



**OCEAN SKY INTERNATIONAL LIMITED  
AND ITS SUBSIDIARIES**

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS AND  
FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

The board of directors (the “Board” or “Directors”) of Ocean Sky International Limited (the “Company”) hereby announces the condensed interim consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months (“2HY2024”) and financial year ended 31 December 2024 (“FY2024”), together with the comparative figures for the six months (“2HY2023”) and financial year ended 31 December 2023 (“FY2023”). The Group’s interim results for the six months and financial year ended 31 December 2024 are unaudited.

	Note	Six Months Ended		+ / (-) %	Financial Year Ended		+ / (-) %
		31.12.2024 \$'000	31.12.2023 \$'000		31.12.2024 \$'000	31.12.2023 \$'000	
Revenue	4	16,368	14,799	10.6	30,327	31,542	(3.9)
Cost of services		(12,929)	(12,504)	3.4	(24,814)	(27,347)	(9.3)
Gross profit		3,439	2,295	49.8	5,513	4,195	31.4
Other income		462	277	66.8	743	392	89.5
Administrative and other operating expenses		(2,721)	(3,753)	(27.5)	(5,194)	(6,207)	(16.3)
Finance costs	5	(484)	(498)	(2.8)	(965)	(826)	16.8
Share of results of joint ventures, net of tax		120	(241)	N.M.	260	96	170.8
<b>Profit/(Loss) before income tax</b>	5	816	(1,920)	N.M.	357	(2,350)	N.M.
Income tax expense	6	(328)	(74)	343.2	(445)	(341)	30.5
<b>Profit/(Loss) for the financial period/year attributable to owners of the parent</b>		488	(1,994)	N.M.	(88)	(2,691)	(96.7)
<b>Other comprehensive income:</b>							
<i>Item that may be reclassified subsequently to profit or loss:</i>							
- Exchange differences on translating foreign operations		(42)	(500)		469	(149)	
Other comprehensive income for the financial period/year, net of tax		(42)	(500)		469	(149)	
<b>Total comprehensive income for the financial period/year attributable to owners of the parent</b>		446	(2,494)		381	(2,840)	
<b>Loss per share (cents)</b>							
- Basic		0.11	(0.46)		(0.02)	(0.62)	
- Diluted		0.11	(0.46)		(0.02)	(0.62)	

N.M.: Not meaningful

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

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024**

		Group		Company	
	Note	31.12.2024	31.12.2023	31.12.2024	31.12.2023
		\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>					
Property, plant and equipment	8	9,964	10,371	-	30
Investment property	9	14,875	15,688	-	-
Investments in subsidiaries		-	-	15,329	15,297
Investments in joint ventures		1,621	1,561	-	-
		<u>26,460</u>	<u>27,620</u>	<u>15,329</u>	<u>15,327</u>
<b>Current assets</b>					
Inventories		244	222	-	-
Trade and other receivables	10	21,242	20,452	20,511	19,412
Contract assets	11	4,407	4,841	-	-
Cash and cash equivalents		14,767	15,896	7,371	9,041
		<u>40,660</u>	<u>41,411</u>	<u>27,882</u>	<u>28,453</u>
Less:					
<b>Current liabilities</b>					
Trade and other payables	12	7,946	7,249	16,991	16,969
Contract liabilities	11	225	190	-	-
Provisions		190	232	-	-
Bank term loans	13	1,403	1,823	-	-
Lease liabilities	13	329	236	19	18
Current income tax payable		707	498	-	-
		<u>10,800</u>	<u>10,228</u>	<u>17,010</u>	<u>16,987</u>
<b>Net current assets</b>		<u>29,860</u>	<u>31,183</u>	<u>10,872</u>	<u>11,466</u>
Less:					
<b>Non-current liabilities</b>					
Bank term loans	13	13,525	16,236	-	-
Lease liabilities	13	1,679	1,827	15	34
Deferred tax liabilities		229	234	-	-
		<u>15,433</u>	<u>18,297</u>	<u>15</u>	<u>34</u>
<b>Net assets</b>		<u>40,887</u>	<u>40,506</u>	<u>26,186</u>	<u>26,759</u>
<b>Equity</b>					
Share capital	14	55,169	55,169	55,169	55,169
Foreign currency translation reserve		(266)	(735)	-	-
Accumulated losses		(14,016)	(13,928)	(28,983)	(28,410)
<b>Equity attributable to owners of the parent</b>		<u>40,887</u>	<u>40,506</u>	<u>26,186</u>	<u>26,759</u>

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

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Share capital \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Equity attributable to owners of the parent \$'000
<b>The Group</b>				
Balance at 1 January 2024	55,169	(735)	(13,928)	40,506
<b>Loss for the financial year</b>	-	-	(88)	(88)
<b>Other comprehensive income for the financial year</b>				
Exchange differences on translating foreign operations	-	469	-	469
Total other comprehensive income for the financial year	-	469	-	469
<b>Total comprehensive income for the financial year</b>	-	469	(88)	381
Balance at 31 December 2024	<u>55,169</u>	<u>(266)</u>	<u>(14,016)</u>	<u>40,887</u>
Balance at 1 January 2023	55,169	(586)	(11,237)	43,346
<b>Loss for the financial year</b>	-	-	(2,691)	(2,691)
<b>Other comprehensive income for the financial year</b>				
Exchange differences on translating foreign operations	-	(149)	-	(149)
Total other comprehensive income for the financial year	-	(149)	-	(149)
<b>Total comprehensive income for the financial year</b>	-	(149)	(2,691)	(2,840)
Balance at 31 December 2023	<u>55,169</u>	<u>(735)</u>	<u>(13,928)</u>	<u>40,506</u>

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

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

	Share capital \$'000	Accumulated losses \$'000	Equity attributable to owners of the parent \$'000
<b><u>The Company</u></b>			
Balance at 1 January 2024	55,169	(28,410)	26,759
<b>Total comprehensive income for the financial year</b>	-	(573)	(573)
Balance at 31 December 2024	<u>55,169</u>	<u>(28,983)</u>	<u>26,186</u>
Balance at 1 January 2023	55,169	(27,472)	27,697
<b>Total comprehensive income for the financial year</b>	-	(938)	(938)
Balance at 31 December 2023	<u>55,169</u>	<u>(28,410)</u>	<u>26,759</u>

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

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Financial Year Ended	
	31.12.2024	31.12.2023
	\$'000	\$'000
<b>Operating activities</b>		
<b>Profit/(Loss) before income tax</b>	357	(2,350)
Adjustments for:		
Depreciation of property, plant and equipment	926	1,056
Fair value loss on investment property	188	2,174
Gain on disposal of property, plant and equipment	(247)	(33)
Interest expense	965	826
Interest income	(361)	(285)
Plant and equipment written off	12	-
Provision made/(reversed) for defects liability	55	(143)
Share of results of joint ventures	(260)	(96)
Unrealised foreign exchange gain	(7)	(2)
<b>Operating cash flows before working capital changes</b>	1,628	1,147
Working capital changes:		
Inventories	(22)	32
Trade and other receivables	(1,910)	(1,013)
Contract assets and contract liabilities	469	(136)
Trade and other payables	697	(713)
Provisions	(97)	(57)
<b>Net cash generated from/(used in) operations</b>	765	(740)
Income taxes paid	(234)	(156)
<b>Net cash from/(used in) operating activities</b>	531	(896)
<b>Investing activities</b>		
Purchase of property, plant and equipment (Note 8)	(296)	(147)
Proceeds from disposals of property, plant and equipment	249	35
Advances to joint ventures	-	(710)
Repayment from joint ventures	2,020	13,332
Increase in investment property	(364)	(724)
Interest received	361	285
<b>Net cash from investing activities</b>	1,970	12,071

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

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

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	<b>Financial Year Ended</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financing activities</b>		
Interest paid	(965)	(826)
Repayment of bank borrowings	(2,452)	(1,903)
Repayment of lease liabilities	(291)	(284)
<b>Net cash used in financing activities</b>	<u>(3,708)</u>	<u>(3,013)</u>
<b>Net change in cash and cash equivalents</b>	(1,207)	8,162
<b>Cash and cash equivalents at beginning of financial year</b>	15,896	7,787
Effect of foreign exchange rate changes on cash and cash equivalents	78	(53)
<b>Cash and cash equivalents at end of financial year</b>	<u>14,767</u>	<u>15,896</u>

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



## **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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

### **1. General corporate information**

Ocean Sky International Limited (the “Company”) is a public limited company incorporated and domiciled in Singapore with its registered office and principal place of business at 29 Tuas South Street 1 Singapore 638036. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The Company’s registration number is 198803225E.

These condensed interim consolidated financial statements as at and for the six months and financial year ended 31 December 2024 comprise the Company and its subsidiaries (the “Group”). The principal activity of the Company is that of an investment holding company.

The principal activities of the Group are:

- (a) Building and civil engineering;
- (b) Wholesales/leasing of construction-related machinery and materials;
- (c) Property developments; and
- (d) Investment holding.

### **2. Basis of preparation**

The condensed interim financial statements for the six months and financial year ended 31 December 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last condensed interim consolidated financial statements for the six months ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards and changes in accounting policies as set out in Notes 2.1.

The condensed interim financial statements are expressed in Singapore dollar, which is the functional currency of the Company and the presentation currency for the condensed interim financial statements and rounded to the nearest thousand (“\$’000”), unless otherwise stated.

#### **2.1 New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**2. Basis of preparation (Continued)**

**2.2 Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of opinion that there is no significant judgement and estimation made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next interim period, except for the fair value of investment property as disclosed in Note 9 to the condensed interim financial statements.

**3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**4. Segment reporting**

The Group is organised into the following main business segments:

- Construction and engineering segment - the business of building and civil engineering contractors; and
- Property segment - the business of leasing of properties and development of properties.

These operating segments are reported in a manner consistent with internal reporting provided to Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments.

	<b>Construction and engineering \$'000</b>	<b>Property \$'000</b>	<b>Unallocated \$'000</b>	<b>Consolidated \$'000</b>
<b><u>2HY2024</u></b>				
<b>Revenue</b>				
Revenue from external customers	15,817	551	-	16,368
Total revenue	<u>15,817</u>	<u>551</u>	<u>-</u>	<u>16,368</u>
<b>Results</b>				
Segment results	2,357	(56)	(665)	1,636
Interest income	52	35	94	181
Interest expense	(165)	(318)	(1)	(484)
Depreciation of property, plant and equipment	(438)	-	(11)	(449)
Share of results of joint ventures	-	120	-	120
Fair value loss on investment property	-	(188)	-	(188)
<b>Profit/(Loss) before income tax</b>	<b>1,806</b>	<b>(407)</b>	<b>(583)</b>	<b>816</b>
Income tax expense				(328)
<b>Profit for the financial period</b>				<u><u>488</u></u>
<b>Capital expenditure</b>				
Additions to non-current assets	332	364	-	696
<b>Assets and liabilities</b>				
Segment assets	<u>36,052</u>	<u>23,644</u>	<u>7,424</u>	<u>67,120</u>
Segment liabilities	15,418	10,329	257	26,004
Deferred tax liabilities				229
Total liabilities				<u><u>26,233</u></u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**4. Segment reporting (Continued)**

	<b>Construction and engineering \$'000</b>	<b>Property \$'000</b>	<b>Unallocated \$'000</b>	<b>Consolidated \$'000</b>
<b>2HY2023</b>				
<b>Revenue</b>				
Revenue from external customers	14,245	554	-	14,799
Total revenue	<u>14,245</u>	<u>554</u>	<u>-</u>	<u>14,799</u>
<b>Results</b>				
Segment results	1,378	85	(168)	1,295
Interest income	62	10	145	217
Interest expense	(147)	(349)	(2)	(498)
Depreciation of property, plant and equipment	(499)	-	(20)	(519)
Share of results of joint ventures	-	(241)	-	(241)
Fair value loss on investment property	-	(2,174)	-	(2,174)
<b>Profit/(Loss) before income tax</b>	<u>794</u>	<u>(2,669)</u>	<u>(45)</u>	<u>(1,920)</u>
Income tax expense				(74)
<b>Loss for the financial period</b>				<u>(1,994)</u>
<b>Capital expenditure</b>				
Additions to non-current assets	<u>84</u>	<u>184</u>	<u>-</u>	<u>268</u>
<b>Assets and liabilities</b>				
Segment assets	<u>32,396</u>	<u>27,495</u>	<u>9,140</u>	<u>69,031</u>
Segment liabilities	16,036	11,936	319	28,291
Deferred tax liabilities				234
Total liabilities				<u>28,525</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**4. Segment reporting (Continued)**

	<b>Construction and engineering \$'000</b>	<b>Property \$'000</b>	<b>Unallocated \$'000</b>	<b>Consolidated \$'000</b>
<b><u>FY2024</u></b>				
<b>Revenue</b>				
Revenue from external customers	29,248	1,079	-	30,327
Total revenue	<u>29,248</u>	<u>1,079</u>	<u>-</u>	<u>30,327</u>
<b>Results</b>				
Segment results	3,644	(64)	(1,765)	1,815
Interest income	103	35	223	361
Interest expense	(314)	(649)	(2)	(965)
Depreciation of property, plant and equipment	(895)	-	(31)	(926)
Share of results of joint ventures	-	260	-	260
Fair value loss on investment property	-	(188)	-	(188)
<b>Profit/(Loss) before income tax</b>	<u>2,538</u>	<u>(606)</u>	<u>(1,575)</u>	<u>357</u>
Income tax expense				(445)
<b>Loss for the financial year</b>				<u>(88)</u>
<b>Capital expenditure</b>				
Additions to non-current assets	<u>533</u>	<u>364</u>	<u>-</u>	<u>897</u>
<b>Assets and liabilities</b>				
Segment assets	<u>36,052</u>	<u>23,644</u>	<u>7,424</u>	<u>67,120</u>
Segment liabilities				
Deferred tax liabilities	15,418	10,329	257	26,004
Total liabilities				<u>229</u>
				<u>26,233</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**4. Segment reporting (Continued)**

	<b>Construction and engineering \$'000</b>	<b>Property \$'000</b>	<b>Unallocated \$'000</b>	<b>Consolidated \$'000</b>
<b><u>FY2023</u></b>				
<b>Revenue</b>				
Revenue from external customers	30,415	1,127	-	31,542
Total revenue	<u>30,415</u>	<u>1,127</u>	<u>-</u>	<u>31,542</u>
<b>Results</b>				
Segment results	2,403	238	(1,316)	1,325
Interest income	97	10	178	285
Interest expense	(243)	(580)	(3)	(826)
Depreciation of property, plant and equipment	(1,013)	-	(43)	(1,056)
Share of results of joint ventures	-	96	-	96
Fair value loss on investment property	-	(2,174)	-	(2,174)
<b>Profit/(Loss) before income tax</b>	<b>1,244</b>	<b>(2,410)</b>	<b>(1,184)</b>	<b>(2,350)</b>
Income tax expense				(341)
<b>Loss for the financial year</b>				<u><b>(2,691)</b></u>
<b>Capital expenditure</b>				
Additions to non-current assets	147	724	-	871
<b>Assets and liabilities</b>				
Segment assets	<u>32,396</u>	<u>27,495</u>	<u>9,140</u>	<u>69,031</u>
Segment liabilities	16,036	11,936	319	28,291
Deferred tax liabilities				234
Total liabilities				<u>28,525</u>

**Geographic information**

**Revenue by geographical market**

	<b>Singapore \$'000</b>	<b>Australia \$'000</b>	<b>Consolidated \$'000</b>
<b>2HY2024</b>			
Construction and engineering	15,817	-	15,817
Property	<u>-</u>	<u>551</u>	<u>551</u>
<b>2HY2023</b>			
Construction and engineering	14,245	-	14,245
Property	<u>-</u>	<u>554</u>	<u>554</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**4. Segment reporting (Continued)**

**Geographic information (Continued)**

**Revenue by geographical market**

	Singapore \$'000	Australia \$'000	Consolidated \$'000
<b>FY2024</b>			
Construction and engineering	29,248	-	29,248
Property	-	1,079	1,079
	<u>-</u>	<u>1,079</u>	<u>1,079</u>
<b>FY2023</b>			
Construction and engineering	30,415	-	30,415
Property	-	1,127	1,127
	<u>-</u>	<u>1,127</u>	<u>1,127</u>

**Disaggregation of revenue**

Segment	Group Six Months Ended					
	Construction and engineering		Property		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Type of good or service</i>						
Over time						
- Contract revenue	15,682	13,863	-	-	15,682	13,863
Point in time						
- Sales of construction materials	-	47	-	-	-	47
Lease income	135	335	551	554	686	889
	<u>15,817</u>	<u>14,245</u>	<u>551</u>	<u>554</u>	<u>16,368</u>	<u>14,799</u>

Segment	Group Financial Year Ended					
	Construction and engineering		Property		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Type of good or service</i>						
Over time						
- Contract revenue	28,957	29,867	-	-	28,957	29,867
Point in time						
- Sales of construction materials	2	57	-	-	2	57
Lease income	289	491	1,079	1,127	1,368	1,618
	<u>29,248</u>	<u>30,415</u>	<u>1,079</u>	<u>1,127</u>	<u>30,327</u>	<u>31,542</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**4. Segment reporting** (Continued)

**Disaggregation of revenue** (Continued)

A breakdown of sales:

	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>+ / (-)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
Sales reported for the first half year	13,959	16,743	(16.6)
Operating loss after tax reported for the first half year	(576)	(697)	(17.4)
Sales reported for the second half year	16,368	14,799	10.6
Operating profit/(loss) after tax reported for the second half year	<u>488</u>	<u>(1,994)</u>	N.M.

N.M.: Not meaningful

**5. Profit/(Loss) before income tax**

**5.1 Significant items**

	<b>Group</b>			
	<b>Six Months Ended</b>		<b>Financial Year Ended</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<i>Other income</i>				
Interest income	181	217	361	285
Gain on disposal of property, plant and equipment	247	33	247	33
Government grants	10	6	25	38
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<i>Cost of services</i>				
Depreciation of property, plant and equipment	259	294	536	592
Provision (reversed)/ made for defects liability	(49)	(249)	55	(143)
Material costs	2,417	2,513	4,381	5,368
Short-term leases	399	305	802	619
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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**5. Profit/(Loss) before income tax (Continued)**

**5.1 Significant items (Continued)**

	<b>Group</b>			
	<b>Six Months Ended</b>		<b>Financial Year Ended</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<i>Administrative and other operating expenses</i>				
Depreciation of property, plant and equipment	189	225	390	464
Fair value loss on investment property	188	2,174	188	2,174
Foreign exchange loss/(gain), net	366	(447)	798	(81)
<hr/>				
<i>Finance costs</i>				
Interest expense				
- Bank term loans	452	465	903	757
- Lease liabilities	32	33	62	69
<hr/>				

**5.2 Related party transactions**

In addition to the information disclosed elsewhere in the condensed interim financial statements, the following were significant related party transactions during the financial period/year:

	<b>Group</b>			
	<b>Six Months Ended</b>		<b>Financial Year Ended</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b><u>Entity controlled by Non-Executive Director</u></b>				
Site and market study fee for under utilised land of Melbourne investment property	-	-	-	25
<hr/>				

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**6. Income tax expense**

The Group calculates the period/year income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	<b>Group</b>			
	<b>Six Months Ended</b>		<b>Financial Year Ended</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Current tax:				
- current period/year	298	43	436	128
- under provision in prior years	14	26	14	46
	<u>312</u>	<u>69</u>	<u>450</u>	<u>174</u>
Deferred tax:				
- current period/year	16	5	(5)	167
	<u>328</u>	<u>74</u>	<u>445</u>	<u>341</u>

**7. Net asset value**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$ Cents</b>	<b>\$ Cents</b>	<b>\$ Cents</b>	<b>\$ Cents</b>
Net asset value per ordinary share	<u>9.50</u>	<u>9.41</u>	<u>6.08</u>	<u>6.21</u>

As at 31 December 2024, net asset value per ordinary share is computed based on the number of issued ordinary shares of 430,610,283 (2023: 430,610,283) respectively.

**8. Property, plant and equipment**

During the financial year ended 31 December 2024, the Group acquired assets amounting to \$533,000 (2023: \$147,000) and disposed of assets with net book value amounting to \$2,000 (2023: \$2,000).

Consolidated statement of cash flows

During the financial year ended 31 December 2024, the Group's additions to property, plant and equipment were financed as follows:

	<b>Group</b>	
	<b>Financial Year Ended</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Additions to property, plant and equipment	533	147
Acquired under lease agreements	(237)	-
Cash payments to acquire property, plant and equipment	<u>296</u>	<u>147</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**9. Investment property**

The Group's investment property consists of a four-storey office building, held for long-term rental yields and/or capital appreciation and are leased to third parties under operating leases.

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>At fair value</u>		
At 1 January	15,688	17,357
Addition	364	724
Fair value loss recognised in profit or loss	(188)	(2,174)
Currency re-alignment	(989)	(219)
At 31 December	14,875	15,688

Valuation techniques and assumptions

The investment property was valued by independent professional valuers annually who hold a recognised and relevant professional qualification and have recent experience in the location and category of the property held by the Group.

In determining the fair value, the valuers have used capitalisation approach, direct comparison approach and discounted cash flows approach which make reference to certain estimates. The key assumptions used to determine the fair value of investment property include, amongst others, capitalisation rates, occupancy details, and price per square metre of gross/net lettable area. The fair value hierarchy used was Level 3.

The valuations were based on the property's highest and best use, which was in line with its actual use. Management of the Group oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures.

Management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 *Fair Value Measurement* guidance.

For valuations performed by external valuation experts, the management reviews the appropriateness of the valuation methodologies and assumptions adopted. The management also evaluates the appropriateness and reliability of the inputs used in the valuations.

Significant changes in fair value measurements from period to period are evaluated by the management for reasonableness.

As at 31 December 2024, the significant input to the valuation technique using capitalisation approach in respect of the investment property in Australia was the capitalisation rate of 7.00% (2023: 7.00%). An increase in capitalisation rate will result in a decrease to the fair value of the investment property.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**10. Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Trade receivables				
- Third parties	4,889	2,860	-	-
- Accrued income	3,629	3,299	-	-
- Retention sums	6,278	6,244	-	-
Loss allowance	(14)	(14)	-	-
	<u>14,782</u>	<u>12,389</u>	-	-
Other receivables				
- Third parties	189	225	3	26
- Subsidiaries	-	-	20,458	19,343
- Joint venture	5,430	7,192	-	-
Deposits	222	194	-	-
Prepayments	619	452	50	43
	<u>21,242</u>	<u>20,452</u>	<u>20,511</u>	<u>19,412</u>

Trade receivables are non-interest bearing and generally have credit terms of 30 to 60 (31.12.2023: 30 to 60) days. Accrued income represents unbilled revenue from work performed by the Group which has been certified by surveyor before the reporting date. Retention receivables are classified as current assets because they are expected to be realised in the normal operating cycle of the Group.

Other receivables due from subsidiaries and joint venture represent advances to and payment on behalf, which are unsecured, non-interest bearing and repayable within the next 12 months.

**11. Contract assets and contract liabilities**

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Contract assets	<u>4,407</u>	<u>4,841</u>
Contract liabilities	<u>225</u>	<u>190</u>

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for civil engineering works. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for civil engineering works. Contract liabilities are recognised as revenue as the Group fulfils its performance obligations under the contract.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**12. Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Trade payables				
- Third parties	4,727	3,912	-	-
- Retention sums	1,212	1,315	-	-
	<u>5,939</u>	<u>5,227</u>	-	-
Other payables				
- Third parties	19	60	5	45
- Subsidiaries	-	-	16,796	16,743
- Penalty and interest	312	310	-	-
Goods and services tax payable	181	10	-	-
Deposit received	84	96	-	-
Accrued expenses	1,380	1,505	159	140
Accrued Directors' fee	31	41	31	41
	<u>7,946</u>	<u>7,249</u>	<u>16,991</u>	<u>16,969</u>

Trade payables due to third parties are non-interest bearing and are generally settled on 30 to 60 (31.12.2023: 30 to 60) days' credit terms.

The non-trade amounts due to subsidiaries represent collection received on behalf of the subsidiaries, which are unsecured, interest-free and repayable on demand.

Penalty and interest payable pertains to the outstanding withholding tax on deemed dividend distribution of \$312,000 (31.12.2023: \$310,000).

**13. Borrowings**

Borrowings comprise bank term loans and finance lease liabilities by the Group of \$756,000 (2023: \$787,000), which are recorded under "Lease liabilities".

	<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Amount repayable within one year</b>		
Secured	953	762
Unsecured	755	1,273
<b>Amount repayable after one year</b>		
Secured	13,976	16,057
Unsecured	-	754
	<u>15,684</u>	<u>18,846</u>

Bank term loans and finance lease liabilities of the Group are secured over certain property, plant and equipment and investment property of the Group.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**14. Share capital**

	<b>Group and Company</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Issued and fully paid</b>		
430,610,283 ordinary shares at beginning and end of financial year	55,169	55,169

**15. Financial assets and financial liabilities**

The carrying amounts of financial assets and financial liabilities of the Group and the Company as at 31 December 2024 and 31 December 2023 recorded at amortised cost are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>				
Trade and other receivables	20,623	20,000	20,461	19,369
Cash and cash equivalents	14,767	15,896	7,371	9,041
Total financial assets carried at amortised cost	<u>35,390</u>	<u>35,896</u>	<u>27,832</u>	<u>28,410</u>
<b>Financial liabilities</b>				
Trade and other payables	7,453	6,929	16,991	16,969
Bank term loans	14,928	18,059	-	-
Lease liabilities	2,008	2,063	34	52
Total financial liabilities carried at amortised cost	<u>24,389</u>	<u>27,051</u>	<u>17,025</u>	<u>17,021</u>

**16. Fair value of financial assets and financial liabilities**

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and other financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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**16. Fair value of financial assets and financial liabilities (Continued)**

*Fair value hierarchy*

The Group and the Company classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The table below analyses financial instruments carried at fair value by the valuation method. The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**17. Subsequent events**

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

**OTHER INFORMATION REQUIRED BY LISTING RULE  
APPENDIX 7C**



## OTHER INFORMATION

1. (a) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Issued and fully paid:	No. of shares	\$'000
	Ordinary shares	
At 30 June 2024 and 31 December 2024	<u>430,610,283</u>	<u>55,169</u>

The Company did not have any outstanding convertibles, treasury shares and subsidiary holdings as at 31 December 2024 and 31 December 2023.

No shares were bought back by the Company during the financial years ended 31 December 2024 and 31 December 2023 respectively.

- (b) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year.

	31.12.2024	31.12.2023
The total number of issued ordinary shares excluding treasury shares	<u>430,610,283</u>	<u>430,610,283</u>

- (c) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no treasury shares held by the Company during and as at the end of the current financial period reported on.

- (d) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

## OTHER INFORMATION (CONTINUED)

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The condensed statements of financial position of Ocean Sky International Limited and its subsidiaries as at 31 December 2024 and the related condensed consolidated statement of comprehensive income for the six months period and financial year then ended, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the financial year then ended and certain explanatory notes have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.  
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation as in the Group's most recently audited financial statements for the financial year ended 31 December 2023 except as disclosed in paragraph 5.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group and the Company have adopted all the applicable new and revised SFRS(I) that become effective for accounting periods beginning 1 January 2024. The adoption of these new and revised SFRS(I) does not have any material impact to the Group's financial statements.

## OTHER INFORMATION (CONTINUED)

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group			
	Six Months Ended		Financial Year Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
<b>Profit/(Loss) per share (based on the loss for the financial period):</b>				
Profit/(Loss) per share ("EPS") in SGD Cents – Basic <sup>(1)</sup>	0.11	(0.46)	(0.02)	(0.62)
Weighted average number of ordinary shares in issue	430,610,283	430,610,283	430,610,283	430,610,283
Profit/(Loss) per share ("EPS") in SGD Cents – Diluted <sup>(2)</sup>	0.11	(0.46)	(0.02)	(0.62)
Adjusted weighted average number of ordinary shares in issue	430,610,283	430,610,283	430,610,283	430,610,283

### Notes:

- (1) The calculation for the basic EPS for the relevant financial periods is based on the weighted average number of ordinary shares of the Company during the relevant financial period/year.
- (2) For six months and financial year ended 31 December 2024 and 31 December 2023, the diluted EPS is the same as the basic EPS as the Company does not have any dilutive options during the financial period/year.

7. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

The Company is a Singapore-based investment holding company with an interest in the civil engineering, construction and related services business ("**Construction and Engineering Business**"), and the business of property development, investment and management ("**Property Business**").

## OTHER INFORMATION (CONTINUED)

### Statement of Comprehensive Income

**Review of the Group's performance for the financial year ended 31 December 2024 ("FY2024") as compared to previous corresponding year ended 31 December 2023 ("FY2023")**

#### **Revenue**

	<b>FY2024</b>	<b>FY2023</b>	<b>+ / (-)</b>	<b>+ / (-)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Revenue</b>				
- Construction and Engineering Business	29,248	30,415	(1,167)	(3.8)
- Property Business	1,079	1,127	(48)	(4.3)
<b>Total Revenue</b>	<b>30,327</b>	<b>31,542</b>	<b>(1,215)</b>	<b>(3.9)</b>

The Group recorded a revenue of \$30.33 million for FY2024 compared with \$31.54 million for FY2023.

Revenue from Construction and Engineering Business of \$29.25 million for FY2024 was \$1.17 million lower compared with \$30.42 million for FY2023 due mainly to a reduced level of construction activities and progress made in various on-going projects.

Revenue from Property Business of \$1.08 million for FY2024 was \$0.05 million lower compared with \$1.13 million for FY2023 due mainly to lower occupancy rate achieved by the Melbourne investment property in HYE2024.

#### **Cost of Services**

	<b>FY2024</b>	<b>FY2023</b>	<b>+ / (-)</b>	<b>+ / (-)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Cost of Services</b>				
- Construction and Engineering Business	24,313	26,821	(2,508)	(9.4)
- Property Business	501	526	(25)	(4.8)
<b>Total Cost of Services</b>	<b>24,814</b>	<b>27,347</b>	<b>(2,533)</b>	<b>(9.3)</b>

In line with the decrease in construction activities, costs of services for Construction and Engineering Business of \$24.31 million for FY2024 was \$2.51 million lower compared with \$26.82 million for FY2023. Meanwhile, the cost of services for Property Business of \$0.50 million for FY2024 was \$0.03 million marginally lower as compared with \$0.53 million for the Melbourne investment property.

#### **Gross Profit Margin**

Despite the slight dip in revenue, the Group's gross profit improved by 31.4% from S\$4.20 million for FY2023 to S\$5.51 million for FY2024. The Group's gross profit margin ("GPM") improved from 13.3% for FY2023 to 18.2% for FY2024. GPM for the Construction and Engineering Business improved from 11.8% for FY2023 to 16.9% for FY2024 due mainly to contribution of higher margin projects carried out by the Group in FY2024.

#### **Other income**

Other income of \$0.74 million for FY2024 was \$0.35 million higher compared with \$0.39 million for FY2023 due mainly to the higher interest income earned on more short-term fixed deposit placements at higher interest rates and higher gain on disposal of plant and equipment.

## OTHER INFORMATION (CONTINUED)

### Statement of Comprehensive Income (Continued)

#### Expenses

Administrative and other operating expenses of \$5.19 million for FY2024 was \$1.02 million lower compared with \$6.21 million for FY2023, due mainly to lower fair value loss on investment property in Melbourne and lower employee benefits expenses, partly offset by unrealised foreign exchange loss arising from the depreciation of Australian dollar against Singapore dollar.

Finance costs of \$0.97 million for FY2024 was \$0.14 million higher compared with \$0.83 million for FY2023 due mainly to higher interest rates for the Melbourne and Singapore property loans.

#### Share of profits of joint ventures

Share of results of joint ventures was a profit of \$0.26 million for FY2024 as compared with a profit of \$0.10 million for FY2023. The increase of \$0.16 million was due mainly to the finalisation and completion of development project.

#### Income tax expense

The Group recorded a profit before tax of \$0.36 million for FY2024, compared to a loss before tax of \$2.35 million for FY2023. Income tax expense of \$0.45 million for FY2024 was \$0.11 million higher compared with \$0.34 million for FY2023 due mainly to the higher taxable profits recorded for Construction and Engineering Business.

#### Loss after income tax

As a result of the foregoing, the Group registered a slight loss after income tax of \$0.09 million for FY2024, compared with a loss after income tax of \$2.69 million for FY2023.

### Statement of Financial Position

#### Review of the Group's financial position as at 31 December 2024 as compared with that as at 31 December 2023

#### Non-current assets

Property, plant and equipment decreased to \$9.96 million as at 31 December 2024 from \$10.37 million as at 31 December 2023 due mainly to depreciation and disposal, partly offset by additions of new plant and equipment during the financial year.

Investment property decreased to \$14.88 million as at 31 December 2024 from \$15.69 million as at 31 December 2023 due to fair value loss and currency re-alignment of Australian dollar denominated investment property in Melbourne, offset by additional refurbishment costs incurred during the financial year.

Investment in joint ventures increased to \$1.62 million as at 31 December 2024 from \$1.56 million as at 31 December 2023 due mainly to recognition of share of profit of joint ventures.

## OTHER INFORMATION (CONTINUED)

### Statement of Financial Position (Continued)

#### Current assets

Trade and other receivables increased to \$21.24 million as at 31 December 2024 from \$20.45 million as at 31 December 2023 due mainly to higher certification received on work done from customers towards the end of financial year by the Group's Construction and Engineering Business, partly offset by the repayment of shareholder loan extended to a joint venture.

Net contract assets decreased to \$4.18 million as at 31 December 2024 from \$4.65 million as at 31 December 2023 due mainly to higher certification received on the work done from the customers by the Group's Construction and Engineering Businesses, which resulted in higher receivables as discussed above.

#### Non-current liabilities and current liabilities

Trade and other payables increased to \$7.95 million as at 31 December 2024 from \$7.25 million as at 31 December 2023 due mainly to higher level of construction activities by the Group's Construction and Engineering Business towards the end of financial year.

Provisions decreased to \$0.19 million as at 31 December 2024 from \$0.23 million as at 31 December 2023 due mainly to the utilisation of provision during the financial year, offset by increase in provision of defects liability for the completed projects.

Total bank term loans decreased to \$14.93 million as at 31 December 2024 from \$18.06 million as at 31 December 2023 due mainly to repayment and currency re-alignment of AUD denominated property loan as at the end of the financial year.

Total lease liabilities decreased to \$2.01 million as at 31 December 2024 from \$2.06 million as at 31 December 2023 due to repayment during the financial year, offset by new financing for equipment.

### Statement of Cashflows

#### Review of the Group's cashflows for FY2024

The Group recorded net cash inflow of \$0.53 million from operating activities for FY2024 due mainly to operating cash inflow before working capital changes of \$1.63 million, partly offset by net working capital outflow of \$0.87 million and income tax paid of \$0.23 million.

The Group recorded net cash inflow of \$1.97 million from investing activities for FY2024 due mainly to repayment from joint venture and interest income received, partly offset by additional refurbishment costs incurred by the Melbourne investment property and purchase of plant and equipment.

The Group recorded net cash outflow of \$3.71 million from financing activities for FY2024 due mainly to the repayment of bank borrowings and payment obligations under leases, as well as payment of interest expenses.

Overall, total cash and cash equivalents decreased from \$15.90 million as at 31 December 2023 to \$14.77 million as at 31 December 2024 after taking into effect of foreign exchange rate changes.

#### **8. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

No specific forecast or a prospect statement has been disclosed previously.

## OTHER INFORMATION (CONTINUED)

### 9. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

While the broader long-term outlook for the construction and property industries is positive, the operating environment remains challenging over the next 12 months for the following reasons:

#### (a) Construction and Engineering Business

The Building and Construction Authority<sup>1</sup> (BCA) forecasts construction demand to remain strong for 2025, projecting total construction demand between \$35 billion and \$39 billion. The projected demand exceeds pre-COVID levels in 2019 and is expected to be driven by several large-scale developments, including Changi Airport Terminal 5 and the Marina Bay Sands Integrated Resort expansion, alongside public housing development and upgrading works.

Amidst resilient overall demand, the Group has successfully secured an upgrade under the CW02 Civil Engineering Workhead as a registered firm under the BCA's Contractors Registration System (CRS) from its existing grade of C1 to B1, effective 7 February 2025<sup>2</sup>. The upgrade represents the success of the Group's long-term effort to meet the BCA's enhanced registration requirements across criteria such as the Group's proven track record, experienced personnel, and strong management & development.

As a B1-registered firm, the Group is now eligible to participate in public sector construction tenders with project values of up to \$50 million<sup>3</sup>, marking a significant increase from the previous limit of \$5 million for C1-registered firms. The Group will continue to build its orderbook for sustainable growth.

However, the Group expects the operating environment in the construction industry to remain challenging due to elevated operating costs. Construction materials and labour costs remain high amid persistent inflationary pressures. The Group will continue to enhance productivity and operational efficiency to mitigate these challenges.

#### (b) Property Business

The global economic outlook remains uncertain with key downside risks<sup>4</sup>. First, ongoing trade tensions between major economies and potential escalation of geopolitical conflicts could lead to higher production costs and global economic policy uncertainty. This could reduce global investment and trade, weighing on global growth. Second, persistently high inflation could lead to prolonged tight financial conditions.

Despite these global challenges, growth in key Southeast Asian economies should remain steady, though spillover effects may present external headwinds, particularly given the uncertainty surrounding the US economic outlook, which hinges on the policies of the new administration.

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<sup>1</sup> BCA 23 January 2025, [Construction demand to remain strong for 2025](#)

<sup>2</sup> BCA August 2024, [Specific registration requirements for construction workhead \(CW\)](#)

<sup>3</sup> BCA January 2025, [Tendering Limits](#)

<sup>4</sup> MTI 14 February 2025, [Economic Survey of Singapore 2024](#)

## OTHER INFORMATION (CONTINUED)

### Singapore

Cairnhill 16, the Group's joint venture development in District 9 (CCR) has received its Certificate of Statutory Completion (CSC), marking the successful completion of the project.

According to the Urban Redevelopment Authority's<sup>5</sup> ("URA") statistics, the overall private residential property price index increased at a slower pace of 3.9% for 2024 as compared to 6.8% for 2023 and 8.6% for 2022. The Group will continue to take a prudent approach in evaluating potential opportunities for future development projects amidst a competitive environment.

### Australia

The Group is actively working with property agents to secure tenants for the remaining vacant space at its investment property, 541 Blackburn Rd, Melbourne, with ongoing lease negotiations in progress. Asset enhancement initiatives, including landscaping and exterior improvements, are underway to strengthen tenant retention and attraction.

Interest costs remain significant, though the Reserve Bank of Australia<sup>6</sup> (RBA) recently reduced its official cash rate by 0.25% to 4.10% in February 2025, marking its first rate cut since November 2020. Additionally, the Victorian Absentee Owner Surcharge<sup>7</sup> (foreign ownership land tax surcharge) rate has doubled from 2% to 4%, effective 1 January 2024. These factors may consequently affect investment returns.

### Cambodia

Eco Garden Mall, a joint venture shophouse development project, continues to generate rental income for the Group in the near term. The Group continues to work closely with its joint venture partners to strengthen marketing efforts in Cambodia.

## 10. Dividend

### **If a decision regarding dividend has been made:**

- (a) **Whether an interim (final) dividend has been declared (recommended); and**
- No interim and final dividend has been declared for FY2024.
- (b) **Amount per share (cents) and previous corresponding period (cents).**
- Not applicable. No dividend has been declared for FY2023.
- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**
- Not applicable. No dividend has been declared for FY2024.
- (d) **The date the dividend is payable?**
- Not applicable.
- (e) **The date on which Registrable Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**
- Not applicable.

<sup>5</sup> URA 24 January 2025, [Release of 4<sup>th</sup> Quarter 2024 real estate statistics](#)

<sup>6</sup> RBA 19 February 2025, [Cash rate target](#)

<sup>7</sup> SRO 13 September 2024, [Absentee owner surcharge](#)



## OTHER INFORMATION (CONTINUED)

11. **If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared/recommended for FY2024 as the Company currently does not have profits available for the declaration of a dividend.

12. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	Latest Full Year	Previous Full Year
	\$'000	\$'000
Ordinary	-	-
Preference	-	-
Total	-	-

13. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please see review of performance in paragraph 7 above.

14. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for IPTs.

There was no disclosable interested person transaction during the financial period under review.

15. **Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

16. **Disclosure of Acquisition (including incorporation) and sale of shares under Catalist Rule 706A**

One dormant subsidiary namely, P.D.A.C. Ocean Sky Sdn Bhd was strike off during the financial year ended 31 December 2024.

Save as disclosed above, the Company did not acquire or dispose shares in any companies during the financial year ended 31 December 2024.

## OTHER INFORMATION (CONTINUED)

17. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Ang Boon Cheow Edward	68	Brother of Mr Ang Boon Chong, substantial shareholder	Executive Chairman & CEO Year 1995	N.A.
Joanna Hoon Pang Heng	62	Wife of Mr Ang Boon Cheow Edward	Vice-President, Corporate Affairs Responsible for Group's corporate communications and investor relations functions. Year 2007	N.A.

### BY ORDER OF THE BOARD

Low Wei Han  
Company Secretary

28 February 2025

### Sponsor's Statement

This announcement has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.