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KPM HOLDING LIMITED

吉輝控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8027)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the “Directors”) of KPM Holding Limited (the “Company”) collectively and individually accept full responsibility, include particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief (1) the information contained in this announcement is accurate and complete in all material respects and not misleading and deceptive; (2) there are no other matters the omission of which would make any statement herein or this announcement misleading; (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

The original announcement is prepared in the English language. This announcement is translated into Chinese. In the event of any inconsistencies between the Chinese and the English version, the latter shall prevail.

ANNUAL RESULTS

The board (the “Board”) of Directors is pleased to present the consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2024 together with comparative figures for the corresponding year in 2023:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 S\$	2023 S\$
Revenue	4	15,889,279	14,008,147
Cost of sales and services		<u>(12,105,403)</u>	<u>(8,796,525)</u>
Gross profit		3,783,876	5,211,622
Other income		148,701	87,759
Foreign exchange gains/(losses), net		18,833	(282,817)
Fair value gain on financial assets at fair value through profit or loss (“FVTPL”)		11,779	–
Selling and administrative expenses		(4,153,985)	(3,529,467)
Allowances for expected credit losses (“ECLs”), net		(410,130)	(3,317,458)
Finance costs	5	<u>(105,191)</u>	<u>(130,003)</u>
Loss before tax	7	(706,117)	(1,960,364)
Income tax expense	6	<u>(195,513)</u>	<u>(320,090)</u>
Loss for the year attributable to owners of the Company		<u>(901,630)</u>	<u>(2,280,454)</u>
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operation		<u>202,349</u>	<u>125,033</u>
Total comprehensive loss for the year attributable to owners of the Company		<u>(699,281)</u>	<u>(2,155,421)</u>
Loss per share			
Basic and diluted (S\$ cents)	8	<u>(0.381)</u>	<u>(0.963)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Notes</i>	2024 S\$	2023 S\$
Non-current assets			
Property, plant and equipment		2,920,966	3,259,286
Right-of-use assets		962,485	900,532
Total non-current assets		3,883,451	4,159,818
Current assets			
Inventories		215,219	182,122
Financial assets at FVTPL		1,011,779	—
Trade and other receivables	<i>9</i>	2,387,464	4,512,515
Contract assets	<i>10</i>	5,704,435	5,288,045
Cash and bank balances		4,505,235	4,292,329
Total current assets		13,824,132	14,275,011
Total assets		17,707,583	18,434,829
Current liabilities			
Trade payables	<i>11</i>	1,854,336	1,668,929
Other payables and accruals		2,530,291	1,994,259
Contract liabilities		344,238	778,819
Income tax payable		244,173	268,579
Bank loan		1,603,224	1,943,423
Lease liabilities		108,930	91,345
Total current liabilities		6,685,192	6,745,354
Net current assets		7,138,940	7,529,657
Total assets less current liabilities		11,022,391	11,689,475

	<i>Note</i>	2024 S\$	2023 <i>S\$</i>
Non-current liability			
Lease liabilities		<u>801,522</u>	<u>769,325</u>
NET ASSETS		<u>10,220,869</u>	<u>10,920,150</u>
Capital and reserves			
Share capital	12	1,271,455	1,271,455
Share premium		15,488,351	15,488,351
Merger reserve		(4,570,095)	(4,570,095)
Share-based payment reserve		–	806,534
Currency translation reserve		354,398	152,049
Accumulated losses		<u>(2,323,240)</u>	<u>(2,228,144)</u>
TOTAL EQUITY		<u>10,220,869</u>	<u>10,920,150</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

KPM Holding Limited (the “Company”) is a public limited company incorporated and registered as an exempted company in the Cayman Islands with limited liability on 10 March 2015 and its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Hong Kong Companies Ordinance (Chapter 622 of the laws of Hong Kong) on 30 March 2015. The principal place of business in Hong Kong is Unit 1104A, 11F, Kai Tak Commercial Building, 317-319 Des Voeux Road Central, Hong Kong. The head office and principal place of business of the Group is at 14 Loyang Way 4, Singapore 507601.

The Company is an investment holding company and the operating subsidiaries of the Company (together with the Company collectively referred to as the “Group”) are principally engaged in the design, fabrication, installation and maintenance of signage and sales of related products and the business of provision of fitting-out and renovation services for commercial premises and residential developments.

The consolidated financial statements are presented in Singapore dollars (“S\$”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS IFRS ACCOUNTING STANDARDS

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”) for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to International Accounting Standard (“IAS”) 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The above amendments to IFRS Accounting Standards effective for the current year do not have a material impact on the Group’s consolidated financial positions and consolidated performance for the current and prior year and/or on the disclosures set out in the consolidated financial statements.

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not applied any new and amendments to IFRS Accounting Standards that have been issued but are not yet effective for the financial year beginning on 1 January 2024. These new and amendments to IFRS Accounting Standards include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to IAS 21 and IFRS 1 – Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependant Electricity	1 January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the IASB

The directors of the Company are in the process of making an assessment of what the impact of these new and amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements expect for the new and amendments to IFRS Accounting Standards mentioned below.

IFRS-18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will replace IAS 1 “Presentation of financial statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, IFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in IFRS 18 relate to (i) the structure of the statement of profit or loss, (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures), and (iii) enhanced requirements for aggregation and disaggregation of information.

The directors of the Company are currently assessing the impact of applying IFRS 18 on the presentation and the disclosures of the consolidated financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the IASB, which in collective term includes all individual IFRS Accounting Standards, IASs and Interpretations.

In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange and the applicable disclosures required by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for FVTPL, which are measured at fair value.

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for share-based transactions that are within the scope of IFRS 2 *Share-Based Payment*, leasing transactions that are within the scope of IFRS 16 *Leases* and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Levels 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

4. SEGMENT INFORMATION

The executive directors of the Company are identified as the chief operating decision maker (the "CODM") of the Group for the purposes of resources allocation and performance assessment. The information reported to the CODM for the purposes of resources allocation and performance assessment focuses specifically on respective businesses of the Group. The Group's operating and reportable segments are as follows:

(i) Signage business

Design, fabrication, installation and maintenance of signage and sales of related products.

(ii) Fitting-out and renovation services

Provision of fitting-out and renovation services for commercial premises and residential developments.

There was no inter-segment sale or transfer during the year ended 31 December 2024 (2023: Nil). Central expenses are not allocated to the operating segments as they are not included in the measure of the segments' results that is used by the CODM for assessment of segment performance. Segment assets do not include financial assets at FVTPL, cash and bank balances, and other unallocated head office and corporate assets. Segment liabilities do not include bank loans and other unallocated head office and corporate liabilities.

Major Customers

Revenue from customers individually contributed over 10% (2023: 10%) of the total revenue of the Group are as follows:

	2024 S\$	2023 S\$
Signage business		
Customer A	2,092,881	2,484,095
Fitting-out and renovation services		
Customer B	<u>3,757,522</u>	<u>N/A (Note)</u>

Note: The corresponding revenue did not contribute over 10% of the total revenue of the Group for the corresponding year.

Geographical information

In presenting the geographical information, revenue is based on the locations of the customers.

The Group operates in two principal geographical areas – Singapore and the People’s Republic of China (the “PRC”). The following table provides an analysis of the Group’s revenue from external customers and non-current assets.

	Revenue from external customers		Non-current assets	
	2024 S\$	2023 S\$	2024 S\$	2023 S\$
Singapore	11,834,906	11,639,398	3,883,451	4,159,818
The PRC	<u>4,054,373</u>	<u>2,368,749</u>	<u>–</u>	<u>–</u>
	<u>15,889,279</u>	<u>14,008,147</u>	<u>3,883,451</u>	<u>4,159,818</u>

An analysis of the Group's revenue and results by operating and reportable segments is as follows:

		2024	
	Signage business S\$	Fitting-out and renovation services S\$	Total S\$
Segment revenue			
Sales to external customers	11,834,906	4,054,373	<u>15,889,279</u>
Segment results	744,339	(148,468)	595,871
<i>Reconciliation</i>			
Unallocated other losses			(19,280)
Corporate and other unallocated expenses			<u>(1,282,708)</u>
Loss before tax			<u>(706,117)</u>
Segment assets	7,076,213	5,114,356	12,190,569
<i>Reconciliation</i>			
Financial assets at FVTPL			1,011,779
Cash and bank balances			<u>4,505,235</u>
Total assets			<u>17,707,583</u>
Segment liabilities	4,782,282	30,419	4,812,701
<i>Reconciliation</i>			
Bank loan			1,603,224
Corporate and other unallocated liabilities			<u>1,070,789</u>
Total liabilities			<u>7,486,714</u>

	Signage business S\$	2023 Fitting-out and renovation services S\$	Total S\$
Segment revenue			
Sales to external customers	11,639,398	2,368,749	<u>14,008,147</u>
Segment results	1,602,729	(2,684,256)	(1,081,527)
<i>Reconciliation</i>			
Unallocated other losses			(282,809)
Corporate and other unallocated expenses			<u>(596,028)</u>
Loss before tax			<u>(1,960,364)</u>
Segment assets	7,231,900	6,906,850	14,138,750
<i>Reconciliation</i>			
Cash and bank balances			4,292,329
Corporate and other unallocated assets			<u>3,750</u>
Total assets			<u>18,434,829</u>
Segment liabilities	4,088,155	755,148	4,843,303
<i>Reconciliation</i>			
Bank loan			1,943,423
Corporate and other unallocated liabilities			<u>727,953</u>
Total liabilities			<u>7,514,679</u>

5. FINANCE COSTS

	2024 S\$	2023 S\$
Interest expense on lease liabilities	21,550	19,650
Interest expense on bank loan	83,641	110,353
	<u>105,191</u>	<u>130,003</u>

6. INCOME TAX EXPENSE

	2024 S\$	2023 S\$
Singapore Corporate Income Tax ("CIT") – current tax	195,513	268,579
Deferred tax	–	51,511
	<u>195,513</u>	<u>320,090</u>

Singapore CIT is calculated at 17% (2023: 17%) of the estimated assessable profit. Singapore incorporated companies can enjoy 75% (2023: 75%) tax exemption on the first S\$10,000 (2023: S\$10,000) of normal chargeable income and a further 50% tax exemption on the next S\$190,000 of normal chargeable income from Year of Assessment 2020 onwards.

Under the two-tiered Hong Kong Profits Tax regime, the first HK\$2 million of profits of the qualifying group entity established in Hong Kong will be taxed at 8.25%, and profits above that amount will be subject to the tax rate of 16.5%. The profits of the group entities not qualifying for the two-tiered Profit Tax rate regime will continue to be taxed at a rate of 16.5%. No provision for Hong Kong Profits Tax has been made since the Group has no assessable profit in Hong Kong for the years ended 31 December 2024 and 2023.

The Group is not subject to income tax in other tax jurisdictions during the years ended 31 December 2024 and 2023.

7. LOSS BEFORE TAX

	2024 S\$	2023 S\$
Loss before tax has been arrived at after charging:		
Auditors' remuneration		
– Audit services	109,755	101,838
Depreciation expenses of property, plant and equipment and right-of-use assets	451,714	465,942
– Included in cost of sales and services	308,001	314,996
– Included in selling and administrative expenses	143,713	150,946
Cost of inventories recognised as expenses	4,513,094	3,614,201
Directors' fee	67,914	67,280
Directors' and chief executive's remuneration	367,405	289,684
Allowance for ECL, net	410,130	3,317,458
Short-term lease payments	224,780	166,400
Other staff costs		
– Salaries and other staff costs	3,534,668	3,765,024
– Contributions to defined contribution plans	114,391	196,573

8. LOSS PER SHARE

	2024	2023
Loss for the year attributable to the owners of the Company (\$)	<u>(901,630)</u>	<u>(2,280,454)</u>
Weighted average number of ordinary shares in issue	<u>236,800,000</u>	<u>236,800,000</u>

The diluted loss per share is the same as the basic loss per share as effect of the exercise of share options was not included in the calculation of diluted loss per share as they have no dilutive effect during the financial years ended 31 December 2024 and 2023.

9. TRADE AND OTHER RECEIVABLES

	2024 \$	2023 \$
Trade receivables	7,005,661	9,028,795
Less: Allowance for ECL of trade receivables	<u>(5,337,064)</u>	<u>(4,785,552)</u>
	1,668,597	4,243,243
Prepayment to suppliers	68,338	128,954
Rental and other deposits	69,905	47,772
Prepayments	571,504	57,313
Other receivables	9,186	35,524
Less: Allowance for ECL of deposits and other receivables	<u>(66)</u>	<u>(291)</u>
	<u>2,387,464</u>	<u>4,512,515</u>

Trade receivables are generally granted a credit period of 30 days (2023: 30 days) from the invoice date. The following is an aging analysis of trade receivables, net of allowance for ECL, presented based on invoice date which approximately the respective recognition dates, at the end of the reporting period:

	2024 \$	2023 \$
1-30 days	1,101,050	1,942,932
31-60 days	223,565	593,117
61-90 days	55,755	213,137
91-180 days	2,026	116,670
181-365 days	286,201	78,303
Over 365 days	<u>–</u>	<u>1,299,084</u>
	<u>1,668,597</u>	<u>4,243,243</u>

Before granting credit to new customers, the Group reviews the customers' profile and financial position to assess the potential customer's credit quality and defines credit limits for each customer.

10. CONTRACT ASSETS

	2024 S\$	2023 S\$
Arising from performance under fitting-out and renovation services	4,568,706	4,503,762
Arising from performance under signage business	1,374,462	992,520
	<u>5,943,168</u>	<u>5,496,282</u>
Less: Allowance for ECL	(238,733)	(208,237)
	<u>5,704,435</u>	<u>5,288,045</u>

Contract assets arising from signage business are retention monies held by customers which will be repaid upon expiry of defect liability period, in accordance with sales contracts.

The contract assets under fitting-out and renovation services primarily relate to the Group's right to consideration for work completed and not billed because the rights are conditional on the Group's future performance in achieving specified milestones at the end of reporting period on the fitting-out and renovation services. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically transfers contract assets to trade receivables upon achieving the specified milestones in the contracts.

The amount of contract assets that is expected to be recovered within the Group normal operating cycle is approximately S\$5,704,435 (2023: S\$5,288,045).

11. TRADE PAYABLES

The following is an aging analysis of trade payables presented based on the invoice date, at the end of each reporting period:

	2024 S\$	2023 S\$
0–30 days	1,330,242	1,094,020
31–90 days	519,246	465,991
Over 90 days	4,848	108,918
	<u>1,854,336</u>	<u>1,668,929</u>

12. SHARE CAPITAL

	Number of shares	Share capital HK\$
Authorised:		
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024 (Ordinary shares of HK\$0.03125 each)	<u>1,600,000,000</u>	<u>50,000,000</u>
	Number of shares	Share capital S\$
Issued and fully paid:		
At 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024 (Ordinary shares of HK\$0.03125 each)	<u>236,800,000</u>	<u>1,271,455</u>

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue and Results

For the year ended 31 December 2024, the Group recorded a revenue of approximately S\$15,889,000 (2023: S\$14,008,000) and loss of approximately S\$902,000 (2023: S\$2,280,000).

Revenue had increased by approximately 13.4% or S\$1,881,000. The gross profit and gross profit margin for the year ended 31 December 2024 was approximately S\$3,784,000 (2023: S\$5,212,000) and approximately 23.8% (2023: 37.2%) respectively. Increase of revenue is mainly due to a slight growth in the demand of fitting-out and renovation services.

Other income for the year ended 31 December 2024 included bank interest income of approximately S\$71,000 and government grants of approximately S\$34,000.

For the year ended 31 December 2024, the Group recorded a foreign exchange gain of approximately S\$19,000 which was mainly arise from trade receivables, contract assets and cash and bank balances denominated in Hong Kong Dollars which was appreciating against Singapore Dollars.

Selling and administrative expenses for the year ended 31 December 2024 was approximately S\$4,154,000 (2023: S\$3,529,000) representing an increase of approximately S\$625,000 or 17.7% mainly due to higher advertisement and other expenses incurred.

The Group recorded the allowances for expected credit losses (“ECL”), net for the year ended 31 December 2024 of approximately S\$410,000, compared to approximately S\$3,317,000 for the corresponding period in 2023. To ensure the adequacy of allowance for ECL on trade and other receivables and contract assets, the Group engaged an independent firm of professional valuers to conduct a valuation on the allowances for ECL recognised during the years ended 31 December 2024 and 2023.

The simplified approach is adopted to assess the ECL of the trade receivables and contract assets prescribed by IFRS 9, in which the ECL is based on the assessments considering the historical credit loss experience on trade receivables and contract assets does not indicate significantly different loss patterns for different customer segments and available reasonable and supportive forward-looking information. There were no changes in valuation method compared to the previous year.

The increase in allowances for ECL mainly attributable to the ECL of trade receivables. The Company's debtors were adversely impacted by the prevailing economic downturn, impacting the recoverability of the receivables. Trade receivables past due for over one year are higher than those of previous year, leading to an increase in ECL as a higher credit loss rate is adopted to account for the heightened default risk associated with such receivables.

The Group recorded a loss before tax for the year ended 31 December 2024 of approximately S\$706,000, compared to approximately S\$1,960,000 for the corresponding period in 2023. The decrease was mainly attributable to the decrease in the allowance for ECL recognised during the year ended 31 December 2024.

Loss for the year ended 31 December 2024 was approximately S\$902,000, compared to approximately S\$2,280,000 for the corresponding period in 2023.

Liquidity and Financial Resources

The Group's exposure to liquidity risk arises in the general funding of the Group's operations, in particular, that the duration of the contracts span from 1 month to 4 years and during which the amount of progress claim vary from month to month depending on the provision of signage and related products for the month. The supply and installation schedule is as directed by the customer, in accordance with the main contractor's schedule. As such, the Group actively manage our customers' credit limits, aging, and repayment of retention monies and monitor the operating cash flows to ensure adequate working capital funds and repayment schedule is met.

For the year ended 31 December 2024, the cash and bank balances of the Group has increased by approximately S\$213,000. This was mainly arise from net cash from operating activities of approximately S\$1,684,000, offset with payment for financial asset at FVTPL of S\$1,000,000, repayment of bank loan and its interest of approximately S\$424,000 and repayment of lease liabilities and its interest of approximately S\$141,000.

The total interest-bearing borrowing of the Group as at 31 December 2024 was approximately S\$2,514,000 (2023: S\$2,804,000). The Group's gearing ratio as at 31 December 2024 was approximately 14.2% (2023: approximately 15.2%), which is calculated as the Group's total borrowing over the Group's total assets.

As at 31 December 2024, the Group had cash and bank balances of approximately S\$4,505,000 (2023: S\$4,292,000) which were placed with major banks in Singapore and Hong Kong.

BUSINESS REVIEW

Revenue from the sale of signage, bollard, variable-message signs, bus stops and aluminium railing in the public and private sectors in Singapore was amounted to approximately S\$11,835,000 and S\$11,639,000 for the years ended 31 December 2024 and 2023 respectively. The demand in construction sector activities in Singapore remained stable.

Revenue from the business of provision of fitting-out and renovation services for commercial premises and residential developments amounted to approximately S\$4,054,000 and S\$2,369,000 during the years ended 31 December 2024 and 2023 respectively. The Group is responsible for the overall management of the contracted projects which involves sourcing, procurement and quality control of materials, arrangement of subcontractors, and supervision and inspection of the project progress until completion and may also provide design services upon clients' request. The revenue has increased by approximately S\$1,685,000, mainly due to a slight growth in the demand of the fitting-out and renovation services business.

FOREIGN EXCHANGE EXPOSURE

The Group transacts mainly in Singapore Dollars, which is the functional currency of the Group. The Group is of the opinion that its exposure to foreign exchange rate risk is limited. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise. The Group had an unrealised foreign exchange gain of approximately S\$19,000 mainly arise from trade receivables, contract assets and cash and cash equivalents denominated in Hong Kong Dollars which was appreciated against the Singapore Dollars.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There were no significant investments held, nor were there any material acquisitions and disposals of subsidiaries, associates and joint ventures during the year ended 31 December 2024. The Group had no specific future plan for material investments or capital assets as at 31 December 2024.

CHARGES ON GROUP'S ASSETS

As at 31 December 2024, the Group's borrowings are secured by the lessor's title to the relevant leasehold land, building and leased motor vehicles with the aggregate carrying values amounting to approximately S\$2,939,000 (2023: S\$3,098,000).

CAPITAL COMMITMENTS

As at 31 December 2024, the Group did not have any capital commitment (2023: Nil).

EMPLOYEE INFORMATION

As at 31 December 2024, the Group had an aggregate of 86 (2023: 88) employees.

The employees of the Group are remunerated according to their job scope and responsibilities. The local employees are also entitled to discretionary bonus depending on their respective performance. The foreign workers are employed on one or two year contractual basis and are remunerated according to their work skills. The Company has adopted a share option scheme for the grant of share options to eligible participants which includes the employees. The Group also provides staff training for the employees.

Total staff costs, including Directors' emoluments, amounted to approximately S\$4,084,000 for the year ended 31 December 2024 (2023: S\$4,319,000).

DIVIDENDS

No dividends were paid, declared or proposed during the year ended 31 December 2024 nor has any dividend been proposed since the end of the reporting period (2023: nil).

OUTLOOK

Looking forward, the demand in the construction sector activities in Singapore will remain stable, yet the construction industry in the PRC is anticipated to continue facing challenges due to an unfavorable economic climate, the fierce competition in bidding prices and higher material costs. In light of these circumstances, the Group may strategically allocate more resources to its business operations in Singapore, which are likely to be more profitable. The Group will continue to manage its expenditures, review the business strategy constantly and look for other business opportunities to cope with existing market environment in a cautious and prudent manner.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 31 December 2024, the interests and short positions of each director and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Aggregate long positions in the shares and underlying shares of the Company

Name of Directors	Nature of interest	Number of shares held	Approximate percentage of the Company's issued share capital
Executive Directors:			
Tan Thiam Kiat Kelvin	Interest of controlled company ⁽¹⁾	39,337,600	16.61%
Independent non-executive Directors:			
Lau Muk Kan	Beneficial owner	1,280,000	0.54%

Note:

- (1) The entire issued share capital of Absolute Truth Investments Limited is beneficially owned by Mr. Tan Thiam Kiat Kelvin.

Save as disclosed above, as at 31 December 2024, none of the Directors and chief executive of the Company had any interests or short positions in any shares, debentures or underlying shares of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2024, the following substantial shareholders' and other persons' interests and short positions of 5% or more of the issued share capital of the Company were recorded in the register required to be kept under section 336 of the SFO:

Aggregate long positions in the shares and underlying shares of the Company

Name of substantial shareholder	Nature of interest	Number of shares held	Approximate percentage of the Company's issued share capital
Absolute Truth Investments Limited	Beneficial owner	39,337,600	16.61%

Note: The entire issued share capital of Absolute Truth Investments Limited is beneficially owned by Mr. Tan Thiam Kiat Kelvin.

Save as disclosed above, as at 31 December 2024, the Directors were not aware of any other person (other than the Directors or chief executive of the Company whose interests are disclosed above) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

COMPETING INTERESTS

The Directors are not aware of any business and interest of the Directors nor the controlling shareholders of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interests which any such person has or may have with the Group during the year ended 31 December 2024.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2024.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE

The Board considers good corporate governance is a key element in managing the business and affairs of the Group. The management of the Group periodically reviews and proposes amendments to its corporate governance practices for compliance with the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the GEM Listing Rules. In the opinion of the Board, the Company has complied with the CG Code during the year ended 31 December 2024. A full corporate governance report is set out in the annual report.

SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) CPA LIMITED

The figures in respect of the consolidated statement of financial position as at 31 December 2024 and consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the announcement have been agreed by the Company's auditor, McMillan Woods (Hong Kong) CPA Limited ("McMillan Woods"), to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by McMillan Woods in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by McMillan Woods on the announcement.

CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having been made specific enquiry, all the Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the year ended 31 December 2024. The Company was not aware of any non-compliance with such required standard of dealings regarding securities transactions by Directors throughout the year ended 31 December 2024.

EVENT AFTER THE REPORTING PERIOD

The directors are not aware of any significant events after the reporting period for the Group and up to the date of this announcement.

AUDIT COMMITTEE

The Company established an audit committee (the “Audit Committee”) on 23 June 2015 with written terms of reference in compliance with the GEM Listing Rules and the CG Code. The Audit Committee consists of three independent non-executive Directors namely Mr. Lock Kiu Yin, Mr. Xiao Laiwen and Mr. Lau Muk Kan. Mr. Lock Kiu Yin, a Director with the appropriate professional qualifications, serves as the chairman of the Audit Committee.

Among other things, the primary duties of the Audit Committee are to make recommendation to our Board on the appointment, reappointment and removal of external auditor, monitor integrity of the Group’s consolidated financial statements, review significant financial reporting judgements contained in them, oversee the Group’s financial reporting, internal control, risk management systems and audit process and to perform other duties and responsibilities as assigned by the Board.

The Group’s annual results for the year ended 31 December 2024 have been reviewed by the Audit Committee.

By order of the Board
KPM Holding Limited
Tan Thiam Kiat Kelvin
Chairman

Singapore, 31 March 2025

As at the date of this announcement, the executive Directors are Mr. Tan Thiam Kiat Kelvin and Ms. Lin Sin Huei; and the independent non-executive Directors are Mr. Lau Muk Kan, Mr. Xiao Laiwen and Mr. Lock Kiu Yin.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the Company’s website at www.kpmholding.com.

* For identification purposes only