2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

KPM HOLDING LIMITED

吉輝控股有限公司*

Incorporated in the Cayman Islands with limited liability

Stock Code: 8027

* For identification purpose only

ABOUT THIS REPORT

The Group is pleased to present its Environmental, Social and Governance ("**ESG**") Report (the "**Report**") for the year ended 31 December 2025 (the "**Reporting Period**"). This Report provides an annual update of the Group's sustainability performance, achievements and challenges over the year. Unless otherwise indicated, the Report covers KPM Holding Limited and its subsidiaries operating in Singapore and China. Apart from the signage business, the reporting scope of the Report also covers the fitting-out and renovation business.

Reporting Principles

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (the "**ESG Code**") as set out in Appendix C2 to the Rules (the "**GEM Listing Rules**") Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited. According to the guidelines, the following principles are underpinned:

1. Materiality: ESG issues that have major impacts on the business operation, investors and other stakeholders must be set out in this Report.

2. Quantitative: If the key performance indicators ("**KPIs**") have been established, they must be measurable and applicable to valid comparisons under appropriate conditions. They must also be able to describe the purposes and impacts of quantitative information.

3. Balance: This Report must provide an unbiased picture of the ESG performance of the Group. It should avoid selecting, omitting or presenting formats that may inappropriately influence a decision or judgment by the reader.

4. Consistency: This Report should use consistent methodologies to allow meaningful comparisons of related data over time. Any changes to the methods used must be specified in the Report.

Confirmation

The information documented in this Report is sourced from official documents, statistical data, management and operation of information collected from the Group in accordance with relevant internal policies. The Group has established internal controls and a formal review process to ensure that any information presented in this Report is as accurate and reliable as possible.

Feedback

The Group discloses the latest business and ESG information regularly to investors and the public through our website: www.kpmholding.com. We also welcome investors and shareholders to write to the Group or send their enquiries through our website and share their views with the board (the "**Board**") of directors ("**the Directors**") of the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG GOVERNANCE

The Group believes that good ESG governance strategies and practices are inseparable from corporate success. The Board assumes the ultimate responsibility for overseeing the ESG affairs of the Group and supervising the execution of the Group's policies in promoting sound ESG practices. The Board reviews the Group's ESG Report annually, where they discuss the key risks and make recommendations for the coming year. To maintain excellent ESG governance, the Board delegates authority to the ESG working group for the formulation and execution of ESG policies and measures.

The ESG working group comprises representatives from executive directors and senior management and has been established to plan and coordinate ESG initiatives within the Group. The ESG working group is responsible for assisting the Board in providing strategic directions to the Group, and overseeing the execution and monitoring of the Group's ESG strategies and resource consumption to ensure compliance with relevant legal and regulatory requirements. The ESG working group also responds to the latest ESG issues, reports to the Board on major issues and makes relevant recommendations to enhance the Group's ESG performance.

STAKEHOLDER ENGAGEMENT

As part of the business strategies, the Group communicates with its stakeholders in an open, honest and proactive way. Our major stakeholder groups include shareholders and investors, clients, suppliers, employees and government departments, such as the National Environment Agency (NEA) in Singapore. For instance, NEA will send their officers to have regular or surprise visits to our factory. In hopes of fulfilling the environmental compliance of the Group, a manager will be assigned to walk around the factory with the NEA officer and exchange feedback.

To improve transparency, we take measures to promote investor relations and communication. In addition, we have developed the investor relations policy to ensure that the investors have fair and timely access to the information of the Group. In order to further promote effective communication with investors, we arrange annual general meetings to provide opportunities for the shareholders to maintain communication with the Board, thereby allowing shareholders to clarify and deepen their understanding of the Group's performance and allowing the Group to communicate with shareholders and answer performance-related questions.

MATERIALITY ASSESSMENT

Through conducting an internal materiality assessment, the Group has identified ESG issues which are sufficiently important to investors and other stakeholders by reviewing our business. In consideration of the "relevance" and "importance" of various ESG factors to our business, we have been able to prioritise the following aspects as the material focus of this report:

Aspects	Material ESG Issues
A. Environmental Aspect	
A2. Use of Resources	• Energy consumption • Energy efficiency • Water consumption • Efficient use of raw materials • Use of packaging materials
B. Social Aspect	
B1. Employment	• Employee welfare • Inclusion and equal opportunities • Talent attraction and retention
B2. Health and Safety	• Occupational health and safety
B3. Development and Training	• Development and training
B4. Labour Standards	• Prevention of child and forced labour
B5. Supply Chain Management	• Supply chain management
B6. Product Responsibility	• Project quality control • Protection of intellectual property rights • Protection of customer privacy
B7. Anti-corruption	• Corporate governance • Anti-corruption

ENVIRONMENTAL ASPECTS

Emissions

The Group is engaged in the signage business and fitting-out and renovation business, as such we do not have significant emission discharges into water, land and atmosphere, such as nitrogen oxides, sulphur oxides and respiratory suspended particles ("**RSP**"). In addition, we do not produce a significant volume of hazardous waste from our business process. The major emissions of the Group are the greenhouse gases emissions and solid non-hazardous wastes generated from our operations.

In addition, during the Reporting Period, the NEA regularly sent officers for uniformed inspection of our production activities in Singapore. Based on the Group's scale of operations and feedback from NEA inspections, our emissions remain relatively limited in absolute terms. Nevertheless, the Group recognises the environmental impact of its greenhouse gas emissions and monitors emission levels and trends closely, with reduction targets in place. During the Reporting Period, the Group did not have material non-compliance with the environmental protection laws and regulations that had a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes, in both Singapore and China, such as including but not limited to Air Pollution Control Ordinance, Waste Disposal Ordinance, Water Pollution Control Ordinance, Noise Control Ordinance, Environmental Protection and Management Act.

The Group implemented a number of measures to reduce greenhouse gas emissions in order to alleviate the impacts on the environment. The Group also encourages employees to maximise the use of electronic communication equipment and carry out general discussions and communications through long-distance telephone calls, video conferencing or other online communication tools in order to reduce or replace non-essential business trips, therefore decreasing the pollutants emitted by the use of transportation.

Air and Greenhouse Gas Emissions

The major source of air and greenhouse gas emissions from our business originates from the fuel consumption of company-owned cars and vans directly (Scope 1 emissions). The energy consumption in regard to the purchased electricity used in offices and daily operations also contributed to the indirect emission of greenhouse gas (Scope 2 emissions). Scope 3 emissions refer to the other indirect emissions, including the emissions generated from the paper waste disposed at landfills.

The total amount of greenhouse gas generated by the Group during the Reporting Period was 367.32 tonnes of carbon dioxide-equivalent ("**CO_2-e**"), with an intensity of 19.26 tonnes CO_2-e per million revenue in Singapore dollars ("**SGD**"). The Group will continue to evaluate its performance in environmental protection and develop long-term reduction targets. In the short term, the Group had targeted last year to reduce the greenhouse gas emissions level by 1% in 2025 compared to 2024. The target was not achieved. The Group recorded a 32.9% increase in total greenhouse gas emissions in 2025 compared to 2024, mainly due to higher fuel and electricity consumption driven by increased business activities. The Group nevertheless plans to continue to target a 1% reduction for 2026, supported by ongoing energy-efficiency initiatives.

Air Emissions	**2025**	2024	**Unit**
Nitrogen oxides (NO_x)	**165.82**	83.15	Kg
Sulphur oxides (SO_x)	**2.61**	1.32	Kg
Respirable suspended particles (RSP)	**12.21**	6.12	kg

Greenhouse gas emissions	**2025**	2024	**Unit**
Scope 1 emissions	**268.80**	227.35	Tonnes CO_2-e
Scope 2 emissions	**93.80**	48.68	Tonnes CO_2-e
Scope 3 emissions	**4.72**	0.34	Tonnes CO_2-e
Total greenhouse gas emissions	**367.32**	276.37	Tonnes CO_2-e
Intensity (by revenue)	**19.26**	17.39	Tonnes CO_2-e/Million SGD revenue

Waste Management

The Group upholds the principles of waste management and is committed to the proper handling and disposal of all wastes from our business activities. We maintain a strong focus on minimising the waste we produce from our operations. We adopt the use of environmental-friendly materials in our products. In addition, we recycle and reuse scrap metal, cardboard and plastic generated from the production and sale of signage and related products. On the other hand, those resources that cannot be directly reused are transferred to qualified recyclers for recycling in an effort to minimise the amount of solid waste disposal. Given the small volume of hazardous and non hazardous waste generated and the limited environmental impact assessed, the Group has not set specific quantitative reduction targets for waste. Instead, we focus on maintaining strict waste handling procedures and recycling practices, and will review the need for quantitative targets if waste volumes increase materially.

During the Reporting Period, the Group was not aware of any incidents of non-compliance with laws and regulations that have a significant impact on the generation of hazardous and non-hazardous waste.

Use of Resources

The Group is committed to conserving resources for environmental and operating efficiency. To accomplish our commitment, we have implemented multiple measures in enhancing energy efficiency, minimising the use of papers, reducing water and energy consumption and driving behavioural changes in our employees. Nevertheless, for other resources consumed from our business activities, the Group upholds the principles of effective resource management and is committed to the proper use of all materials.

Energy Consumption

The Group has adopted a series of energy efficiency initiatives to reduce our energy consumption. To ensure the efficient use of energy resources, we take the rating of energy labels as one of our key considerations when purchasing new electrical equipment. Switching to more energy-efficient appliance models and increasing the use of natural lighting are adopted. Energy-saving notices are also put on the wall and bulletin boards to remind our staff to switch off unused electrical devices and switch air-conditioning system to a more suitable temperature.

During the Reporting Period, the Group's total amount of energy consumption was 4,444.39 Gigajoule; and the energy consumption intensity was 233.08 Gigajoule per million revenue in Singapore dollars. The direct energy consumption includes the use of unleaded petrol and diesel by the company vehicles and the indirect energy consumption is the electricity consumption in offices. The Group is developing its long-term reduction targets. In the short term, the Group had targeted to reduce the energy consumption level by 1% in 2025 compared to 2024. The target was not achieved, as total energy consumption increased by 32.8% in 2025 compared to 2024, mainly due to higher fuel usage from increased project activities. The Group continues to target a 1% reduction for 2026.

Energy consumption by type	**2025**	2024	**Unit**
Fuel consumption	**3,962.00**	2,922.97	GJ
Indirect energy consumption-electricity	**482.39**	425.35	GJ
Total energy consumption	**4,444.39**	3,348.32	GJ
Intensity (by revenue)	**233.08**	210.73	GJ/million SGD revenue

Water Consumption

Sustainable and responsible use of water resources is a key issue globally. We are aware that water shortages, excessive demand and usage could pose a serious problem to the community and business operations. Due to our business nature, we do not use or discharge a significant amount of water. The Group does not have any water sourcing issues as the water is supplied by the municipal water network.

However, in order to raise awareness of water conservation, the Group promotes water-saving practices in the workplace. For instance, tips to conserve water are shared internally to raise awareness and encourage employees to reduce consumption. Water-saving reminders have been posted in the toilet and notice boards to remind employees to save and use water more efficiently.

During the Reporting Period, the Group's total amount of water consumption was 2,479 cubic meters (m^3) with an intensity of 130.01 cubic meters per million revenue in Singapore dollars. The Group will continue to promote water use initiatives and water-saving measures among its employees. The Group is developing its long-term reduction targets. In short term, the Group targets to reduce the water consumption level by 1% in 2026 compared to 2025.

Water consumption	**2025**	2024	**Unit**
Total water consumption	**2,479**	2,320	M^3
Intensity (by revenue)	**130.01**	146.01	M^3/million SGD revenue

Packaging Materials

Given that the Group focuses on the design, fabrication, installation and maintenance of signage and related products, we do not use a significant amount of packaging materials for finished products.

THE ENVIRONMENT AND NATURAL RESOURCES

With respect to our business nature and activities, the impact of the Group on the environment and natural resources is insignificant. Consumption of energy mainly stems from the use of electricity, water and papers in office areas. During the Reporting Period, we have stipulated a number of measures to reduce the use of resources and disposal of waste. With regard to the raw materials used in our products, our product designers seek to use environmentally friendly materials to reduce pollution to the environment throughout the product lifecycle. Our selection criteria of suppliers and service providers also encourages various green initiatives, including the sense of responsibility for environmental protection, in addition to the delivery time and the quality of goods and services. To further reduce our paper consumption, where conditions are appropriate, the Group stores its documents, records and archives in electronic files instead of paper.

We promote our green policy on environmental protection through notices on the wall and bulletin boards. In addition, we remind our employees to minimise the generation of waste from work and actively raise environmental awareness among them. We also encourage our employees to make full use of electronic means to communicate with customers and suppliers in hopes of further reducing the paper consumption of the Group.

We will continue to mitigate the environmental risks of our business, review the environmental practices and adopt preventive measures as necessary to reduce the risks and ensure compliance with relevant laws and regulations.

CLIMATE-RELATED DISCLOSURES

In line with the enhanced climate-related disclosure requirements under the ESG Code effective from 1 January 2025, the Group has strengthened its climate-related governance, strategy, risk management and metrics to address the physical and transition risks posed by climate change. The following disclosures are aligned with the four core pillars of climate-related reporting.

Governance

The Board has ultimate responsibility for overseeing climate-related risks and opportunities. The Board recognises that climate change presents both risks and opportunities that could affect the Group's business strategy, operations and financial performance. During the Reporting Period, the Board has:

- Reviewed and approved the Group's climate-related strategies and climate risk assessment framework
- Monitored the progress of climate-related initiatives and targets set by management
- Ensured adequate resources are allocated to address climate-related matters
- Integrated climate-related considerations into the Group's overall risk management framework

The ESG working group, comprising executive directors and senior management, assists the Board in climate governance by:

- Conducting regular assessments of climate-related risks and opportunities relevant to the Group's operations
- Developing and implementing climate-related policies, strategies and action plans
- Monitoring climate-related metrics including greenhouse gas emissions and progress towards emission reduction targets
- Reporting climate-related matters to the Board on a regular basis for review and guidance

The Board reviews climate-related reports at least annually and discusses material climate-related issues, emerging trends and regulatory developments that may impact the Group. Through this governance structure, climate-related considerations are embedded into the Group's decision-making processes.

Strategy

The Group has assessed the potential impacts of climate-related risks and opportunities on its business, strategy and financial planning over the short term (0-3 years), medium term (3-10 years) and long term (beyond 10 years).

Climate-Related Risks

Through our assessment, the Group has identified the following material climate-related risks:

Risk Type	Description and Potential Impact
Acute Physical Risk	
Extreme Weather Events	The increase in severity and frequency of extreme weather events such as thunderstorms, heavy rainfall and strong winds may disrupt our signage installation and maintenance operations. Adverse weather conditions could lead to work delays, damage to installed signage requiring additional maintenance and repairs, and potential safety risks to our workforce. This could result in increased operating costs, project delays and reduced revenue during severe weather periods.
Chronic Physical Risk	
Rising Temperatures	Prolonged periods of high temperatures may affect outdoor installation work schedules and worker productivity. Increased cooling requirements in our factory and offices would lead to higher energy consumption and operating costs.
Transition Risk – Policy and Legal	
Regulatory Requirements	Singapore and China may introduce stricter environmental regulations governing energy consumption, emissions and waste management. Enhanced regulatory requirements could necessitate additional compliance costs, investments in cleaner technologies and changes to operational processes. The Group may face penalties or restrictions if unable to meet new environmental standards.
Transition Risk – Market	
Changing Customer Preferences	Growing environmental awareness among customers is driving demand for sustainable and environmentally-friendly signage solutions. Customers increasingly prefer suppliers with strong environmental credentials and low-carbon products. Failure to adapt to changing market preferences could result in loss of market share to competitors offering greener alternatives.
Transition Risk – Technology	
Transition to Low-Carbon Technologies	The shift towards energy-efficient LED lighting and sustainable materials in signage production requires capital investment in new technologies and equipment. Delays in adopting new technologies could reduce the Group's competitiveness and market position.

Climate-Related Opportunities

The Group has also identified climate-related opportunities that could benefit our business:

Opportunity Type	Description and Potential Benefits
Products and Services	
Sustainable Signage Solutions	Increasing demand for energy-efficient LED signage, solar-powered displays and signage made from recycled or sustainable materials presents opportunities to expand our product offerings. Development of low-carbon signage solutions can attract environmentally-conscious customers and open new market segments.
Resource Efficiency	
Energy Efficiency Improvements	Investments in energy-efficient equipment, LED lighting and optimised production processes can reduce energy consumption and operating costs. Improved resource efficiency enhances profitability while reducing environmental impact.
Markets	
Green Building Demand	The growing trend towards green buildings and sustainable construction projects in Singapore and China creates opportunities for the Group's fitting-out and renovation services. Positioning the Group as a preferred partner for environmentally-friendly interior solutions can drive business growth.

Strategic Response

In response to identified climate-related risks and opportunities, the Group has developed strategies including:

- **Enhancing operational resilience:** Implementing flexible work scheduling and contingency plans to minimise disruptions from extreme weather events. Improving weather monitoring systems to enable proactive project planning and risk mitigation.
- **Advancing sustainable products:** Expanding the use of environmentally-friendly materials in signage fabrication. Increasing adoption of energy-efficient LED technology across our product range. Developing new sustainable signage solutions to meet evolving customer demands.
- **Improving energy efficiency:** Continuing investments in energy-efficient equipment and lighting systems. Implementing energy management practices to reduce electricity consumption in our factory and offices.
- **Engaging suppliers:** Working with suppliers to source sustainable materials and components. Prioritising suppliers with strong environmental performance and lower carbon footprints.
- **Enhancing capabilities:** Training employees on climate-related risks, energy conservation and sustainable practices. Building technical expertise in green building standards and sustainable construction methods.

While the Group has not yet developed a comprehensive climate transition plan, we are committed to progressively integrating climate considerations into our business strategy and operations. The Group will continue to evaluate the need for a formal transition plan as climate-related requirements evolve and our understanding of climate impacts deepens.

Climate Resilience Assessment

The Group recognises the importance of assessing the resilience of its strategy under different climate scenarios. While detailed quantitative scenario analysis has not yet been conducted, the Group has undertaken a qualitative assessment of potential climate impacts.

Based on our current assessment, the Group's operations are expected to remain resilient under various climate scenarios due to:

- Geographic diversification across Singapore and China reducing concentration risk
- Flexible business model capable of adapting to changing market conditions and customer preferences
- Limited dependence on climate-sensitive raw materials or processes
- Ability to adjust product offerings in response to emerging customer needs for sustainable solutions

The Group acknowledges that more detailed climate scenario analysis would enhance our understanding of potential impacts. As our climate risk management capabilities mature, we plan to develop more comprehensive scenario assessments considering both physical climate changes and transition pathways aligned with global climate goals. At this stage, the Group relies on qualitative scenario analysis only and has not undertaken detailed quantitative climate scenario modelling, taking into account current data, resource and capability constraints

Risk Management

The Group has integrated climate-related risks into its overall enterprise risk management framework. Our approach to identifying, assessing and managing climate-related risks includes:

Identification of Climate-Related Risks

- The ESG working group conducts regular reviews of climate-related developments, regulatory changes and industry trends that may affect the Group's operations
- Climate risks are identified through stakeholder engagement, analysis of scientific climate reports and assessment of operational vulnerabilities
- Both physical risks (acute and chronic) and transition risks (policy, market, technology and reputation) are considered in the identification process

Assessment of Climate-Related Risks

- Identified climate risks are evaluated based on their likelihood of occurrence and potential magnitude of impact on the Group's operations, financial performance and strategic objectives
- The assessment considers different time horizons: short term (0-3 years), medium term (3-10 years) and long term (beyond 10 years)
- Both qualitative assessments and, where feasible, quantitative analysis are used to evaluate the significance of climate risks

Management of Climate-Related Risks

- Material climate risks are incorporated into the Group's risk register and monitored on an ongoing basis
- Risk mitigation strategies and action plans are developed and implemented to address identified climate risks
- The effectiveness of risk management measures is reviewed regularly and adjustments are made as necessary
- Climate-related risks are reported to the Board periodically, with escalation of significant matters for Board attention and decision

The Group's climate risk management processes are integrated with existing operational, financial and strategic risk management activities to ensure a holistic approach to addressing climate-related challenges.

Metrics and Targets

The Group tracks climate-related metrics to monitor our environmental performance and progress towards climate-related objectives.

Greenhouse Gas Emissions

As disclosed in the Emissions section of this Report, the Group monitors the following greenhouse gas emission metrics:

- **Scope 1 emissions:** Direct emissions from company-owned vehicles
- **Scope 2 emissions:** Indirect emissions from purchased electricity
- **Scope 3 emissions:** Other indirect emissions including paper waste disposal
- **Total GHG emissions:** Sum of Scope 1, 2 and 3 emissions
- **Emissions intensity:** GHG emissions per million SGD revenue

For the Reporting Period, the Group's total greenhouse gas emissions were 367.32 tonnes CO_2-e, representing a 32.9% increase compared to the previous year. The emissions intensity was 19.26 tonnes CO_2-e per million SGD revenue.

The Group has not yet calculated Scope 3 emissions across the full value chain beyond paper waste disposal. As our climate disclosure practices mature, we will evaluate the feasibility and materiality of measuring additional Scope 3 emission categories.

Energy Consumption

The Group monitors direct and indirect energy consumption as disclosed in the Use of Resources section. Key energy metrics include:

- Total fuel consumption (from company vehicles)
- Total electricity consumption (offices and factory)
- Total energy consumption in Gigajoules (GJ)
- Energy intensity per million SGD revenue

Climate-Related Targets

The Group has established the following climate-related targets:

Target Category	Target	Progress and Status
GHG Emissions Reduction	Reduce total greenhouse gas emissions by 1% in 2025 compared to 2024 baseline	Target not achieved. Total greenhouse gas emissions increased by 32.9% in 2025 compared to 2024, mainly due to higher fuel and electricity consumption driven by increased business activities. The Group continues to target a 1% reduction for 2026.
Energy Consumption Reduction	Reduce total energy consumption by 1% in 2025 compared to 2024 baseline	Target not achieved. Total energy consumption increased by 32.8% in 2025 compared to 2024, mainly due to higher fuel usage from increased project activities. The Group continues to target a 1% reduction for 2026.
Water Consumption Reduction	Reduce total water consumption by 1% in 2026 compared to 2025 baseline	Target in progress. The Group targets to reduce total water consumption by 1% in 2026 compared with the 2025 baseline and will report on performance against this target in the next reporting period.

The Group's current emission reduction targets are based on continuous improvement principles and reflect incremental reductions from year to year. These targets have not been aligned with specific climate scenarios such as limiting global temperature rise to 1.5℃ or 2℃ above pre-industrial levels, nor have they been validated by external third parties.

As the Group develops its climate strategy further, we will consider setting more ambitious long-term targets that align with international climate goals and conducting third-party validation of our targets and methodologies where appropriate.

Transition Plan Status

The Group has not yet developed a formal, comprehensive climate transition plan outlining specific actions, timelines and resources to transition towards a low-carbon business model. Our current approach focuses on incremental emission reductions through operational improvements and energy efficiency measures.

The Group recognises that developing a detailed transition plan would strengthen our climate response. Key elements that would be included in a future transition plan include:

- Long-term emission reduction targets aligned with climate science
- Roadmap for transitioning to low-carbon technologies and processes
- Investment plans for sustainable products and energy-efficient equipment
- Strategies for engaging suppliers on emission reductions
- Timelines and milestones for achieving climate objectives

The Group will continue to evaluate the development of a comprehensive transition plan as our climate capabilities mature and stakeholder expectations evolve.

SOCIAL ASPECT

Employment and Labour Practices

Employment

Talent Attraction, Retention and Dismissal

Employees are important assets to our sustained development. The Group is constantly improving its employment mechanism. It adheres to the principle of fairness in providing promotion opportunities for outstanding employees. We review our employees' remuneration on an annual basis. We assess employees' performance and their contribution to the Group when reviewing their compensation and benefits, in order to reflect employees' contributions to the Group and enhance the employees' sense of belonging and sense of responsibility for the Group.

The Group establishes labour contracts in accordance with the law. We adopt a clear dismissal system, in which if either the employer or the employee terminates the contract during the period, unless the contract is otherwise specified, appropriate compensation should be made to another party as stated in the contract. The amount of the compensation shall follow the terms and conditions of the contract.

Employee Welfare

Performance appraisal will be conducted with every employee by their immediate superior and management. The appraisal determines the employee's performance and suitability for promotion or increment. Salary increments and bonuses are based on employee's performance and the overall performance of the Group.

The Group as an employer contributes the portion for the Central Provident Fund (CPF) for eligible employees in Singapore and the Mandatory Provident Fund (MPF) for eligible employees in Hong Kong according to the prevailing rates set.

The Group also organises recreational activities from time to time, such as festival lunches, anniversary dinners and raffles, so as to facilitate communication among employees and to help colleagues balance the intense pressures of work.

If an employee, unfortunately, suffers work-related injuries or accidental death, the Group will provide compensation to the employee in accordance with particular local laws and regulations.

Inclusion and Equal Opportunities

The Group adopts the practices and policies as governed by the Ministry of Manpower (Singapore) and Equal Opportunities Commission (Hong Kong) to ensure an equal and fair working environment. The Group provides equal opportunities for all regardless of their age, gender, race, sexual orientation, disability and marital status.

The Group upholds fairness in their recruitment process and our hiring criteria are built on the qualifications, abilities, experiences and technological skills of the applicants. Each applicant has equal rights to apply for a position and will not be affected by gender, pregnancy, family status, marital status, race, disability, etc. The Group's existing employees come from different countries, including Singapore and China.

As at the end of the Reporting Period, the Group had a total of 92 employees -- all of them working full-time. In order to cooperate with the continuously growing business scale, together we acquire talents from different countries and backgrounds to join our globalised team. During the Reporting Period, the Group did not have any material non-compliance with relevant laws and regulations in our employment and labour process, such as recruitment, dismissal, promotion and remuneration of employees including but not limited to Employment Act, Employment Ordinance, Minimum Wage Ordinance, Disability Discrimination Ordinance, Sex Discrimination Ordinance and Family Status Discrimination Ordinance.

Total workforce		**2025**	2024	**Unit**
Total number of employees		**92**	86	Employee (%)
By Gender	Male	**75 (82%)**	65 (76%)	Employee (%)
	Female	**17 (18%)**	21 (24%)	Employee (%)
By employment type	Full-time	**92 (100%)**	86 (100%)	Employee (%)
	Part-time	**0 (0%)**	0 (0%)	Employee (%)
By age group	≤30	**23 (25%)**	22 (26%)	Employee (%)
	31-40	**36 (39%)**	32 (37%)	Employee (%)
	41-50	**16 (17%)**	15 (17%)	Employee (%)
	>50	**17 (19%)**	17 (20%)	Employee (%)
By employment category	Senior	**9 (10%)**	9 (10%)	Employee (%)
	Middle	**6 (7%)**	5 (6%)	Employee (%)
	Junior	**77 (84%)**	72 (84%)	Employee (%)
By function	Executive	**9 (10%)**	9 (10%)	Employee (%)
	Technical	**19 (21%)**	18 (21%)	Employee (%)
	Administrative	**19 (21%)**	18 (21%)	Employee (%)
	Production	**45 (48%)**	41 (48%)	Employee (%)

Employee turnover rate		2025	2024	Unit
Total employee turnover rate		**19 (21%)**	2 (3%)	Employee (%)
By Gender	Male	**10 (13%)**	2 (3%)	Employee (%)
	Female	**9 (56%)**	0 (0%)	Employee (%)
By employment type	Full-time	**19 (21%)**	2 (2%)	Employee (%)
	Part-time	**0 (0%)**	0 (0%)	Employee (%)
By age group	≤30	**8 (35%)**	0 (0%)	Employee (%)
	31-40	**7 (19%)**	1 (2%)	Employee (%)
	41-50	**3 (19%)**	1 (3%)	Employee (%)
	>50	**1 (6%)**	0 (0%)	Employee (%)
By employment category	Senior	**0 (0%)**	0 (0%)	Employee (%)
	Middle	**0 (0%)**	0 (0%)	Employee (%)
	Junior	**19 (25%)**	2 (3%)	Employee (%)
By geographical region	Singapore	**19 (22%)**	2 (4%)	Employee (%)
	China	**0 (0%)**	0 (0%)	Employee (%)

Occupational Health and Safety

In order to prevent the employees from work-related injuries, we stress particular attention to occupational health and safety in an effort to provide a safe and comfortable working environment for the employees.

We were awarded the certificate of compliance with ISO 45001:2018. Following the standard, the Group has developed comprehensive occupational health and safety policies, as well as a series of target indicators and procedural documents designed to continuously identify potential risks in the workplace. We follow a systematic approach to executing occupational health and safety, specifically being:

1. Identify the hazards

2. Evaluate the risks

3. Determine the risk levels

4. Prepare action plans to eliminate or control the risks

The extensive risk procedures enabled us to prevent work accidents, observe local occupational health and safety regulations, as well as ensure continuous improvement in our occupational health and safety frameworks. We have established contingency plans and organise drills regularly. This can strengthen the employees' response to emergencies when there is a fire or injury. Moreover, we regularly hire qualified consultants to conduct checks on fire equipment.

In order to promote occupational health and safety among employees, we provide employees with sufficient training which focuses on occupational health and safety policies, risk management and practical safety knowledge. The supervisor would conduct a morning briefing on safety, work progress and work deployment for the day. In addition, we have formulated and published a set of workplace safety procedures which allows employees to familiarise themselves with the topic.

At the worksites, we prepare sufficient and suitable personal protective equipment, such as safety helmets, safety shoes, masks, earmuffs and gloves, etc, for employees. The Group also works closely with the contractors and suppliers to embrace the SG Secure movement. The Group arranges annual hearing tests and physical examinations for employees who are exposed to noisy working conditions to further protect their health.

In case of accidents, detailed records are kept and properly filed. Causes of any accidents are carefully analysed to find areas for improvement, which serve to avoid similar incidents from happening again in the future.

Health and Safety	**2025**	2024	**Unit**
Number (rate) of work-related fatalities	**0**	0	%
Lost days due to work injury	**0**	0	Days

In the past three years, including the Reporting Period, the Group did not identify any work-related fatalities. The Group has adopted a set of safe work procedures for storage and handling heavy objects in the workplace, including wearing proper personal protective equipment such as protective gloves and safety shoes, using mechanical lifting devices for the transportation of heavy objects and assigning more manpower when handling heavy objects. The Group will also place emphasis on the importance of safety equipment and measures during daily briefing sessions to avoid accidents in the future.

Development and Training

The Group acknowledges that training and development are essential for achieving a distinctive competitive edge for the Group and its employees. We spare no effort in providing resources and integrated support to improve talents and add value for our employees. A wide range of training starts from their first day of work, where employees are provided with orientation activities. These orientation activities equip them with necessary information about the Group's policies and culture. We believe the comprehensive orientation activities will facilitate the new employees to integrate into the Group and thereby nurture a sense of belonging.

Continuing education is also highly encouraged by the Group. In order to achieve operational excellence and equip employees with the necessary skills and competencies, department managers will identify training needs for their subordinates, as well as formulate training programs frequently.

During the Reporting Period, apart from on-the-job training, the Group sponsored a total of 1,559 hours of training programmes for 44 staff, representing 48% of the Group's 92 staff.

Percentage of trained employees		**2025**	2024	**Unit**
Total number (rate) of trained employees		**44 (48%)**	47 (55%)	Employee (%)
By Gender	Male	**44 (48%)**	46 (71%)	Employee (%)
	Female	**0 (0%)**	1 (5%)	Employee (%)
By employee category	Senior	**3 (33%)**	2 (22%)	Employee (%)
	Middle	**6 (33%)**	1 (20%)	Employee (%)
	Junior	**39 (51%)**	35 (49%)	Employee (%)
By Function	Executive	**3 (33%)**	2 (22%)	Employee (%)
	Technical	**8 (42%)**	6 (33%)	Employee (%)
	Administrative	**3 (16%)**	1 (6%)	Employee (%)
	Production	**30 (67%)**	38 (93%)	Employee (%)

Average training hours completed		2025	2024	Unit
Average training hours per employee		**16.9**	18.3	Hour/employee
By Gender	Male	**20.5**	24.1	Hour/employee
	Female	**0.3**	0.4	Hour/employee
By employee category	Senior	**2.9**	3.3	Hour/employee
	Middle	**6.6**	7.6	Hour/employee
	Junior	**18.1**	20.9	Hour/employee
By function	Executive	**3.0**	3.4	Hour/employee
	Technical	**7.9**	9.1	Hour/employee
	Administrative	**0.4**	0.5	Hour/employee
	Production	**29.0**	33.4	Hour/employee

Labour Standards

The Group's labour standards primarily focus on conformity with local labour laws and regulations according to the Ministry of Manpower (Singapore) and Labour Department (Hong Kong). We prohibit any form of child and forced labour in any of our operations and production process. We have established a strict protocol for hiring, of which we screen candidates in accordance with the minimum age of their respective work locations.

The Group strictly complies with the Labour Laws of Singapore and Employment Ordinance of Hong Kong and provides the required labour protection, safety and health conditions to ensure employees' safety during their services. The Group has paid wages and salaries, benefits and compensations on schedule.

We never force employees to work overtime and all overtime decisions are voluntary. In accordance with the guidelines of the Ministry of Manpower (Singapore) and Labour Department (Hong Kong) and the Group's compensation policy, we provide reasonable overtime pay to employees working overtime.

During the Reporting Period, there have been no cases of prosecution against the Group due to violation of any relevant labour laws and regulations including but not limited to the prevention of child and forced labour.

OPERATING PRACTICES AND SOCIAL INVESTMENT

Supply Chain Management

The Group acknowledges the importance of selecting the best suppliers to safeguard its production process and therefore product quality. We have developed an evaluation and management program for the selection of suppliers and the management of the supply chain. The criteria are based on factors, such as price, delivery times and quality of goods. In addition, we rate our suppliers by using the supplier evaluation form for benchmarking. We consider those with an average rating of 3.0 or above (max: 5.0) as approved suppliers after review and approval from the management. Purchase orders to suppliers can only be approved by manager-level employees and reimbursement can only be approved at a managerial level unless it is under $1,000, which is deemed immaterial.

The Group always views suppliers as important partners and persists in fair and open measures to cooperate with various suppliers. The Group gives priority to local suppliers in order to create employment opportunities for local communities and fulfil corporate social responsibility. Preference is also given to environmentally and socially responsible suppliers.

During the Reporting Period, the Group awarded contracts to 155 suppliers for production activities. 87% of the suppliers are local suppliers in Singapore. The purchasing department monitors and conducts an annual performance review of all suppliers through email and telephone. This ensures the performances of all qualified suppliers remain in line with the requirements of the Group.

Number of suppliers by geographical region		**2025**	2024	**Unit**
Total number of suppliers		**155**	216	Supplier
By geographical region	Singapore	**134**	207	Supplier
	China	**16**	5	Supplier
	Malaysia	**5**	3	Supplier

Product Responsibility

Quality Assurance

The Group is committed to product safety and adheres to the best practices around the world. In order to help drive the commitment throughout the organisation, all of the Group's products are inspected prior to the delivery, so as to ensure that they fully comply with the relevant product specifications and customer requirements.

In relation to the quality control on raw materials, all materials used in our products are provided by qualified suppliers and the materials' specifications are re-inspected prior to formal use to ensure the effectiveness of the materials. The Group assigns dedicated employees to closely follow the progress of a project throughout the fabrication and construction process, to ensure that the raw materials and the construction process meet the requirements of the contracts and regulations. We monitor our subcontractors' level of technology and conduct quality testing according to stipulated plans to ensure that the products meet customer requirements. As for the public signage projects, we work closely with relevant government departments to go through joint inspections in accordance with strict government standards. The Group provides product warranties for up to 7 years based on different products' characteristics and the agreements we have with our customers, and we provide appropriate assistance to customers throughout the warranty period.

Advertising

The Group attaches great importance to the accuracy of the information in its product promotion strategies, to prevent customers from being misled before they make their purchase decisions. The Group arranges sufficient training for employees in sales and production departments. Hence, they are equipped with sufficient knowledge of the features and specifications of the Group's various products. We also urge our employees to convey accurate and fair product information to customers.

Protection of Customer Privacy

The project team takes the responsibility of reviewing requirements and regulations concerning the protection of personal privacy at our operating locations. Internal policies, such as the "Data Protection Agreement", "Internal Privacy Policy", "Code of Conduct for Handling and Processing of Third Party Personal Data" and "Disposal Policy for Personal Data", provide clear guidelines on handling the privacy data. Employees are required to preserve the confidentiality of information not available in the public domain as well as those obtained in the course of carrying out their duties. It is essential that employees should not make improper use of such information to the detriment of the Group's interest during and after the termination of the employment with the Group. In addition to strict compliance with relevant laws and regulations, we have established criteria for handling customer information and preserving customers' sensitive product design information to minimise the risk of customer information leakage.

Protection of Intellectual Property Rights

The Group is committed to compliance with relevant laws of intellectual property rights by valuing and protecting its intellectual properties through patent fees and periodic trademark renewals.

Product Responsibility	**2025**	2024	**Unit**
Percentage of total products sold or shipped subject to recalls	**0**	0	%
Number of products and service-related complaints received	**0**	0	No.

The Group has strictly complied with the laws and regulations related to product responsibility. During the Reporting Period, there have been no cases of prosecution against the Group due to violation of any product responsibility or privacy laws. There were no incidents of non-compliance with laws and regulations concerning breaches of customer privacy, loss of data, as well as the provision of products and services, such as Personal Data Protection Act of Singapore, Personal Data (Privacy) Ordinance and Trade Marks Ordinance of Hong Kong.

Anti-corruption

The Group does not tolerate any form of corruption, fraud, money laundering, bribery and extortion in the course of its operations. All employees are required to strictly abide by the Prevention of Bribery Ordinance of Hong Kong and the Prevention Of Corruption Act of Singapore in their behaviour and are absolutely forbidden from committing any acts of bribery or accepting of bribes, such as gifts, entertainment and hospitality as subterfuge for bribery, etc. The Group also strictly complies with the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act. In order to comply with and supplement the legal requirements, the Group organised anti-corruption training sessions for the Directors and employees with a total of 30 training hours regarding laws and regulations on corruption and money laundering.

As far as corporate governance is concerned, the Group's management regularly reviews regulations on the governance of publicly traded companies to ensure that all newly enacted requirements are implemented by the Group in a timely manner.

We have developed the whistle-blowing policy, which allows all staff and independent third parties, including customers, suppliers and contractors, to report any possible improprieties, misconducts, malpractices or irregularities in matters of financial reporting, internal control or other matters to the Board or the Audit Committee anonymously. The policy is implemented to promote responsible and secure whistle-blowing or complaint without fear of consequences.

The Group's service and purchasing agreements must, in principle, receive approval from the management before they are deemed valid. Any employee, material supplier, subcontractor, customer or other stakeholders who may have any concerns regarding the corporate governance of the Group or the ethics of the employees may file a complaint with the management. The management will then conduct a thorough investigation of all matters and take the necessary measures to plug loopholes in order to maintain the Group's integrity and reputation.

During the Reporting Period, no legal cases regarding corrupt practices were brought against the Group or its employees. The Group has provided training regarding anti-corruption to directors and staff during the Reporting Period.

Community Investment

The Group acknowledges a sustainable business is dependent on the stability and well-being of the community where it operates and regards improving the community's well-being as an important way to realise its value.

HKEX ESG CODE CONTENT INDEX

KPIs	HKEX ESG CODE Content Index	Disclosure Requirements	Sections
Governance Structure			
1	Governance Structure	Disclosure of the board's oversight of ESG issues	ESG Governance
		Board's ESG management approach and strategy, including the process to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses)	ESG Governance
		How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses	ESG Governance
	Reporting Principles	Description of, or an explanation on, the application of the following Reporting Principles (Materiality, Quantitative, Consistency) in the preparation of the ESG report	About This Report
	Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report	About This Report
Environmental			
Aspect A1: Emissions			
A1	General Disclosure	Compliance with relevant laws and regulations that have a significant impact on the issuer; relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
A1.1		The types of emissions and respective emissions data	Emissions
A1.2		Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity	Emissions

Section	Description	Reference
A. Environmental		
A1 Emissions		
General	Compliance with relevant laws and regulations that have a significant impact on the issuer; relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Aspects
A1.1	The types of emissions and respective emissions data.	Air Emissions and GHG
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Air Emissions and GHG
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management
A1.5	Description of emission target(s) set and steps taken to achieve them.	Air Emissions and GHG
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management
A2 Use of Resources		
General	Policies on the efficient use of resources, including energy, water and other raw materials	Use of Resources
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Use of Resources
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Use of Resources
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources

Section	Description	Reference
A3 Environment and Natural Resources		
General	Policies on minimising the issuer's significant impacts on the environment and natural resources	Environment and Natural Resources
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment and Natural Resources
A4 Climate Change		
General	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate-Related Disclosures
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Climate-Related Disclosures
Part D – Climate-Related Disclosures		
Governance	Disclosure of the Board's oversight of climate-related risks and opportunities, and the roles of the Board and management in monitoring climate-related issues, reviewing climate-related information and overseeing progress against climate-related goals and targets	Climate – Governance
Strategy	Description of significant climate-related risks and opportunities which have impacted, and may impact, the Group's business model, strategy and financial performance over the short, medium and long term (including acute and chronic physical risks and transition risks), and how these are considered in business planning and decision-making	Climate – Strategy
Risk Management	Description of the processes for identifying, assessing and managing climate-related risks, including how such risks are integrated into the Group's overall risk management framework and regular risk review procedures	Climate – Risk Management
Metrics and Targets	Disclosure of the climate-related metrics used by the Group (including greenhouse gas emissions and other relevant environmental indicators), any climate-related targets set (such as emissions or energy-efficiency targets), and the Group's performance against these targets.	Climate – Metrics and Targets

Section	Description	Reference
B. Social		
B1 Employment		
General	Compliance with relevant laws and regulations that have a significant impact on the issuer; relating to compensation and dismissal, recruitment, and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	Employment
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	Employment
B1.2	Employee turnover rate by gender, age group and geographical region.	Employment
B2 Health and Safety		
General	Compliance with relevant laws and regulations that have a significant impact on the issuer.	Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
B2.2	Lost days due to work injury	Health and Safety
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
B3 Development and Training		
General	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
B4 Labour Standards		
General	Compliance with relevant laws and regulations that have a significant impact on the issuer.	Labour Standards
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards

Section	Description	Reference
B5 Supply Chain Management		
General	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
B5.1	Number of suppliers by region	Supply Chain Management
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Supply Chain Management
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
B6 Product Responsibility		
General	Compliance with relevant laws and regulations that have a significant impact on the issuer.	Product Responsibility
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Product Responsibility
B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility
B6.3	Description of practices relating to observing and protecting intellectual property rights	Product Responsibility
B6.4	Description of quality assurance process and recall procedures.	Product Responsibility
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Product Responsibility
B7 Anti-corruption		
General	Compliance with relevant laws and regulations that have a significant impact on the issuer	Anti-corruption
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption
B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption

Section	Description	Reference
B8 Community Investment		
General	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Community Investment
B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment