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OVERVIEW

Who We Are

We are a leading integrated M&E engineering service provider in Singapore. We offer a comprehensive suite of M&E engineering services for infrastructure and buildings, encompassing electrical engineering (ELECT), air-conditioning and mechanical ventilation (ACMV), fire protection (FP) and plumbing, sanitary and gas (PSG) services, as well as produce ancillary components. According to CIC, we ranked second among all the domestic M&E engineering service providers and fourth among all M&E engineering service providers in Singapore, in terms of revenue in 2025. Our market ranking is a result of our competitiveness in service coverage, qualification level and project execution capability across multiple M&E engineering service areas.

During the Track Record Period, we experienced a rapid expansion in operational scale and achieved substantial financial growth. In 2023, we were listed on the Catalist Board of the SGX-ST and were subsequently transferred to the Mainboard of the SGX-ST in 2025. As at 30 June 2026, our total outstanding order book amounted to S\$838.2 million and further exceeded S\$1.0 billion as at the Latest Practicable Date. In addition, our total revenue increased from S\$47.5 million in 2023 to S\$79.9 million in 2024 and further to S\$121.6 million in 2025. Our total revenue further increased from S\$34.4 million in the six months ended 30 June 2025 to S\$103.2 million in the six months ended 30 June 2026. Our net profit increased from S\$6.8 million in 2023 to S\$9.0 million in 2024 and further to S\$20.1 million in 2025. Our net profit further increased from S\$4.6 million in the six months ended 30 June 2025 to S\$12.7 million in the six months ended 30 June 2026. This rapid expansion reflects our strong project execution capabilities, competitiveness and strategic growth in the M&E engineering sector, establishing a track record of scalability that positions us for future large-scale public and private contracts.

Furthermore, we are distinguished by a comprehensive portfolio of BCA workhead registrations. As a market leading M&E engineering service provider in Singapore, we hold a comprehensive portfolio of high-grade professional workhead registrations under the CRS as administered by the BCA in Singapore. These qualifications are maintained through our three key operating subsidiaries, namely Sunbeam, Fire-Guard and Guthrie Engineering.

The following table sets forth the details of the key M&E engineering workhead registrations held by us valid as at the Latest Practicable Date.

<u>Workheads</u>	<u>Description</u>	<u>Registered subsidiary</u>	<u>BCA Grading</u>	<u>Tendering Limit/ Contract Capacity</u>
ME01	Air-Conditioning, Refrigeration and Ventilation Works	Sunbeam	L6	Unlimited
		Guthrie Engineering	L6	Unlimited
ME04	Communication & Security Systems	Guthrie Engineering	L6	Unlimited
ME05	Electrical Engineering	Sunbeam	L6	Unlimited
		Guthrie Engineering	L6	Unlimited
ME15	Integrated Building Services	Sunbeam	L6	Unlimited
		Guthrie Engineering	L6	Unlimited
SY04	Electrical Equipment	Guthrie Engineering	L6	Unlimited
SY05	Electrical & Electronic Materials, Products & Components	Guthrie Engineering	L6	Unlimited

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These registrations serve as Singapore government’s endorsement of our financial strength, technical capability and regulatory compliance with stringent industry safety standards, which provide the institutional market recognition needed to secure large-scale and technically sophisticated public tenders and high-value private collaborations. Moreover, among the top five M&E engineering service providers in Singapore ranked by revenue generated in 2025, we hold the largest number of BCA Grade L6 workhead registrations, according to CIC. This demonstrates our comprehensive service coverage, high qualification level and robust project execution capabilities across multiple M&E engineering service areas. With top tier BCA workhead registrations, we are well-positioned to tender for and execute public and private projects without contract value limitations and meet stringent qualification requirements, thereby creating an entry barrier for our competitors and solidifying our market position in the industry. See “Business — Our Strengths — Top-tier BCA M&E engineering workhead registrations forming a high entry barrier”.

In addition, with robust design and build capabilities we offer one-stop integrated M&E engineering services, which enable us to establish and maintain solid partnerships with customers. Operating through our three direct wholly-owned subsidiaries, namely Sunbeam, Fire-Guard, and Guthrie Engineering, we offer competitive end-to-end M&E engineering solutions from design and supply to final installation, catering to both public and private sector projects in Singapore. In addition, through our qualified in-house design team, we are also capable of delivering comprehensive, integrated design and build solutions for customers. Leveraging our technical expertise, we serve a wide range of customers, establishing enduring strategic relationships with Singapore government agencies, institutional developers and leading main contractors.

As such, during the Track Record Period, we reinforced our market leadership by contributing to a series of landmark projects:

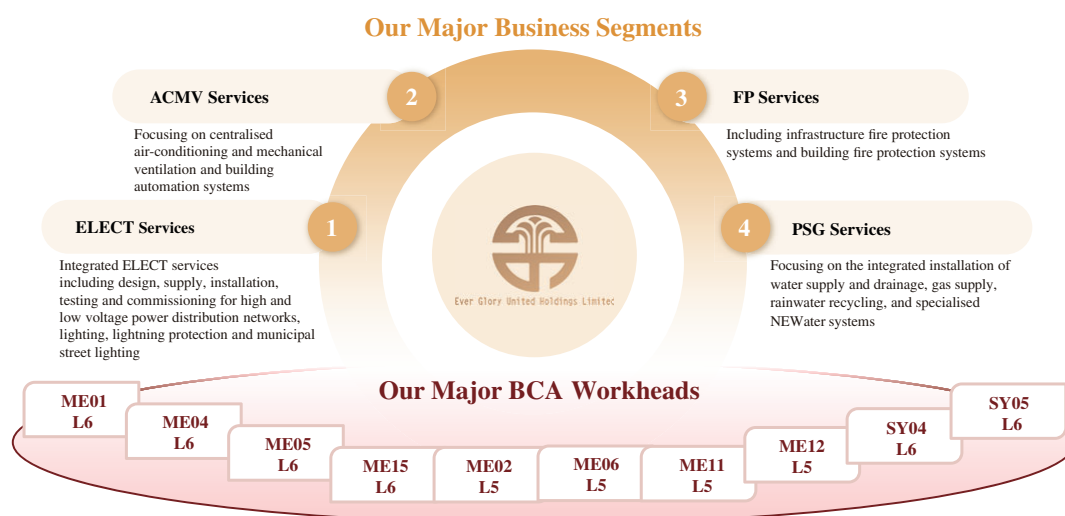
- In the public sector, we have continued to support key critical infrastructure projects including lighting services for Changi Airport Runway 3; core electrification for Thomson-East Coast MRT Line; full M&E engineering solutions for the buildings supporting Singapore’s port facilities; and on-going ELECT services for the redevelopment of Alexandra Integrated Hospital.
- In the private sector, we delivered comprehensive M&E engineering services for a diverse range of high-profile developments including ELECT and ACMV services for mixed-use developments, office buildings, as well as commercial and industrial developments. This further demonstrated our versatility in providing M&E engineering services.

Our Major Businesses

We deliver M&E engineering services through our three direct wholly-owned subsidiaries, namely Sunbeam, Fire-Guard and Guthrie Engineering, which collectively create a large-scale, comprehensive service capability and strong operational synergies that distinguish us from single-specialty competitors.

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The following diagram illustrates our major business segments.



ELECT Services

We provide integrated ELECT services including design, supply, installation, testing and commissioning for high and low voltage power distribution networks, lighting, lightning protection and municipal street lighting.

In the public sector, we provide ELECT services for public infrastructure projects and buildings. For complex public infrastructure projects, our scope of business covers extra-low, low, high and medium voltage systems. We mainly serve major government agencies in Singapore, providing specialised electrical system services such as high-voltage engineering installation, construction of low-voltage systems for rail-based public transport lines, as well as the installation and maintenance of street lighting, public parking management systems and airfield ground lighting systems. In the private sector, we offer ELECT services for buildings, covering hospitals, complex buildings including commercial properties, hotels and office buildings, as well as other residential and industrial building projects.

Our ELECT services encompass the following three additional specialised areas:

- **Technology Solutions.** We provide intelligent system services including tailgating detection systems, lift monitoring systems and bus stop information displays. The business also runs a fully integrated command centre to support the operation of car park administration systems;
- **Switchboard Manufacturing.** We integrate professional technical expertise and extensive experience in the design, production and management of low and medium sized switchgear and switchboards. Complying with industrial standards, our products are widely used in various industry sectors and public infrastructure projects administered by major Singapore government agencies; and
- **Sustainable Power Solutions.** As a key strategic partner of renowned brands, we provide sustainable power solutions, which serve as critical power and smart infrastructure solutions for data centres, public infrastructures and maintenance of various commercial installation projects. We also offer integrated sustainable and smart energy solutions for electric vehicle charging systems.

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ACMV Services

Leveraging multiple BCA Grade L6 workhead registrations, we provide full-cycle ACMV solutions of unlimited contract values across various public and private sectors in Singapore, delivering end-to-end services in (i) centralised air-conditioning and mechanical ventilation, and (ii) building management systems, covering design, supply, installation, commissioning and long-term maintenance.

FP Services

We provide services concerning infrastructure fire protection systems and building fire protection systems. Leveraging expertise in the provision of infrastructure fire protection services, we specialise in tunnel-specific fire protection engineering, capable of developing and delivering landmark tunnel water mist fire protection systems. Moreover, during the Track Record Period, we covered a full range of public and private building projects through the provision of building fire protection systems, which include bus depots, Grade A office buildings, commercial buildings and hotels, as well as other residential and civil building projects.

PSG Services

We offer comprehensive PSG services, focusing on the integrated installation of water supply and drainage, gas supply, rainwater recycling, and specialised NEWater systems across diverse residential and commercial developments in Singapore.

OUR STRENGTHS

A leading integrated M&E engineering service provider well-positioned to capture Singapore’s growth opportunities

We are well-positioned in the industry to capture the substantial market opportunities as a major player in Singapore’s M&E engineering industry. We ranked second among all domestic M&E engineering service providers and fourth among all providers in Singapore in terms of revenue in 2025, according to CIC. Singapore’s M&E engineering industry maintains strong growth momentum. According to CIC, (i) the market size of the Singapore construction industry in terms of certified progress payment value is expected to increase at a CAGR of 7.5% from approximately S\$41.8 billion in 2025 to approximately S\$59.9 billion by 2030; (ii) we are one of the leading providers of M&E engineering services in Singapore capable of executing multiple large-scale M&E engineering projects including rail-based public transport lines, airport and hospital projects; and (iii) we are also qualified to cover all major areas of M&E engineering services in Singapore and served as one of the largest M&E engineering services subcontractors with the most comprehensive service scope in Singapore for municipal public works during the Track Record Period.

During the Track Record Period, we continued to expand our business and demonstrated commercial scalability, underscored by technical qualifications and execution capability. As at 30 June 2026, our total outstanding order book amounted to S\$838.2 million and further exceeded S\$1.0 billion as at the Latest Practicable Date.

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Our market position is underpinned by an established track record of landmark projects. Capitalising on a rich industry heritage of Guthrie Engineering’s approximately 75-year operational history, we have cultivated a wide ranging portfolio of long-standing customers and a robust track record of landmark projects including ACMV system services for Jewel Changi Airport and an iconic luxury three-tower integrated resort. See “History and Corporate Structure — History and Development”.

We continued to provide quality M&E engineering services for the landmark projects during the Track Record Period, including lighting services for Changi Airport Runway 3, core electrification for Thomson-East Coast MRT Line, full M&E engineering solutions for the buildings supporting Singapore’s port facilities, ELECT services for the redevelopment of Alexandra Integrated Hospital, ACMV services for multiple and mixed-use developments, office buildings and industrial developments, as well as integrated M&E engineering services for numerous other developments.

Top-tier BCA M&E engineering workhead registrations forming a high entry barrier

Singapore’s M&E engineering industry operates under a mandatory licensing regime prescribed under the Building Control Act 2004 of Singapore. Contractors must hold a valid registration with the CRS under the relevant workhead(s) in their corresponding sectors for the participation of public sector construction tenders or hiring foreign construction workers. In addition, in the Singapore market, customers generally evaluate and select M&E engineering contractors based on four core factors including: (i) the grading of BCA professional workhead registration, (ii) financial strength, (iii) track record of executing large-scale projects, and (iv) the robustness of safety and compliance management system and certifications, according to CIC. Within the BCA registration framework, registration grades rank up to Grade L6, the highest tier, which legally permits registered enterprises to tender for and undertake large-scale integrated M&E engineering projects without contract value limitations. While private sector projects place additional commercial emphasis on a contractor’s integrated design-and-build capabilities and overall project delivery efficiency, the evaluation framework for public sector projects is notably more stringent, which usually requires BCA L3 or above qualification, alongside disqualification for any deficits in past government infrastructure project experience and safety compliance records. See “Regulatory Overview — Contractors Registration System.”

Against this regulatory and competitive backdrop, we obtained multiple top-tier BCA workhead registrations for the provision of M&E engineering services in Singapore. Specifically, our three direct wholly-owned operating subsidiaries, namely Sunbeam, Fire-Guard and Guthrie Engineering, collectively hold a comprehensive portfolio of L3 and above BCA M&E engineering workhead registrations, including multiple Grade L6 registrations. Furthermore, as tenders for large-scale government projects and high-specification projects generally place greater emphasis on qualification grading, relevant project experience and delivery capability of tenderers or subcontractors, market players with multiple high-grade BCA workhead registrations are generally better positioned in competing for relevant projects, according to CIC. Our top-tier licence portfolio with multiple Grade L6 workhead registrations therefore meets the bidding requirements for the majority of large-scale public and private projects in Singapore, enabling the undertaking of large-scale integrated M&E engineering projects with no value limits.

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Moreover, we are distinguished by an industry-leading compliance and safety management system. We obtained bizSAFE Star, the highest level of Singapore’s workplace safety and health certification. We also hold a full range of certifications for ISO 9001:2015 Quality Management System and ISO 45001:2018 Occupational Health and Safety Management System. Together with our operational safety processes, these certifications provide an important evaluation advantage that further strengthens our competitive positioning, alongside our core BCA workhead portfolio, during project tendering.

These qualifications form a high entry barrier, granting us a competitive edge that drove revenue expansion during the Track Record Period and enabled us to achieve rapid revenue growth and secure large-scale high-quality contracts.

Sustained business growth driven by integrated M&E engineering capabilities

Leveraging our M&E engineering industry expertise, we possess comprehensive engineering capabilities that allow us to deliver end-to-end integrated solutions throughout the entire project lifecycle. Our operational scope seamlessly spans engineering design, equipment and materials supply, on-site installation, system testing and commissioning and post-project maintenance.

Crucially, rather than competing solely on a build to design basis, we adopt a design-and-build driven approach. Backed by our in-house technical design capabilities and a management team proficient in integrating engineering design, this approach enables us to optimise project operations from the inception phase and enforce strict quality standards, thereby securing healthy project margins and profitability. Furthermore, we are well-positioned for future market opportunities in the M&E engineering industry that feature higher technical requirements for digitalisation leveraging our capabilities in supporting digitalised infrastructure in Singapore during the Track Record Period. We also established an internal supply chain to further enhance our competitiveness in capturing market opportunities. This integration, alongside our vetted supplier and subcontractor network, supports procurement cost advantages, stable project execution, and strong tender competitiveness in the M&E engineering contracting market.

Our full-lifecycle service capability is underpinned by a synergistic corporate structure comprising three wholly-owned operating subsidiaries, namely, Sunbeam, Fire-Guard and Guthrie Engineering. Our Directors confirm that this integrated structure eliminates the communication friction, fragmentation and multi-party coordination overhead typically borne by customers. These three subsidiaries can each provide services on a standalone basis, while also collaborating on projects to support the successful delivery of complex, large-scale undertakings. Leveraging this collaborative structure, we enhance our delivery efficiency, demonstrate our capacity to handle capital-intensive, multi-faceted engineering undertakings, and further strengthen our commercial pricing leverage in the market. See “— Business Segments — Project Delivery”.

Underpinned by our diversified project delivery approaches, robust design and supply chain capabilities and synergistic corporate structure, we are able to comprehensively satisfy the diverse requirements of a wide range of public and private sector projects across the Singapore market. This proven execution capability is reflected in the extensive track record we have established across critical public and private sectors. In the six months ended 30 June 2026, we generated revenue of S\$63.6

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million from public sector projects and S\$39.7 million from private sector projects, accounted for 61.6% and 38.4% of our total revenue for the period, respectively. Building on these strengths, we have established a resilient and scalable business structure that lays a solid foundation for sustainable future growth.

Long-standing relationship with a network of customers across public and private sectors

We serve a broad network of customers in Singapore and focus on cultivating long-term customer relationships. Building on our track record of addressing the diverse and complex M&E engineering requirements of high-specification projects across both the public and private sectors, we have developed a diversified customer portfolio comprising major Singapore government agencies and public institutions, leading real estate developers, main contractors, industrial enterprises and hotel operators. As at 30 June 2026, we had served over 170 customers, comprising public institutions and private enterprises, forming a diversified customer structure with strong risk resistance capability.

We believe that our deep-rooted, strategic integration with Singapore’s construction network is a key strength of our business. During the Track Record Period, we partnered with over 20 A1-grade main contractors, including leading main contractors in the Singapore market. This partnership provides us with a competitive edge and a steady pipeline of bidding opportunities. Cooperations with these prominent, market-leading entities serve as a backbone for our order book, ensuring stable business streams and long-term growth.

We are well-recognised for our dedication to long-term customer engagement, coupled with our execution and statutory compliance capabilities. Throughout the entire project lifecycle, we apply stringent delivery standards and strict regulatory compliance protocols. This robust execution capability has facilitated our long-term partnerships with customers since inception, as well as contributed to a diversified portfolio of projects during the Track Record Period. Furthermore, these enduring strategic relationships continued to enhance our commercial pricing leverage during project negotiations and solidify our market positioning as a trusted M&E engineering partner within Singapore’s built environment.

An experienced management team anchoring long-term growth

We are led by an experienced management team with decades of industry experience, bringing extensive practical expertise and comprehensive project management capabilities to our M&E engineering operations in Singapore. They maintain extensive experience with local regulatory frameworks, statutory compliance codes, and evolving client specifications, enabling us to identify and pursue project opportunities.

In particular, Mr. Xu, our executive Director and chief executive officer, has over 25 years of experience in the M&E engineering industry providing the foresight required to define our strategic direction, optimise our business layout, and capitalise on macroeconomic development opportunities. He co-founded Sunbeam with Mr. Sun and was appointed as its managing director. He has previously held multiple leadership roles for M&E engineering companies in Singapore, including the executive deputy managing director of Great Resources and the executive director of Libra Group Limited.

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Ms. Lei, the managing director of Sunbeam, and a member of the senior management of our Group, has over 20 years of experience in the M&E engineering services industry and joined Sunbeam in 2018. She previously served roles at multiple companies in the M&E engineering industry, including assistant managing director and head of department of Great Resources, as well as the general manager of Kin Xin Engineering.

Mr. Lim, the general manager of Fire-Guard, also has extensive industry experience. He joined Fire-Guard as a project manager in 1991 and advanced through various leadership roles, including his appointment as a director in 2024.

The extensive industry experience of our management team also strengthens our technical design and project delivery capabilities. Working closely with the in-house design team, our management combines M&E engineering, cost control and specialised technical expertise with integrated design-and-build capabilities, enabling us to meet customer requirements while delivering cost-efficient engineering solutions.

Furthermore, we have a high degree of professional cohesion and continuity within our leadership. The members of our management team closely worked together and fostered a cohesive working relationship, ensuring strong operational synergy and leadership continuity. This stability supports consistent, full-cycle project control across our construction and infrastructure sites, compliance with our health and safety standards and reliable project delivery, which in turn enables us to secure large-scale, high-value projects and achieve long-term development.

OUR STRATEGIES

Consolidate our leading market position in the M&E engineering industry in Singapore through scaling business operations and strengthening core competitiveness

We plan to further expand our business scale in Singapore by (i) continuously executing and delivering services for contracts awarded; and (ii) securing more projects, including large-scale public infrastructure projects.

Under this framework, we will aggressively capture new market opportunities by securing more high-value contracts, with a strategic emphasis on technically demanding, large-scale public infrastructure projects. Meanwhile, we intend to optimise operational efficiency and cash flow predictability by continuously executing and seamlessly delivering engineering services across our secured pipeline. The strength and viability of this expansion roadmap are anchored by a robust order book volume, which amounted to S\$838.2 million as at 30 June 2026 and further exceeded S\$1.0 billion as at the Latest Practicable Date. This milestone achievement provides immense revenue visibility, thereby securing our forward earnings and establishing a strong foundation for business scaling and market leadership.

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Pursue strategic M&A alongside overseas expansion to capture broader market share

We intend to actively evaluate strategic investment and M&A opportunities that align with our core competencies to achieve rapid, inorganic growth. Priority will be given to target candidates that (i) create strong operational synergies with the four major segments of our M&E engineering services, including ELECT, ACMV, FP and PSG services; and (ii) possess a demonstrated capability to diversify our existing service portfolio within the broader industry. This screening process will allow us to absorb complementary technical capabilities, enter niche market segments, and continuously elevate our market standing.

We further plan to reduce single-market concentration risks and tap into high-density urban modernisation cycles by expanding our geographic footprint into selected overseas markets, including Hong Kong and mainland China. Through strategic overseas investment and M&A, we aim to expand our business scale and secure a diversified forward order book, driving long-term growth on a regional scale.

Upgrade our building infrastructure to support ancillary component production and provide employee accommodations

To enhance project margins and protect our supply chain from external bottlenecks, we intend to vertically integrate our production line by expanding our offerings of proprietary ancillary components. While we successfully supplied key components, such as custom electrical switchboards, for alongside the provision of M&E engineering services during the Track Record Period, we plan to upgrade our physical infrastructure for the production of ancillary components. Scaling up our internal assembly lines will allow us to further achieve a transition from external component procurement to high-volume, in-house manufacturing. This strategy is designed to grant the Group more control over project timelines, reduce variable material costs, and capture incremental margins across the entire service delivery. Moreover, we intend to provide additional employee accommodations to secure labour supply and complement our procurement of subcontracting works, as we continue to expand our M&E engineering services.

Optimise operational capabilities to strengthen project execution and management

To capitalise on our expanding pipeline and awarded contracts, we intend to systematically expand business operations for project execution and management. During the Track Record Period, our ability to deliver highly complex M&E engineering projects was anchored by our rigorous site supervision and centralised management frameworks. Moving forward, we plan to scale this operational capacity by onboarding additional staff, including senior project managers, certified engineers and site supervisors. By enhancing our human capital and corporate infrastructure, we aim to enhance multi-site execution capabilities, maintain stringent quality and safety controls across concurrent large-scale projects, and minimise project delivery risks, thereby solidifying our position as a reliable partner for tier-one developers and main contractors.

COMPETITIVE LANDSCAPE

According to CIC, the market size of the construction industry in Singapore increased from approximately S\$19.7 billion in 2020 to approximately S\$41.8 billion in 2025, representing a CAGR of approximately 16.2%, with the market size in 2025 reaching the highest level in nearly two decades. In

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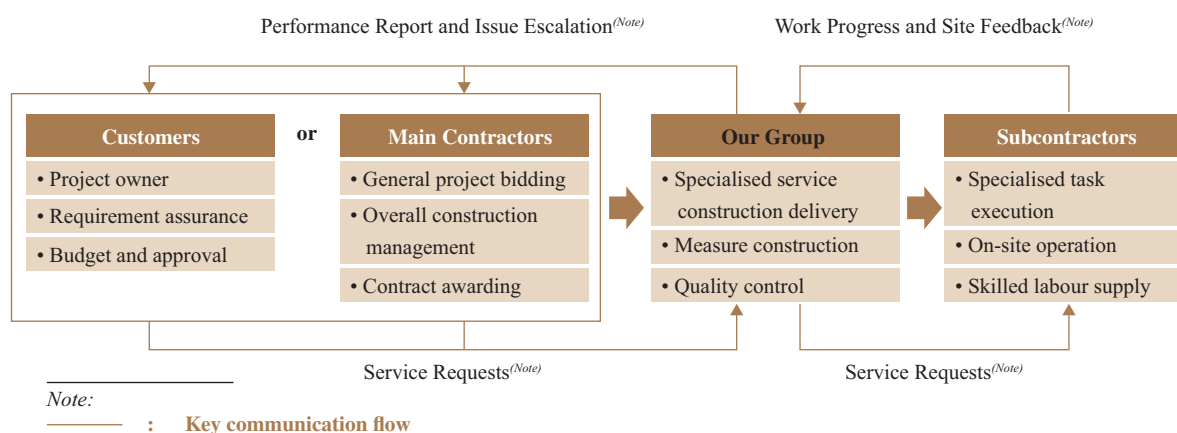
2021, driven by the general resumption of construction activities and the release of accumulated project backlog, the market size increased by approximately 32.5% as compared with 2020, according to CIC. Furthermore, from 2022 to 2025, the market continued to expand, mainly driven by rail transit projects such as the Cross Island Line, as well as public institutional building projects such as new hospitals and schools. Driven by factors including expanding demand for M&E engineering solutions for sustainable and smart building and increasing integration of building systems, the market size of the M&E engineering industry in Singapore is expected to further increase from approximately S\$4.3 billion in 2025 to approximately S\$7.3 billion by 2030, representing a CAGR of approximately 10.9%, according to CIC. See “Industry Overview”.

OUR BUSINESS MODEL

Services

We are a leading Singapore-based integrated service provider of M&E engineering services. We mainly specialise in the supply, installation and maintenance of (i) ELECT systems, (ii) ACMV systems, (iii) FP systems, and (iv) PSG systems, with the capability of providing ancillary components for ELECT systems. With strong technical expertise in offering a comprehensive suite of essential integrated building services, we play a pivotal role in ensuring the seamless operation and functional integrity of urban infrastructure, contributing to the sustainable development of a vibrant city.

The following diagram illustrates the principal operations of our M&E engineering services:



Service Approaches

We deliver our projects through build-to-design and design-and-build approaches. According to CIC, build-to-design project delivery approach is the more traditional procurement approach commonly adopted in the M&E engineering industry; under this model, contractors are solely responsible for construction based on pre-prepared drawings and specifications. In contrast, design-and-build approach requires M&E engineering services providers to facilitate collaboration across all project phases, bridging the gap between design and execution to enhance operational efficiency.

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We are able to deliver services by using the design-and-build project delivery approach. By offering a comprehensive suite of M&E engineering services, we operate a one-stop service model that centralises accountability and streamlines project delivery. We involve our engineering designers at the early stage of a project — in contrast to the traditional build-to-design approach, where contractors only execute construction after the design has been finalised by others. By engaging our designers from the outset, this design-and-build approach enables us to improve operational synergy, improve execution efficiency and optimise cost structures, ultimately enhancing our competitive positioning and project margins.

During the Track Record Period, we successfully delivered ten design-and-build projects, underscoring the proven scalability of this model. Among these projects, we leveraged our technical expertise to deliver a comprehensive design-and-build solution and provide ACMV services for a renowned hospitality development. By adopting the design-and-build approach, we integrated the distinct climate-control requirements of the luxury hotel and the residential units housed within a single skyscraper, thereby meeting both the rigorous standards of international hospitality and Singapore’s high-tier energy-efficiency benchmarks.

Clientele

With a proven track record of providing comprehensive engineering services to a diverse client base in both the public and private sectors, we strive to be a cornerstone of urban infrastructure, ensuring the functional reliability and sustainability of the built environment. We obtained multiple BCA Grade L6 workhead registrations during the Track Record Period, permitting us to undertake large-scale integrated M&E engineering projects. During the Track Record Period, through our three direct wholly-owned subsidiaries, namely Sunbeam, Fire-Guard and Guthrie Engineering, we served public and private customers in Singapore, providing M&E engineering services to public infrastructure facilities, HDB residential flats, private residential properties, private schools, mixed-use properties, as well as commercial and industrial buildings.

As we consistently contribute to the sustainable development of the vibrant city of Singapore through our services, we have entered into various contracts that cater to the evolving needs of customers’ projects. During the Track Record Period, we provided services through (i) lump-sum design-and-build and build-to-design contracts, which detailed contract sums and we billed our works based on work progress; and (ii) maintenance contracts, which cover typical periods from one to two years and we billed monthly. See “— Our Customers — Principal Contract Terms”.

M&E Engineering Operation Process

The M&E engineering projects undertaken by us mainly comprise one-off projects, which are works relating to new property development and one-off renovation of existing properties. We deliver services as set out in the contracts which contain the details of our scope of work. We also undertake maintenance projects and perform engineering works in accordance with work orders by the customers issued over a fixed contract period.

Our projects encompass construction, development and renovation of a wide range of properties and facilities, such as industries, offices, shopping malls, convention and exhibition centres, hotels, residential properties, schools, hospitals, and transport infrastructure. For certain large-scale M&E engineering projects, we may form joint operations with other companies to tender for and undertake the relevant works on a project-by-project basis.

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Tender and Award of Contract

Our M&E engineering projects are primarily secured through tender process and we enter into formal contracts with our customers upon the acceptance of tender offers. During the Track Record Period, our tender success rate ranged from 4.3% to 21.0%. Public sector contracts in Singapore are typically awarded through open and competitive tendering process. Tender invitations are officially published on the GeBIZ portal, where all qualified contractors are eligible to submit bids. For specialised projects, selective tendering process may be employed. In such instances, invitations are extended to qualified contractors on the BCA CRS or, depending on project needs, specialist lists of BCA-licensed builders under the Builders Licensing Scheme. As such, in the public sector, we actively monitor the GeBIZ portal and other statutory board platforms to identify upcoming opportunities for projects in the public sector. For high-complexity infrastructure projects such as those managed by public utility and transportation authorities, we participate in selective tendering processes and go through required rigorous pre-qualification process based on factors such as the BCA workhead registration grading, technical track record, and specialist licensing.

Furthermore, for non-GeBiz private projects, we primarily act as the M&E engineering sub-contractor. We typically leverage established relationships with main contractors and enter into exclusivity arrangements with them for contracts awarded. We also implemented an evaluation process for private tender invitations as we are often invited by main contractors given our market reputation and track record. The evaluation process primarily focuses on (i) the main contractor’s standing, such as its creditworthiness and market reputation; (ii) the established relationships with developers and reliable partners; (iii) the probability of success; and (iv) the profitability of the projects, including pricing and profit margins.

In addition, leveraging strong technical capabilities, we adopt a tender strategy balancing the commercial offer and technical offer. Our dedicated tender department conducts a rigorous review of each potential project, performing a thorough analysis of contract requirements, operational risks and cost structures, including supplier quotations, management resources and projected labour costs. During the tender period, we typically obtain quotations from suppliers, prepare technical specifications, ensure regulatory compliance and consolidate costs. We form pricing strategies based on various factors, including the requirements of the project, material, labour costs and engineering overhead depending on the size of the project. Our pricing strategy leverages internal historical data, market trends, and resource availability to ensure bids are both competitive and profitable. Final submissions require a multi-tier review by contract managers and approval from the management in accordance with our internal limits of authority.

During the Track Record Period, we also undertook projects with Connected Persons, namely CRF. Our Directors confirm that the quotations we submitted to our connected customer are fair and reasonable, and are on terms which are comparable to those we submit to customers which are Independent Third Parties. We believe, to the best of our Directors’ knowledge, that our quotations are considered by our connected customers independently based on the terms in our quotations.

Formation of Project Management Team

Once an M&E engineering contract has been awarded to us, a project management team will be formed. The team usually comprises (i) a project director and a project manager and a project supervisor for each service and (ii) a team of engineering and safety staff. The team holds objective meetings to

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identify and assess material project risks and cost control risks, as well as prepares a budget and work execution plan setting out the detailed forecast expenditures, delivery schedules and work schedules. The general responsibilities of our project management team mainly include (i) formulating detailed work programmes; (ii) fine-tuning and finalising overall system designs based on the preliminary design drawings and project specifications received from our customers; (iii) assisting in procurement of materials in terms of specification compliance; (iv) assisting in engaging and delegation of works to subcontractors in terms of identification of scope of works; (v) coordinating with our customers, subcontractors and suppliers to complete the projects according to the work schedules; (vi) managing our respective engineering resources and subcontractors to complete projects on time; and (vii) ensuring work quality. See “— Quality Control and Defect Liability — Project Supervision”.

The project management team is generally supervised by an experienced project director and a project manager. They are responsible for the general and routine supervision of the project and regularly report the progress of the project to related parties, such as main contractor, architect, consultant, other contractors and the client representative. The experienced project director and the project manager also plan on the allocation of human resources and procurement of requisite raw materials and equipment.

Project Implementation

When we are awarded a contract, we commence the supplier selection and procurement process for required materials and services. Purchase orders for the major materials and equipment required are planned and placed after the completion of the necessary internal procurement process and the submission approval by the customer’s representative. At the commencement of a project, we are responsible for coordinating material procurement with the objectives of ensuring the materials are delivered on time and material expenditure and wastage are under control. Our material plan generally includes details of the material suppliers, total quantities required and the scheduled programme for delivery. Besides having to meet the specification requirement, we usually select our suppliers from our internal list of approved suppliers. We estimate the amount of materials to be ordered and we specify the location, delivery time and quantity to our suppliers on a project-by-project basis.

Generally, we request our suppliers to provide quotations of materials for our internal material procurement process to select the best offer. Our selection process depends on the type of projects:

- **Build-to-Design Projects.** For projects that do not involve a design component, we engage in early-stage negotiations with equipment suppliers and major subcontractors to secure preliminary pricing and technical commitments. However, commercial negotiations commence only upon the satisfactory completion of at least one round of technical and scope-of-work clarifications involving our project team. We adhere to a transparent and competitive tender award policy. Upon establishing a project budget, invitations to bid are shared simultaneously to all shortlisted vendors with a stipulated submission deadline. In line with our cost-management objectives, contracts are generally awarded to the bidder offering the most competitive pricing, provided they meet our technical specifications. Subsequent to the award, our project team oversees site execution and quality control.

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- **Design-and-Build Projects.** For projects with a design-and-build mandate, we dedicate the initial three to six months post-award period to design development and value engineering. Following the finalisation of the design specifications, we follow the internal procurement and subcontracting protocols to ensure consistency in quality and cost-efficiency across our project portfolio.

In addition to material procurement, we engage subcontractors in delivering our M&E engineering services which is common industry practice according to CIC. We generally subcontract labour works to selected subcontractors based on the availability of resources, labour-intensiveness of the work involved and cost effectiveness. We generally do not directly carry out the labour works for installation or fitting out works and subcontract the labour works to one or more subcontractors, depending on the size and nature of the project. The use of subcontractors enhances our flexibility and efficiency in the delivery of our works.

Our project management team is responsible for the implementation of the installation works and supervision of the works of our subcontractors. Regular meetings among the project team members and subcontractors are held to review the work-in-progress and to ensure effective control of a project and efficient information flow. Frequent meetings with related project parties, such as the main contractor, architects, consultants, other trade contractors and customer representatives, depending on the project, are also held to (i) keep the parties informed of the progress of the project, (ii) identify any actual or potential problems and (iii) take corrective action promptly to ensure project requirements are satisfied. Some of the installation works may only be conducted by personnel with relevant licences under the regulatory requirements. See “Regulatory Overview”.

In addition, for subcontracting work, our project team is responsible for overseeing the materials on-site and ensuring the engineering installation works performed by our subcontractors meet technical requirements and are tested properly. Regular reports and meetings are available to assist us with resources scheduling, planning on materials procurement, cost control for each category of materials, subcontracting and other expenses, cash flow analysis and the overall project monitoring.

All projects are executed by our staff and/or our appointed sub-contractors, with appropriate licences, qualifications and experiences as required under the BCA regulations and other applicable statutory frameworks.

Performance Security

We typically provide performance bonds or guarantees for the projects undertaken. For the public sector customers, we are usually required to obtain a banker’s guarantee or performance bond. The value of the banker’s guarantee and/or the performance bond typically represents 5.0% of the contract value, though some may reach 10.0%. For the private sector, we usually provide insurance bonds for first-time customers and an additional 5.0% retention as a guarantee for high-value contracts. See “Financial Information — Discussion of Certain Key Items of Consolidated Statements of Financial Position — Fixed deposits”.

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Project Inspection and Delivery

To maintain consistent performance standards, we have implemented a stringent quality control and assurance system governing both material procurement and project execution. Our site engineers ensure full compliance with our ISO 9001:2015 certified quality management system. At project inception, our contract managers collaborate with project teams to develop a comprehensive project quality plan. Our safety officers also conduct mandatory risk assessments in accordance with our internal protocols. Throughout the project lifecycle, we (i) monitor the service progress and (ii) perform regular site inspections to ensure all works meet contractual specifications and Singapore standards. See “Quality Control and Defect Liability”.

For materials required for service delivery, the procurement is restricted to suppliers that are fully complied with the projects’ specifications and relevant Singapore standards and laws, including mandatory CoC provided for high-risk materials including structural components or specialised electrical parts, as required by the main contractor and relevant statutory boards. The relevant information or samples of such items purchased by our subcontractors generally have to be submitted and approved by the main contractor or its consultant as required under the contract. Where there is any applicable regulatory or contractual requirement for certification of the items, we require the supplier to provide the relevant certificates issued by the relevant testing laboratory, authority or the approval issued by local government authority, which are provided to the main contractors and/or its consultant for approval. Upon the approval of the equipment, material or part, we place the relevant purchase orders.

The incoming equipment, materials or parts delivered to the site are inspected by the site engineer. The site engineer is responsible for ensuring that the items meet the specified requirements in the contract, and if such items fail to pass the inspection, they will be returned to the suppliers.

On-site inspections are conducted from time to time by our engineer and the customer’s consultant during the work period for quality assurance. We carry out safety audits on each of the project sites to ensure that the quality of works satisfies contract requirements and our standards. The safety audit consists of (i) site audit, depending on the size of the project, conducted by the project manager and/or senior engineer on a weekly basis, and (ii) meetings with the main contractor team by the project director, which is assigned by the management, together with the project manager. The management will discuss with the customer if any complaint is filed. These safety audits aim to remind all project teams to maintain a high standard of work quality, and allow our senior management to have an independent and second opinion on the work quality performed on the project site in addition to the reports made by the relevant project team. The project manager of the audited project will be fully responsible to the senior management on the rectification of defects found.

Project Completion and Maintenance

During the Track Record Period, we generally complete private projects in 2.5 to 3.5 years and public projects in 3.5 to 4.5 years. Upon completion of a project, we ensure all specified inspections, testing and commissioning have been carried out and that the relevant data meets the specified requirements under the contract. We also conduct relevant quality and safety tests during the testing and commissioning stage before completion and handover to our customers. In the event that the test results do not meet the requirements specified in the contract or regulatory standards, rectification works and/or re-commissioning works are carried out in order that the requirements are met. Inspections and testing

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by an independent party may sometimes be required under the relevant regulatory or contractual requirements. For most of our projects, acceptance inspection by the relevant authority may also be required.

Handover of the work will then be arranged with the customer’s representatives and the practical completion certificate of the project is issued by the relevant architects engaged by the customer, which marks the completion of the relevant project. Practical completion means that the works to be completed under the contract have been substantially completed, and there is no major outstanding works. It also marks the beginning of the standard DLP.

As part of the lump-sum contracts, each of our projects is subject to a standard DLP, during which we remain responsible for rectifying any identified defects or non-compliances in our works. Throughout the DLP, we maintain active communication with our customers to address performance feedback; upon the expiration of this period and the satisfactory rectification of all outstanding issues, the project is considered contractually finalised. During the Track Record Period, our DLP was generally from 12 to 18 months. To secure our performance during this period, a retention mechanism is standardly employed, whereby the customer withholds 2.5% of the total contract value. These retention monies are typically released in full following the issuance of the relevant certificate of completion and generally do not require a formal claims process for recovery. See “— Our Customers — Principal Contract Terms — Lump-sum Contracts — Retention monies”.

During the Track Record Period, in addition to providing M&E engineering services through lump-sum contracts, we provided M&E engineering maintenance services mainly including street lighting maintenance, car park operation system maintenance and power grid electrical gear maintenance. See “— Our Customers — Principal Contract Terms — Maintenance Contracts”.

Projects with Revenue Recognised During the Track Record Period

In 2023, 2024, 2025 and the six months ended 30 June 2026, we had a total of 21, 49, 131 and 129 projects with revenue contribution, respectively. The following table sets forth a breakdown of the number of our projects based on their respective range of revenue recognised during the Track Record Period:

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
	<i>No. of projects</i>	<i>No. of projects</i>	<i>No. of projects</i>	<i>No. of projects</i>
<i>Revenue recognised:</i>				
S\$8 million or above	1	2	3	1
Below S\$8 million	20	47	128	128
Total	21	49	131	129

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The total number of projects with revenue recognition increased from 21 in 2023 to 49 in 2024, primarily due to the expansion of our business scale. The total number of projects with revenue recognition further increased to 131 in 2025, primarily due to additional projects we obtained through the acquisition of Guthrie Engineering. The total number of projects remained relatively stable at 129 in the six months ended 30 June 2026. The number of projects with revenue recognised of S\$8 million or above remained relatively stable at one, two, three and one in 2023, 2024, 2025 and the six months ended 30 June 2026, respectively. The number of projects with revenue recognised below S\$8 million increased from 20 in 2023 to 47 in 2024, mainly due to the expansion of our business, and further increased to 128 in 2025, mainly due to the acquisition of Guthrie Engineering and continuous growth in the provision of ELECT and ACMV services.

Backlog

The following table sets forth the movement in the number of our projects during the Track Record Period:

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
	<i>No. of projects</i>	<i>No. of projects</i>	<i>No. of projects</i>	<i>No. of projects</i>
Opening number of projects	19	20	50	166
Add: Number of new projects as a result of acquisition of the two subsidiaries	—	24	128	—
Add: Number of new projects awarded to us	4	9	24	18
Less: Number of projects completed	(3)	(3)	(36)	(14)
Ending number of projects	20	50	166	170

The ending number of projects increased from 20 in 2023 to 50 in 2024, primarily due to new projects as a result of the acquisition of Fire-Guard and new ACMV projects awarded. The ending number of projects further increased to 166 in 2025, primarily due to the acquisition of Guthrie Engineering and new ELECT projects awarded. The ending number of projects increased to 170 in the six months ended 30 June 2026, as we continued to expand our business operations and obtained more projects in the first half of 2026.

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The following table sets forth the movement in the value of overall backlog of our projects during the Track Record Period:

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
	S\$'000	S\$'000	S\$'000	S\$'000
Opening value of overall backlog at beginning of relevant year/period	115,884	104,088	107,446	723,863
Add: Total value of backlog obtained through acquisitions	—	25,121	422,333	—
Add: Total value of projects awarded during the relevant year/period	35,682	58,112	315,650	217,572
Less: Revenue recognised during the relevant year/period	(47,478)	(79,875)	(121,566)	(103,230)
Ending value of overall backlog at the end of the relevant year/period	104,088	107,446	723,863	838,205

The ending value of overall backlog of our projects increased from S\$104.1 million in 2023 to S\$107.4 million in 2024, and further increased to S\$723.9 million in 2025, primarily due to backlog obtained through the acquisition of Guthrie Engineering and new contracts awarded as we continued to expand our business in ELECT and ACMV services. The ending value of overall backlog of our projects increased from S\$723.9 million in 2025 to S\$838.2 million in the six months ended 30 June 2026, as we continued to expand our business operations and obtained more projects in the first half of 2026.

Tender Success Rate

The following table sets forth the number of projects for which we have submitted tenders, the number of projects awarded and the tender success rate during the Track Record Period:

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
Number of projects for which we have submitted tenders	47	77	105 ⁽¹⁾	72 ⁽²⁾
Number of projects awarded	2	14	22	12
Tender success rate (%) ⁽³⁾	4.3	18.2	21.0	16.7

Notes:

- (1) The total number excludes four projects submitted and still pending the outcomes from 2025.
- (2) The total number excludes 16 projects submitted and still pending the outcomes from the six months ended 30 June 2026.
- (3) The tender success rate for a financial year/period is calculated based on the number of projects awarded in respect of the total submitted tenders with finalised outcomes during that financial year/period.

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During the Track Record Period, our tender success rate increased from 4.3% in 2023 to 18.2% in 2024, mainly because we obtained BCA Grade L6 workhead registrations which allowed us to tender and obtain more projects. Our tender success rate further increased to 21.0% in 2025, mainly due to an increase in the number of public infrastructure projects awarded to us. These projects generally had a higher entry barrier due to stringent subcontractor selection requirements and process. Our tender success rate decreased from 21.0% in 2025 to 16.7% in the six months ended 30 June 2026, as 20 projects we tendered for in 2025 and the six months ended 30 June 2026 were still pending outcome.

Selected Significant Projects with Revenue Recognised During the Track Record Period

Six months ended 30 June 2026

The following table sets out the details of our material projects with revenue recognised over S\$8.0 million in the six months ended 30 June 2026:

Customer	Contract sum ⁽¹⁾	Project sector	Type of works	Type of contracts	Date of commencement and completion of our works ⁽²⁾	Revenue recognised during the Track Record Period ⁽³⁾				
						Year ended 31 December			Six months ended 30 June	
						2023	2024	2025	2025	2026
	(\$ mn)				(mm/year)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Customer A	S\$50.0 to S\$60.0	Public	ELECT services	Lump-sum	01/2023 to 11/2026	—	—	10,131	—	16,851

Notes:

- (1) Refers to the amount including variation orders.
- (2) Refers to revenue recognised after the GE Acquisition.

2025

The following table sets out the details of our material projects with revenue recognised over S\$8.0 million in 2025:

Customer	Contract sum ^(Note)	Project sector	Type of works	Type of contracts	Date of commencement and completion of our works ⁽²⁾	Revenue recognised during the Track Record Period				
						Year ended 31 December			Six months ended 30 June	
						2023	2024	2025	2025	2026
	(\$ mn)				(mm/year)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Customer A	S\$50.0 to S\$60.0	Public	ELECT services	Lump-sum	01/2023 to 11/2026	—	—	10,131	—	16,851
Customer B	S\$35.0 to S\$40.0	Private	Full M&E engineering services	Lump-sum	06/2022 to 08/2025	4,740	21,552	8,672	7,861	—
Customer C	S\$10.0 to S\$20.0	Private	Full M&E engineering services	Lump-sum	10/2023 to 08/2025	—	1,234	8,335	5,992	515

Note:

Refers to the amount including variation orders.

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2024

The following table sets out the details of our material projects with revenue recognised over S\$8.0 million in 2024:

Customer	Contract sum ⁽¹⁾	Project sector	Type of works	Type of contracts	Date of commencement and completion of our works ⁽²⁾	Revenue recognised during the Track Record Period ⁽²⁾				
						Year ended 31 December			Six months ended 30 June	
						2023	2024	2025	2025	2026
						(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
	(S\$ mn)				(mm/year)					
Customer B	S\$35.0 to S\$40.0	Private	Full M&E engineering services	Lump-sum	06/2022 to 08/2025	4,740	21,552	8,672	7,861	—
Customer E	S\$30.0 to S\$40.0	Private	Full M&E engineering services	Lump-sum	08/2022 to 02/2025	5,345	24,639	3,032	2,069	782

Notes:

- (1) Refers to the amount including variation orders.
- (2) We carried out variation works after the substantial completion of a project and recognised revenue based on the variation orders issued by the customers.

2023

The following table sets out the details of our material projects with revenue recognised over S\$8.0 million in 2023.

Customer	Contract sum ⁽¹⁾	Project sector	Type of works	Type of contracts	Date of commencement and completion of our works ⁽²⁾	Revenue recognised during the Track Record Period ⁽²⁾				
						Year ended 31 December			Six months ended 30 June	
						2023	2024	2025	2025	2026
						(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
	(S\$ mn)				(mm/year)					
Customer F	Over S\$9.0	Private	ACMV services	Lump-sum	06/2022 to 11/2023	11,714	1,118	2,902	2,702	28

Notes:

- (1) Refers to the amount including variation orders.
- (2) We carried out variation works after the substantial completion of a project and recognised revenue based on the variation orders issued by the customers.

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Projects on Hand

As at 30 June 2026, we had 170 projects on hand which represents projects that have commenced but not completed as well as projects that have been awarded to us but not yet commenced. The following table sets out the details of on-going projects with a contract sum over S\$50.0 million as at 30 June 2026:

Customer	Contract Sum ⁽²⁾ (S\$ mn)	Project sector	Types of work	Type of contracts	Date of commencement and expected completion of our works (mm/year)	Revenue recognised during the Track Record Period (S\$'000)	Revenue to be recognised after the Track Record Period ⁽³⁾ (S\$ mn)
Customer D ⁽¹⁾	Over S\$100	Public	ELECT services	Lump-sum	02/2026 to 11/2029	2,593	Over S\$100
Customer A	Over S\$100	Public	ELECT services	Lump-sum	05/2026 to 12/2031	958	Over S\$100
Customer A	S\$50 to S\$100	Public	ELECT services	Lump-sum	01/2023 to 11/2026	23,195	S\$20 to S\$30
Customer A	S\$50 to S\$100	Public	ELECT services	Lump-sum	06/2025 to 05/2031	292	S\$50 to S\$100

Notes:

- (1) Customer D is a subsidiary of a leading Singapore construction group specialising in general building construction, major upgrading works, and structural/architectural works including public and private housing projects.
- (2) Refers to the amount without variation orders.
- (3) Refers to revenue recognised after the GE Acquisition.

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Project Delivery

For M&E engineering services, we deliver both full-scale integrated solutions and highly specialised individual services:

- **Integrated Project Delivery.** Backed by our BCA L6 gradings, we possess the highest financial and technical M&E engineering qualifications to tender for and execute large-scale, multi-disciplinary IBS projects in the public and private sectors. This allows us to cover all ELECT, ACMV, FP and PSG services for a single project. Such one-stop delivery of services eliminates the need for customers to manage multiple individual tenders, reduces execution risks and improves project efficiencies.

Our integrated delivery capability is showcased by our comprehensive work on multiple projects, including mixed-use developments, office buildings, as well as commercial and industrial developments during the Track Record Period. We moved beyond single-service provision to deliver a suite of specialised M&E engineering services. By delivering these complex services in a single integrated project, we ensured all operational standards of our customers’ businesses were met, demonstrating our capacity to handle capital-intensive, multi-faceted engineering projects.

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- **Individual Service.** Concurrently, our experience allows us to provide any of these M&E engineering services as standalone services. This flexibility ensures we can seamlessly plug into targeted technical gaps for main contractors and developers who require specialised sub-contracting for specific engineering areas.

M&E Engineering Services by Segment

We embarked on our journey in providing M&E engineering services in 2018. We incorporated Sunbeam in 2018 to undertake M&E engineering projects in Singapore. We further expanded our business scale in four service segments by acquiring Fire-Guard in 2024 and Guthrie Engineering in 2025. As a Singapore M&E engineering service provider with 75 years of extensive experience, Guthrie Engineering provides full range of M&E engineering system related services for infrastructure projects and was one of the largest M&E engineering contractors in Singapore with extensive project experience and qualifications. See “History and Corporate Structure — Our Company and Operating Subsidiaries”.

During the Track Record Period, we generated revenue from the provision of comprehensive engineering services encompassing ELECT, ACMV, FP and PSG services.

ELECT Services

We specialise in the execution of complex, high-specification ELECT services that require precise technical integration across a wide spectrum of voltage tiers. Our services encompass the synchronised supply, installation, testing, and commissioning of critical power facilities. We mainly serve major government agencies in Singapore, providing specialised ELECT services such as high-voltage engineering installation, construction of low-voltage systems for rail-based public transport lines, as well as the installation and maintenance of street lighting, public parking management systems and airfield ground lighting systems. We also offer ELECT services for buildings, covering hospitals, complex buildings including commercial properties, hotels and Grade A office buildings, as well as other residential and industrial building projects.

The following images illustrate our ELECT services:



During the Track Record Period, we provide ELECT services to core public infrastructure and buildings, specifically,

- **Full-range ELECT services for public infrastructure projects.** We engineer and integrate electrical networks tailored for specialised, high-security public infrastructure, including signalling and power links for rail-based public transport network and airfield ground lighting systems. Specifically, for the rail-based public transport network, we supplied and installed uninterruptible power supply and emergency power supply systems, as well as small power and lighting systems and luminaires.
- **Comprehensive electrical services for buildings.** Our technical scope further extends to full range electrical and ELV services for buildings, encompassing high, medium, and low-voltage installations.

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In addition, we also provided (i) technology solutions, such as tailgating detection systems, lift monitoring system and bus stop information display, as well as a fully integrated command centre for the operation of car park administration systems in Bedok, Tampines, Jurong West and Punggol in Singapore; (ii) switchboard manufacturing, which mainly comprises designing and manufacturing low and medium voltage switchgear and switchboards that meet stringent standards for various industries, including public infrastructures implemented by the LTA; and (iii) sustainable power solutions, including providing critical power and smart infrastructure solutions to data centres, public infrastructures and other commercial installation projects, as well as sustainable and smart energy solutions for electric vehicle charging systems.

During the Track Record Period, leveraging our capability in delivering quality ELECT services, we continued to deliver comprehensive ELECT services for an entire coastal railway. We also continued to provide ELECT services for rail-based public transport lines, including installing critical power distribution networks, advanced switchboard systems and tunnel lighting infrastructure that met the strict safety and reliability standards of Singapore. Our services ensured seamless power delivery, supporting the Singapore Green Plan 2030 through low-carbon public transit.

In addition, through our direct wholly-owned subsidiary, Guthrie Engineering, we expanded our aviation footprint by delivering maintenance services of high-precision electrical and airfield lighting solutions for Changi Airport’s third runway. Working alongside the main contractor, we installed the lighting and control systems necessary to safely guide pilots across a newly extended network of runways and supporting taxiways.

During the Track Record Period, we generated S\$20.2 million, S\$31.8 million, S\$66.5 million, S\$11.2 million and S\$65.8 million from the provision of ELECT services in 2023, 2024, 2025 and the six months ended 30 June 2025 and 2026, respectively.

ACMV Services

We provide a range of ACMV services including (i) supply, installation, testing and commissioning of centralised air-conditioning system for commercial, institutional and industrial buildings; (ii) supply and installation of split or multi-split type and variable refrigerant volume type air-conditioning system for residential and commercial buildings; (iii) supply and installation of mechanical ventilation system for carpark, plant rooms, corridor and staircase of residential and commercial buildings; and (iv) supply, installation, testing and commissioning of building management system for residential and commercial buildings.

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The following images illustrate our ACMV services:



We delivered a comprehensive suite of mechanical and ventilation solutions for mixed-use developments, office buildings, as well as commercial and industrial developments during the Track Record Period. Our scope encompassed the design and installation of central chilled water air conditioning, building management systems and specialised smoke control and ductless ventilation systems. Through these energy-efficient solutions, we played a pivotal role in securing Green Mark Platinum, the BCA Green Mark certification for the development, demonstrating our ability to enhance the operational value and environmental credentials of Singapore’s premier mixed-use landmarks.

In addition, through the acquisition of Guthrie Engineering and its extensive experience in the provision of ACMV services, including the provision of ACMV services for Jewel Changi Airport, we further enhanced our service capabilities in this business segment. See “History and Corporate Structure — Corporate History — Acquisitions during the Track Record Period — Acquisition of Guthrie Engineering”.

During the Track Record Period, we generated S\$16.7 million, S\$21.9 million, S\$31.3 million, S\$11.4 million and S\$24.8 million from the provision of ACMV services in 2023, 2024, 2025 and the six months ended 30 June 2025 and 2026, respectively.

FP Services

We design, supply and install fire protection systems for buildings through all three of our direct wholly-owned subsidiaries. Our services include the design, supply, installation, testing and commissioning of the equipment, piping networks, appliances and fittings for fire protection systems such as the fire hydrant system, wet or dry riser system, fire hose reel system, automatic fire sprinkler system, automated fire alarm system, fireman intercom system, foam system, fire suppression system, fire extinguishing system and other fire specialist systems.

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Furthermore, to strengthen our market position and enhance our FP service capabilities, we acquired Fire-Guard in February 2024 and Guthrie Engineering in July 2025. Fire-Guard specialises in direct sub-contracts for fire protection works within the private sector. The integration with Fire-Guard allows us to capture downstream opportunities in high-margin fit-out and refurbishment segments once initial construction phases are finalised. In addition, leveraging Guthrie Engineering’s unique track record for fire protection services, we continued to contribute to FP works for landmark inside tunnels in Singapore.

For tunnels, we continued to deliver specialised, high-specification water mist systems that aligned legacy assets with evolving regulatory mandates during the Track Record Period. Driven by strategic modernisation efforts and concerning rising incident statistics from government authorities, we contributed to the upgrade of major urban expressway networks through the provision of FP services. We replaced legacy passive detection and manual equipment with advanced, high-pressure water-mist fire-fighting systems featuring automated suppression capabilities inside tunnels. This project transitions older frameworks into full compliance with updated international fire protection standards, matching the capabilities of the newest transit networks. By deploying these automated deluge and fine-droplet technologies, we continue to capture high-barrier contracts in the public sector, solidify business foundation, and ensure long-term revenue resilience through essential infrastructure lifecycle upgrades.

The following images illustrate our services for FP systems for tunnels:



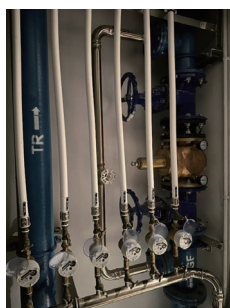
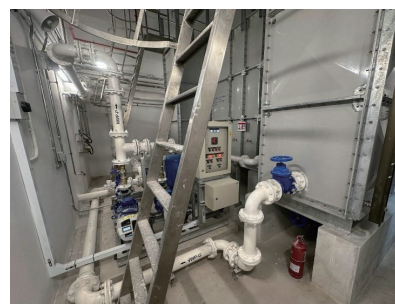
During the Track Record Period, we generated S\$2.9 million, S\$13.6 million, S\$12.5 million, S\$5.8 million and S\$9.2 million from the provision of FP services in 2023, 2024, 2025 and the six months ended 30 June 2025 and 2026, respectively.

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PSG Services

We design, supply and install PSG systems for buildings including the potable water supply and pumping system, NEWater supply and pumping system, minor sewer system, sanitary drainage and pumping system, gas supply system, detention of storm water pumping system, conventional rainwater system, and siphonic rainwater system. Our range of services includes the design, supply, installation, testing and commissioning of equipment, piping networks, appliances and fittings for water supply, sanitary and drainage systems, gas supply systems and rainwater drainage systems.

The following images illustrate our PSG services:



Furthermore, we continue to expand our market share in high-value, high-barrier projects by serving as a trusted partner to Singapore’s premier real estate developers and main contractors. During the Track Record Period, we provided PSG services for multiple developments, including residential, mixed-use and hospitality developments. Leveraging our specialised technical capabilities and industry reputation, we were appointed to deliver the engineering, installation, and commissioning of PSG services for the developments. This project execution capability reinforced our credentials with market-leading partners and solidified our standing as a trusted contractor for high-barrier public and private sector projects, securing our forward order book and reinforcing long-term revenue resilience.

During the Track Record Period, we generated S\$7.7 million, S\$12.5 million, S\$11.3 million, S\$6.0 million and S\$3.4 million from the provision of PSG services in 2023, 2024, 2025 and the six months ended 30 June 2025 and 2026, respectively.

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Financial Performance

Revenue by Type of M&E Engineering Service

The following table sets forth our revenue by type of M&E engineering service during the Track Record Period:

	Year ended 31 December						Six months ended 30 June			
	2023		2024		2025		2025		2026	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
ELECT services	20,235	42.7	31,840	39.8	66,528	54.7	11,231	32.7	65,801	63.8
ACMV services	16,718	35.2	21,940	27.5	31,260	25.7	11,364	33.0	24,821	24.0
FP services	2,868	6.0	13,570	17.0	12,500	10.3	5,829	16.9	9,188	8.9
PSG services	7,657	16.1	12,525	15.7	11,278	9.3	5,971	17.4	3,420	3.3
Total	47,478	100.0	79,875	100.0	121,566	100.0	34,395	100.0	103,230	100.0

Revenue by Clientele

The following table sets forth our revenue by clientele during the Track Record Period:

	Year ended 31 December						Six months ended 30 June			
	2023		2024		2025		2025		2026	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Private sector	39,195	82.6	70,136	87.8	62,884	51.7	29,866	86.8	39,654	38.4
Public sector	8,283	17.4	9,739	12.2	58,682	48.3	4,529	13.2	63,576	61.6
Total	47,478	100.0	79,875	100.0	121,566	100.0	34,395	100.0	103,230	100.0

Revenue by Contract Type

The following table sets forth our revenue by contract type during the Track Record Period:

	Year ended 31 December						Six months ended 30 June			
	2023		2024		2025		2025		2026	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Lump-sum contracts	47,478	100.0	78,623	98.4	104,139	85.7	33,249	96.7	80,902	78.4
Maintenance contracts	—	—	1,252	1.6	17,427	14.3	1,146	3.3	22,328	21.6
Total	47,478	100.0	79,875	100.0	121,566	100.0	34,395	100.0	103,230	100.0

RESEARCH AND DEVELOPMENT

The nature of our M&E engineering services does not require us to carry out any material research and development activities.

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OUR CUSTOMERS

Introduction

During the Track Record Period, we operate our business in Singapore. Our M&E engineering customers primarily consist of government bodies and major main contractors in Singapore who manage large-scale developments for prominent property developers. Our public sector project portfolio includes projects for Singapore Government statutory boards which are responsible for public housing and infrastructure, such as the HDB and the LTA. Furthermore, we provide specialised engineering services to established construction firms in Singapore, leveraging our BCA-registered status and proven track record in high-density urban environments.

Our services fee settlement cycle typically ranges between 60 to 90 days. While the Singapore construction industry is governed by the Building and Construction Industry Security of Payment Act, which mandates a 21-day response period for payment claims and a 35-day credit term from the invoice date, delays occur during the valuation and response stage, which is in line with the industry practice, according to CIC. To facilitate timely certification, our site executive team prepares comprehensive substantiation for each claim, including highlighted progress reports, site photography, and as-built drawings.

Principal Contract Terms

During the Track Record Period, we mainly entered into lump-sum contracts with our customers for the M&E engineering services. We have not entered into any long-term contract with customers. The principal terms of the contracts are summarised as follows:

Lump-sum Contracts

Scope of works

The contract generally sets out the scope of services to be carried out by us and other project specifications or requirements. We mainly act as a subcontractor and our customers generally require us to provide all necessary management, labour, materials, machinery and consumables to complete the works in full compliance with the main contracts they entered. Also, our customers generally require us to complete our works within a specified period and in accordance with their specified work schedule.

Duration

The contract generally specifies the commencement date and duration of the project implementation, subject to extension granted by the customer where necessary. Depending on the requirements of the customers and the complexity of the projects, the duration of our M&E engineering contracts is generally two to five years.

Contract sum

The contract usually specifies an estimated contract sum based on the agreed rates and the estimated quantities of works items. This amount includes all overheads, profit, mobilisation, and ancillary works, and remains firm throughout the project and any extensions of time.

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Payment terms

We generally submit a progress payment application to our customer with reference to the amount of works completed. Upon receiving our payment application for progress payments, our customer will examine and certify our works done by issuing a payment certificate to us.

Insurance

Main contractors are generally responsible for taking out all necessary insurance for us and our subcontractors, such as contractors’ all risk insurance and employees’ compensation insurance. We are responsible for (i) Work Injury Compensation Insurance (WIC) in accordance with the MOM’s latest requirements, (ii) insurance for our own plant, machinery and equipment; and (iii) policy excesses not covered by the main contractors.

Procurement of materials

We generally procure materials at our cost and typically purchase materials from our internal list of approved suppliers. We bear the responsibility for damage, repair, or loss of equipment and materials on-site. On occasions, our customers may require us to procure materials with certain specifications.

Defects liability period

The contracts generally include a defects liability period of 12 to 18 months following completion of the relevant works. During the defects liability period, we are typically required to rectify any defect at our own cost to the satisfaction of our customers, if the defect is due to our non-conformance of works performed, or due to our neglect or failure to comply with our contractual obligations. Our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, our Group had not undertaken any major rectification works during the defects liability period.

Warranty

The contracts may contain provisions that require warranties as stipulated under the main contract.

Performance bonds

For certain of our contracts, we are required to provide stipulated value of performance bonds in terms of banker’s guarantee or insurance bond with a financial institution made in favour to our customer. In some cases, we also offer an additional 5.0% retention in lieu of performance bond for high-valued customers in the private sector, which is generally released upon the obtaining of government approvals for the projects.

Retention monies

Depending on the contract terms, our customers may hold up a certain percentage of each payment made to us, such as 10.0% as retention monies and subject to a cap of 5.0% of the total contract sum. Depending on the contract terms, the retention monies are generally released by stage, generally up to 2.5% of the total contract sum is held up until the completion or final account settlement and the

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remaining up to 2.5% of the total contract sum upon the expiry of the defects liability period. As at 31 December 2023, 2024 and 2025, and 30 June 2026, our retention receivables amounted to approximately S\$4.9 million, S\$9.5 million, S\$23.6 million and S\$22.3 million, respectively.

Variation orders

For lump-sum contracts, our customers may request additions or alterations of works beyond the scope of the contract during project implementation. A variation order may vary the original scope of work. Where the works under the variation order are the same or similar to the works prescribed in the contract, the rate of the works under the variation order is usually similar to that of the contract. If there are no equivalent or similar items under the contract for reference, we will further agree on the rates with our customers based on a fair market valuation. A variation order is usually placed in writing by receiving official instructions from either the superintendent officer or instructions from engineers or architects, which detail the works to be performed under such variation order. Progress payments will be made based on the work completed and the final account will reflect the finalised variation order.

Liquidated damages

A liquidated damages clause is triggered if we are unable to deliver or perform the contractual works within the time specified in the work schedule. The rate is generally determined on the basis of a fixed sum per day and capped at a fixed proportion of the total contract sum. During the Track Record Period, there were no material liquidated damages imposed by our customers against us.

Termination

Our customers may terminate our contracts if, among other things, we fail to proceed with the works with due diligence or fail to meet the project schedule, or persistently neglect or fail to comply with a written notice to rectify defects. During the Track Record Period, none of our contracts were terminated by our customers as we provided quality work and built long-term relationship with our customers.

Maintenance Contracts

We entered into maintenance contracts primarily for the provision of ELECT and ACMV services, including street lighting maintenance, car park operation system maintenance and power grid electrical gear maintenance. Our maintenance contracts generally set out the total contract sum covering the terms of the contract. Security deposits in the form of cash or performance bonds are usually required. During the Track Record Period and up to the Latest Practicable Date, none of our maintenance contracts were terminated.

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Top Five Customers

During the Track Record Period, our customers primarily consisted of government agencies and main contractors in Singapore. We generated revenue of S\$35.7 million, S\$61.3 million, S\$68.2 million and S\$62.5 million from the provision of services to our top five customers in 2023, 2024, 2025 and in the six months ended 30 June 2026, respectively, accounting for 75.2%, 76.8%, 56.1% and 60.5% of our total revenue, respectively. In addition, during the Track Record Period, revenues generated from our largest customer in each year accounted for 24.7%, 32.3%, 21.0% and 25.4% of our total revenue, respectively.

As at the Latest Practicable Date, except for Customer E, who is a Shareholder holding less than 1% in our share capital and was one of our top five customers in 2023, 2024 and 2025, all of our major customers were Independent Third Parties. To the best of our knowledge and as at the Latest Practicable Date, we were not aware of any information or arrangement that would lead to the termination of our relationships with any of our five largest customers. None of our Directors and their respective associates, or Shareholders who own 5% or more of the total issued Shares had any interest in any of our five largest customers during the Track Record Period.

The following table sets forth the details of our five largest customers in each period during the Track Record Period:

30 June 2026

<u>Customers</u>	<u>Product/Services provided</u>	<u>Amount</u> (S\$'000)	<u>% of Total revenue</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment method</u>
Customer A ⁽¹⁾	ELECT, ACMV and FP services	26,170	25.4	2008	30 days	Wire transfer
Customer G ⁽²⁾	ELECT services	12,499	12.1	2024	30 days	Wire transfer
Customer H ⁽³⁾	ACMV services	10,072	9.8	2017	30 days	Wire transfer
Customer I ⁽⁴⁾	ELECT services	7,567	7.3	2019	30 days	Wire transfer
Customer J ⁽⁵⁾	ACMV services	6,159	6.0	2023	35 days	Wire transfer
Total		62,467	60.5			

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31 December 2025

<u>Customers</u>	<u>Product/Services provided</u>	<u>Amount</u> (S\$'000)	<u>% of Total revenue</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment method</u>
Customer A	ELECT, ACMV and FP services	25,501	21.0	2008	30 Days	Wire transfer
Customer H	ACMV services	12,753	10.5	2017	35 Days	Wire transfer
Customer E ⁽⁶⁾	ACMV services	11,672	9.6	2019	35 Days	Wire transfer
Customer C ⁽⁷⁾	ELECT, ACMV, FP and PSG services	9,417	7.7	2021	35 Days	Wire transfer
Customer B ⁽⁸⁾	ELECT, ACMV, FP and PSG services	8,877	7.3	2022	35 Days	Wire transfer
Total		68,220	56.1			

31 December 2024

<u>Customers</u>	<u>Product/Services provided</u>	<u>Amount</u> (S\$'000)	<u>% of Total revenue</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment method</u>
Customer E	ACMV services	25,827	32.3	2019	35 Days	Wire transfer
Customer B	ELECT, ACMV, FP and PSG services	21,552	27.0	2022	35 Days	Wire transfer
Our JA Partner	ELECT services	5,295	6.6	2021	35 Days	Wire transfer
Customer H	ACMV services	4,603	5.8	2017	35 Days	Wire transfer
Customer K ⁽⁹⁾	ELECT, ACMV, FP and PSG services	4,068	5.1	2021	35 Days	Wire transfer
Total		61,345	76.8			

31 December 2023

<u>Customers</u>	<u>Product/Services provided</u>	<u>Amount</u> (S\$'000)	<u>% of Total revenue</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment method</u>
Customer F ⁽¹⁰⁾	ACMV services	11,714	24.7	2022	35 Days	Wire transfer
Customer L ⁽¹¹⁾	ELECT, ACMV, FP and PSG services	6,869	14.5	2022	35 Days	Wire transfer
Customer C	ELECT, ACMV, FP and PSG services	6,816	14.4	2021	35 Days	Wire transfer
Customer E	ACMV services	5,525	11.6	2019	35 Days	Wire transfer
Customer B	ELECT, ACMV, FP and PSG services	4,740	10.0	2022	35 Days	Wire transfer
Total		35,664	75.2			

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Notes:

- (1) Customer A, is a statutory body that spearheads Singapore’s land transport developments, principally focused on planning, designing, building and maintaining land transport infrastructure and systems.
- (2) Customer G is a Singapore-based licensed electricity transmission operator, principally focused on owning and maintaining the electricity transmission and distribution network assets in Singapore.
- (3) Customer H is a Singapore-based privately owned construction company principally focused on residential, commercial and civil engineering projects.
- (4) Customer I is a statutory body that spearheads Singapore’s public housing programme, principally focused on planning, designing, building and managing public housing estates and towns to provide quality, affordable homes and living environments.
- (5) Customer J is a Singapore-based main contractor principally focused on the construction of residential, industrial and special niche projects.
- (6) Customer E is a Singapore-based A1-Grade main contractor in both General Building and Civil Engineering categories, specialising in building construction and civil engineering, principally focused on commercial and residential construction works.
- (7) Customer C is a Singapore-based A1-Grade contractor in general building principally focused on civil engineering and building construction works.
- (8) Customer B is a Singapore-based construction company principally focused on general building construction, civil engineering.
- (9) Customer K is a Singapore-based company with BCA A1 grading under the category of general building principally focused on building construction.
- (10) Customer F is a Singapore precision design-and-build company principally focused on building construction and delivering optimised projects for industrial, residential and commercial clients.
- (11) Customer L is a Singapore-based company principally focused on design and build, general building construction, and civil and structural engineering.

There is a concentration in our customer base due to the size of the M&E engineering projects we undertook. For each year during the Track Record Period, we generated the majority of our revenue from the provision of M&E engineering services to our five largest customers, accounted for 75.2%, 76.8%, 56.1% and 60.5% of our total revenue in 2023, 2024, 2025 and the six months ended 30 June 2026, respectively, and revenue generated from our largest customer accounted for 24.7%, 32.3%, 21.0% and 25.4% of our total revenue in 2023, 2024, 2025 and the six months ended 30 June 2026, respectively. We delivered services for several major sizeable projects and generated revenue primarily from those projects each year during the Track Record Period. Given the strong demand for sizeable projects and our expertise accumulated over the years, we have shaped our market position and strategically engaged with key players. Despite the revenue generated from our five largest customers accounted for more than 20.0% for each of 2023, 2024, 2025 and the six months ended 30 June 2026, the composition of these five largest customers varied across each year during the Track Record Period. We will actively explore opportunities in the markets and diversify our customer base including expanding our business in the public sector and private sector. See “Risk Factors — Risks Relating to Our Business and Industry — We generated a significant portion of our revenue from a concentrated customer base during the Track Record Period”.

BUSINESS

OUR SUPPLIERS

Introduction

During the Track Record Period, we mainly engaged suppliers to source materials needed for our M&E engineering services and to subcontract certain M&E engineering works for project delivery.

Procurement of Materials

We collaborate with a network of suppliers to ensure competitive quotation and maintain a stable supply of materials and equipment. We primarily source for our M&E engineering services materials and equipment including chillers, cooling towers, BMS and building control systems for ACMV services; transformer, HT switchgear, switchboards and ELV specialist systems for ELECT services; sprinkler pumps, hydrant pumps and fire alarm systems for FP services; heat pumps, water pumps and grease traps for PSG services. During the Track Record Period, we usually enter into supply contracts with our suppliers on a project basis, based on the requirements of each project to ensure compliance with the project specifications.

In general, we order materials approximately four to twelve months in advance based on the project’s progress and equipment lead time. Materials purchased by us are normally settled by bank transfer. Our suppliers normally grant us a credit period of 60 days from the invoice date of the relevant purchases. We also consider a number of factors in supplier selection, which include but are not limited to (i) the previous records and historical performance of the supplier; (ii) quality of materials and equipment; (iii) specification requirements of the project; and (iv) legal and corporate standing of the supplier. See “— Our Suppliers — Supplier Management”.

During the Track Record Period, we had not experienced any significant shortage nor delay in the delivery of materials by our suppliers that caused material disruption to our works.

Subcontracting for M&E engineering services

Depending on the need of our projects, we also source certain services from third-party service providers, which mainly include installation work for all four service areas and works that require special materials and equipment. This is in line with industry practice, according to CIC. This subcontracting practice allows us to efficiently deliver M&E engineering services and optimise cost structure.

We consider multiple factors in the selection process of subcontractors, including historical project track record. We have also implemented subcontractor management control measures to uphold the quality of works executed by our subcontractors. We collaborated with subcontractors whom we deemed qualified based on our evaluation of their industry experience and compliance with specific project requirements. See “— Our Suppliers — Supplier Management”.

During the Track Record Period, we established long-term relationships with our suppliers and maintained a list of sub-contractors with particular expertise to avoid over-reliance on a particular supplier. The salient terms of subcontracting agreements during the Track Record Period are set out below:

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Scope of works

Our subcontracting agreements generally set out the scope of services of our subcontractors. We specify the subcontracted works according to our customers’ requirements.

Subcontracting fees

Our subcontracting agreement typically specifies a fixed lump sum price based on the estimated quantities of work items (for lump-sum contract works) or the monthly fee (for maintenance works). Where applicable, the unit rate for work items is fixed throughout the contract period regardless of the fluctuations in quantities.

Duration

Our subcontracting agreement typically sets out the commencement date and completion date (for lump-sum contract) or the period covered (for maintenance contract). The duration of our lump-sum subcontracting agreements is generally two to three years, and the duration of our maintenance subcontracting agreements generally ranges from one year to three years.

Defects liability period

The agreements generally include a defects liability period of 12 to 18 months following completion of the relevant works or the period designated by main contractor or project owner.

Payment arrangements

The agreements generally require 21 days to issue a formal payment response and 35 days of statutory default period for progress payments to become due and payable under a supply contract, pursuant to Singapore’s Building and Construction Industry Security of Payment Act.

Safety

The subcontractors are required to strictly comply with site safety rules, provide workers with necessary safety equipment and follow all regulatory requirements.

Liquidated damages

The subcontracts are generally required to reimburse us for all losses, damages and expenses incurred due to the delays caused by subcontractors up to a specified percentage of the contract sum, as stipulated in the respective contracts.

Termination

We may terminate the agreement if the subcontractor defaults on the terms, suspends work without cause, neglect instructions or fails to carry out variations.

During the Track Record Period, we have not experienced any significant delay in service delivery nor material disruption to our works due to subcontracting our services.

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Supplier Management

We generally procure M&E engineering materials required for our projects from our suppliers. We select suppliers based on, among others, track records, prices, quality of performance and products and delivery time applying this assessment on a project-by-project basis. In addition, our project team requires our suppliers to comply with the relevant material quality plan for the project and inspect the materials provided by our suppliers. We generally inspect materials upon delivery to check that they conform to our technical specifications and quality standards; any materials identified as non-conforming are typically rejected, and our suppliers are generally responsible for replacing any materials which do not meet the relevant specifications or standards and any associated costs incurred.

Supplier Selection

We implement a multi-stage supplier selection policy to ensure technical alignment and cost-efficiency:

- **Technical Evaluation and Scope Clarification.** We conduct at least one round of comprehensive technical and scope-of-work discussions, involving both our project and procurement teams. This process ensures that technical compliance and the proposed scope of supply strictly align with the project’s specifications.
- **Commercial Negotiation and Competitive Bidding.** Following the technical clearance, we initiate commercial negotiations. We then implement a transparent, time-bound bidding process by inviting pre-qualified suppliers to submit final offers based on a stipulated project budget and deadline.
- **Award Policy.** To optimise project margins, the contract is generally awarded to the bidder who provides the most competitive pricing, provided they satisfy all technical and delivery requirements. Subsequent to the award, our project team assumes oversight of the execution phase to ensure quality and schedule adherence.

Supplier Quality Control

We implement quality control measures to ensure that all equipment and materials meet the requisite project specifications and safety standards:

- **Factory Acceptance Testing (FAT).** For equipment such as chillers, we mandate a factory acceptance test (the “FAT”) as a prerequisite for delivery. These tests are conducted at the supplier’s manufacturing facility and a formal testing report is issued to document the performance and specifications of the equipment for the project owners. For equipment where FAT is required, such equipment must successfully pass the FAT before it is cleared for dispatch to the site.
- **Risk Allocation and Delivery.** Under the terms of our purchase order and letters of acceptance, usually suppliers remain responsible for the quality and conformity of the equipment supplied upon delivery. In the event that equipment is found to be defective or non-compliant the supplier is required under the terms of the relevant purchase order or letter

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of acceptance to remedy the non-conformity (including by replacement or re-submission) at its own cost. This effectively mitigates our exposure to manufacturing or transit-related defects.

- **Certification and Warranty.** For smaller equipment and specialised components, we generally require suppliers to provide relevant certificates of conformity and test reports as evidence of compliance with local regulatory and industry standards. Furthermore, we generally secure product warranties from our suppliers to safeguard against latent defects, with the warranty periods typically linked to the applicable defects liability period or a fixed period from delivery, and may vary across equipments.

These measures ensure that project delivery maintains the highest standards of quality and reliability.

We mitigate our exposure to rectification costs by allocating liability for defects to our subcontractors on a back-to-back basis. To ensure alignment with the head contract, we mandate that the DLP for our subcontractors mirrors the duration stipulated in the main contract. Furthermore, we implement a 2.5% retention mechanism on all subcontractor payments, which serves as financial security to cover potential remedial works during the DLP. These retention sums are only released upon the satisfactory expiration of the subcontractor’s liability period.

Works Performed by Subcontractors

Depending on the availability of our manpower resources, we may also engage subcontractors for certain projects. Our subcontractors are selected on a project-by-project basis. Their track records, prices, quality of services, qualifications, skills and technique, delivery time and availability of resources in accommodating our requests are taken into account in our selection process. In addition, our project team requires our subcontractors to comply with the relevant work method statement, project quality plan and occupational health and safety measures, to provide necessary skill trainings to their workers. We also conduct meetings with our subcontractors to review their performance and resolve any issues involved during the course of their works, and monitor and inspect the works performed by our subcontractors in accordance with the relevant work method statement, project quality plan and occupational health and safety measures. Our subcontractors are responsible for repairing and rectifying any defective work at their cost during the course of their works and the relevant defects liability period.

Cost Control

In addition, to maintain cost control and mitigate the risk of price fluctuations, we adopt cost control strategies. For build-to-design projects, we aim to finalise and lock in all major budgetary components and subcontractor costs within six to eight months of project commencement. For design-and-build projects, this budgetary lock-in period is typically extended to nine months to accommodate the initial design development phase. This systematic approach ensures cost certainty and safeguards our project margins against unforeseen inflationary pressures or market volatility.

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Top Five Suppliers

During the Track Record Period, our purchases from our top five suppliers amounted to S\$4.0 million, S\$9.7 million, S\$14.2 million and S\$13.9 million in 2023, 2024, 2025 and the six months ended 30 June 2026, respectively, accounting for 35.0%, 31.8%, 33.8% and 38.6% of our total purchases, respectively. In addition, during the Track Record Period, purchases incurred from our largest supplier in each year/period accounted for 9.9%, 9.6%, 10.1% and 9.3% of our total purchases, respectively.

The following table sets forth the details of our five largest suppliers in each period during the Track Record Period:

30 June 2026

<u>Suppliers</u>	<u>Products/Services Provided</u>	<u>Amount</u>	<u>% of total purchases</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment Method</u>
		(S\$'000)				
Supplier A ⁽¹⁾	ACMV equipment	3,363	9.3	2019	60 Days	Wire transfer
Supplier B ⁽²⁾	Electrical equipment	3,333	9.3	2020	Advance payment	Wire transfer
Supplier C ⁽³⁾	Electrical equipment	2,604	7.2	2023	30 Days	Wire transfer
Supplier D ⁽⁴⁾	Electrical spare parts and maintenance services	2,323	6.5	2018	30 Days	Wire transfer
Supplier E ⁽⁵⁾	Aircon Equipment	2,289	6.4	2019	30 Days	Wire transfer
Total		13,912	38.6			

31 December 2025

<u>Suppliers</u>	<u>Products/Services Provided</u>	<u>Amount</u>	<u>% of total purchases</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment Method</u>
		(S\$'000)				
Supplier D	Electrical spare parts and maintenance services	4,235	10.1	2018	30 Days	Wire transfer
Supplier A	ACMV equipment	3,874	9.2	2019	60 Days	Wire transfer
Supplier F ⁽⁶⁾	ACMV equipment	2,411	5.7	2018	60 Days	Wire transfer
Supplier B	ACMV electrical & control works	2,210	5.3	2020	Advance payment	Wire transfer
Supplier E	Electrical installation work	1,487	3.5	2019	30 Days	Wire transfer
Total		14,217	33.8			

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31 December 2024

<u>Suppliers</u>	<u>Products/Services Provided</u>	<u>Amount</u>	<u>% of total purchases</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment Method</u>
		(S\$'000)				
Supplier G ⁽⁷⁾	Electrical material	2,921	9.6	Over 5 years	60 Days	Wire transfer
Supplier H ⁽⁸⁾	Switchboard	2,331	7.7	2019	60 Days	Wire transfer
Supplier F	Electrical equipment	1,982	6.5	2018	60 Days	Wire transfer
Supplier I ⁽⁹⁾	Plumbing and sanitary components	1,226	4.0	Over 5 years	60 Days	Wire transfer
Supplier J ⁽¹⁰⁾	Cables	1,202	4.0	2019	30 Days	Wire transfer
Total		9,662	31.8			

31 December 2023

<u>Suppliers</u>	<u>Products/Services provided</u>	<u>Amount</u>	<u>% of total purchases</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment method</u>
		(S\$'000)				
Supplier K ⁽¹¹⁾	ACMV services	1,126	9.9	2022	30 Days	Wire transfer
Supplier G	Electrical material	1,102	9.6	Over 5 years	60 Days	Wire transfer
Supplier H	Switchboard	870	7.6	2019	60 Days	Wire transfer
Supplier F	ACMV equipment	463	4.1	2018	60 Days	Wire transfer
Supplier I	Plumbing and sanitary components	438	3.8	Over 5 years	60 Days	Wire transfer
Total		3,999	35.0			

Notes:

- (1) Supplier A is a Singapore listed power cable manufacturer established in 1980 principally engaged in the manufacturing and supply of electric power cables and wires.
- (2) Supplier B is the Singapore subsidiary of a global provider of information and communication technology infrastructure and smart devices.
- (3) Supplier C is a Singapore-based company primarily focused on smart city transformations, providing sustainable urban ecosystems, intelligent transport, smart metro systems, and digital infrastructure.
- (4) Supplier D is a Germany-based listed energy company principally engaged in the engineering, supply and installation of energy equipment and solutions.
- (5) Supplier E is a Singapore-based engineering company principally engaged in engineering design and consultancy and electrical works.
- (6) Supplier F is a Singapore-based global wholesaler and manufacturer of electrical appliances and equipment.
- (7) Supplier G is a Singapore-based power cable and wire manufacturer.

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- (8) Supplier H is a Singapore-incorporated company principally engaged in the supply and repair of switchboards.
- (9) Supplier I is a Singapore-based company principally engaged in the manufacturing of metal pipes and tubes.
- (10) Supplier J is a Singapore-based regional subsidiary of a global multinational electronics and electrical equipment manufacturer, principally engaged in the sales and solutions of electrical and electronic equipment manufacturing of electric power cables and wires.
- (11) Supplier K is a Singapore-based engineering company principally focused on the design, installation, testing and commissioning of ACMV and process systems.

Top Five Subcontractors

During the Track Record Period, our purchases from top five subcontractors amounted to S\$8.4 million, S\$7.4 million, S\$8.0 million and S\$7.2 million in 2023, 2024, 2025 and the six months ended 30 June 2026, respectively, accounting for 40.8%, 23.8%, 19.7% and 24.5% of our total purchases, respectively. In addition, during the Track Record Period, purchases incurred from our largest subcontractor in each year/period accounted for 12.0%, 6.2%, 4.9% and 6.9% of our total purchases, respectively.

The following table sets forth the details of our five largest subcontractors in each period during the Track Record Period:

30 June 2026

<u>Subcontractor</u>	<u>Services provided</u>	<u>Amount</u>	<u>% of total purchases</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment method</u>
		(S\$'000)				
Subcontractor A ⁽¹⁾	Supply and installation of ACMV systems	2,043	6.9	2024	30 Days	Wire transfer
Subcontractor B ⁽²⁾	Supply and installation of electrical systems	1,513	5.1	2023	30 Days	Wire transfer
Subcontractor C ⁽³⁾	ACMV and BMS system	1,392	4.7	2020	30 Days	Wire transfer
Subcontractor D ⁽⁴⁾	Installation of electrical systems	1,271	4.3	2023	30 Days	Wire transfer
Subcontractor E ⁽⁵⁾	Supplier for lighting services	1,023	3.5	2026	30 Days	Wire transfer
Total		<u>7,242</u>	<u>24.5</u>			

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31 December 2025

<u>Subcontractor</u>	<u>Services provided</u>	<u>Amount</u>	<u>% of total purchases</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment method</u>
		(S\$'000)				
Subcontractor F ⁽⁶⁾	ACMV and FP systems	2,007	4.9	2021	35 Days	Wire transfer
Our JA Partner	ELECT services	1,949	4.8	2022	35 Days	Wire transfer
Subcontractor G ⁽⁷⁾	Plumbing and sanitary services	1,361	3.4	2024	35 Days	Wire transfer
Subcontractor H ⁽⁸⁾	Technology solutions for electrical systems	1,354	3.3	2020	35 Days	Wire transfer
Subcontractor I ⁽⁹⁾	ELECT services	1,346	3.3	2020	35 Days	Wire transfer
Total		8,017	19.7			

31 December 2024

<u>Subcontractor</u>	<u>Services provided</u>	<u>Amount</u>	<u>% of total purchases</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment method</u>
		(S\$'000)				
Subcontractor J ⁽¹⁰⁾	ACMV installation works	1,933	6.2	2023	35 Days	Wire transfer
Subcontractor K ⁽¹¹⁾	ACMV ducting work	1,773	5.7	2024	35 Days	Wire transfer
Our JA Partner	ELECT services	1,340	4.3	2022	35 Days	Wire transfer
Subcontractor L ⁽¹²⁾	ACMV ducting work	1,267	4.1	2023	35 Days	Wire transfer
Subcontractor M ⁽¹³⁾	ELECT services	1,101	3.5	2016	35 Days	Wire transfer
Total		7,414	23.8			

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<u>Subcontractor</u>	<u>Services provided</u>	<u>Amount</u> (S\$'000)	<u>% of total subcontracting fees</u>	<u>Commencement of business relationship</u>	<u>Credit terms</u>	<u>Payment method</u>
Subcontractor N ⁽¹⁴⁾	Electrical services	2,469	12.0	2019	35 Days	Wire transfer
Subcontractor O ⁽¹⁵⁾	Electrical services	1,708	8.3	2020	35 Days	Wire transfer
Subcontractor L	ACMV ductwork	1,524	7.4	2023	35 Days	Wire transfer
Subcontractor P ⁽¹⁶⁾	Electrical services	1,377	6.7	2023	35 Days	Wire transfer
Our JA Partner	Electrical services	1,319	6.4	2022	35 Days	Wire transfer
Total		8,397	40.8			

Notes:

- (1) Subcontractor A is a Singapore-based BCA registered contractor primarily focused on the supply of air or water for cooling or heating purposes and the manufacture, repair and related services for refrigerating and ACMV equipment.
- (2) Subcontractor B is Singapore-based company specialising in electrical and ELV system installation, principally focused on electrical engineering and fire prevention and protection works.
- (3) Subcontractor C is a Singapore-based M&E engineering contractor specialising in electrical works, principally focused on electrical installation, mechanical engineering and ACMV systems.
- (4) Subcontractor D is a Singapore-based electrical contractor specialising in electrical works, principally focused on electrical installation and general building engineering design and consultancy services.
- (5) Subcontractor E is a Singapore-based lighting solutions company specialising in the design, supply and distribution of professional lighting products and systems.
- (6) Subcontractor F is a Singapore-based engineering company focused on building construction.
- (7) Subcontractor G is a Singapore-based electrical engineering contractor principally focused on PSG installation and maintenance.
- (8) Subcontractor H is a Singapore-based IT services company principally focused on traffic monitoring, security, digital signage, and communication systems.
- (9) Subcontractor I is the Singapore subsidiary of a U.S. listed company principally focused on specialised IT distribution and services.
- (10) Subcontractor J is a Singapore-based engineering company principally focused on the design, installation, testing and commissioning of ACMV and process systems.
- (11) Subcontractor K is a Singapore-based engineering company principally focused on installation of industrial machinery and equipment, mechanical engineering works.
- (12) Subcontractor L is a Singapore-based engineering company principally focused on electrical engineering works, installation of electrical systems and equipment.
- (13) Subcontractor M is a Singapore-based engineering company principally focused on electrical engineering works.
- (14) Subcontractor N is a Singapore-based engineering company principally focused on engineering works.
- (15) Subcontractor O is a Singapore-based engineering company principally focused on civil engineering, construction works and communication and security systems.
- (16) Subcontractor P is a Singapore-based engineering company principally focused on electrical works with retail sale of lighting and lighting accessories.

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CONTRA CHARGE ARRANGEMENTS

During the Track Record Period, there were contra charge arrangements where our customers, acting as the main contractor in the construction projects, paid certain expenses on our behalf, with such expenses deducted from their payments to us as their subcontractors in settling their contractual fees for such projects. Such expenses mainly include, among others, material and labour costs and other miscellaneous expenses. During the Track Record Period, we were contra charged with certain top five customers, specifically, Customer A, Customer B, Customer C, Customer E, Customer H, Customer I, Customer L and our JA Partner. Our revenue from such customers in aggregate amounted to approximately S\$30.1 million in 2023, S\$61.3 million in 2024, S\$68.2 million in 2025 and S\$36.2 million in the six months ended 30 June 2026, respectively. The contra charge charged by such customers in aggregate amounted to approximately S\$0.4 million in 2023, S\$1.5 million in 2024, S\$1.5 million in 2025 and S\$0.1 million in the six months ended 30 June 2026, respectively. According to CIC, such contra charge arrangements are a common practice in the construction industry in Singapore.

JOINT ARRANGEMENTS WITH OUR JA PARTNER

During the Track Record Period, Sunbeam, one of our subsidiaries, and our JA Partner, formed joint arrangements to conduct three projects, including a hotel building, business park building and media production building in Singapore. Our JA partner, a wholly-owned subsidiary of CNQC International Holdings Limited (SEHK: 1240), is an Independent Third Party of our Group and is primarily engaged in M&E engineering business possessing BCA Grade L6 grading in ME01, ME05 and ME15 workheads. During the Track Record Period, we submitted joint-tenders with our JA Partner and formed joint arrangements in projects because we consider that it would enhance our mutual competitiveness in obtaining the tenders by utilising the technical advantages, financial capacity and resources of each of us.

During the Track Record Period, we undertook three projects under this joint arrangement with our JA partner with the profits are distributed equally between our JA partner and us. We entered into agreements with our JA partner for each of the three projects to ascertain the roles, responsibilities and financial arrangements within the joint-tender and the subsequent project contract. The salient terms of joint arrangement agreements our Group entered into during the Track Record Period are as follows:

Joint rights and responsibilities	The specific roles of each party entering into the joint-tender agreement are stipulated, including expertise/management resources provided and value of management resources attributed.
Project management and decision making	A management committee with two representatives nominated by each side will typically be formed for the operation of the project, including deciding matters such as transfer of funds. Each party typically nominates two representatives with voting rights to share the responsibilities. Selection of sub-contractors, equipment suppliers, material purchases, and communications with the owner/client must be agreed upon by both parties.

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In the event that there is an equality of votes cast by the management committee members in respect of any decision to be approved, representatives will discuss to resolve such deadlock. If such deadlock is unresolved, the deadlock is referred to and finally resolved by a jointly-appointed independent third party.

Financing and accounting	Parties’ authorised persons are stated and the responsibility allocation for financial accounting.
Funding	A deposit for the initial startup costs (if any) for the project is specified.
Distribution of profits	The profits of the projects are usually shared equally among parties. Final distribution usually takes place after the TOP is issued and profits and losses statements are finalised. Excess funds can be distributed mid-project if cash flow is healthy and profitability likelihood is high, subject to unanimous agreement.

During each year/period in the Track Record Period, the joint arrangements contributed profit after tax to our Group amounted to S\$63 thousand in 2023, S\$1.0 million in 2024, S\$3.9 million in 2025 and S\$0.2 million in the six months ended 30 June 2026, respectively. For details of the accounting treatment of the joint arrangements, see note 11 to the Accountants’ Report as set out in Appendix I to this document.

PRICING STRATEGY

We utilise VOs to adjust contract sums for changes in project scope, the frequency and magnitude of which vary by project type:

- **Design-and-Build Projects.** We generally experience a lower frequency of VOs as we assume responsibility for design compliance, thereby internalising most adjustments within the original contract sum.
- **Build-to-Design Projects.** VOs are more frequent in these projects, arising primarily from deviations from original tender documents or client-initiated design amendments.

Moreover, we adhere to a VO protocol as stipulated in our construction contracts, which encompasses:

- **Instruction.** Any change in scope must be authorised via formal written instructions from the superintending officer, architects or consultant engineers.
- **Submission.** Upon identifying a potential variation, we submit a formal request for instructions while concurrently soliciting market quotations to estimate cost impacts.
- **Registration.** A VO is formally registered once official instructions are received. These instructions typically state that the final valuation is subject to joint measurement and verification.

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- **Interim Payment.** We recognise revenue from VOs via progress payments based on the percentage of completion, even if the final quantum remains subject to final account settlement.

Acquisitions during the Track Record Period

During the Track Record Period, the Company has completed the acquisitions of the entire share capital of Fire-Guard and Guthrie Engineering on 7 February 2024 and 1 July 2025, respectively. The acquisitions enable our Company to strengthen our M&E engineering services coverage and broaden our customer base. See “History and Corporate Structure — Corporate History — Acquisitions during the Track Record Period”.

SALES AND MARKETING

In the M&E engineering industry, project opportunities often arise through reputation and established track records, with word-of-mouth referrals serving as a primary business driver in the private sector rather than traditional advertising, which is in line with industry practice, according to CIC. Consequently, we focus our resources on project excellence and high-level client relationship management.

During the Track Record Period, we secured new business opportunities mainly through direct invitations for tender by customers. Our Directors consider that our reputation, word-of-mouth recommendations, our qualifications and licences, design-and-build capability and ability to provide a wide range of M&E engineering solutions are important factors in being invited for tenders. Currently we are able to obtain information in relation to new businesses through the contacts of our Directors and key management. In particular, after our successful completion of the M&E engineering works for the buildings supporting Singapore’s port facilities, we are able to approach more M&E engineering consultants and main contractors, and obtain more information in relation to new project opportunities. We believe that our ability to continue to successfully execute our projects allows us to build up our competencies and experience, which brings further new opportunities such that we do not rely heavily on advertising and marketing activities.

In addition, CRS is Singapore’s nation-wide registry of construction firms. Since 1 June 2025, all firms that wish to hire construction S Pass and/or Work Permit holders must first register with CRS. CRS also grades the contractors based on financial, track record, personnel and other requirements (e.g. certifications). We maintain our competitive edge by ensuring strict compliance with licensing and registration requirements and monitoring the GeBIZ portal for open and selective tender opportunities, where our technical qualifications and BCA grading are critical for eligibility for higher value projects. See “— Our strengths — Top-tier BCA M&E engineering workhead registrations forming a high entry barrier”.

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LOGISTICS AND INVENTORY MANAGEMENT

Our inventories mainly include raw materials. In general, materials are procured by us based on our projects on hand and are delivered to our project sites to meet the work schedule of the projects. As such, we maintain minimum inventory during the Track Record Period. We have established internal submission and approval procedures to optimise the logistics of our inventory management and standard of purchase orders.

QUALITY CONTROL AND DEFECT LIABILITY

We have implemented quality control systems. Our projects are subject to qualification standards and track record requirements that vary according to project complexity and scale. Many engagements necessitate the involvement of subcontractors possessing specialised professional qualifications and technical certifications for specific engineering sub-disciplines. Due to the highly technical nature of these works, the market may feature a limited pool of qualified subcontractors and in certain niche instances, a single specialised provider, capable of meeting such rigorous standards. We manage this through long-standing relationships with our supply chain to ensure resource availability.

Standards

In addition, as we place emphasis on providing high quality services and ensuring the safety and functionality of the M&E engineering systems, we have established a structured quality management system in our project delivery process that integrates industry-leading standards and best practices to ensure service reliability and customer satisfaction. The systems are certified to be in compliance with ISO 9001:2015 (Quality Management System), ISO 45001:2018 (Occupational Health and Safety Management System) and bizSAFE Star for workplace safety and health.

Project Supervision

A project team is formed for each project based on the project nature and the relevant qualifications and experiences required. The project team generally comprises a project director, a project manager, project engineers and project supervisors.

- The project director is responsible for overseeing the execution of the project as per the contractual and customer requirements, reporting periodically to the management team on the overall status of the project, overseeing the preparation and implementation of the relevant project quality plan and occupational health and safety measures, overseeing the procurement of materials from suppliers and works performed by subcontractors, liaising with the relevant customers and regulatory authorities on all major issues involved in the project, and coordinating with the relevant design consultants, main contractors and other relevant parties in respect of the technical design for the project.
- The project manager is responsible for overseeing the project team, liaising with the relevant customers, consultants and main contractors on the overall matters of the project, allocating necessary and competent resources, and overseeing the progress, budget and quality of services rendered.
- The project engineer monitors and inspects the works on site regularly and takes necessary actions promptly as appropriate.

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- The project supervisor is responsible for organising the respective workgroups by trades in carrying out the construction works as per the approved drawings, approved method statements, authorities’ requirements, and the relevant occupational health and safety rules and regulations, and monitoring their works.

Moreover, during the Track Record Period, we also implemented supplier-related quality control measures to ensure the quality of our services and the services delivered by our subcontractors. See “— Our Suppliers — Supplier Management”.

INFORMATION TECHNOLOGY SYSTEMS

We utilise and maintain IT systems to support our day-to-day business operations. Our main information technology systems comprise (i) a collaborative office system for business operations and email management; (ii) a financial management system for accounting and financial reporting purposes; and (iii) an HR management system to support our human resources functions. These systems enable us to manage our financial reporting accurately, streamline our human resources processes, and facilitate effective internal communication, thereby enhancing our overall operational efficiency.

We may experience operational risks relating to the use of information technology systems. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material IT system failure or downtime that had a material adverse effect on our business operations.

COMPETITION

We operate in a highly competitive sector and compete on various factors, such as pricing, quality of services and track record. We face competition from a group of companies which are also able to offer some or all of the services in the business segments we undertake. In addition, we consider other M&E engineering companies to be our main competitors. See “Industry Overview”.

INTELLECTUAL PROPERTY

As at the Latest Practicable Date, we had registered one trademark. For details, see “Statutory and General Information — B. Further information about our business — 2. Our material intellectual property rights” as set out in Appendix V to this document.

As at the Latest Practicable Date, we were not aware of any material infringements (i) by us of any intellectual property rights owned by third parties; or (ii) by any third parties of any intellectual property rights owned by us. As at the Latest Practicable Date, we were also not aware of any pending or threatened claims against us or against any members of our Group in relation to any material infringement of intellectual property rights of third parties.

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AWARDS AND RECOGNITION

We received a number of awards and recognitions in connection with our business and set forth below are some of the material awards and recognitions we had received during the Track Record Period and up to the Latest Practicable Date:

<u>Year</u>	<u>Award/Recognition</u>	<u>Awarding Institution/Authority</u>
2026	Best Contractor Award for The Month of February 2026 (Guthrie Engineering)	Expand Construction Pte Ltd
2026	Certificate of Commendation for Commitment in Achieving Zero Safety Infringement for works performed in 2025	Changi Airport Group
2026	Singapore’s Best Employers (Guthrie Engineering)	The Straits Times and Statista
2025	Safety Excellence Award (Guthrie Engineering)	Changi Airport Group
2025	Safe Business Partner Award (Guthrie Engineering)	SBS Transit

PROPERTIES

Our headquarters is located in Singapore. As at the Latest Practicable Date, we own one property which served as the office building of one of our subsidiaries with an aggregate gross floor area of approximately 6,363.7 square metres, and we leased six properties in Singapore with an aggregate gross floor area of approximately 907.4 square metres. Our leased properties are primarily used as offices for general administration and employee dormitory.

EMPLOYEES

Number of Employees

As at the Latest Practicable Date, we had 538 full-time employees, and all of them were based in Singapore.

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The following table sets forth the number of our employees categorised by function and percentage of our total number of employees:

Function/department	As at the Latest Practicable Date	
	Number of Employees	% of Total
Management	20	3.7
Human Resources, Administration and Finance	30	5.6
Designer, Modeller and Drafter	35	6.5
Tender and Procurement	22	4.1
Project	228	42.4
Workers	203	37.7
Total	538	100.0

Employee benefits

We believe that our employees are valuable assets that contribute to the success of our Group. We recruit our employees based on a number of factors such as industry experience and educational background, as well as our vacancy needs. We offer employees compensation packages that are reviewed periodically against individual performance and market trends, and incentivise employees to improve their performance through an appraisal system linked to discretionary annual increments and bonuses. Our employee compensation includes base pay, performance-based bonuses, and allowances and subsidies, while our employee benefits include statutory benefits, supplementary commercial insurance, leaves, health check-ups and holiday benefits.

Moreover, to mitigate the risk of key personnel departure, we offer competitive remuneration packages and maintain a positive working environment to retain our valued employees. We also ensure that knowledge and project responsibilities are shared across the team, so that operations can continue smoothly in the event of any staff changes. Our employees also undergo trainings to enhance their technical skills, knowledge of industry quality standards, occupational health and safety standards and applicable laws and regulations. We believe that we have maintained good working relationships with our employees. During the Track Record Period and up to the Latest Practicable Date, we did not experience any major labour disputes, work stoppages or labour strikes that led to disruptions in our Group’s operations. We are dedicated to continuous research into the talent needs of the industry, focusing on key areas to support talent cultivation and design.

Labour Standards

We strictly comply with the relevant labour law of Singapore (including the EA). We established comprehensive policies, including the employee business conduct manual, to guarantee that our employment practices are both lawful and compliant. We are committed to a human labour rights policy that embodies respect for human rights, humane treatment, opposes the use of child labour, refuses to tolerate harassment and upholds the principles of freedom of association and open communication. We prohibit discrimination in recruitment and employment, such as nationality, race, gender, religious beliefs, etc., and prohibit forced labour, labour trafficking and the use of child labour. During the Track

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Record Period and up to the Latest Practicable Date, there were no incidents in violation of the Company’s policies or relevant laws and regulations pertaining to child labour, forced labour, labour trafficking or employee discrimination.

Furthermore, one of our subsidiaries, Guthrie Engineering, established a labour union in accordance with relevant regulations in Singapore. The union actively provides benefits to employees and protects employees’ legal rights. During the Track Record Period and up to the Latest Practicable Date, we did not have any material labour dispute with or suffer any strike by our employees.

INSURANCE

We consider our insurance coverage to be adequate as we have in place all the mandatory insurance policies required by the relevant laws and regulations and in accordance with the commercial practices in our industry. As at the Latest Practicable Date, we maintain a number of general insurance policies which include the work injury compensation insurance policies and the foreign workers’ medical insurance policies for our staff. We are also covered by contractors’ all risk insurance and security bonds for our operation and our projects. However, we may experience risks in relation to our insurance coverage. See “Risk Factors — Risks Relating to Our Business and Industry — Our insurance coverage may not be sufficient to cover all the potential losses arising from our business operations”.

During the Track Record Period, we did not make any material insurance claims in relation to our business. Our Directors believe, having considered the risk levels and the cost of procuring insurance coverage for certain risks associated with our business, that our insurance coverage is adequate for our business operations and in line with industry practice. We periodically review the insurance coverage of our Group and will consider additional insurance coverage, if necessary.

RISK MANAGEMENT AND INTERNAL CONTROL

We have established and currently maintain risk management and internal control systems consisting of policies and procedures that we consider to be appropriate for our business operations. We are dedicated to continually improving these systems. We have adopted and implemented risk management policies in various aspects of our business operations such as financial reporting, cash management, human resources management and tendering management. To monitor the ongoing implementation of our risk management policies and corporate governance measures after the [REDACTED], we have adopted and will continue to take risk management measures as follows:

- Our Board is responsible for the establishment, improvement and supervision of the implementation of our internal control system.
- Our Company’s senior management is responsible for the development and effective implementation of our internal control system.
- Our employees are responsible for following the systems, processes and standards of internal control.
- Our finance department assists our management with developing risk management policies and reviewing major risk management matters, providing guidance to relevant departments on risk management measures and overseeing the implementation of risk management policies.

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Legal and Compliance Risk Management

To effectively manage our compliance and legal risk exposures, we have adopted internal procedures to ensure the compliance of our business operations with the applicable rules and regulations. In accordance with these procedures, relevant department initiating contracts and finance department perform the basic function of reviewing the form of contracts we enter with our customers and suppliers.

We continuously improve our internal policies according to changes in laws, regulations and industry standards and update internal templates for legal documents. We undertake compliance management over various aspects of our operations and employee activities. We have also established an accountability system in respect of employees’ violations of laws, regulations and internal policies. In addition, we continually review the implementation of our risk management policies and measures to ensure our policies and implementation are effective and sufficient. We have an employee code of conduct in place, which contains internal rules and guidelines regarding basic working rules, work ethics, confidentiality, negligence, anti-bribery and anti-corruption. We continually review, collect suggestions for improvement from our employees and update the employee code of conduct.

Financial Reporting Risk Management

We have in place a set of policies in connection with our financial reporting risk management, such as financial reporting management, investment management and budget management. We also have procedures in place to implement an internal audit. Our finance department reviews our management accounts and our internal control policy. The Company has engaged an external professional consultant to perform internal audit.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time become a party to various legal, arbitration or administrative proceedings arising in the ordinary course of our business.

During the Track Record Period, our Group was involved in an arbitration in Singapore initiated by one of the Group’s sub-contractors arising from a sub-contract in connection with a construction project. Our Group terminated a contract of a sub-contractor due to the quality deficiencies of such sub-contractor, and the sub-contractor initiated a claim against the Group for its losses. We opposed the claim and further counterclaimed the sub-contractor for project defaults and the cost of rectification of the deficient work. As at the Latest Practicable Date, the arbitration proceedings are still ongoing. As we have put forward substantial evidence and arguments and we have already rectified the deficient work done by such sub-contractor, we are of the opinion that the likelihood of the sub-contractor succeeding in the claim is not probable and accordingly no provision for the arbitration has been made. Our Directors believe that the proceedings are not expected to have a material adverse effect on the business, financial condition or results of operations of our Group. Save as disclosed above, our Directors confirm that as at the Latest Practicable Date, there were no litigation, arbitration or administrative proceedings pending or threatened against our Company or any of the Directors which could have a material and adverse effect on our financial condition or results of operations.

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Legal Compliance

We are subject to various laws and regulations in Singapore. During the Track Record Period and up to the Latest Practicable Date, we did not commit any material non-compliance of such laws and regulations, and we did not experience any material non-compliance incident, which taken as a whole, in the opinion of our Directors, is likely to have a material and adverse effect on our business, results of operations or financial condition. During the Track Record Period and up to the Latest Practicable Date, we had complied with the relevant laws and regulations in all material respects in Singapore.

DATA PRIVACY AND INFORMATION SECURITY RISK MANAGEMENT

In the course of our business, we collect, store and process business data and transaction data and strictly comply with the Personal Data Protection Act. As we only make transactions with enterprises, we do not collect or process personal data. We maintain a financial system, a human resource management system and a business management system.

We pay close attention to risk management relating to our IT system, as storage and protection of corporate data and related information is critical to us. To ensure data security, we have adopted a rigorous algorithm to store sensitive data and strictly execute a data accessing and transmitting policy to ensure the confidentiality of our data. We have also developed strict internal control and data accessing mechanisms and detailed approval and operation procedures regarding data storage and processing. We have established a set of internal protocols on data security, which sets forth detailed, strict requirements in relation to the use, disclosure and protection of confidential information. Among other things, such internal protocols provide limited authorisation to our employees holding specific positions at specific levels to access and process corporate data on a need-to-know basis, who shall use such data only for the purposes of performing their work assignment.

All of our employees are required to sign a confidentiality agreement with us, which prohibits them from disclosing any confidential information relating to their work without our consent. We have a comprehensive data backup system to minimise the risk of data loss.

LICENCES AND PERMITS

During the Track Record Period and up to the Latest Practicable Date, we obtained all material licences, approvals, consents, registrations and permits that were required for our business operations in Singapore, and such licences, approvals, consents, registrations and permits remained in full effect.

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The following table sets forth details of our material licences and permits:

<u>Licence/Permit</u>	<u>Date of grant/ filing</u>	<u>Date of expiry/ Next renewal</u>	<u>Issuing authority</u>
ISO 9001:2015 Quality Management System	24 November 2025	1 December 2028	EQA IMS Certification Pte Ltd, Singapore
ISO 45001:2018 Occupational Health and Safety Management System	24 November 2025	1 December 2028	EQA IMS Certification Pte Ltd, Singapore
BizSAFE STAR Certificate	27 November 2025	1 December 2028	Workplace Safety and Health Council of Singapore

The following table sets forth details of our BCA workhead registrations:

<u>Workheads</u>	<u>Description</u>	<u>Registered subsidiary</u>	<u>BCA Grading</u>	<u>Tendering limit/Contract capacity</u>	<u>Expiry date</u>
ME01	Air-Conditioning, Refrigeration and Ventilation Works	Sunbeam	L6	Unlimited	01/10/2027
ME04	Communication & Security Systems	Guthrie Engineering	L6	Unlimited	01/07/2029
ME05	Electrical Engineering	Sunbeam	L6	Unlimited	01/10/2027
		Guthrie Engineering	L6	Unlimited	01/07/2029
ME15	Integrated Building Services	Sunbeam	L6	Unlimited	01/10/2027
		Guthrie Engineering	L6	Unlimited	01/07/2029
SY04	Electrical Equipment	Guthrie Engineering	L6	Unlimited	01/07/2029
SY05	Electrical & Electronic Materials, Products & Components	Guthrie Engineering	L6	Unlimited	01/07/2029
ME11	Mechanical Engineering	Guthrie Engineering	L5	S\$16.0 million	01/07/2029
ME12	Plumbing & Sanitary Works	Sunbeam	L5	S\$16.0 million	01/10/2027
ME02	Building Automation, Industrial & Process Control Systems	Guthrie Engineering	L5	S\$16.0 million	01/07/2029
ME06	Fire Prevention & Protection Systems	Guthrie Engineering	L5	S\$16.0 million	01/07/2029
		Fire-Guard	L5	S\$16.0 million	01/02/2028
		Sunbeam	L3	S\$5.0 million	01/10/2027
SY06	Finishing & Building Products	Guthrie Engineering	L3	S\$5.0 million	01/07/2029
CW01	General Building	Guthrie Engineering	C3	S\$650,000	01/07/2029
CW02	Civil Engineering	Guthrie Engineering	C3	S\$650,000	01/07/2029
ME10	Line Plant Cabling/Wiring for Telecommunications	Guthrie Engineering	L1	S\$900,000	01/07/2029
ME13	Traffic Light Systems	Guthrie Engineering	L1	S\$900,000	01/07/2029

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<u>Workheads</u>	<u>Description</u>	<u>Registered subsidiary</u>	<u>BCA Grading</u>	<u>Tendering limit/Contract capacity</u>	<u>Expiry date</u>
GB1	General Builder Class 1	Guthrie Engineering	N/A	Up to S\$15.0 million ^{Note}	27/10/2027
SY08	Mechanical Equipment, Plant & Machinery	Guthrie Engineering	L1	S\$1.0 million	01/07/2029

Note: A GB1 licence allows contractors to undertake private sector projects of any value, but under Singapore public procurement rules, a GB1 builder paired with a CW01 C3 registration is typically capped at a tendering limit of S\$15.0 million for public sector building works.

ENVIRONMENTAL SOCIAL AND GOVERNANCE (“ESG”)

Overview

We are committed to integrating environmental, social, and governance (“ESG”) considerations into our long-term business strategy. We believe that sustainable operations are fundamental to maintaining our competitive advantage in the M&E engineering sector and creating enduring value for our shareholders.

Our sustainability framework is built upon three strategic pillars: Governance and Ethics, Climate Change, and Human Capital. These pillars ensure our resource allocation and risk management processes are aligned with the evolving regulatory requirements and stakeholder expectations. Qualitative and quantitative targets have been established across these three pillars and are regularly monitored to track performance and drive continuous improvement.

Sustainability Strategy

We have adopted a proactive approach to sustainability, focusing on the following core areas:

- **Focus 1: Governance and Ethics:** We conduct our business activities with the highest standards of integrity and accountability. We prioritise effective corporate governance practices and ensure relevant ESG factors are integrated into our decision-making processes and transactions.
- **Focus 2: Climate Change:** The Group is dedicated to incorporating sustainable practices throughout our operations. To enhance transparency regarding our climate-related risks and opportunities, we have aligned with IFRS Sustainability Disclosure Standards (“**IFRS SDS**”) within this Report, where applicable.
- **Focus 3: Human Capital:** We are committed to fostering a safe and supportive work environment, for our employees. By investing in their growth and well-being, we empower them to provide quality services to our customers.

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Stakeholder Engagement and Materiality Assessment

We identify our stakeholders as entities or individuals who significantly influence, or are significantly impacted by, our operations. These include customers, employees, suppliers, government and regulatory bodies, and investors.

The Group conducts an annual materiality assessment to identify and prioritise ESG topics that could materially impact our financial performance or reputation. Our process involves:

- Step 1 Identification: Identifying material sustainability issues and topics relevant to stakeholders, drawing from both universal criteria and the Global Reporting Initiative (“GRI”) Standards.
- Step 2 Comparative Study: Comparing against competitors and peers to determine how the industry identifies and prioritises material factors.
- Step 3 Prioritisation: Ranking the material sustainability issues based on its significance in terms of ESG impact and stakeholders’ concerns by key stakeholders.
- Step 4 Validation: Review and approval of the material topics by the Board of Directors.

Following our 2024 assessment, we identified 12 key material topics categorised under our three pillars:

<u>Focus 1: Governance and Ethics</u>	<u>Focus 2: Climate Change</u>	<u>Focus 3: Human Capital</u>
Anti-Corruption	Economic Performance	Employment
Customer Privacy	Energy	Occupational Health and Safety
	Emissions	Training and Education
	Waste	Diversity and Equal Opportunity
		Non-discrimination
		Customer Health and Safety

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Governance

Sustainability Governance Structure

The Group has established a tiered sustainability governance structure to ensure rigorous oversight and seamless execution across all levels of our operations.

- **The Board of Directors:** Holding ultimate responsibility for the Group’s ESG strategy and reporting. The Board oversees the identification and assessment of Climate-related Risks and Opportunities (“**CRROs**”) and ensures that ESG considerations are integrated into the Group’s risk management and internal control systems. All Board has engaged external ESG specialists to provide ESG training, ensuring the Board possesses the technical competence and necessary expertise in navigating the evolving ESG landscape.
- **Work Teams:** Comprising representatives from the Finance, Operations, and Human Resources departments, these teams are responsible for the day-to-day execution of ESG initiatives and the collection of performance data for review by the Board.

Sustainable Policies

Sustainability is integrated into our business operations through a comprehensive set of policies that address a broad range of governance and operational areas. These include the Anti-Corruption Policy and Whistle-blowing Policy, which collectively provide a robust framework for managing sustainability across our daily operations while safeguarding the quality of our products and services. To ensure continued relevance and effectiveness, these policies are subject to regular review and updates in line with evolving industry standards and management requirements.

Business Ethics and Integrity

We uphold a zero-tolerance approach toward any form of ethical misconduct. Our commitment to integrity is institutionalised through a comprehensive list of policies that govern the conduct of our employees and business partners. During 2025 and the six months ended 30 June 2026, there were no instances of non-compliance with relevant laws and regulations pertaining to economic, environmental, or social issues that resulted in any warnings, penalties, or fines.

Governance Practices

- **Anti-Corruption Policy:** We strictly prohibit all forms of bribery and corruption. We conduct periodic internal audits and risk assessments to identify vulnerabilities. Over the past three reporting years, no legal cases regarding corrupt practices were brought against the Group or its employees.
- **Whistle-blowing Policy:** We provide a secure, confidential, and anonymous mechanism for employees and external stakeholders to report concerns regarding malpractice or unethical behaviour. Reports are investigated by the Audit Committee to ensure impartiality. No whistleblowing reports were received over the past three reporting years.

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Governance Targets

<u>Annual Governance and Ethics Targets</u>	<u>2023–2025 and the six months ended 30 June 2026 Targets Performance</u>
Zero cases of corruption	<ul style="list-style-type: none"> No cases regarding corrupt practices brought against the Group and its employees
Zero incidents of non-compliance with corporate laws and regulations	<ul style="list-style-type: none"> No instances of non-compliance with corporate laws and regulations occurred
Zero instances of data breaches	<ul style="list-style-type: none"> No incidents concerning data breaches occurred
Zero incidents of environmental non-compliance	<ul style="list-style-type: none"> No instances of environmental non-compliance occurred

Environment

Governance of Climate-related Risks and Opportunities (“CRROs”)

The Board holds primary responsibility for overseeing the Group’s response to climate change. The Board meets biannually to review the Group’s climate risk profile. These sessions focus on:

- Integrating CRROs into the Group’s long-term strategic and financial planning.
- Evaluating the progress of climate-related targets and reviewing the effectiveness.

Climate Strategy and Business Resilience

To assess the resilience of our business model, we have defined the following parameters for the climate risk assessment:

<u>Parameters</u>	<u>Selection</u>
Time Horizons	<ul style="list-style-type: none"> Short-term (less than 5 years) Medium-term (5–10 years) Long-term (more than 10 years)
Likelihood Levels	<ul style="list-style-type: none"> Certain (more than 90% chance) Likely (50%–90% chance) Possible (less than 50%chance)
Climate Scenario	<ul style="list-style-type: none"> Net Zero 2050 (orderly transition) Current Policies (hot house world) scenarios under Network for Greening the Financial System (“NGFS”)

Climate Risk Management

In 2024, the Group conducted a climate risk and opportunity assessment to develop a good understanding of the Group’s key climate-related risks and opportunities. These risks and opportunities were reviewed and validated annually in 2025.

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Below is a summary of our material climate-related risks and opportunities and our strategic response:

Risk/ Opportunity Category	Time Horizon	Description of Risk/Opportunity	Financial Impact	Management’s Response
Transition Risk (Policy and Legal)	Medium, Long	Increased carbon taxes resulting in higher operational costs	Increased operational expenses	<ul style="list-style-type: none"> • The Group continues to monitor our energy performance data and identify new areas to improve the energy efficiency of our operations.
Transition Risk (Technology/ Market)	Short, Medium, Long	Requirement by certain projects to utilise generators that use biodiesel fuels, leading to increased operational costs	Increased operational expenses	<ul style="list-style-type: none"> • The Group has adopted the utilisation of biodiesel to meet client requirements. • The Group will continue to use biodiesel to meet client requirements and manage our costs to fulfil the biodiesel needs of clients.
Physical Risk (Acute)	Short, Medium, Long	Extreme rainfall and increased flooding events will necessitate greater operational and maintenance costs	Increased operational expenses	<ul style="list-style-type: none"> • While there were no significant impacts from physical risks on our operations from 2023 to 2025, the Group has developed business contingency plans in the event of any sudden weather changes.
Physical Risk (Chronic)	Long	Increasing mean temperatures will require increased energy consumption, affect the vulnerability of the labour force, and have an impact on building materials and durability	Increased operational expenses	<ul style="list-style-type: none"> • The Group is constantly sourcing more sources of origin for its materials. • The Group continuously reviews our insurance plans to ensure adequate insurance coverage. • All workers are covered by foreign worker medical insurance and workers’ compensation insurance. Additionally, workers are consistently reminded to monitor their health when working. The Group has also initiated water campaigns that are conducted every few hours to remind workers to drink water and hydrate themselves.
Transition Opportunity (Products and Services)	Short, Medium, Long	Increased revenue by meeting changing consumer preferences	Increased revenue due to increased demand for buildings with green features	<ul style="list-style-type: none"> • The Group continues to monitor trends in the market on technology development and designs and provide energy-efficient systems. • The Group has also invested to capture the transition opportunities over the past three years, which the costs have been included in the project cost.

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Risk/ Opportunity Category	Time Horizon	Description of Risk/Opportunity	Financial Impact	Management’s Response
Transition Opportunity (Market)	Short, Medium, Long	Greater demand for air-conditioning and mechanical ventilation systems	Increased revenue due to increased demand for services	<ul style="list-style-type: none"> The Group continues to improve and grow its air-conditioning and mechanical ventilation business.

Climate Metrics and Targets

To monitor our climate-related metrics and manage the risks identified above, the Group tracks the following indicators to measure progress, track trends, and support informed management decision-making:

					Six months ended 30 June
		2023	2024	2025	2026
Aspects	Units	Performance ¹	Performance ²	Performance ³	Performance ⁴
Greenhouse Gas Emission					
Scope 1 Emissions	Tonnes of CO ₂ equivalent (tCO ₂ e)	15.4	46.5	55.0	31.4
Scope 2 Emissions	Tonnes of CO ₂ equivalent (tCO ₂ e)	14.9	39.4	31.8	17.5
Scope 1 and 2 Emissions	Tonnes of CO ₂ equivalent (tCO ₂ e)	30.3	85.9	86.8	48.9
Greenhouse Gas Emission Intensity					
Total Greenhouse Gas Emission Intensity	tCO ₂ e/m ²	0.03	0.10	0.10	0.06

- 1 The 2023 performance data covers the Group’s operations and its subsidiary Sunbeam as at 31 December 2023. Ever Capital has been excluded from the reporting boundary as it had no operations in 2023.
- 2 The 2024 performance data covers the Group’s operations and subsidiaries, including Sunbeam and Fire-Guard, which was acquired in February 2024, as at 31 December 2024. Ever Capital has been excluded from the reporting boundary as it had no operations in 2024.
- 3 The 2025 performance data covers the Group’s operations and subsidiaries, including Sunbeam and Fire-Guard as at 31 December 2025. Ever Capital has been excluded from the reporting boundary as it had no operations in 2025, and Guthrie Engineering has been excluded from the reporting boundary as it was acquired in July 2025.
- 4 The 2026 performance data covers the Group’s operations and subsidiaries, including Sunbeam and Fire-Guard as at 30 June 2026. Ever Capital has been excluded from the reporting boundary as it had no operations in 2026, and Guthrie Engineering has been excluded from the reporting boundary as it is a newly acquired entity.

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The Group plans to implement a phased approach to quantify and monitor Scope 3 emissions in the future.

Energy

The Group is dedicated to optimising energy efficiency and reducing our carbon footprint across our sites. Our primary energy sources include purchased electricity, diesel for transport and onsite generators, and Liquefied Petroleum Gas (“LPG”) for operations.

In 2025, the Group’s total energy consumption was 1,025.9 Gigajoules (GJ). The increase in direct energy consumption during the reporting period was primarily attributable to the Group’s operational expansion and the addition of logistics capacity to support ongoing projects. To improve transparency, we have expanded our reporting boundary in 2025 to include LPG consumption from worker dormitories.

					Six months ended 30 June 2026
Aspects	Units	2023 Performance ⁵	2024 Performance ⁶	2025 Performance ⁷	2026 Performance ⁸
Energy Consumption					
Direct Energy (Diesel)	Gigajoule (GJ)	208.1	627.8	741.0	422.9
Indirect Energy (Electricity)	Gigajoule (GJ)	128.8	292.5	284.9	156.8
Total Energy Consumption	Gigajoule (GJ)	336.9	920.3	1,025.9	579.7
Energy Intensity					
Total Energy Intensity	GJ/m ²	0.68	1.02	1.20	0.65

5 The 2023 performance data covers the Group’s operations and its subsidiary Sunbeam as at 31 December 2023. Ever Capital was not included in the reporting boundary as it had no operations in 2023.

6 The 2024 performance data covers the Group’s operations and subsidiaries, including Sunbeam and Fire-Guard, which was acquired in February 2024, as at 31 December 2024. Ever Capital has been excluded from the reporting boundary as it had no operations.

7 The 2025 performance data covers the Group’s operations and subsidiaries Sunbeam and Fire-Guard as at 31 December 2025. Ever Capital has been excluded from the reporting boundary as it had no operations during 2025, and Guthrie Engineering was not included as it was acquired in July 2025.

8 The 2026 performance data covers the Group’s operations and subsidiaries, including Sunbeam and Fire-Guard as at 30 June 2026. Ever Capital has been excluded from the reporting boundary as it had no operations in 2026, and Guthrie Engineering has been excluded from the reporting boundary as it is a newly acquired entity.

Waste

As part of our commitment to circularity, we strive to divert our project waste generated (non-hazardous) from disposal in 2025. We conscientiously segregate our general waste from our recyclable waste. Construction materials, such as cement pipes and decommissioned equipment, such as Makita machines, faulty motors, and cables, are responsibly processed through recycling.

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In 2025, we generated and recycled an estimated 35 tonnes of waste in total, compared to 13.7 tonnes in 2024 and 10.4 tonnes in 2023. The increase in waste generated was largely due to the accumulation of waste from an ongoing project, which was only disposed of in 2025.

For the past three years, the Group’s total environmental compliance costs were approximately HK\$48 thousand. These costs primarily related to ISO certification fee.

Environmental Targets

2023–2025 and the six months ended 30 June 2026	
Annual Environmental Targets	Targets Performance
Minimise coolant storage leakages and ensure it meets industry benchmarks.	<ul style="list-style-type: none">Ensured compliance with the BCA Green Mark scheme through the implementation of sustainable practices, including management of hazardous materials such as coolants.Additionally, adherence to the National Environment Agency (“NEA”) guidelines for the safe storage and handling of chemicals was also implemented.

Social

Occupational Health and Safety

The Group has implemented a comprehensive occupational health and safety (“OHS”) management system to provide a safe working environment and mitigate operational risks. This is underpinned by the establishment of the Quality Occupational Health & Safety (“QOHS”) Policy, which is aligned with the MOM’s guidelines on Workplace Safety and Health. Our framework is certified under ISO 45001 and applies to all employees and contractors, who have been thoroughly informed of its protocols and guidelines.

At every project site, our safety officers and coordinators conduct systematic risk assessments to evaluate:

- Routine and Non-routine Operations: Identifying hazards in materials handling, equipment usage, and workplace conditions.
- Quantifiable Risk Metrics: Probability of occurrence and potential severity are mapped to determine priority mitigation actions.
- Incident Investigation: All work-related injuries are subject to a root-cause analysis to implement corrective actions and prevent recurrence.

During the Track Record Period and up to the Latest Practicable Date, we recorded five work-related accidents involving five of our employees, and save for one work-related accident, all claims have been fully settled as at the Latest Practicable Date. Save as disclosed, the Group did not experience any material incidents or accidents in relation to workers’ safety during the Track Record Period and up to the Latest Practicable Date.

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The table below summarises the Group’s health and safety performance:

Health and Safety Metrics	2023 Performance ⁹	2024 Performance ¹⁰	2025 Performance ¹¹	Six months ended 30 June 2026 Performance ¹²
Total man-hours worked	217,360	458,632	368,753	184,952
Number of fatalities as a result of work-related injury	0	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	0	0	0	0
Number of recordable work-related injuries	1	2	1	1
Rate of recordable work-related injuries	0.92	1.09	0.54	1.08
Number of work-related ill health	0	0	0	0

9 The 2023 performance data covers the Group’s operations and its subsidiary Sunbeam as at 31 December 2023. Ever Capital was not included in the reporting boundary as it had no operations in 2023.

10 The 2024 performance data covers the Group’s operations and its subsidiaries, including Sunbeam and Fire-Guard, which was acquired in February 2024, as at 31 December 2024. Ever Capital has been excluded from the reporting boundary as it had no operations.

11 The 2025 performance data covers the Group’s operations and its subsidiaries including, Sunbeam, Fire-Guard and Guthrie Engineering as at 31 December 2025. Ever Capital has been excluded from the reporting boundary as it had no operations during 2025.

12 The 2026 performance data covers the Group’s operations and subsidiaries, including Sunbeam and Fire-Guard as at 30 June 2026. Ever Capital has been excluded from the reporting boundary as it had no operations in 2026.

Customer Health and Safety

Our products and services comply with ISO 9001, ensuring that we consistently produce high-quality products that meet our customers’ expectations. To achieve this, we regularly conduct rigorous quality checks throughout the project lifecycle, from design and installation to commissioning and maintenance. There were no incidences of non-compliance concerning the health and safety impacts of our products and services in 2025 and the six months ended 30 June 2026.

Employment Practices and Non-discrimination

The Group is an equal opportunity employer. Our Non-discrimination Policy strictly prohibits bias based on race, nationality, religion, gender, age, sexual orientation, disability, ancestry, social origin, political opinion, or any other bias. We maintain zero tolerance for workplace harassment. Any reported incidents of discrimination are thoroughly investigated, and appropriate corrective measures are promptly implemented.

In 2025 and the six months ended 30 June 2026, there were no reported incidents of workplace discrimination.

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Workforce Diversity

The Group recognises the value of a diverse and inclusive workforce, believing it is integral to our success. We are committed to achieving greater gender diversity at the Board level and maintaining a diverse mix of talent across our management teams and employees by upholding fair and equal employment practices.

Due to the nature of our industry, a significant proportion of our employees are on temporary contracts of one to two years. The breakdown of our employees by employment type can be found in the table below.

Workforce Metrics	2023¹³	2024¹⁴	2025¹⁵	Six months ended 30 June 2026¹⁶
Employment type				
<i>Permanent</i>				
Male	29	64	74	84
Female	13	24	24	23
<i>Temporary</i>				
Male	53	68	57	47
Female	0	0	1	1

13 The 2023 performance data covers the Group’s operations and its subsidiary Sunbeam as at 31 December 2023. Ever Capital was not included in the reporting boundary as it had no operations in 2023.

14 The 2024 performance data covers the Group’s operations and subsidiaries, including Sunbeam and Fire-Guard, which was acquired in February 2024, as at 31 December 2024. Ever Capital has been excluded from the reporting boundary as it had no operations.

15 The 2025 performance data covers the Group’s operations and subsidiaries Sunbeam and Fire-Guard as at 31 December 2025. Ever Capital has been excluded from the reporting boundary as it had no operations during 2025, and Guthrie Engineering was not included as it was acquired in July 2025.

16 The 2026 performance data covers the Group’s operations and subsidiaries, including Sunbeam and Fire-Guard as at 30 June 2026. Ever Capital has been excluded from the reporting boundary as it had no operations in 2026, and Guthrie Engineering has been excluded from the reporting boundary as it is a newly acquired entity.

Employee Development

The Group emphasises continuous learning and supports employee growth through internal and external training opportunities. Due to the nature of our industry, we have prioritised health and safety training for our workers to ensure they are well-equipped to perform their tasks safely and effectively.

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During 2025, our employees attended a total of 491 hours of training, each attending an average of 3.13 hours of training.

Training Metrics	2023¹⁷	2024¹⁸	2025¹⁹	Six months ended 30 June 2026²⁰
Total hours of training given to employees	336	405.5	491.0	469
Average training hours per employee	3.54	3.23	3.13 ²¹	3.03

17 The 2023 performance data covers the Group’s operations and its subsidiary Sunbeam as at 31 December 2023. Ever Capital was not included in the reporting boundary as it had no operations in 2023.

18 The 2024 performance data covers the Group’s operations and subsidiaries, including Sunbeam and Fire-Guard, which was acquired in February 2024, as at 31 December 2024. Ever Capital has been excluded from the reporting boundary as it had no operations.

19 The 2025 performance data covers the Group’s operations and subsidiaries Sunbeam and Fire-Guard as at 31 December 2025. Ever Capital has been excluded from the reporting boundary as it had no operations during 2025, and Guthrie Engineering was not included as it was acquired in July 2025.

20 The 2026 performance data covers the Group’s operations and subsidiaries, including Sunbeam and Fire-Guard as at 30 June 2026. Ever Capital has been excluded from the reporting boundary as it had no operations in 2026, and Guthrie Engineering has been excluded from the reporting boundary as it is a newly acquired entity.

21 The decrease in average training hours per employee in 2025 was primarily attributable to the completion of major training programmes by a majority of staff in 2024, as these certifications are valid for a two-year period.

Social Targets

Annual Social Targets	2023–2025 and the six months ended 30 June 2026 Targets Performance
To achieve zero complaints relating to discrimination	<ul style="list-style-type: none"> • No instances of complaints relating to discrimination
To achieve zero complaints relating to unfair employment practices	<ul style="list-style-type: none"> • No instances of complaints relating to unfair employment practices
To achieve a Workplace Injury Rate of less than 672 injuries per 100,000 workers, following the industry average for 2023	<ul style="list-style-type: none"> • The Group has recorded two injuries out of 157 workers in 2024, which is above the industry average. The Group reported a rate of 641 injuries per 100,000 workers in 2025
Zero workplace fatalities	<ul style="list-style-type: none"> • Zero workplace fatalities recorded
Maintain ISO 45001 Occupational Health and Safety Management Systems	<ul style="list-style-type: none"> • The Group ensures all employees are covered under ISO 45001 certified management system
Conduct at least one on-site training on safety practices per project to ensure full compliance with laws and regulations	<ul style="list-style-type: none"> • Comprehensive Safety Observation Checks (“CSOCs”) are conducted at each