BHCC HOLDING LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1552)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Directors**") of BHCC Holding Limited (the "**Company**", together with its subsidiaries, the "**Group**") announces the audited consolidated results of the Group for the year ended 31 December 2024, together with the comparative figures for the year ended 31 December 2023, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

	Note	**2024**	2023
		S$	*S$*
Revenue	*3*	**192,267,810**	309,180,303
Cost of services		**(184,427,857)**	(303,928,300)
Gross profit		**7,839,953**	5,252,003
Other income	*4a*	**1,609,129**	1,337,227
Other gains and losses	*4b*	**5,183,831**	(105,909)
Selling expenses		**(12,441)**	(13,561)
Administrative expenses		**(4,903,677)**	(3,830,413)
Finance costs	*5*	**(437,495)**	(652,667)
Profit before taxation		**9,279,300**	1,986,680
Income tax expense	*6*	**(328,095)**	(194,130)
Profit for the year, representing total comprehensive income for the year	*7*	**8,951,205**	1,792,550
Profit for the year, representing total comprehensive income for the year attributable to:			
— Owners of the Company		**8,953,613**	1,792,550
— Non-controlling interests		**(2,408)**	–
		8,951,205	1,792,550
Earnings per share			
Basic and diluted (S$ cents)	*8*	**1.12**	0.22

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Note	**2024**	2023
		S$	*S$*
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**7,690,239**	12,644,835
Intangible assets		**380,000**	380,000
Investment properties		**9,721,652**	14,728,957
Right-of-use assets		**97,391**	226,609
Deposits		**738,000**	796,135
Pledged deposits for performance bond		**2,828,400**	2,828,400
Deferred tax assets		**64,906**	–
Other assets		**13,751**	31,013
		21,534,339	31,635,949
Current assets			
Trade receivables	*9*	**5,751,689**	8,913,097
Other receivables and deposits		**5,297,890**	4,424,931
Other assets		**46,731**	71,854
Contract assets	*10a*	**7,640,162**	30,759,697
Development properties	*11*	**92,407,509**	–
Bank balances and cash		**78,133,523**	56,700,787
		189,277,504	100,870,366
Current liabilities			
Trade and other payables	*12*	**(59,886,650)**	(77,329,820)
Contract liabilities	*10a*	**(9,385,625)**	(2,392,028)
Provision for onerous contracts	*10b*	**–**	(445,493)
Lease liabilities		**(100,230)**	(176,645)
Borrowings		**(2,249,534)**	(11,373,677)
Income tax payable		**(446,925)**	(199,040)
		(72,068,964)	(91,916,703)

	Note	2024 S$	2023 S$
Net current assets		**117,208,540**	8,953,663
Total assets less current liabilities		**138,742,879**	40,589,612
Non-current liabilities			
Deposits	12	**(154,958)**	(261,778)
Lease liabilities		**–**	(57,772)
Borrowings	13	**(74,932,207)**	(1,074,684)
		(75,087,165)	(1,394,234)
Net assets		**63,655,714**	39,195,378
EQUITY			
Capital and reserves			
Share capital		**1,389,830**	1,389,830
Reserves		**46,759,161**	37,805,548
Equity attributable to owners of the Company		**48,148,991**	39,195,378
Non-controlling interests	14	**15,506,723**	–
Total Equity		**63,655,714**	39,195,378

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL

BHCC Holding Limited (the "**Company**") was incorporated and registered as an exempted company in the Cayman Islands with limited liability on 21 February 2017 and the address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. 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, the "**Companies Ordinance**") on 20 March 2017 and the registered principal place of business in Hong Kong is Unit 2502, 25/F, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong. The head office and principal place of business of the Company is at No. 1 Tampines North Drive 3, #08-01, BHCC SPACE, Singapore 528499. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with effect from 12 September 2017.

Upon the entering into of the concert party deed, Huada Developments Limited ("**Huada Developments**"), Mr. Yang Xinping, his spouse Ms. Chao Jie ("**Mrs. Yang**"), Eagle Soar Global Limited ("**Eagle Soar**") and Ms. Han Yuying became a group of controlling shareholders of BHCC Holding Limited and its subsidiaries (the "**Group**") (together referred to as the "Controlling Shareholders"). The Company is under common control by the Controlling Shareholders.

The Company is an investment holding company and the principal activities of its operating subsidiaries are the provision of building construction services ("**Building and Construction works**") and properties investment including the leasing of industrial properties ("**Property Investment**").

The consolidated financial statements are presented in Singapore Dollars ("**S$**"), which is also the functional currency of the Company.

The consolidated financial statements are approved by the board (the "**Board**") of directors (the "**Directors**") of the Company on 28 March 2025.

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS ACCOUNTING STANDARDS")

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group has applied the amendments to IFRS Accounting Standards and Interpretations issued by the International Accounting Standards Board ("**IASB**") that are effective for an annual period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements, except as disclosed below.

Amendments to IAS 1 Classification of Liabilities as Current or Non-current

The Group has adopted the amendments to IAS 1, published in January 2020, for the first time in the current year.

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The application of the amendments has had no material impact on the Group's financial positions and performance to the consolidated financial statements

Amendments to IAS 1 Non-current Liabilities with Covenants

The Group has adopted the amendments to IAS 1, published in November 2022, for the first time in the current year.

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The application of the amendments has had no material impact on the Group's financial positions and performance to the consolidated financial statements.

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these consolidated financial statements, the Group has not applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[3]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[3]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[1]
Amendments to IFRS Accounting Standards	*Annual Improvements to IFRS Accounting Standards — Volume 11*[3]
Amendments to IAS 21	*Lack of Exchangeability*[2]
IFRS 18	*Presentation and Disclosures in Financial Statements*[4]

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2025.
[3] Effective for annual periods beginning on or after 1 January 2026.
[4] Effective for annual periods beginning on or after 1 January 2027.

The directors of the Company anticipate that the application of the new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial position and performance as well as disclosure in the period of their initial adoption, except as indicated below.

IFRS 18 *Presentation and Disclosures in Financial Statements*

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 *Earnings per Share*.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

3 REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from the provision of Building and Construction works by the Group to external customers, and Property Investment, being rental income from investment properties held by the Group.

(i) Disaggregation of revenue from contracts with customers and leases

	2024	2023
	S$	*S$*
Types of services		
Building and Construction works		
— Main Contractor Projects	**173,478,663**	241,472,907
— Subcontractor Projects	**16,493,985**	65,432,494
Revenue from contracts with customers	**189,972,648**	306,905,401
Rental from Property Investment	**2,295,162**	2,274,902
Segment revenue *(Note 3(iv))*	**192,267,810**	309,180,303
Timing of revenue recognition		
Revenue from contracts with customers recognised over time	**189,972,648**	306,905,401
Fixed lease payments recognised on a straight-line basis over lease term	**2,295,162**	2,274,902
	192,267,810	309,180,303

(ii) Performance obligations for contracts with customers

Building and Construction works

The Group derives its revenue from provision of Building and Construction works over time using the input method.

Rental from Property Investment

Rental income is recognised, on a straight-line basis, over the terms of the respective leases.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The following table shows the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied as at the end of each reporting period:

	2024	2023
	S$	*S$*
Main Contractor Projects		
— Within one year	**122,275,691**	183,489,944
— More than one year but not more than two years	**69,507,480**	72,770,227
— More than two years but not more than five years	**233,677,528**	–
	425,460,699	256,260,171
Subcontractor Projects		
— Within one year	**5,393,669**	3,499,829
	430,854,368	259,760,000

During the year, majority of the construction contracts for services provided to external customers last 12 months (2023: over 12 months).

(iv) Segment information

Information is reported to the Executive Directors, being the chief operating decision makers ("**CODM**") of the Group, for the purposes of resource allocation and performance assessment. The CODMs review segment revenue and results attributable to each segment, which is measured by reference to the respective segments' gross profit. The Group has two operating segments as follows:

- Building and Construction works: Engage in provision of building and construction works via main contractor and subcontractor projects to public and private sectors.

- Property Investment: Leasing of industrial properties.

No analysis of the Group's assets and liabilities is regularly provided to the CODMs for review.

	2024	2023
	S$	*S$*
Segment revenues		
Building and Construction works	**189,972,648**	306,905,401
Property Investment	**2,295,162**	2,274,902
	192,267,810	309,180,303
Segment results		
Building and Construction works	**6,755,678**	3,964,279
Property Investment *(Note)*	**5,914,558**	1,287,724
	12,670,236	5,252,003
Unallocated:		
Other income	**1,609,129**	1,337,227
Other gains and losses	**353,548**	(105,909)
Selling expenses	**(12,441)**	(13,561)
Administrative expenses	**(4,903,677)**	(3,830,413)
Finance costs	**(437,495)**	(652,667)
Profit before taxation	**9,279,300**	1,986,680

Note: Segment results for property investment includes results from property investment of S$1,084,275 (2023: S$1,287,724) and gain arising on disposal of investment properties of S$4,830,283 (2023: S$Nil) (Note 4b).

The accounting policies for segment information are the same as the Group's accounting policies.

(v) Geographical information

The Group principally operates in Singapore. All revenue is derived from external customers in Singapore based on the location of services delivered and the Group's property, plant and equipment, intangible assets, investment properties, and right-of-use assets are all located in Singapore.

(vi) Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

	2024	2023
	S$	*S$*
Customer A	**153,127,810**	240,676,045
Customer B	**N/A***	63,964,088

* Revenue did not contribute over 10% of total revenue of the Group for the year.

Revenue from the above customers A to B in 2024 and 2023 are from segment of Building and Construction works.

4a OTHER INCOME

	2024	2023
	S$	*S$*
Government grants *(Note)*	**63,998**	32,652
Interest income	**1,446,533**	846,651
Others	**98,598**	457,924
	1,609,129	1,337,227

Note: Government grants in 2024 and 2023 mainly include Wage Credit Scheme ("**WCS**") and Government-Paid Childcare Leave ("**GPCl**").

All government grants received are incentives as compensation of expenses or losses already incurred or as immediate financial support to the Company with no future related costs and no relation to any assets received upon fulfilling the conditions attached to them.

4b OTHER GAINS AND LOSSES

	2024	2023
	S$	*S$*
Gain arising on disposal of investment properties	**4,830,283**	–
Gain arising on disposal of property, plant and equipment	**–**	31,556
Net exchange gain (loss)	**353,548**	(137,465)
	5,183,831	(105,909)

5 FINANCE COSTS

	2024	2023
	S$	*S$*
Interest on:		
Borrowings	**2,583,817**	643,957
Lease liabilities	**9,439**	8,710
Total interest expense	**2,593,256**	652,667
Less: Amount capitalised in development properties	**(2,155,761)**	–
	437,495	652,667

6 INCOME TAX EXPENSE

	2024	2023
	S$	*S$*
Tax expense comprises:		
Current tax		
— Singapore corporate income tax ("**CIT**")	**439,383**	191,499
— (Over) Under provision of current tax in prior year	**(46,382)**	2,631
Deferred tax		
— Current year	**(64,906)**	–
	328,095	194,130

The Company is exempted from taxation under the laws of the Cayman Islands.

Singapore CIT is calculated at 17% of the estimated assessable profit. Singapore incorporated companies also enjoy 75% tax exemption on the first S$10,000 of normal chargeable income, and a further 50% tax exemption on the next S$190,000 of normal chargeable income, for both the Years of Assessment 2024 and 2025.

7 PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	2024	2023
	S$	*S$*
Depreciation of property, plant and equipment *(Note a)*	**1,169,821**	1,658,965
Depreciation of investment properties *(Note a)*	**932,360**	732,667
Depreciation of right-of-use assets *(Note a)*	**221,982**	209,398
Provision for onerous contracts *(Note 10b)*	**–**	221,479
Audit fees to auditors of the Company *(Note c):*		
— Annual audit fees	**260,000**	215,000
Audit fees to other auditors of the Company	**10,000**	15,000
Non-audit fees to other auditors of the Company	**15,500**	3,500
Directors' remuneration	**2,341,142**	1,347,592
Other staff costs:		
— Salaries and other benefits	**11,587,061**	11,939,023
— Contributions to CPF	**579,844**	533,819
Total staff costs *(Note b)*	**14,508,047**	13,820,434
Cost of materials recognised as cost of services	**29,473,150**	83,409,906
Subcontractor costs recognised as cost of services	**132,262,263**	193,157,468

Notes:

a. Depreciation of S$1,728,741 (2023: S$1,726,201) are included in cost of services.

b. Staff costs of S$12,217,136 (2023: S$12,547,398) are included in cost of services.

c. There were no non-audit services provided by auditors of the Company in 2024 and 2023.

8 EARNINGS PER SHARE

	2024	2023
Profit attributable to the owners of the Company (S$)	**8,953,613**	1,792,550
Weighted average number of ordinary shares in issue	**800,000,000**	800,000,000
Basic earnings per share (S$ cents)	**1.12**	0.22

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company and the weighted average number of shares in issue.

No diluted earnings per share were presented as there were no potential ordinary shares in issue for 2024 and 2023.

9 TRADE RECEIVABLES

	2024	2023
	S$	*S$*
Trade receivables	**5,211,555**	2,442,607
Unbilled revenue *(Note a)*	**540,134**	6,470,490
	5,751,689	8,913,097

Note a: Unbilled revenue are those accrued revenue which the construction certification is issued by the customers before year end but no billing has been raised to customers. The Group's rights of the unbilled revenue are unconditional.

As at 1 January 2023, trade receivables from contracts with customers amounted to S$6,427,685.

The Group grants credit terms to customers typically between 0 to 45 days (2023: 0 to 45 days) from the invoice date for trade receivables. The following is an analysis of trade receivables by invoice date at the end of each reporting period:

	2024	2023
	S$	*S$*
Within 60 days	**5,209,055**	2,410,107
Above 365 days	**2,500**	32,500
	5,211,555	2,442,607

Before accepting any new customer, the Group assesses the potential customer's credit quality and defined credit limit to each customer on an individual basis. Credit limits attributed to customers are reviewed periodically.

The Group applies the simplified approach to provide the expected credit losses prescribed by IFRS 9.

As part of the Group's credit risk management, the Group assesses the impairment for its customers based on different group of customers that share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms.

The directors of the Company considered that the expected credit loss for trade receivables is insignificant as at 31 December 2024 and 2023.

10a CONTRACT ASSETS/LIABILITIES

The following is the analysis of the contract assets and contract liabilities:

	2024	2023
	S$	*S$*
Contract assets	**7,640,162**	30,759,697
Contract liabilities	**(9,385,625)**	(2,392,028)

Contract assets and contract liabilities arising from same contract are presented on net basis.

As at 1 January 2023, contract assets amounted to S$44,897,865 and contract liabilities amounted to S$Nil.

Contract assets

Amounts represent the Group's rights to considerations from customers for the provision of construction services, which arise when: (i) the Group completed the relevant services under such contracts; and (ii) the customers withhold certain amounts payable to the Group as retention money to secure the due performance of the contracts for a period of generally 12 months (defect liability period) after completion of the relevant works. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it becomes unconditional and is invoiced to the customer.

The Group's contract assets are analysed as follows:

	2024	2023
	S$	*S$*
Construction contracts — current		
Retention receivables	**2,984,780**	1,357,819
Others*	**4,655,382**	29,401,878
	7,640,162	30,759,697

* Included in others is revenue not yet billed to the customers. The Group has completed the relevant services under such contracts but yet to be certified by representatives appointed by the customers.

Changes of contract assets were mainly due to: (1) the amount of retention receivables in accordance with the number of ongoing and completed contracts under the defect liability period; and (2) in the size and number of contract works that the relevant services were completed but yet to be certified by representatives appointed by the customers at the end of each reporting period.

The Group's contract assets are the retention receivables to be settled, based on the expiry of the defect liability period of the relevant contracts or in accordance with the terms specified in the relevant contracts, at the end of the reporting period. The balance are classified as current as they are expected to be received within the Group's normal operating cycle.

The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for the trade receivables are a reasonable approximation of the loss rates for the contract assets. Based on the management's assessment, it is considered that the expected credit loss for contract assets is insignificant as at 31 December 2024 and 2023.

Contract liabilities

The contract liabilities represent the Group's obligation to transfer services to customers for which the Group has received consideration (or an amount of consideration is due) from the customers.

The Group's contract liabilities are analysed as follows:

	2024	2023
	S$	*S$*
Construction contracts — current	**(9,385,625)**	(2,392,028)

The increase in contract liabilities from 31 December 2023 to 31 December 2024 is mainly due to contract works certified by representatives appointed by the customers but the relevant services yet to be completed at the end of each reporting period.

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities:

	2024	2023
	S$	*S$*
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	**2,392,028**	–

None of the revenue recognised during the year relates to performance obligations that were satisfied in prior periods.

10b PROVISION FOR ONEROUS CONTRACTS

As at 31 December 2024 and 2023, the Group recorded S$Nil and S$445,493 provision for the unavoidable costs of fulfilling certain construction contracts with customers, that were in excess of the economic benefits expected to be received under the contracts. The provision for the onerous contracts is expected to be utilised at the end of the respective contract terms.

	2024	2023
	S$	*S$*
As at 1 January	**445,493**	1,842,337
Utilised during the year	**(445,493)**	(1,618,323)
Provision for onerous contracts recognised during the year *(Note 7)*	**–**	221,479
As at 31 December	**–**	445,493

11 DEVELOPMENT PROPERTIES

	2024	2023
	S$	*S$*
Properties in the course of development		
Land related cost[1]	**88,346,601**	–
Development cost	**987,671**	–
Others[2]	**3,073,237**	–
	92,407,509	–

1 As at 31 December 2024, land related cost includes land cost of S$81 million, stamp duty of S$4 million and others of S$3 million.

2 As at 31 December 2024, others include capitalisation of interest expense on bank borrowings of S$2,155,761.

As at 31 December 2024, development properties of the Group comprises of freehold land and light industrial property development property at 50 Playfair Road Singapore 367995, in which the Group holds a 45% interest in Tai Seng Food Point Development Pte. Ltd. (formerly known as Evermega Investment Holdings Pte. Ltd.) ("**Tai Seng Food Point**"), an indirect non-wholly owned subsidiary of the Group. These properties have operating cycles longer than one year. Development properties are classified as current assets as they are intended for sale in the Group's normal operating cycle.

The allowance for diminution in value for development properties was estimated after taking into account estimated selling prices and estimated total construction costs, where appropriate. The estimated selling prices are based on expected selling prices for the development project after taking into consideration of prevailing market conditions. As at 31 December 2024, no allowance for diminution in value is provided.

As at 31 December 2024, development properties with carrying amount of $92,407,509 were mortgaged to banks to secure credit facilities for the Group.

There is no revenue recognised as the Group has not secured contracts with customers during the financial year ended 31 December 2024.

12 TRADE AND OTHER PAYABLES

	2024	2023
	S$	*S$*
Current		
Trade payables	**25,351,328**	28,786,403
Trade accruals	**29,349,252**	43,614,427
	54,700,580	72,400,830
Accrued operating expenses	**270,800**	253,079
Other payables:		
GST payable	**1,217,166**	1,646,607
Interest payable	**201,955**	23,170
Accrued payroll costs	**3,190,627**	2,213,980
Deposits	**253,263**	751,908
Others	**52,259**	40,246
	59,886,650	77,329,820
Non-current		
Deposits	**154,958**	261,778

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

	2024	2023
	S$	*S$*
Within 90 days	**24,574,501**	27,432,494
91 to 180 days	**278,735**	1,053,547
181 days to 365 days	**361,481**	269,292
Over 1 year but not more than 2 years	**67,191**	15,760
More 2 years	**69,420**	15,310
	25,351,328	28,786,403

The credit period on purchases from suppliers and subcontractors is between 0 to 60 days (2023: 0 to 60 days).

13 BORROWINGS

	2024	2023
	S$	*S$*
Bank loan — secured *(Notes a, b, c)*	**77,181,647**	12,389,882
Other borrowings — secured *(Note d)*	**94**	58,479
	77,181,741	12,448,361
Analysed as:		
Carrying amount repayable within one year	**2,249,534**	11,373,677
Carrying amount repayable more than one year, but not exceeding two years	**1,175,076**	1,074,684
Carrying amount repayable more than two years, but not exceeding five years	**73,757,131**	–
	77,181,741	12,448,361
Less: Amount due within one year shown under current liabilities	**(2,249,534)**	(11,373,677)
Amount shown under non-current liabilities	**74,932,207**	1,074,684

Notes:

a. As at 31 December 2024, a loan with an outstanding balance of S$8.9 million (2023 : S$10.0 million) was secured by the legal mortgage over the Group's mixed commercial and industrial development property. The loan carries fixed interest rate of 3.58% and 3.78% for first and second year, follow by 2% over the applicable Compounded SORA Reference Rate as determined by the bank for third year and thereafter. It is also secured by a corporate guarantee provided by the Company.

b. As at 31 December 2024, a five-year temporary bridging loan with an outstanding balance of S$1.1 million (2023: S$2.3 million) carries a fixed interest rate of 2% (2023: 2%). It is secured by a corporate guarantee provided by the Company.

c. In 2024, the Group secured loan facilities of S$78.4 million which are available to drawdown in three tranches.

   As at 31 December 2024, the Group had drawndown two tranches with outstanding balance of S$67.2 million. The loan are secured by the legal mortgage over the Group's development properties, carrying interest rate of 0.9% above the Compounded Singapore Overnight Rate Average (SORA). It is also secured by a proportionate corporate Guarantee provided by the Company and proportionate personal Guarantees provided by the non-controlling shareholders of an indirectly 45%-owned subsidiary of the Company.

d. The Group purchased certain copiers and motor vehicles via hire purchase agreements, constituting in-substance purchases with financing arrangements. The motor vehicles under hire purchase financing arrangements are secured by personal guarantees provided by the Company's directors.

14 NON-CONTROLLING INTEREST

As at 31 December 2024, non-controlling interests include shareholder loan of S$15,508,581 granted to an indirectly 45%-owned subsidiary of the Company to fund the properties under development. The amounts are non-trade in nature, unsecured and interest free. The repayment is at the discretion of the subsidiary.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the current financial year ended 31 December 2024, the Group is principally engaged in (i) the provision of Building and Construction works as a main contractor and as subcontractor in reinforcement concrete works undertaken on a selected basis; (ii) properties investment including the leasing of industrial properties in Singapore.

In 2024, the global market environment faced some challenges, including global economic uncertainties, widespread inflationary pressures, and geopolitical tensions, all of which exerted downward pressure on economic growth.

Despite these headwinds, Singapore's construction industry demonstrated resilience and rebounded gradually. The Singapore's Ministry of Trade and Industry ("**MTI**") revealed the Singapore economy expanded by 4.4 per cent in 2024. Growth in the construction sector came in at 4.4 per cent year-on-year in the fourth quarter, following the 5.6 per cent growth in the third quarter. This was on account of expansions in both public and private sector construction output.

In line with this upward trend, the Group achieved a significant milestone by successfully securing four new projects at the end of 2024 and early 2025. The combined total contract sum reached a historic milestone of approximately S$598 million for the Company. This marks a notable accomplishment and underscores the Group's strong positioning in the construction sector.

To further strengthen its growth prospects and diversify revenue streams, the Group expanded its business operations in early 2024 by entering the property development sector through the acquisition of a redevelopment project involving an industrial property in Singapore. This strategic move enables the Group to effectively utilize its existing resources, capitalize on emerging opportunities in Singapore's rapidly growing property market, and enhance its revenue diversification.

In light of this acquisition, the Group expects to report a new property development segment, which now forms one of the three core business segments, alongside the existing segments of building and construction works, and property investment in the subsequent financial years.

The Group has since continued to search for new opportunities in the Singapore property market and have actively explored possible tenders with other market players for a variety of lands of different uses in Singapore.

For further details of the commencement of new business segment, please refer to the announcement of the Company dated 13 February 2025.

FINANCIAL REVIEW

The Group's revenue for the year was approximately S$192.3 million, representing a decrease of approximately 37.8% as compared with that of approximately S$309.2 million for the previous year. The decrease was mainly due to several ongoing projects reaching their final stages, as a result, there were less construction activities in 2024 as compared to 2023. Revenue from building and construction works, the Group's major business segment, accounted for approximately 98.8% (2023: approximately 99.3%) or S$190.0 million (2023: approximately S$306.9 million) of the Group's total revenue. Revenue from property investment contributed approximately 1.2% (2023: approximately 0.7%) or S$2.3 million (2023: approximately S$2.3 million).

Total gross profit for the year amounted to approximately S$7.8 million (2023: approximately S$5.3 million). The profit was mainly attributable to higher profit margin as compared to that in the year ended 31 December 2023.

Other income increased by approximately S$0.3 million or 20.3% from approximately S$1.3 million to approximately S$1.6 million for the year ended 31 December 2024. Such increase was mainly due to higher bank interest income earned as a result of more placement of short-term deposits.

The Group has recorded a significant increase in other gains and losses, rising from a loss of approximately S$0.1 million in the year ended 31 December 2023 to a gain of approximately S$5.2 million in the year ended 31 December 2024. This increase was mainly attributable to net foreign exchange gain and a one-off gain from the disposal of the Group's investment properties during the year.

For the year ended 31 December 2024, administrative expenses increased by approximately S$1.1 million or 28%, from approximately S$3.8 million for the year ended 31 December 2023 to approximately S$4.9 million, which was mainly due to increase in directors' remuneration.

For the year ended 31 December 2024, the Group's finance costs decreased to approximately S$0.4 million (2023: approximately S$0.7 million) mainly due to lower interest rate on bank borrowings.

The Group's income tax expense increased to approximately S$0.3 million for the year ended 31 December 2024 from approximately S$0.2 million for the year ended 31 December 2023.

As a result of the aforementioned, for the year ended 31 December 2024, profit attributable to owners of the Company amounted to approximately S$9.0 million for the year ended 31 December 2024 (2023: approximately S$1.8 million).

Given the above, the Board is of the view that the financial position of the Group remains sound as sufficient reserve and liquidity are maintained.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 December 2024 (2023: Nil).

CAPITAL COMMITMENTS

As at 31 December 2024, the Group had capital commitment of approximately S$9.8 million (2023: Nil) in connection with the capital commitment to Tai Seng Food Point, an indirect non-wholly owned subsidiary. For details, please refer to the section headed "Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures" in this announcement. Saved for the disclosed, as at 31 December 2024, the Group had no other capital commitment in respect of acquisition of property, plant and equipment.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's receivable turnover days as at 31 December 2024 was 14 days (2023: 9 days). The Group is able to maintain its receivable turnover days as a significant portion of revenue was generated from customers in public sectors, who make payments promptly.

The Group's cash and cash equivalents balance as at 31 December 2024 amounted to approximately S$62.8 million, representing a increase of approximately S$7.5 million as compared to approximately S$55.3 million as at 31 December 2023.

As at 31 December 2024, the Group's indebtedness comprised bank borrowings of approximately S$77.2 million (2023: approximately S$12.4 million), hire purchase financing of S$94 (2023: approximately S$0.1 million), and lease liabilities of approximately S$0.1 million (2023: approximately S$0.2 million). As at 31 December 2024, the gearing ratio (calculated by dividing total debts by total equity) of the Group was 1.21 times as compared to 0.32 times as at 31 December 2023.

EXPOSURE TO FOREIGN EXCHANGE RATE RISKS

The Group transacts mainly in Singapore dollars, which is the functional currency of all the Group's operating subsidiaries. However, the Group has certain bank balances denominated in United States dollars and Hong Kong dollars amounting to approximately S$9.1 million (2023: approximately S$9.0 million) which expose the Group to foreign currency risk. The Group manages the risk by closely monitoring the movement of the foreign currency rate.

EMPLOYEES AND REMUNERATION POLICIES

The Group had 287 employees as at 31 December 2024 (as at 31 December 2023: 360 employees). Remuneration is determined by reference to prevailing market terms and in accordance with the job scope, responsibilities, and performance of each individual employee. The local employees are also entitled to discretionary bonus depending on their respective performance and the profitability of the Group. The foreign workers are typically employed on a one-year basis depending on the period of their work permits, and are subject to renewal based on their performance, and are remunerated according to their work skills.

The Company has adopted a share option scheme (the "**Share Option Scheme**") on 17 August 2017 pursuant to which the directors and employees of the Group are entitled to participate. Since the adoption of the Share Option Scheme, no option has been granted under the Share Option Scheme. Therefore, no option was exercised or cancelled or has lapsed during the year ended 31 December 2024 and there was no outstanding option as at 31 December 2024. As at 31 December 2024, a maximum of 80,000,000 shares of the Company, being 10% of the total number of shares of the Company in issue as at the listing date of the Company, may be issued upon exercise of all 80,000,000 share options available to be granted under the Share Option Scheme.

CHARGES OF ASSETS

As at 31 December 2024, charges of assets included (i) the carrying amount of leasehold land, leasehold property, investment properties, and development properties amounting to approximately S$109.3 million (2023: approximately S$18.2 million) that were pledged to banks to secure bank borrowings, (ii) the deposits of S$2.8 million (2023: approximately S$2.8 million) that were pledged to banks for a performance bond as at 31 December 2024.

PROSPECTS

The outlook for the construction industry in Singapore remains positive, with an anticipation of growth and a stable influx of projects. The company is adapting to the challenges by implementing strategies like advanced planning, simplifying construction methods, and optimizing designs to ensure continued success and profitability.

According to the Building and Construction Authority ("**BCA**"), construction demand in Singapore is projected to range between S$47 billion to S$53 billion in 2025. Over the medium-term, BCA expects the total construction demand to reach an average of between S$39 billion and S$46 billion per year from 2026 to 2029.

In early 2025, the Group has entered into a joint venture agreement with other market players, where the parties will form a joint venture for the lease and development of a residential land parcel situated at Dairy Farm Walk, Singapore. This marks the Group's second major real estate development project that the Group will take part in and the first of residential land use, allowing the Group to further expand its property development business and diversifying the development portfolio of the Group.

Looking ahead, the Group's business strategy for 2025 will remain focused on expanding its presence in both the construction and property development sectors in Singapore. With a robust pipeline of ongoing projects and stable demand for building works, the Group is well-positioned to secure new tenders and sustain strong performance in the construction sector.

The Group will leverage its extensive experience in construction projects to expand its market share and maintain its competitive edge. Additionally, the Group will actively explore land tenders for various uses, including residential, industrial, and commercial projects, to further diversify its portfolio and drive long-term growth.

DIVIDEND

The Board takes into account, among other factors, the Group's overall results of operation, financial position and capital requirements, in considering the declaration of dividends. The Board does not recommend the payment of a dividend for the year ended 31 December 2024 (2023: Nil).

CORPORATE GOVERNANCE

The Company is committed to fulfilling its responsibilities to its shareholders (the "**Shareholders**") of the Company and protecting and enhancing Shareholders' value through good corporate governance.

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures, internal control and risk management procedures of the Group so as to achieve effective accountability.

The Company has adopted the corporate governance code (the "**CG Code**") contained in Appendix C1 of the Rules (the "**Listing Rules**") Governing the Listing of Securities on the Stock Exchange, and has complied with all applicable code provisions as set out in the CG Code during the year ended 31 December 2024 except for the following deviation:

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

During the year ended 31 December 2024, the Company did not have a position of the title "chief executive officer". Mr. Yang Xinping, chairman of the Board, has been playing a leading role in both the overall strategic planning and day-to-day management of the business of the Group.

Having considered the current composition of the Board which comprises two executive Directors and three independent non-executive Directors, and that all major decisions are made with prior consultation with the members of the Board, the Board is of the view that the role of chief executive is jointly undertaken and sufficiently balanced amongst the members of the Board.

The Board considers that the current structure facilitates the implementation of the Group's business strategies, maximises the effectiveness of the Group's operation and will not impair the balance of power and authority of the Board. Nonetheless, the Board will review the structure of management from time to time and ensure that appropriate action be taken as and when appropriate.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as contained in Appendix C3 to the Listing Rules as its own code of conduct governing the securities transactions by the Directors. Following a specific enquiry made by the Company on each of the Directors, all Directors have confirmed that they had complied with the Model Code during the year ended 31 December 2024.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Very substantial acquisition in relation to acquisition of 45% of the equity interest in and capital commitment to Tai Seng Food Point

On 4 January 2024, BHCC Development Pte. Ltd. ("**BHCC Development**"), an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. Teo Wai Leong, pursuant to which (i) BHCC Development agreed to acquire 45% of the total issued share capital of Tai Seng Food Point at S$450 and the shareholder loan in the amount of S$5,490,169.20 for the aggregate consideration of S$5,490,619.20 (the "**Acquisition**"); and (ii) BHCC Development has conditionally agreed to make capital contribution to Tai Seng Food Point in the aggregate amount of up to S$17,010,000 (together with the Acquisition, the "**Transactions**"). Completion of the Acquisition took place on 20 March 2024. Upon completion of the Acquisition, Tai Seng Food Point became a subsidiary of the Company and the financial statements of Tai Seng Food Point were consolidated into the consolidated financial statements of the Company. For details of the Transactions, please refer to the announcements of the company dated 4 January 2024, 18 March 2024 and 20 March 2024, and the circular of the Company dated 28 February 2024.

Major transactions in relation to disposal of properties

On 28 March 2024, Wan Yoong Construction Pte Ltd. ("**Wan Yoong**"), an indirect wholly-owned subsidiary of the Company, executed an option letter ("**Option Letter A**") granting an option ("**Option A**") to 365 Cancer Prevention Society ("**Purchaser A**") to purchase three units ("**Properties A**") located at 11 Irving Place, Tai Seng Point, Singapore 369551 ("**Tai Seng Point**") at the consideration of S$7,840,000. Option A was exercised by Purchaser A on 9 April 2024, and completion of the disposal of Properties A ("**Disposal A**") took place on 19 August 2024 in accordance with Option Letter A.

On 20 May 2024, Wan Yoong executed two option letters ("**Option Letter B**" and "**Option Letter C**" respectively), granting two options ("**Option B**" and "**Option C**" respectively, and together with Option A, the "**Options**") to Chai Ming Optical Pte Ltd ("**Purchaser B**") to purchase two separate units ("**Property B**" and "**Property C**" respectively) at Tai Seng Point at the consideration of S$2,232,400 and S$2,617,600 respectively. Option B and Option C were exercised by Purchaser B on 3 June 2024, and completion of the disposal of Property B ("**Disposal B**") and Property C ("**Disposal C**", together with Disposal A and Disposal B, the "**Disposals**") took place on 13 August 2024 in accordance with Option Letter B and Option Letter C. For details of the Options and Disposals, please refer to the announcements of the Company dated 28 March 2024, 9 April 2024, 20 May 2024 and 3 June 2024, and the circulars of the Company dated 21 May 2024 and 11 June 2024.

Save as disclosed, the Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year ended 31 December 2024.

AUDIT COMMITTEE

The audit committee (the "**Audit Committee**") of the Company was established on 17 August 2017 with written terms of reference in compliance with the CG Code. The written terms of reference of the Audit Committee are published on the respective websites of the Stock Exchange and the Company. The Audit Committee comprises three independent non-executive Directors, namely Ms. Chan Bee Leng, Mr. Kwong Choong Kuen (Huang Zhongquan) and Mr. Wang Lian. Ms. Chan Bee Leng is the chairlady of the Audit Committee.

The Audit Committee had reviewed the Group's annual results and consolidated financial statements for the year ended 31 December 2024 with the Group's external auditor. Based on the review and discussions with management, the Audit Committee is of the view that the consolidated financial statements have been prepared in accordance with the applicable accounting standards, the Listing Rules and the statutory provisions, sufficient disclosures have been made and fairly present the Group's financial position and results for the year ended 31 December 2024.

SCOPE OF WORK OF DELOITTE & TOUCHE LLP

The figures in respect of the Group's consolidated statement of financial position, 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 preliminary announcement have been agreed by the Group's auditor, Deloitte & Touche LLP, to the amounts set out in the Group's audited consolidated financial statements for the year as approved by the Board of Directors on 28 March 2025. The work performed by Deloitte & Touche LLP in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements issued by International Auditing and Assurance Standards Board and consequently no opinion or assurance conclusion has been expressed by Deloitte & Touche LLP on the preliminary announcement.

EVENTS AFTER THE REPORTING PERIOD

Major transaction and connected transaction at subsidiary level in relation to formation of Joint Venture

On 24 January 2025, BHCC Development (Projects) Pte Ltd. ("**BHCC Projects**"), an indirect wholly-owned subsidiary of the Company, entered into a joint venture agreement (the "**JV Agreement**") with SNC2 Realty Pte. Ltd., Apex Asia Alpha Investment Two Pte. Ltd., Soon Li Heng Civil engineering Pte Ltd, and Kay Lim Realty Pte. Ltd., as joint venture partners, in relation to the formation of a special purpose company (the "**Joint Venture**") in the Singapore for the lease and development of a residential land parcel situated at Dairy Farm Walk, Singapore, pursuant to which BHCC Projects shall acquire and/or subscribe for 10% of the issued shares of the Joint Venture and shall make capital contribution to the Joint Venture in the sum of a maximum of S$20 million (the "**BHCC Capital Commitment**"). As at the date of this announcement, the Joint Venture has been formed and the payment of the BHCC Capital Commitment has been made in full.

For further details in relation to the formation of the Joint Venture, please refer to the announcement of the Company dated 24 January 2025 and the circular of the Company dated 21 March 2025.

Saved as disclosed above, the Directors confirmed that there are no significant events after the reporting period.

APPRECIATION

The Board would like to take this opportunity to express its sincere gratitude to the management team and staff for their hard work and contributions, and to the Shareholders, investors and business partners for their trust and support.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The annual results announcement of the Company is published on the website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.bhcc.com.sg). The annual report of the Company for the year ended 31 December 2024 containing all the relevant information required by the Listing Rules will be published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
BHCC Holding Limited
Yang Xinping
Chairman

Singapore, 28 March 2025

As at the date of this announcement, the Board comprises Mr. Yang Xinping and Ms. Han Yuying as executive Directors; and Ms. Chan Bee Leng, Mr. Kwong Choong Kuen (Huang Zhongquan) and Mr. Wang Lian as independent non-executive Directors.