Hong Kong Exchanges and Clearing Limited and the Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

BENG SOON MACHINERY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1987)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Directors**") of Beng Soon Machinery Holdings Limited (the "**Company**") announces the consolidated annual results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2024 together with the relevant comparative figures as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	**2024** *S$*	2023 *S$*
Revenue	*4*	**33,483,486**	29,352,207
Cost of sales and services rendered		**(22,851,650)**	(20,112,021)
Gross profit		**10,631,836**	9,240,186
Other income	*5*	**348,010**	475,985
Other gains — net	*5*	**370,051**	606,143
Allowance for expected credit losses ("**ECL**") of trade receivables		**(159,431)**	(112,883)
Selling and distribution expenses		**(279,433)**	(248,790)
Administrative expenses		**(9,827,356)**	(9,383,965)
Profit from operations		**1,083,677**	576,676
Finance costs		**(304,526)**	(251,770)
Profit before tax	*6*	**779,151**	324,906
Income tax expense	*7*	**(430,908)**	(300,613)
Profit for the year		**348,243**	24,293

	Notes	**2024**	2023
		S$	*S$*
Other comprehensive income/(loss), net tax			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising from translation on foreign operations		**(62,699)**	19,778
Realisation of exchange difference upon deregistration of subsidiaries		**11,511**	(20,359)
		(51,188)	(581)
Total comprehensive income for the year		**297,055**	23,712
Profit/(loss) for the year attributable to:			
Owners of the Company		**348,243**	24,683
Non-controlling interests		**–**	(390)
		348,243	24,293
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		**297,055**	24,102
Non-controlling interests		**–**	(390)
		297,055	23,712
Earnings per share (expressed in S$ cent)			
Basic and diluted	*8*	**0.03**	0.00

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 S$	2023 S$
Assets			
Non-current assets			
Property, plant and equipment		**12,397,091**	14,544,205
Right-of-use assets		**10,030,649**	8,057,716
Investment property		**1,876,800**	1,920,960
Financial asset at fair value through profit or loss		**187,766**	176,285
		24,492,306	24,699,166
Current assets			
Contract related assets and costs		**13,064,006**	9,103,965
Deposits paid to customers		**53,576**	64,508
Trade receivables	*10*	**4,349,959**	4,249,504
Deposits, prepayments and other receivables	*11*	**245,794**	73,609
Cash and cash equivalents		**14,061,636**	15,110,312
		31,774,971	28,601,898
Total assets		**56,267,277**	53,301,064
Equity attributable to owners of the Company			
Share capital	*13*	**1,742,159**	1,742,159
Other reserves		**21,638,650**	21,689,838
Retained profits		**17,002,720**	16,654,477
		40,383,529	40,086,474
Non-controlling interests		**–**	8,601
Total equity		**40,383,529**	40,095,075

	Notes	**2024**	2023
		S$	*S$*
Liabilities			
Non-current liabilities			
Lease liabilities		**9,618,934**	8,025,019
Deferred tax liabilities		**817,693**	928,584
		10,436,627	8,953,603
Current liabilities			
Trade and other payables	*12*	**3,243,108**	3,182,271
Current tax liabilities		**541,799**	–
Lease liabilities		**1,662,214**	1,070,115
		5,447,121	4,252,386
Total liabilities		**15,883,748**	13,205,989
Total equity and liabilities		**56,267,277**	53,301,064

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Beng Soon Machinery Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 6 April 2018 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands and listed (the "**Listing**") on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 8 November 2019 (the "**Listing Date**"). The address of the Company's registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of the business is 21 Tuas South Street 7 Singapore 637111.

The Company is an investment holding company. The Company and its subsidiaries (together, the "**Group**") are principally engaged in the provision of demolition services, sale of inventories and leasing of machinery in Singapore.

2. BASIS OF PREPARATION

The Group's consolidated financial statements have been prepared in accordance with all applicable IFRS Accounting Standards which include International Financial Reporting Standards ("**IFRS**"), International Accounting Standards ("**IAS**") and Interpretations promulgated by the International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance (Cap 622). These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

(a) Application of new and amendments to IFRS Accounting Standards

The Group has applied the following new and amendments to IFRS Accounting Standards issued by the IASB for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

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

The application of the new and amendments to IFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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

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

	Effective for accounting periods beginning on or after
Amendments to IAS 21 and IFRS 1 — Lack of Exchangeability	*1 January 2025*
IFRS S1 — General Requirements for Disclosure of Sustainability — related Financial Information	*1 August 2025*
IFRS S2 — Climate-related Disclosures	*1 August 2025*
Amendments to IFRS 9 and IFRS 7 — Classification and Measurement of Financial Instruments	*1 January 2026*
Amendments to IFRS 9 and IFRS 7 — Contracts Referencing nature — Reporting Entity	*1 January 2026*
Annual Improvements to IFRS Accounting Standards — Volume 11	*1 January 2026*
IFRS 18 — Presentation and Disclosure in Financial Statements	*1 January 2027*
Amendments to IFRS 10 and IAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	*To be determined*

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

IFRS 18 "Presentation and Disclosure in Financial Statements"

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

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

3. SEGMENT INFORMATION

The chief operating decision-maker (the "**CODM**") has been identified as the executive directors of the Group who reviews the Group's internal reporting in order to assess performance and allocate resources.

The CODM assesses the performance based on a measure of profit after income tax and considers all businesses to be included in a single operating segment.

The Group is principally engaged in the provision of demolition services and leasing of machinery in Singapore. Information reported to CODM, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

Majority of the Group's activities are carried out in Singapore and majority of the Group's assets and liabilities are located in Singapore. Accordingly, there is no analysis by geographical basis.

Revenue are all derived from external project owners in Singapore. During the year ended 31 December 2024, there were 4 project owners (2023: 3 project owners), which individually contributed over 10% of the Group's total revenue. The revenue generated from the demolishing sites from each of these project owners during the financial year are summarise below:

	2024	2023
	S$	*S$*
Customer 1	**9,634,258**	N/A
Customer 2	**6,834,041**	N/A
Customer 3	**5,065,503**	N/A
Customer 4	**3,992,697**	N/A
Customer 5	**N/A**	4,952,018
Customer 6	**N/A**	4,469,807
Customer 7	**N/A**	3,977,818

The above represents revenue generated from the demolition sites of relevant project owners in which proceeds are received from project owners as net contract sum, salvage materials buyers from disposal of salvage materials and earth providers from handling earth disposal to the demolition sites.

In terms of proceeds from salvage materials buyers, proceeds from 2 salvage materials buyers (2023: 2 salvage materials buyers) contributed over 10% of the Group's revenue during the year ended 31 December 2024. The proceeds received/receivable from these salvage material buyers are summarised below:

	2024	2023
	S$	*S$*
Salvage material buyer 1	**10,915,869**	10,463,320
Salvage material buyer 2	**4,181,530**	6,109,124

4. REVENUE

	2024	2023
	S$	*S$*
Revenue from contracts with customers		
Revenue recognised from provision of demolition services	**31,591,125**	29,106,039
Others	**1,892,361**	246,168
Total revenue	**33,483,486**	29,352,207

5. OTHER INCOME AND OTHER GAINS — NET

	2024	2023
	S$	*S$*
Other income:		
Interest income	**292,300**	412,456
Government grants *(Note)*	**7,710**	35,529
Rental income from investment property	**48,000**	28,000
Total other income	**348,010**	475,985
Other gains/(losses) — net:		
Gain on deregistration of subsidiaries	**124,666**	207,156
Gain on disposals of property, plant and equipment	**230,405**	362,312
Gain on disposals of right-of-use assets	**–**	47,133
Currency exchange gains/(losses) — net	**9,251**	(16,433)
Fair value gain on financial asset at fair value through profit or loss	**5,729**	5,975
Total other gains — net	**370,051**	606,143

Note:

Government grants mainly comprised the follow subsidies granted to the Group by the Singapore government authorities:

	2024	2023
	S$	*S$*
CPF Transition Offset	**3,956**	–
Senior Employment Credit	**956**	–
Jobs Growth Incentive	**–**	5,850
Productivity Solutions Grant	**–**	20,861
Others	**2,798**	8,818
	7,710	35,529

The Group do not have unfulfilled conditions and other contingencies attaching to the government grants.

6. PROFIT BEFORE TAX

The Group's profit before tax is stated after charging the followings:

	2024	2023
	S$	*S$*
Employee benefits expenses, including directors' emoluments	**10,814,259**	10,547,838
Depreciation	**4,133,680**	4,224,694
Auditor's remuneration		
— Audit services	**136,428**	119,282
Expenses relating to short-term leases	**662,438**	714,275
Allowance for ECLs of trade receivables	**159,431**	112,883

7. INCOME TAX EXPENSE

Singapore corporate tax expense has been provided for at the rate of 17% (2023: 17%) on the estimated assessable profit for the year ended 31 December 2024 (2023: no provision for Singapore tax expense have been made in the financial statements since the Group has sufficient tax losses brought forward to set off for the year).

No provision for Hong Kong Profits Tax is required as the Group has no assessable profits for the years ended 31 December 2024 and 2023.

The amount of income tax expense charged to the consolidated statement of profit or loss represents:

	2024	2023
	S$	*S$*
Current tax — Singapore		
Provision for the year	**541,799**	–
Tax refunded from carry-back relief	**–**	(17,237)
Deferred tax — Singapore	**(110,891)**	317,850
Income tax expense	**430,908**	300,613

8. EARNINGS PER SHARE

The basic earnings per share is calculated on the profit attributable to owners of the Company by the weighted average number of shares in issue.

	2024	2023
Profit attributable to owners of the Company (*S$*)	**348,243**	24,683
Weighted average number of shares in issue	**1,000,000,000**	1,000,000,000
Basic earnings per share *(S$ cent)*	**0.03**	0.00*

* Representing amount of S$0.002 cents.

For the years ended 31 December 2024 and 2023, diluted earnings per share is equal to basic earnings per share as there was no dilutive potential share outstanding.

9. DIVIDENDS

No dividends had been paid or declared by the Company for the years ended 31 December 2024 and 2023.

10. TRADE RECEIVABLES

	2024	2023
	S$	*S$*
Trade receivables from third parties	**4,452,676**	3,575,060
Less: allowance for ECLs of trade receivables	**(542,548)**	(383,117)
	3,910,128	3,191,943
Retentions	**439,831**	1,057,561
	4,349,959	4,249,504

The Group normally grants credit terms of 30 days. The Group does not hold any collateral as security.

The aging analysis of the trade receivables, based on invoice date, net of allowance, are as follows:

	2024	2023
	S$	*S$*
Below 30 days	**3,142,811**	2,974,165
31–60 days	**331,582**	182,462
61–90 days	**394,650**	34,160
91–120 days	**41,085**	1,156
	3,910,128	3,191,943

11. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2024	2023
	S$	*S$*
Deposits paid to third parties	**90,930**	57,656
Staff loans	**3,200**	8,391
Prepayments	**151,626**	4,143
Other receivables	**38**	3,419
	245,794	73,609

12. TRADE AND OTHER PAYABLES

	2024	2023
	S$	*S$*
Trade payables	**1,874,765**	2,231,873
Accrued expenses	**829,362**	855,850
Other payables	**538,981**	94,548
	3,243,108	3,182,271

The aging analysis of the trade payables, based on invoice date, is as follows:

	2024	2023
	S$	*S$*
Up to 30 days	**1,159,905**	1,361,649
31–60 days	**564,361**	769,021
61–90 days	**131,113**	96,307
91–120 days	**19,386**	4,896
	1,874,765	2,231,873

The average credit period is on 60 days.

13. SHARE CAPITAL

The movements of the share capital are as follow:

	Number of shares	**Share capital**
		HK$
Authorised:		
Ordinary shares at HK$0.01 each		
As at 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	10,000,000,000	100,000,000

	Number of Shares	**Share capital**
		S$
Issued and fully paid:		
Ordinary shares at HK$0.01 each		
As at 1 January 2023, 31 December 2023, 1 January 2024 and 31 December 2024	1,000,000,000	1,742,159

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL OVERVIEW AND BUSINESS REVIEW

The Group is an established and leading demolition services provider in Singapore and has been running the demolition business in Singapore for more than 30 years in both the public and private sectors. The Group is principally engaged in the demolition of various types of buildings and structures, including power stations, chemical plants, high rise commercial and residential properties, bridges and marine structures in Singapore. To a lesser extent, the Group also leases and sells demolition machinery.

This growth was driven by robust demand in Singapore, complemented by an increase in project commitments. These factors collectively enhanced the Group's revenue, operational scope, and financial outcomes during the period. Amid global uncertainties, management's strategic oversight ensured the gross profit margin held steady, reaching 31.8% for the year ended 31 December 2024 ("**FY2024**"), marginally up from 31.5% for the year ended 31 December 2023 ("**FY2023**"). This stability reflects the Group's dedication to operational excellence and financial resilience in a challenging market.

During FY2024, the Group secured 24 demolition projects for different types of buildings, including residential blocks and factory buildings in Singapore and completed 15 demolition projects. The Group's outstanding projects secured in FY2024 are progressing on schedule with an expected total revenue of approximately S$37.0 million.

OUTLOOK AND PROSPECTS

In February 2025, the Ministry of Trade and Industry (MTI) in Singapore reported a robust 4.4% economic growth for 2024, concluding the year at around 3.5% as anticipated, and projecting GDP growth for 2025 to range between 1.0% and 3.0%. This steady outlook underscores Singapore's resilience amid global uncertainties, buoyed by strong performances in manufacturing, trade, and construction. Turning to January 2025, the Building and Construction Authority (BCA) forecasts total construction demand for 2025 to span S$47 billion to S$53 billion in nominal terms, a marked increase from the preliminary S$44.2 billion recorded in 2024. The public sector is poised to lead this surge, contributing approximately S$28 billion to S$32 billion through transformative public housing initiatives and major infrastructure projects, such as Changi Airport Terminal 5. Concurrently, private sector demand, projected at S$19 billion to S$21 billion, remains dynamic, driven by residential developments, commercial redevelopments, and cutting-edge industrial facilities.

Within this thriving economic and construction ecosystem, Singapore's demolition sector is primed for continued expansion in 2025. The industry is set to capitalize on increased construction activity, including the redevelopment of outdated structures and a push for sustainable urban renewal, supported by government-backed incentives and infrastructure modernization efforts. The Group's management remains unwavering, adeptly navigating these shifts by optimizing operational efficiency and sustaining financial robustness, ensuring gross profit margins stay competitive in an evolving landscape.

Looking forward, the Group anticipates a resilient construction demand environment in 2025, reinforced by Singapore's sustained economic momentum and the construction sector's upward trajectory. Though market volatility lingers, our proactive strategy, grounded in expertise and adaptability, positions us to harness these opportunities. With an unwavering focus on our core demolition services, the Group is also pursuing diversification and innovation to enhance shareholder value and strengthen our existing operations. This forward-thinking approach ensures we remain agile and competitive, ready for sustained growth in Singapore's ever-transforming marketplace.

FINANCIAL REVIEW

Revenue

During FY2024, the revenue of the Group was mainly derived from the provision of demolition and related value-added services to the Group's project owners (the "**Contract Revenue**"). The Contract Revenue comprised of (i) the net contract sum from the project owners; (ii) the proceeds for the services provided for the disposal of salvage materials removed from the demolition sites to salvage materials buyers; and (iii) the proceeds from earth providers for depositing earth at the demolition sites for landfilling purpose. During FY2024, the Group's total revenue increased by approximately S$4.1 million or 13.9% from approximately S$29.4 million in FY2023 to approximately S$33.5 million in FY2024. The increase was mainly due to more projects being taken on and finished during the year.

The following table sets forth the breakdown of revenue by source for FY2024 and FY2023 respectively:

	FY2024	FY2023
	S$'000	*S$'000*
Net contract sum	**12,725**	6,843
Proceeds from disposal of salvage materials	**18,395**	21,846
Earth depositing proceeds	**471**	417
Others	**1,892**	246
	33,483	29,352

Cost of sales and services rendered

The Group's cost of sales and services rendered for FY2024 amounted to approximately S$22.9 million, representing an increase of S$2.8 million or 13.9% from approximately S$20.1 million in FY2023. The cost of sales mainly comprised of (i) direct labour costs; (ii) depreciation of the Group's machinery and equipment; (iii) raw materials, consumables and other overheads; and (iv) subcontractor charges. The increase in the cost of sales and services rendered of the Group in FY2024 was mainly due to the increase in the various project activities work.

Gross profit and gross profit margin

The Group's gross profit increased by S$1.4 million or 15.2%, from a gross profit of approximately S$9.2 million for FY2023 to a gross profit of approximately S$10.6 million for FY2024. The Group's gross profit margin was approximately 31.8% and 31.5% for FY2024 and FY2023, respectively. The management prefers not doing a price cut and keep the gross profit level by working efficiently and staying financially strong, even when the market changes.

Administrative expenses

The Group's administrative expenses for FY2024 amounted to approximately S$9.8 million, representing an increase of S$0.4 million or 4.3% from approximately S$9.4 million in FY2023. The administrative expenses primarily consisted of (i) staff costs; (ii) depreciation costs in respect of the Group's property, office equipment and motor vehicles and right-of-use assets; and (iii) legal and professional fees. The increase in FY2024 was mainly due to the increase in staff costs and depreciation charge of right-of-use assets.

Other income

During FY2024, the Group's other income amounted to S$0.3 million representing a decrease of S$0.2 million or 40.0% from approximately S$0.5 million in FY2023. The decrease primarily resulted from a decrease of S$0.1 million in interest income during FY2024.

Finance costs

During FY2024, finance costs incurred by the Group was S$0.3 million, representing no major change as compared to FY2023.

Income tax

During FY2024, the Group's income tax expense totaled S$0.4 million, primarily comprising current income tax. This included a S$0.5 million provision for current income tax in Singapore, offset by a S$0.1 million deferred tax credit for Singapore. In contrast, no current tax expense was incurred for FY2023 due to the utilisation of brought-forward business losses to offset the chargeable income.

Profit attributable to the owners of the Company

As a result of the foregoing, profit attributable to owners of the Company amounted to approximately S$0.3 million for FY2024, compared with approximately S$25,000 for FY2023. There was earnings per share of S$0.03 cents for FY2024 as compared to earnings per share of S$0.002 cents for FY2023.

Capital structure, liquidity and financial resources

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of its debt and equity balance. The capital structure of the Group consists of debt, which includes obligations under leases liabilities, net of bank deposits, bank balances, cash and equity attributable to the owners of the Group, comprising share capital and reserves. There has been no change in the capital structure of the Group since Listing. The Group has a solid financial position and continues to maintain a strong and steady cash inflow from internal generated funds.

The Group adopts a prudent cash and financial management policy. The Group's cash, mainly denominated in Singapore dollars, are generally deposited with certain financial institutions.

As at 31 December 2024, the Group had net current assets of approximately S$26.3 million as compared to S$24.3 million as at 31 December 2023, representing an increase of approximately S$2.0 million or 8.2%. The increase was mainly due to the increase in contract related assets and costs in partially offset by the increase in current income tax liabilities and current lease liabilities. As at 31 December 2024, the Group had cash and cash equivalents of approximately S$14.1 million as compared to S$15.1 million as at 31 December 2023. During FY2023, the cash was used primarily for payment of lease liabilities and borrowings of the Group. The decrease of cash and cash equivalents as at 31 December 2024 was mainly due to lesser cost generated from operating activities. The Board considers the level of cash balances reasonable and would enable the Company to take on suitable business opportunities in a very competitive and efficient manner.

As at 31 December 2024,

a. the total amount of the issued share capital of the Company was HK$10,000,000, divided into 1,000,000,000 shares of HK$0.01 per share. There were no movements in the Company's share capital during FY2024.

b. the building of the Group with carrying amounts of approximately S$4.2 million and S$4.7 million were mortgaged to licensed banks as security for credit facilities granted to the Group for FY2024 and FY2023 respectively.

c. the Group had lease liabilities of S$11.3 million (2023: S$9.1 million). All of the lease liabilities and bank borrowings were denominated in S$.

d. the Group's total equity attributable to equity holders of the Company amounted to approximately S$40.4 million as compared to S$40.1 million as at 31 December 2023. The capital of the Company mainly comprises share capital and reserves.

Gearing ratio

The gearing ratio (calculated by dividing the obligations under lease liabilities by total equity and then multiplied by 100%) increased from 22.7% as at 31 December 2023 to 27.9% as at 31 December 2024. This resulted from an increase in lease liabilities.

Treasury policies

The Group's financing and treasury activities are centrally managed and controlled at the corporate level. The Group's bank borrowings are all denominated in S$ and have been arranged on a fixed or mix of fixed and floating rate basis. It is the Group's policy not to enter into derivative transactions for speculative purposes. The Directors will continue to follow a prudent policy in managing the Group's cash and maintaining a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

Contingent liabilities

As at 31 December 2024, the Group had no significant contingent liabilities or outstanding litigation (2023: Nil).

Capital commitment

As at 31 December 2024, the Group did not have capital commitments for the purchase of property, plant and equipment (2023: Nil).

Material acquisitions and disposals of subsidiaries and affiliated companies

As at 31 December 2024, save as disclosed in this announcement, the Group did not have plans for material acquisitions or disposals of subsidiaries or associates during FY2024.

Future plans for material investments or capital assets

As at 31 December 2024, save as disclosed in this announcement, the Group did not have specific plans for material investments or capital assets in the coming year.

Employee information and remuneration policy

As at 31 December 2024, the Group had a total of 131 employees, 10 more than the same time in 2023. All of the Directors and employees are located in Singapore and Hong Kong. The remuneration offered to employees generally includes salaries and bonus and are determined with reference to market norms and individual employees' performance, qualifications and role. The Company has adopted a share option scheme under which options may be granted to Directors and eligible employees as in incentive.

The remuneration, bonuses and other compensation payable of the Directors are determined by the Remuneration Committee, having regard to the Company's operating results, responsibilities and individual performance of Directors.

Significant investment held

As at 31 December 2024, save as disclosed in this announcement, there were no material investments held by the Group.

Charge of the Group's assets

As at 31 December 2024, the building of the Group with carrying amounts of approximately S$4.2 million (2023: S$4.7 million) were mortgaged to licensed banks as security for credit facilities granted to the Group.

Foreign currency exposure

The Group operates in Singapore and most of its income and expenditures are denominated in Singapore Dollar ("**S$**"), being the functional currency of the Company. The Group has exposure to foreign exchange risk as a result of cash and cash equivalents, trade receivables, deposits, prepayments and other receivables, trade and other payables denominated in the United States dollar and Hong Kong dollar. As at 31 December 2024, should S$ be strengthened/weakened by 4% against those currencies, with all other variables held constant, the impact on the Group's post tax profit and the equity would have been approximately S$5,000 (2023: S$5,000) lower/higher for the year ended 31 December 2024 as a result of foreign exchange losses/gain.

EVENTS AFTER THE REPORTING PERIOD

There was no material subsequent events undertaken by the Company or the Group after 31 December 2024 and up to the date of this announcement.

USE OF PROCEEDS FROM LISTING

On the Listing Date, the issued shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). A total of 250,000,000 ordinary shares were issued to the public at a price of HK$0.5 per share for net proceeds of approximately HK$77.5 million after the deduction of related listing expenses. Part of these proceeds have been utilised in accordance with the proposed allocation set out in the Prospectus.

Set out below are details of the allocation of the net proceeds, the utilised amount of the net proceeds as at 31 December 2024:

Use of Net Proceeds	**Intended amount of use of proceeds** *HK$'000*	**Approximate Unused Net Proceeds as at 31 December 2023** *HK$'000*	**Approximate Amount of Net Proceeds utilised during FY2024** *HK$'000*	**Approximate Unused Net Proceeds as at 31 December 2024** *HK$'000*	**Expected timeline for utilising the Unused Net Proceeds**
Enhancing the machinery fleet by acquiring excavators with different capacities including one unit of 48.5-metre high-reach excavator and attachments to excavators	51,200	17,379	6,391	10,988	On or before end of year 2025
Repaying the bank borrowing bearing interest rate at approximately 2.9% per annum and maturing in 2019, the proceeds from borrowing were used as working capital	13,500	–	–	–	–
Expanding the labour force by recruiting additional staff, including project management and project execution staff	9,100	–	–	–	–
Engagement of professional consultant to review the internal management systems for the purpose of the registration for B1 grade under the CW02 "Civil Engineering" workhead	2,200	2,200	1,532	668	On or before 30 June 2025
Group's general working capital	1,500	–	–	–	–

As at 31 December 2024, the amount of the net proceeds which remained unutilised amounted to approximately HK$11.7 million. Since 2020, COVID-19 pandemic had imposed negative impact to the overall business environment in Singapore and the correspondent strictly enforced lockdown had led to uncertain economic and market conditions. In such circumstances, the Company has taken a responsible and prudent view to implement the business strategies which lead to the delay in using the Net Proceeds. Nevertheless, the Group has endeavored to adhere to the implementation plan for the use of the Net Proceeds as disclosed in the Prospectus, and has been monitoring the market conditions in Singapore and making assessments from time to time on the right timing to utilise the Net Proceeds. Accordingly, the remaining unutilised net proceeds are expected to be fully utilised on or before 31 December 2025 for the following purposes:

- acquisition of property, plant and equipment; and
- application costs, including professional fees etc. for upgrading the "CW02, Civil Engineering" workhead from C1 grade to B1 grade.

SHARE OPTION SCHEME

The Company has conditionally approved and adopted the share option scheme (the "**Share Option Scheme**") on 15 October 2019 (the "**Adoption Date**") which shall remain in force for a period of ten years commencing on the Adoption Date and expire at the close of business on the business day immediately preceding the tenth anniversary thereof. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules. The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), Directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners and service providers of the Group (the "**Eligible Persons**") and to promote the success of the business of the Group.

The principal terms of the Share Option Scheme are summarized in Appendix V to the Prospectus. Subject to the provisions of the Share Option Scheme, the Board may grant options at any time from time to time within a period of ten years from the Adoption Date. The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company (excluding, for this purpose, Shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) shall not, in aggregate, exceed 10% of the total number of Shares in issue as at the Listing Date (the "**Scheme Limit**"), unless approved by its Shareholders pursuant to the paragraph below.

The Company may seek separate approval of the Shareholders in a general meeting for refreshing the Scheme Limit provided that such limit as refreshed shall not exceed 10% of the total number of Shares in issue as of the date of the approval of the refreshed limit. Options previously granted under the Share Option Scheme or any other share option schemes of the Company (including those outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the refreshed 10% limit.

The total number of Shares issued and to be issued upon exercise of options granted to any Eligible Persons (including both exercised and outstanding options) under the Share Option Scheme, in any 12-month period up to the date of grant shall not exceed 1% of the Shares in any issue.

Save as determined by the Board and provided in the offer of the grant of the relevant options, there is no performance target which must be achieved before any of the options can be exercised.

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK$1.00.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme and there was no share option outstanding as at 31 December 2024.

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

During FY2024, no purchase, sale or redemption of the Company's listed securities was made by the Company or any of its subsidiaries.

MODEL CODE OF CONDUCT OF DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code to the Listing Rules as its own code of conduct regarding Directors' transactions in securities of the Company. Having made specific enquiries with the Directors, all the Directors confirm that they have complied with the required standard set out in the Model Code during FY2024.

CORPORATE GOVERNANCE

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

The Board recognise the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. The Company has adopted the principles and all relevant code provisions as set out under the Corporate Governance Code (the "**CG code**") contained in Appendix C1 to the Listing Rules.

To the best of the knowledge of the Board, the Company has complied with the CG code during the FY2024 with the exception from code provision C.2.1 as explained below. The Board will periodically review on the Company's corporate governance functions and will continuously improve the Company's corporate governance practices by assessing their effectiveness with evolving standards to meet changing circumstances and needs.

DEVIATION FROM C.2.1 OF THE CG CODE

Under paragraph C.2.1 of Appendix C1 to the Listing Rules, the roles of chairman and chief executive officer of a company should be separate and should not be performed by the same individual. Mr. Tan is currently the Chairman of the Board and the chief executive officer of the Group and primarily responsible for the day-to-day management of the Group's business. In view of the fact that Mr. Tan has been operating and managing our Group since its establishment, our Board believes it is in the best interests of our Group to have Mr. Tan take up both roles of effective management and business development. The Directors consider that vesting the roles of the chairman of the Board and chief executive officer in the same person facilitates the execution of the Group's business strategies and decision making, and maximises the effectiveness of the Group's operation. The Directors also believe that the presence of three Independent Non-Executive Directors ("**INED**") provides added independence to the Board, and that the Board is appropriately structured to maintain the balance of power and to provide sufficient checks to protect the interests of the Company and its Shareholders. The Directors shall review the structure from time to time and consider an adjustment should it become appropriate.

The balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced and high-calibre individuals. The Board currently comprises five executive Directors (including Mr. Tan), and three INEDs and therefore has a fairly strong independence element in its composition.

AUDIT COMMITTEE

The Audit Committee was established with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 of the CG code. The Audit Committee consists of three INEDs, namely Mr. Leung Yau Wan John, Mr. Wee Chorng Kien and Mr. Leung Kee Wai. The chairman of the Audit Committee, Mr. Leung Yau Wan John, possesses the appropriate professional qualifications and financial expertise for the purposes of compliance with the requirements of Rule 3.21 of the Listing Rules.

The Audit Committee has reviewed the audited consolidated results of the Group for the year ended 31 December 2024 and of the opinion that such statements comply with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures have been made. The Audit Committee has also reviewed the effectiveness of the internal control system of the Group and considered the system to be effective and adequate.

REVIEW OF PRELIMINARY RESULTS ANNOUNCEMENT BY THE INDEPENDENT AUDITOR

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 this preliminary announcement have been agreed by the Group's independent auditor, McMillan Woods (Hong Kong) CPA Limited, Certified Public Accountants of Hong Kong ("**McMillan Woods**") to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by McMillan Woods in this respect did not constitute an assurance engagement in accordance with the International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements and consequently, no assurance has been expressed by McMillan Woods on this preliminary announcement.

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the entitlements to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from Monday, 19 May 2025 to Friday, 23 May 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. Shareholders of the Company are reminded to ensure all properly executed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 pm on Friday, 23 May 2025.

PUBLICATION ON THE COMPANY AND STOCK EXCHANGE'S WEBSITES

This annual results announcement is published on the websites of the Company (www.bsm.com.sg) and the Stock Exchange (www.hkexnews.hk), respectively. The annual report of the Company for FY2024 will be despatched to shareholders of the Company and available on the same websites in due course.

By Order of the Board
BENG SOON MACHINERY HOLDINGS LIMITED
TAN CHEE BENG
Chairman and Chief Executive Officer

Hong Kong, 28 March 2025

As at the date of this announcement, the Company's Board of Directors comprises the following members: (a) Mr. Tan Chee Beng (who is also the Chairman and Chief Executive Officer of the Company), Mr. Tan Wei Leong, Ms. Tang Ling Ling, Mr. Cheung Kam Fai and Mr. Ngan Kin Fung as Executive Director; and (b) Mr. Leung Yau Wan John, Mr. Wee Chorng Kien and Mr. Leung Kee Wai as Independent Non-executive Directors.