as appropriate.

\*\* The Annual General Meeting of the Company will be held on 30 April 2026 in a wholly physical format. There will be no option for Shareholders to participate virtually.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

**Total Number of Shares Held**

\_\_\_\_\_  
**Signature(s) of Member(s)/Common Seal**

**IMPORTANT: PLEASE READ NOTES BEFORE COMPLETING THIS PROXY FORM**



**Notes:**

1. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member appoints 2 proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.
2. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. The number of shares in relation to each proxy shall be specified in the form of proxy.

**“Relevant intermediary”** has the meaning ascribed to it in Section 181 of the Companies Act 1967.

3. A proxy need not be a member of the Company.
4. This Proxy Form duly completed and signed, must be submitted no later than 72 hours before the time fixed for the AGM by:
  - (i) mail to the Company’s registered office at 8 Kaki Bukit Avenue 1, #04-08, Singapore 417941; or
  - (ii) electronic mail to [agm@tacorp.com.sg](mailto:agm@tacorp.com.sg).
5. An investor who buys shares using CPF monies (**“CPF Investor”**) and/or SRS monies (**“SRS Investor”**) (as may be applicable) may attend and cast his/her votes at the AGM in person if appointed as proxy of his/her CPF Agent Banks and/or SRS Operators. If the CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their respective CPF Agent Banks and SRS Operators to appoint the Chairman of the Meeting to act as their proxy.
6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited) he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number of shares is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
7. This Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the 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.
8. The Company shall be entitled to reject this Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.
9. Personal data privacy: By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM.





**TA CORPORATION LTD.**

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