

KEONG HONG HOLDINGS LIMITED

ANNUAL REPORT 2025

EMBRACING CHANGE



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THRIVING THROUGH CHANGE





LETTER TO SHAREHOLDERS

DEAR SHAREHOLDERS,

We are pleased to present to you our Annual Report for the financial year ended 30 September 2025 (“FY2025”). We have registered a profit reflecting progress made across our projects. Having successfully completed those projects which were negatively impacted by the COVID-19 pandemic restrictions and its after-effects, and by continuing to focus on productivity, efficiency and innovative technologies, we are now poised for a new chapter in our Group’s growth. Furthermore, the external business environment is much brighter with Singapore’s economy expanding by 6.9% year-on-year in the fourth quarter of 2025, with a 5.0% expansion for the whole of 2025, extending the 5.3% growth in 2024¹. The construction sector registered a 4.6% growth in the fourth quarter, moderating from the 5.6% expansion in the previous quarter, with growth supported by an increase in both public and private sector construction works. Despite the positive outlook for the sector, we should remain cautious, due to possible risks such as renewed escalations in the tariff actions amongst the United States and her trading partners and geopolitical tensions. These will have a downstream effect on trade dynamics, inflation and investments.

FINANCIAL HIGHLIGHTS

The Group recorded revenue of S\$182.4 million in FY2025, representing a 5.7% increase from S\$172.6 million in FY2024. We achieved gross profit of S\$13.3 million and a gross margin of 7.3% in FY2025. This is compared against a negative gross margin of

3.1% and gross loss of S\$5.4 million in the previous financial year. The Group recorded a 50.3% increase in other income of S\$13.1 million as compared to S\$8.7 million in FY2024, attributed to net foreign exchange gains from the appreciation of the United States dollar against the Singapore dollar, higher proceeds from the sale of scrap steel, and increased rental income from warehouses and dormitories. The Group’s net profit after tax was S\$10.2 million compared to a net loss after tax of S\$3.9 million in FY2024.

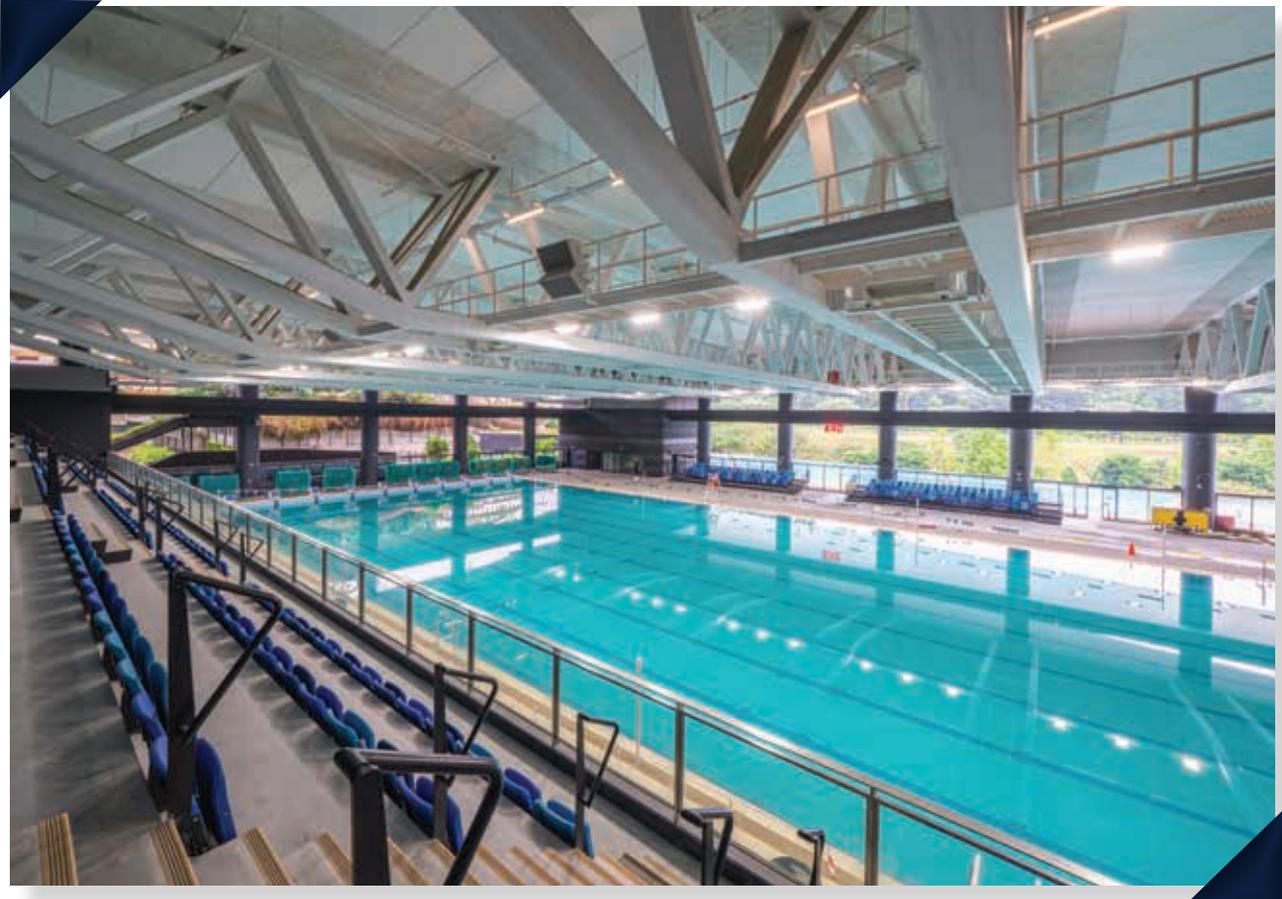
Our cash and cash equivalents stood at S\$26.8 million against S\$20.8 million in FY2024. The Group recorded a net cash inflow of S\$6.0 million while net asset value per share stood at 25.6 Singapore cents as at 30 September 2025.

Balancing the need to maintain sufficient working capital and financial resources for future investments while delivering sustainable returns to shareholders, the Board is not proposing any dividends for the financial year FY2025. We believe that the Group needs to build further financial resilience after having emerged from a challenging period.



¹ Ministry of Trade and Industry, “MTI Upgrades 2026 Growth Forecast to 2.0 to 4.0 Per Cent”, 10 February 2026.

LETTER TO SHAREHOLDERS

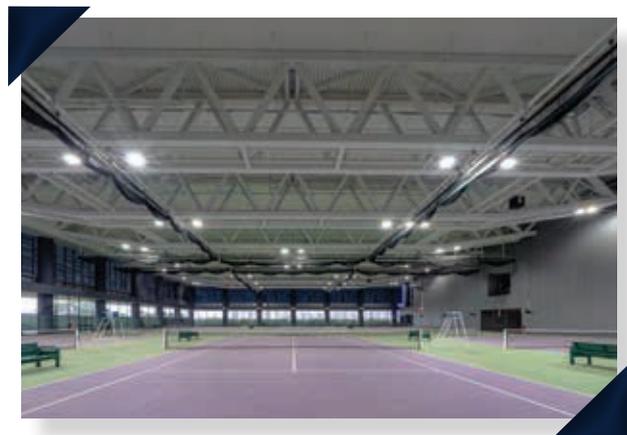


BUILDING CONSTRUCTION – A CORE OF OUR BUSINESS

Our construction business performed well, with ongoing projects making significant contributions to our profits. Efficient management of the projects with high productivity have enabled us to keep within our schedules.

Solitaire on Cecil, our first mixed-use commercial construction project, consists of a 20-storey office building comprising restaurants and retail shops on the first storey with two basement carparks in the heart of the Central Business District. We are pleased to report that piling works, the most technically demanding phase of the development, have been successfully completed. With the ground risks substantially mitigated, the project has transitioned into excavation and pile cap construction works, and progress has stabilised. Management remains focused on maintaining steady progress and advancing the substructure works in accordance with the revised programme. Sky Eden@Bedok, a mixed-use residential development by Frasers Property has obtained its Temporary Occupation Permit (TOP) in September 2025. The Housing and Development Board's Tengah Plantation C5 Build-To-Order project has been progressing well with structural works and site activities generally on schedule. Key building and civil works are advancing in accordance with the construction programme.

The additions and alterations work to the Grand Hyatt Singapore, which comprised among other things, major retrofitting to over 400 guest rooms were completed in July 2025. Work on the Punggol Regional Sports Centre is also nearing completion, with TOP targeted in March 2026. Our order book as at 30 September 2025 is currently valued at approximately S\$203 million with our residential projects and commercial projects in the proportion of 49.8% and 50.2% respectively.



LETTER TO SHAREHOLDERS



Total construction demand is expected to range between S\$47 billion and S\$53 billion in 2026² on the back of robust private as well as public sector initiatives such as Changi Airport Terminal 5, a strong pipeline of public housing developments, MRT projects like the Cross Island Line (Phase 3) and the Downtown Line Extension to Sungei Kadut, Tuas Port development, and major road and drainage improvement works. With many of the public sector projects ongoing for the foreseeable future and more in the pipeline, particularly health, educational and community facilities, total construction demand in the medium term is expected to be between S\$39 billion and S\$46 billion per year from 2027 to 2030.

Given our track record in both the public and private sectors, we will vie for high value-added projects which offer an attractive return on investment.

PROPERTY DEVELOPMENT AND INVESTMENT – SEEKING NEW OPPORTUNITIES

The Group continues to monitor developments in the property sector. It remains an attractive investment class, particularly in land-scarce Singapore, with its stable political scene, business-friendly environment and clear legal framework. While the property market is showing signs of slowing down as compared to previous years, it is still performing well. Private housing pricing increased by 0.6% in the fourth quarter of 2025 compared with the 0.9% increase in the previous quarter. For the whole of

2025, the price index rose moderately by 3.3%, the smallest rise in a year since 2020³. While we do not have immediate plans for land acquisition for development, given the positive outlook, we remain ready to take advantage of attractive opportunities should they arise.

HOTEL DEVELOPMENT AND INVESTMENT – ROBUST TOURISM REVIVAL

The Maldives continues to draw tourists, recording 2.2 million tourist arrivals for the whole of 2025, which is a 9.8% increase over the same period last year⁴. The Group's two hotel investments, Mercure Maldives Kooddoo Hotel and Pullman Maldives Maamutaa Resort in which we have a 49% equity interest, however, registered combined occupancies of 49.6% which were below the average occupancy level 58.3%. We are looking at ways to attract more tourists and exploring measures to improve and enhance our hotel operations.

We completed the divestment of our minority interest in Katong Holdings Pte Ltd on 30 June 2025 in accordance with the Sale and Purchase agreement. The sale would enable us to recycle the net proceeds from the sale for our working capital requirements and for potential investment opportunities with higher returns which are in line with our financial strategies.

² Building and Construction Authority, "Steady Construction Demand in 2026 as Singapore Steps Up Support for Built Environment Firms Through Collaboration and Innovation", 22 January 2026.

³ Urban Redevelopment Authority, "Release of 4th Quarter 2025 real estate statistics", 23 January 2026.

⁴ Maldives Ministry of Tourism & Environment, "Tourism Statistics Monthly Report, December 2025."

LETTER TO SHAREHOLDERS

BUILDING FINANCIAL AND OPERATIONAL RESILIENCE

Our focus remains on building financial and operational resilience. Despite a more optimistic outlook in the year ahead, there are still challenges to navigate. Operating, manpower and borrowing costs remain factors to be carefully considered and weighed against investment and expansion opportunities. Prudent financial management, productivity improvement and technological investment are essential in ensuring the Group's competitiveness. In addition to advancing our Integrated Digital Delivery (IDD) initiatives – encompassing Design for Manufacturing and Assembly (DfMA) methodology, Advanced Precast, Building Information Modelling (BIM) and Virtual Design and Construction (VDC) – we deployed smart CCTV systems equipped with artificial intelligence (AI) capabilities at our Tengah Plantation C5 project to enhance real-time safety oversight. The system is able to identify potential safety non-compliance, including unsafe work practices and missing personal protective equipment, enabling timely intervention and corrective measures. This technology-driven approach strengthens our safety governance framework, mitigates operational risk exposure, and underscores our continued commitment to providing a safe and responsible working environment across our projects.

SOCIAL RESPONSIBILITY AND SUSTAINABILITY

We continue to support the next generation of professionals in the building construction industry, believing that in order to maintain high standards and innovation, we must nurture and develop young talents.

Through the Institute of Technical Education's (ITE) Work-Learn Technical Diploma programme, we have, over the years, trained several students and continued to do so in the current financial year. We have one ITE trainee continuing his Work-Learn Technical Diploma programme at the Tengah Plantation C5 site and another new ITE trainee joining us in April 2026.

In FY2025, our upskilling, reskilling and self-improvement programmes included sponsoring our assistant project manager, Ms Michelle Leu a master's degree in international construction management from Nanyang Technological University in August 2025.

On the sustainability front, the solar panel installation at our Chin Bee factory has been commissioned and begun providing green energy since July 2023, supplementing the power requirement at the production floors and administration blocks of 20 Chin Bee Drive and 21 Fourth Chin Bee Road. Our 425 kWp rooftop solar photovoltaic system generates approximately 550,000 kWh of renewable electricity annually, reducing carbon emissions by an estimated 215 tonnes of carbon dioxide each year.

KEEPING OUR CORE BUSINESS ROBUST

Construction remains our core strength and despite the optimistic outlook of the construction industry, we are keenly aware of the inherent, cyclical and operational risks within the industry. Our focus continues to be on enhancing project execution, strengthening cost management, improving productivity and adopting new technologies to improve and deliver performance.

We will take a more nimble and proactive approach in adapting our strategies to the evolving market environment. There will be a transition period for us all, especially our employees, who have always been the backbone and driving force of the Group. They are our greatest strength and through various upskilling, reskilling and training initiatives, we will ensure that everyone progresses together with the Group.

The outlook for the medium-term looks promising. Singapore's GDP forecast has been revised upwards given the economy's resilience and the strength of the regional economies. As we have done previously, we will remain prudent and circumspect in our financial, operational and investment strategies, while at the same time, moving forward boldly should there be opportunities.

APPRECIATION AND ACKNOWLEDGEMENTS

It leaves us now to express our sincerest appreciation to our staff and executive management team. Their teamwork, dedication and determination have once again ensured a successful year. We would like to thank our Board of Directors whose leadership, foresight and expertise have been invaluable in helping us overcome challenges. We would also like to take this opportunity to express our heartfelt gratitude to Mr Chong Wai Siak and Mr Kenneth Koh, who will be retiring from their positions as Independent Director after the forthcoming Annual General Meeting. We thank them for their dedication in serving on our Board through the years and wish them every success and happiness. Lastly, thanks to our business partners, associates, customers, and shareholders for continuing to support the Group. While there has been a change in the executive leadership, rest assured that the transition has been smooth and that the Group continues to remain steadfast in its commitment to all its stakeholders, in bringing long-term sustainable value to all.

LEO TING PING RONALD
Chairman

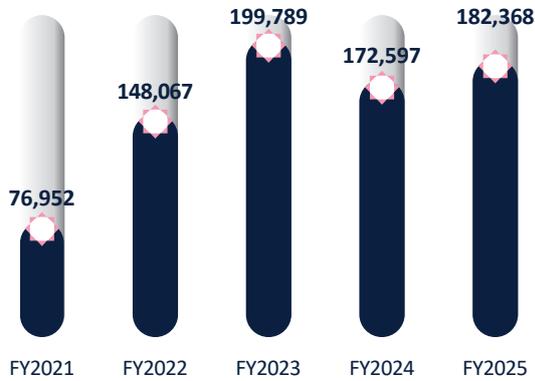
XU QUANQIANG
Interim Chief Executive Officer

EMBRACE THE CHALLENGE
EXCEED THE LIMITS





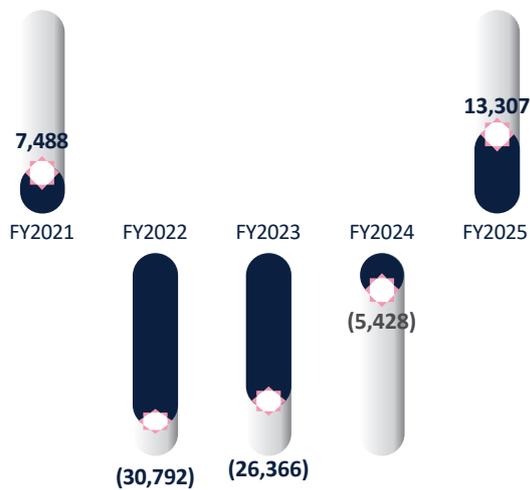
FINANCIAL HIGHLIGHTS



REVENUE (S\$'000)

Group's revenue increased by 5.7% to S\$182.4 million.

The increase in revenue was primarily attributable to higher revenue recognition from construction projects that have made significant progress during the current reporting year, such as Tengah Plantation C5 and Solitaire on Cecil.

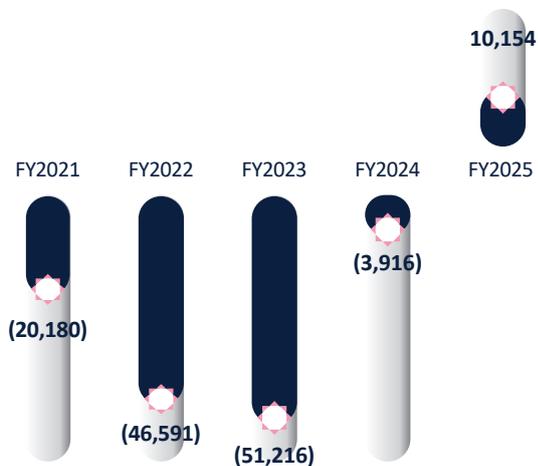


GROSS PROFIT/LOSS (S\$'000)

Cost of sales decreased to S\$169.1 million as compared to S\$178.0 million in FY2024, due to effective cost and project management.

The Group's gross profit stood at S\$13.3 million as compared to a gross loss of S\$5.4 million in FY2024. The improved gross profit was driven primarily by the near-completion of pre-pandemic projects, which incurred higher construction costs. Improved construction productivity also played a significant part.

Gross profit margin was 7.3% as compared to a negative gross profit margin of 3.1% in FY2024.

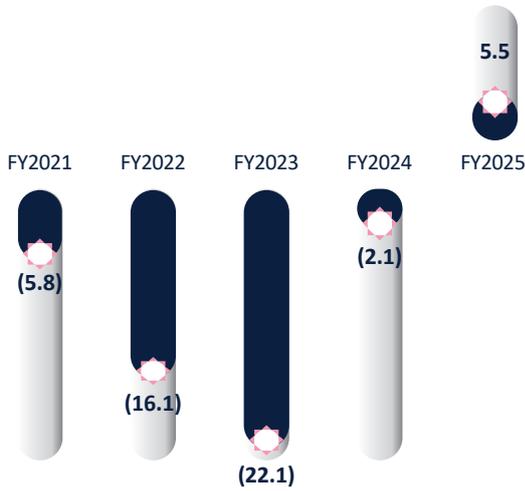


NET PROFIT/LOSS AFTER TAX (S\$'000)

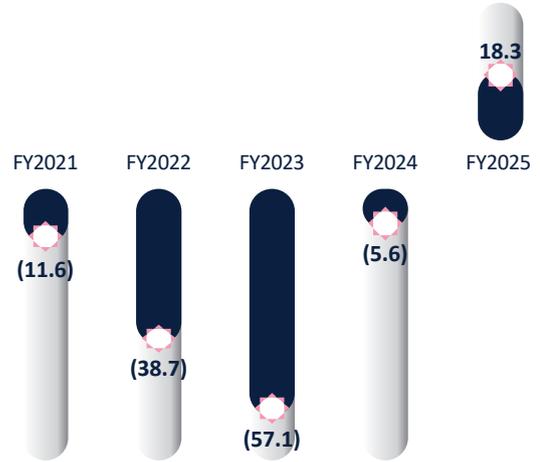
The Group recorded a net profit after tax of S\$10.2 million as compared to a net loss after tax of S\$3.9 million in FY2024.

FINANCIAL HIGHLIGHTS

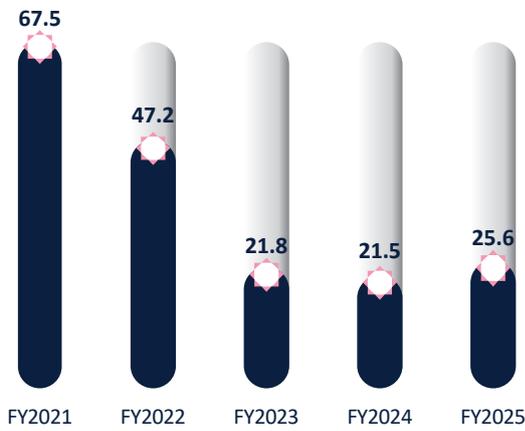
RETURN ON ASSETS (PER CENT)



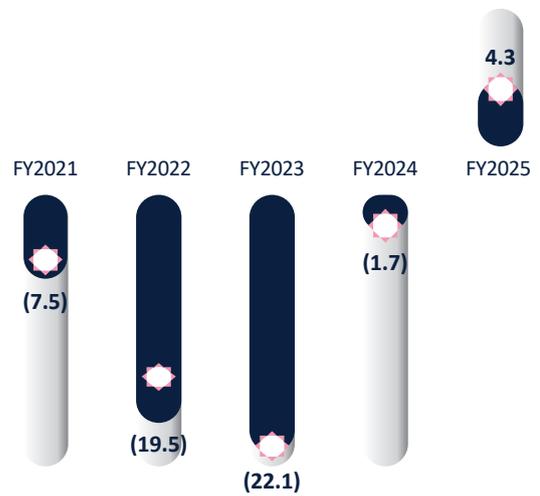
RETURN ON EQUITY (PER CENT)



NET ASSET VALUE (SINGAPORE CENTS)



BASIC EPS (SINGAPORE CENTS)



FINANCIAL AND OPERATIONS REVIEW

Keong Hong Holdings Limited (“Keong Hong” or together with its subsidiaries, the “Group”) recorded an improvement in financial performance for the full year ended 30 September 2025 (“FY2025”) as compared to the previous year (full year ended 30 September 2024 or “FY2024”). We recorded revenue of S\$182.4 million or a 5.7% increase over FY2024’s revenue of S\$172.6 million. The increase in revenue was attributed to higher revenue recognised from construction projects, such as Sky Eden@Bedok, Tengah Plantation C5 and Grand Hyatt Singapore that made significant progress during the current year.

Cost of sales decreased to S\$169.1 million (FY2024 cost of sales: S\$178.0 million) due to effective cost management. Consequently, the Group’s gross profit stood at S\$13.3 million in FY2025 as compared to a gross loss of S\$5.4 million in FY2024. The improved gross profit was driven primarily by the near-completion of pre-pandemic projects, which incurred higher construction costs. Improved construction productivity also played a significant part. Gross profit margin was 7.3% as compared to a negative gross profit margin of 3.1% in FY2024.

The Group’s other income rose by 50.3% to S\$13.1 million as compared to S\$8.7 million for the corresponding period last year. This improvement was mainly attributable to net foreign exchange gains from the appreciation of the United States dollar against the Singapore dollar, higher proceeds from the sale of scrap steel, and increased rental income from warehouses and dormitories. Finance costs decreased by 26% to S\$1.6 million in FY2025 from S\$2.1 million in FY2024 due to lower levels of borrowings during the current financial period. The Group recorded a net gain of S\$85,000 from its joint ventures in FY2025 as compared to a net gain of S\$44,000 in FY2024, which was mainly attributable to the share of interest income from joint ventures. The Group’s share of losses of associates decreased by 7.0% to S\$9.9 million in FY2025 as compared to S\$10.6 million in FY2024. The decrease was mainly due to the absence of losses from the Group’s investment in an associate that was disposed of on 30 June 2025.

The Group consequently recorded a net profit after tax of S\$10.2 million as compared to a net loss after tax of S\$3.9 million in FY2024.

The Group’s balance sheet as at 30 September 2025 registered a net cash position of S\$26.8 million as compared to S\$20.8 million in FY2024. Total assets stood at S\$177.7 million as compared to total liabilities of S\$117.5 million (FY2024: total assets of S\$194.3 million and total liabilities of S\$143.8 million). The Group’s gearing ratio was 0.54 as compared to 0.65 in FY2024, due mainly to repayment of borrowings and lesser operating activities towards the end of the financial year. The Group recorded earnings per share of 4.3 Singapore cents and a net asset value per share of 25.6 Singapore cents.

BUILDING CONSTRUCTION – HIGHLIGHTS

The Group’s current project pipeline consists of Solitaire on Cecil and Tengah Plantation C5. Solitaire on Cecil is a Grade A office cum commercial development in the Central Business District

comprising a 20-storey building with restaurants and retail shops on the first storey and two basement car parks. We are pleased to report that piling works, the most technically demanding phase of the development, have been successfully completed. With the ground risks substantially mitigated, the project has transitioned into excavation and pile cap construction works, and progress has stabilised. Management remains focused on maintaining steady progress and advancing the substructure works in accordance with the revised programme. Works on the Housing and Development Board’s Tengah Plantation C5 Build-To-Order project, which includes 15 residential blocks with heights ranging from 6 to 15 storeys, landscaped courtyards, fitness stations and playgrounds, have been progressing well with structural works and site activities generally on schedule. Key building and civil works are advancing in accordance with the construction programme.

During the course of the year, the Group had completed several projects. Phase 4 of the Grand Hyatt Singapore project, which consisted of refurbishment to over 400 rooms was completed in July 2025. Phase 2 of the new National Skin Centre at Mandalay Road, comprising a five-storey building with basement and Mechanical and Electrical roof with basement was awarded the Certificate of Substantial Completion in the first quarter of 2025. The Punggol Regional Sports Centre is in the final stages of completion and is slated to obtain its Temporary Occupation Permit in March 2026. The new sports centre has a wide range of world-class facilities, including a 5,000-seater football stadium, a swimming complex with five pools, an indoor sports hall with 20 badminton courts and three convertible basketball courts, sheltered tennis and futsal courts, a fitness gym and wellness studio as well as community activity rooms and event spaces.

While global headwinds may impact business performance, the construction sector in Singapore is anticipated to remain strong. The Building and Construction Authority’s (BCA) projection is that total construction demand in 2026 will range between S\$47 billion and S\$53 billion with total construction demand projected to reach an average of between S\$39 billion and S\$46 billion per year from 2027 to 2030 driven by public sector housing, community educational and health projects and significant urban rejuvenation works¹.

While challenges will remain, such as shortage of skilled labour and fluctuating raw material prices, the Group remains committed to focus efforts on winning both private sector and public housing, healthcare and other addition and alteration projects, given our strong track record in these sectors.

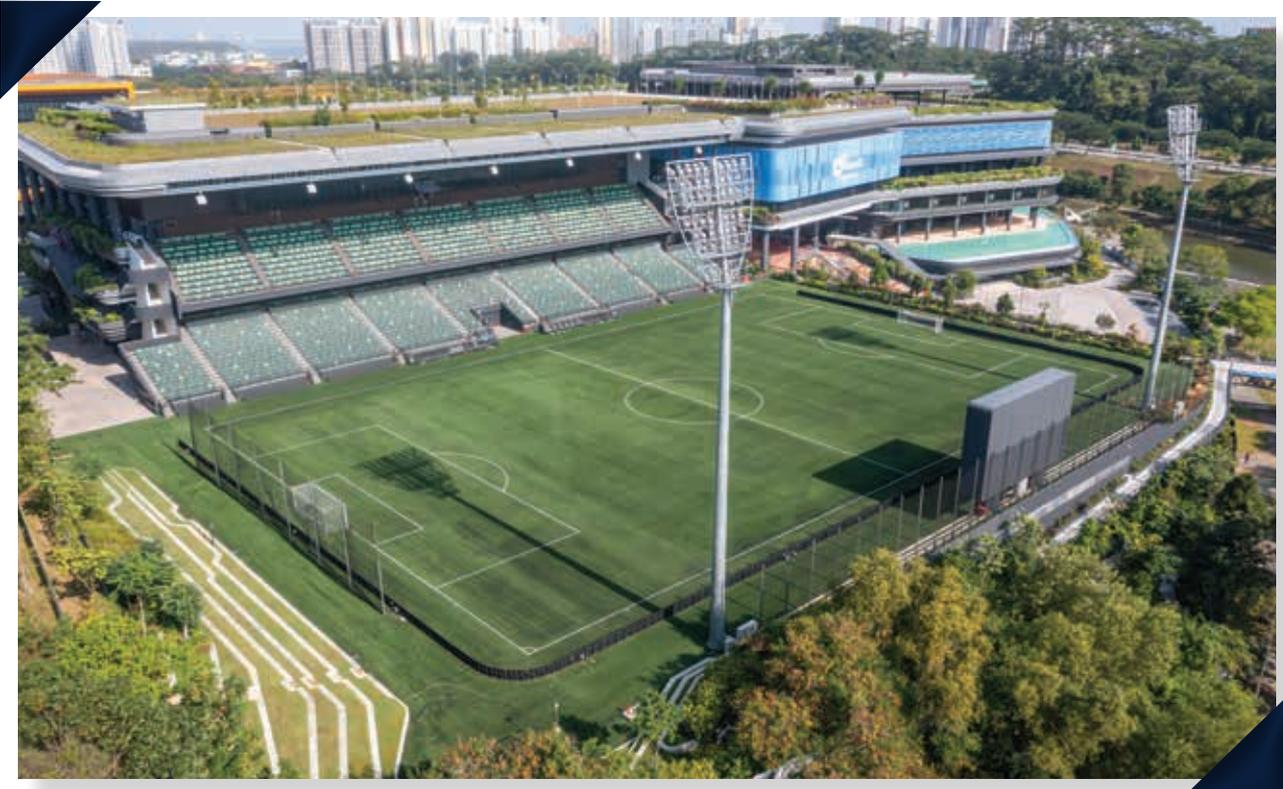
PROPERTY DEVELOPMENT AND INVESTMENTS

The property market remained strong in 2025 although it is showing signs of gradually slowing down in 2026. Private housing pricing increased by 0.6% in the fourth quarter of 2025 compared with the 0.9% increase in the previous quarter. For the whole of 2025, prices of private residential properties increased by 3.3%, marking the smallest increase in a year since 2020². The property sector in Singapore is forecasted to remain strong given the limited supply of land, high quality infrastructure, stable

¹ Building and Construction Authority, “Steady Construction Demand in 2026 as Singapore Steps Up Support for Built Environment Firms Through Collaboration and Innovation”, 22 January 2026.

² Urban Redevelopment Authority, “Release of 4th Quarter 2025 real estate statistics”, 23 January 2026.

FINANCIAL AND OPERATIONS REVIEW



government, robust economy, growing population and influx of high-net-worth residents. We will continue to be open to development opportunities even though there are no immediate plans for land acquisition.

HOTEL DEVELOPMENT AND INVESTMENTS

The tourism sector continued to perform strongly. International tourism increased by 5% in the first six months of 2025 despite global challenges. Most destinations in the world experienced increase numbers of visitor arrival³. The Maldives' tourism sector, in line with global trends, continued to perform strongly. The country received 2.2 million visitors for 2025 as compared with 2.0 million tourists in the previous year (a 9.8% increase)⁴.

The combined average occupancy of Mercure Maldives Kooddoo Hotel and Pullman Maldives Maamutaa Resort for 2025 was 49.6%, lower than the industry average of 58.3%. We continue to monitor the performance of these two properties and are taking other operational and cost management measures to enhance efficiency and cost effectiveness. In tandem with the recovery and growing tourism flows to the Maldives, we are intensifying efforts to capture demand from key source markets, including the expanding China outbound travel segment, through strengthened trade partnerships and focused marketing initiatives to drive occupancy and improve revenue performance in the coming periods.

SUSTAINING COMPETITIVENESS THROUGH INNOVATION, DIGITALISATION AND PRODUCTIVITY

We continue to strengthen our competitiveness through the systematic adoption of innovative construction methods, digital technologies and productivity-driven solutions across our projects.

Design for Manufacturing and Assembly (DfMA) technologies are now fully embedded in our project delivery approach. The use of Prefabricated Bathroom Units (PBU), and Mechanical, Electrical and Plumbing (MEP) modules enables a greater proportion of works to be completed off-site in controlled manufacturing environments. This enhances quality consistency, improves site safety, shortens construction timelines and reduces manpower reliance, thereby driving overall productivity gains.

During the year, we further advanced our digitalisation journey by strengthening our Building Information Modelling (BIM) and Virtual Design and Construction (VDC) capabilities, including deeper integration across design coordination, construction sequencing and cost management workflows. Our project teams have also actively progressed in adapting to the new CORENET X digital submission framework, enhancing model-based collaboration and regulatory coordination in line with Singapore's digital building approval transformation. This positions the Group to respond effectively to evolving industry requirements and reinforces our readiness for future regulatory digital mandates.

³ UN Tourism, "International tourism up 5% in first half of 2025 despite global challenges".

⁴ Maldives Ministry of Tourism & Environment, "Tourism Statistics Monthly Report, December 2025".

FINANCIAL AND OPERATIONS REVIEW

In addition, we deployed smart CCTV systems with artificial intelligence (AI) capabilities at our Tengah Plantation C5 project to enhance real-time safety monitoring. The system is able to detect potential safety non-compliance, such as unsafe work practices and missing personal protective equipment, allowing for prompt corrective action. This proactive, technology-driven approach strengthens our safety management framework, reduces risk exposure and supports a safer working environment on site.

We remain committed to investing in innovation, digitalisation and automation initiatives to enhance operational efficiency, strengthen safety standards and sustain long-term competitive advantage.

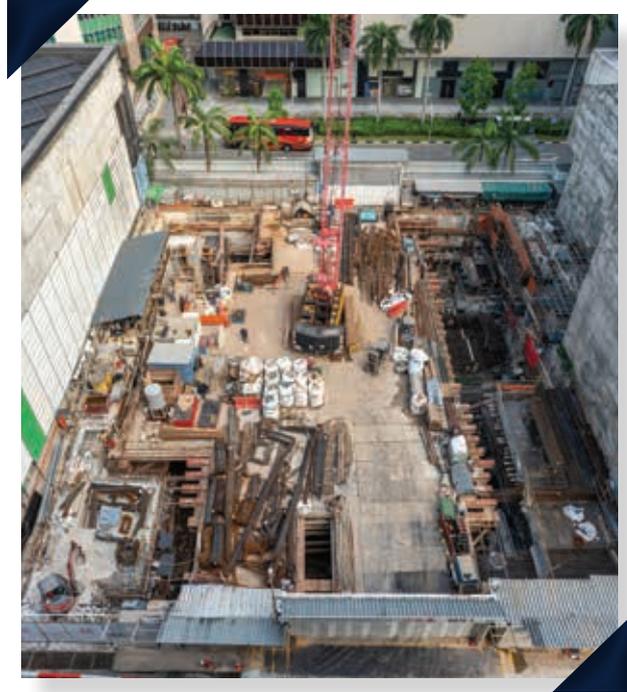
A SKILLED, PRODUCTIVE AND SATISFIED WORKFORCE

Staff training programmes are a mainstay of our efforts to improve productivity, enhance efficiency and maximise our employees' potential. As with previous years, our staff were sent for various reskilling, upskilling and other productivity training programmes to enable them to operate effectively and, more importantly, safely at the worksites and our offices. With digitalisation and automation the way forward, we ensured that all our staff are enabled and empowered in leveraging innovative technology. Selected employees have attended specialised technical and safety training programmes, including Schwing Truck Mounted Concrete Pump Operator Training (Stage 1), Overhead Crane Operation Course and WSQ (Workforce Skills Qualifications) Perform Metal Scaffold Erection.

We continued to send our staff for training in certification courses such as Good Industry Practices, QEHS Internal Auditors Course – ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 and WSQ Manage Workplace Safety and Health In Construction Sites (MWSHCS) course, formerly known as Construction Safety Course for Project Managers to ensure they are kept up-to-date on the latest safety legislation, industry practices and innovations.

Our basic skilled workers were enrolled for higher skills training such as in the BCA Coretrade Skills training and Multi-Skilling training. To-date, 39.9% of our 193 work permit holders are higher skilled (R1) certified, surpassing the minimum 10% as required by the Ministry of Manpower.

We once again achieved our work-site safety targets which were over and above compliance with the Workplace Safety and Health Act. Our Group's workplace injury rate of 1.8 was well below the industrial average workplace injury rate of 28.2. Training in workplace safety included SCAL-WSH Training, Plant and Machinery Operator Training and designation of Peer Support Leaders to reach out to fellow workers with mental health issues or in distress. The CultureSAFE programme continues to play an integral role in cultivating a progressive and prevalent Workplace Safety and Health (WSH) culture in the organisation which extends beyond merely executing WSH practices. Rather, every employee embodies and exhibits our WSH values for an accident-free, safe and healthy work environment.



We are committed to promoting a healthy work-life balance by encouraging our employees to participate in recreational activities. Accordingly, we support involvement in programs and initiatives that enhance both physical and mental well-being - such as ItsRainingRaincoats (IRR), an initiative that connects Singaporeans and migrant workers.

Our overseas staff in the Maldives were also given essential training for their jobs such as x-ray operation, airline security, wildlife hazard management training and more. We continue to invest in professional development across Mercure Maldives Kooldoo and Pullman Maldives Maamutaa. During the year, the Pullman recreation team attained internationally recognised fitness certifications, while both resorts partnered with Maldives National University to provide internship and structured on-the-job training opportunities. Regular in-house training on service standards, food safety and sustainability practices further reinforced operational excellence. These initiatives support workforce capability building and enhance overall guest experience.

In FY2025, we recoded 1,821 training hours, or 4.99 hours of training per staff and 7.25 hours of training per worker were expended. A more in-depth account of our sustainability, training and social governance initiatives can be found in our Sustainability Report 2025.

SUSTAINABILITY EFFORTS AND CORPORATE RESPONSIBILITY

Our corporate social responsibility efforts included support for educational programmes, donations to charitable organisations and scholarship awards for our staff and workers.

FINANCIAL AND OPERATIONS REVIEW

In FY2025, our upskilling, reskilling and self-improvement programmes included support for our senior engineers and managers in the form of sponsorship for their master's degree programmes. Our assistant project manager, Ms Michelle Leu successfully graduated with a master's degree in international construction management from Nanyang Technological University in August 2025. We continued our Institute of Technical Education (ITE) sponsorship, supporting ITE's Work-Learn Technical Diploma programme. We are going to provide career development training for another ITE trainee under the Work-Learn Technical Diploma programme for the academic year starting April 2026.

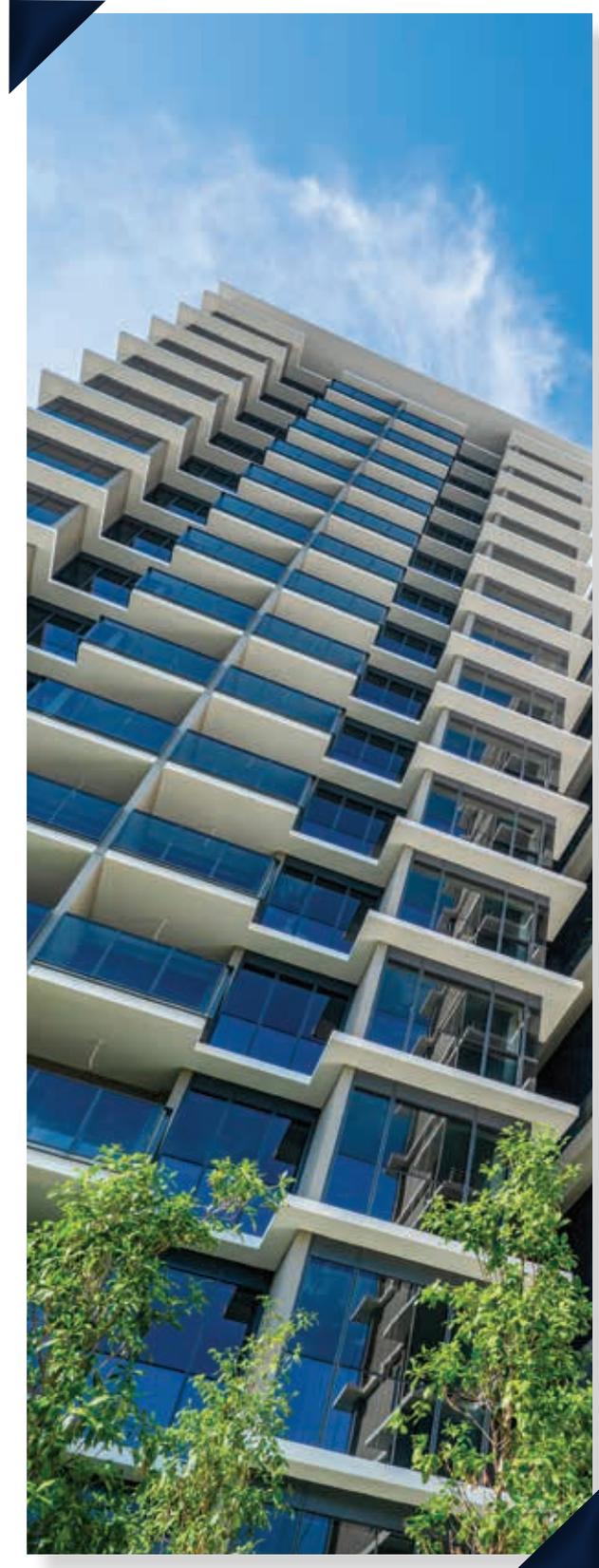
The beneficiaries of our charitable donations in FY2025 were Singapore Children's Society, Singapore Island Country Club May Day Charity, NuSkin Force for Good Foundation and Its Raining Raincoats Ltd.

Among our various sustainability programmes, energy use due to the nature of our industry remains one area of focus. The Group continues to prioritise the use of renewable energy sources instead of non-renewable sources where feasible to preserve the environment, reduce production and operating costs, and meet compliance standards. We incorporate, where possible, green-label appliances and energy-efficient light fittings to reduce energy consumption and emissions. The solar panels installed on the rooftop of our Chin Bee factory remain in operation and continue to generate low carbon energy for factory use, with the potential to channel excess solar energy to the electrical grid where applicable. The Group also utilises solar energy to power noise meters and traffic warning signs.

To preserve the pristine and natural beauty of the Maldives and to counter damage to corals to tourist activities, the Group continues to impose rules on boat operators on the island such as anchoring, boat operation, boat sewage, and garbage disposal. Strict rules have also been placed surrounding activities such as fishing, marine wildlife viewing, snorkelling and scuba diving. We continued to maintain the corals at our corals nursery and those transplanted to Ocean Villas and Underwater Villas.

OUTLOOK FOR 2026

The Ministry of Trade and Industry has forecasted that Singapore's GDP growth is projected to be around 2.0 to 4.0 percent in 2026, given Singapore's economy had performed better than anticipated in 2025. The global economy has outperformed expectations with most major economies registering stronger than anticipated growth in the fourth quarter of 2025. Nevertheless, downside risks are present such as a renewed escalation in tariff actions and geopolitical tensions⁵. Despite these factors, we remain optimistic for the year ahead. We have turned in a commendable performance in FY2025 and we aim to build on this momentum to achieve higher levels of growth and to also look for ways to diversify our business. With a tried and tested strategy of financial prudence, coupled with productivity improvement and technological investment, we are confident of continued and sustainable success.



⁵ Ministry of Trade and Industry, "MTI Upgrades GDP Growth Forecast to 2.0 to 4.0 Per Cent", 10 February 2026.

SUSTAINABLE CHOICES INFINITE POSSIBILITIES



... better
... with minimal
... play for your

Quality Promise
Designed and built for
a wide range of needs
and budgets



STOgether
Over 100 years of experience
in building and infrastructure
with a commitment to
sustainability



... with
... with market
... and green
... for the
... best





BOARD OF DIRECTORS



MR LEO TING PING RONALD
*Non-Executive and
 Non-Independent Chairman*

MR XU QUANQIANG
*Executive Director and
 Interim Chief Executive Officer*

MR LEO TING PING RONALD, 74, was appointed to the Board on 15 April 2008. Following the expiration of his service contract, Mr Leo retired from his role as Chief Executive Officer on 30 June 2025. He remains as a Director and is redesignated as the Non-Executive and Non-Independent Chairman of the Board. Additionally, Mr Leo will provide advisory support for the construction projects of Keong Hong Construction Pte Ltd.

Mr Leo is a civil engineer with over 40 years of post-graduate experience in the industry. From 1974 to 1983, he served as a senior structural engineer in the Structural Engineering Department at the Housing and Development Board (HDB). In 1980, as head of the construction technology unit at HDB, Mr Leo spearheaded initiatives towards prefabrication and mechanisation in the local construction industry. He subsequently joined Eng Hup Heng Construction Pte Ltd from 1983 to 1985 as General Manager, overseeing construction and management projects for the Housing and Urban Development Corporation, HDB housing, factories, and institutional buildings.

In 1985, Mr Leo joined Keong Hong Construction Pte Ltd as Managing Director. Under his leadership, the company grew from a subcontractor into an established design and build main contractor with Building and Construction Authority A1 Grading. He led the Group's initial public offering on the Catalist Board of the Singapore Exchange Securities Trading Limited on 16 December 2011, and the Group was subsequently transferred to the Mainboard on 2 August 2016.

Mr Leo graduated from the National University of Singapore with a Bachelor of Engineering (Civil) with First Class Honours in 1974, and a Master of Science (Construction Engineering) in 1977. He became a member of The Institution of Engineers Singapore in 1978, an associate of The Institute of Structural Engineers, United Kingdom, in 1992, and was registered as a professional engineer with the Singapore Professional Engineers Board in 1979.

Mr Leo is not related to any existing Director, executive officer or substantial shareholder of the Company or any of its principal subsidiaries.

MR XU QUANQIANG, 47, was appointed to the Board on 29 March 2021 as a Non-Executive Non-Independent Director. He was subsequently re-designated as Executive Director on 1 September 2022, tasked with overseeing the Group's investments, and was re-elected on 28 March 2024. Mr Xu was appointed as Interim Chief Executive Officer on 8 July 2025, responsible for overseeing business operations and expansion.

Mr Xu holds directorships in several entities, including Kori Holdings Limited, FT Development Pte. Ltd., Forevertrust International (S) Pte. Ltd., LJHB Capital (S) Pte. Ltd., PT Forevertrust International Indonesia, Wisestone Pte. Ltd., Innotruster Pte. Ltd. and two subsidiaries of the Group. He previously served as Director of BSI Group Singapore Pte Ltd from 2013 to 2016.

In addition to overseeing the Group's investments, Mr Xu is the Chief Executive Officer of LJHB Holdings (S) Pte Ltd ("LJHB"), responsible for LJHB's strategic decisions and regional growth plans. LJHB is the controlling shareholder of the Group and is primarily engaged in asset investment in the real estate, hospitality, and tourism sectors. He concurrently holds the role of Chief Executive Officer in related companies of LJHB, including Continental Hope Singapore Industrial Development Pte. Ltd.

Prior to joining LJHB, Mr Xu held senior leadership positions such as Chief Executive Officer of Ronghua Group Pte Ltd, Regional General Manager of GIC Group Pte Ltd, Country General Manager of BSI Group Singapore Pte Ltd, and Assistant Vice President (Sales) of TUV SUD PSB Pte Ltd.

Mr Xu holds a Master of Business Administration degree from the University of South Australia. He is a Certified Property Manager awarded by the Institute of Real Estate Management (REM) USA and a Certified Commercial Investment Member of the CCIM Institute USA.

Mr Xu represents the interest of LJHB on the Board of the Company. He does not hold shares in either LJHB or LJHB Capital (S) Pte Ltd.

BOARD OF DIRECTORS



MR ER ANG HOOA
Executive Director

MR FONG HENG BOO
Lead Independent Director
Chairman – Audit Committee
Member – Nominating Committee,
Remuneration Committee

MR ER ANG HOOA, AGED 73, joined the Group in 1996. He was appointed to the Board on 26 September 2011 and was re-elected on 28 March 2025.

Since June 2010, Mr Er has been the Project Director of the wholly owned subsidiary, KH Construction, where he is responsible for all operational activities relating to the Group's construction projects. He also holds directorships in the Group's subsidiaries and associated companies.

Prior to his current role, Mr Er served as General Manager from 2005 to 2010, Assistant General Manager from 2001 to 2004, and Senior Project Manager from 1996 to 2000 of KH Construction.

Mr Er graduated from the University of Dundee, United Kingdom, with a Bachelor of Science in Civil Engineering in 1978, and from Imperial College London, United Kingdom, with a Master of Science in Structural Steel Design in 1985. He also obtained a graduate diploma in management and administration from Bradford University, United Kingdom, in 1986.

Mr Er is not related to any existing Director, executive officer or substantial shareholder of the Company or any of its principal subsidiaries.

MR FONG HENG BOO, 76, was appointed to our Board on 1 January 2022 and was re-elected on 28 March 2025. He was appointed as Lead Independent Director on 29 February 2024.

With more than 46 years of experience in auditing, finance, business development, and corporate governance, Mr Fong previously served at the Auditor-General's Office (AGO), Singapore, where he held the position of Assistant Auditor-General until his departure in 1993. He was also Director (Special Duties) at the Singapore Totalisator Board, leading finance and investment functions. Mr Fong retired from the board of CapitaLand China Trust Management Limited in 2022, where he was a non-executive independent director since 2013. He currently holds directorships in TA Corporation Ltd, Livingstone Health Holdings Limited, Agency for Integrated Care Pte Ltd, and Bonvest Holdings Limited.

Mr Fong graduated from the University of Singapore (now known as the National University of Singapore) with a Bachelor of Accountancy (Honours) in 1973. He was a Fellow Member of the Institute of Singapore Chartered Accountants.

BOARD OF DIRECTORS



MR CHONG WAI SIAK

Independent Director

*Chairman – Remuneration Committee
Member – Audit Committee,
Nominating Committee*

MR KOH TEE HUCK KENNETH

Independent Director

*Chairman – Nominating Committee
Member – Audit Committee,
Remuneration Committee*

MR CHONG WAI SIAK, 78, was appointed to our Board on 1 October 2019 and was re-elected on 28 March 2024.

Mr Chong joined HDB in 1971 and advanced to Senior Principal Structure Engineer. In 1980, he was appointed to establish and lead Construction Technology Pte Ltd, a government-owned construction company, to promote mechanisation and new technologies within the construction industry.

In 1989, Mr Chong joined NSL Ltd (formerly NatSteel Ltd), holding senior roles including Deputy President of NSL and President/CEO of its major subsidiary, Eastern Industries/Eastern Pretech Group. He managed operations and business activities in Singapore and across Malaysia, Indonesia, Hong Kong, China, the Philippines, Vietnam, the United Arab Emirates, and Finland, focusing on construction products and services, property development, and engineering design. He retired from the NSL Group in 2014.

Mr Chong served as Director of Changi Airport Planners & Engineers Pte Ltd from 2007 to 2014. He has previously served as a Council Member in the Singapore Contractors Association Ltd and the Institution of Engineers, Singapore, and as a member of various advisory and technical committees of the former CIBD and SISIR.

Mr Chong holds a Bachelor of Science (Honours) in Civil Engineering and a Master of Science in Structural Engineering from the University of Manchester, Institute of Science and Technology, United Kingdom, obtained in 1970 and 1971, respectively. He was a Chartered Engineer (UK), a registered Professional Engineer with both the Singapore and Malaysia Engineering Boards, and a member of the Institution of Civil Engineers (UK), as well as the Institution of Engineers, Singapore and Malaysia.

MR KOH TEE HUCK KENNETH, 67, was appointed to our Board on 30 September 2021 and was re-elected on 28 March 2024.

Mr Koh began his legal career in 1984 with Singapore's then largest law practice. While actively involved in dispute resolution, he focused on infrastructure and construction work upon joining a London-based international law firm. His practice encompasses court, arbitration, adjudication, and mediation representation, as well as advisory work in engineering, procurement, and construction contracts. After several years in a local partnership, he co-founded UniLegal LLC and chaired its board of directors from 2002 to 2018. He currently serves as its consultant.

Mr Koh graduated with a Bachelor of Laws in 1983 from the National University of Singapore and is an Advocate & Solicitor of the Supreme Court of Singapore. He is a member of the Singapore Academy of Law, the Law Society of Singapore, the Society of Construction Law (Singapore), and the Singapore Institute of Directors (SID). He was recognised as a Senior Accredited Director by SID on 16 January 2024. His previous appointments include Honorary Legal Advisor to the Singapore Contractors Association Ltd, and he is the author of the Singapore chapters in two international publications.

BOARD OF DIRECTORS



MS WONG EE KEAN

Non-Executive Independent Director

*Member – Audit Committee,
Nominating Committee,
Remuneration Committee*

MS WONG EE KEAN, 41, was appointed to our Board on 31 January 2024 and was re-elected on 28 March 2024.

Ms Wong has over 20 years of financial advisory and legal experience in international capital markets and real estate including initial public offerings and mergers and acquisitions. She last held the position of CEO and Executive Director of Industrial Securities (Singapore) Corporate Advisory Pte Ltd. Prior to that, Ms Wong served as the CEO of a corporate finance advisory firm with a core focus on REITS, business trusts, real estate and capital markets.

Ms Wong was previously a corporate lawyer and partner at WongPartnership, where she practiced law for over a decade, having represented listed companies and institutional clients on a broad range of corporate transactions, including IPOs, follow-on offerings, block trades and private placements.

Ms Wong graduated from the National University of Singapore with a Bachelor of Laws (Honours) in 2005 and a Master of Science in Real Estate in 2015.

KEY MANAGEMENT



MR HENG FOOK CHANG, 55, joined the Group in July 2024 as Chief Financial Officer. He oversees the Group's financial, accounting, and corporate secretarial functions.

Before joining the Group, Mr Heng served as Financial Controller at Boldtek Holdings Limited, a SGX Catalist-listed company. He has also held senior executive roles at various SGX Mainboard-listed companies, managing responsibilities that include financial accounting, treasury operations, corporate secretarial duties, and regulatory compliance.

Mr Heng holds a Bachelor of Commerce (Accounting and Finance) from Curtin University of Technology, Western Australia, and a Master of Commerce in Professional Accounting from Macquarie University, New South Wales. He is a member of the Institute of Singapore Chartered Accountants and is a Certified Practising Accountant (Australia).

CORPORATE INFORMATION

BOARD OF DIRECTORS**NON-EXECUTIVE AND
NON-INDEPENDENT CHAIRMAN**

Leo Ting Ping Ronald

INTERIM CHIEF EXECUTIVE OFFICER

Xu Quanqiang (appointed on 8 July 2025)

EXECUTIVE DIRECTORS

Er Ang Hooa

Xu Quanqiang

LEAD INDEPENDENT DIRECTOR

Fong Heng Boo

INDEPENDENT DIRECTORS

Chong Wai Siak

Fong Heng Boo

Koh Tee Huck Kenneth

Wong Ee Kean

AUDIT COMMITTEE

Fong Heng Boo (Chairman)

Chong Wai Siak

Koh Tee Huck Kenneth

Wong Ee Kean (appointed on 3 April 2025)

NOMINATING COMMITTEE

Koh Tee Huck Kenneth (Chairman)

Chong Wai Siak

Fong Heng Boo

Wong Ee Kean (appointed on 3 April 2025)

REMUNERATION COMMITTEE

Chong Wai Siak (Chairman)

Fong Heng Boo

Koh Tee Huck Kenneth

Wong Ee Kean (appointed on 3 April 2025)

COMPANY SECRETARY

Lim Guek Hong

REGISTERED OFFICE

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Singapore 619866

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Investor Relations: ir@keonghong.com

SHARE REGISTRAR**B.A.C.S Private Limited**

77 Robinson Road

#06-03 Robinson 77

Singapore 068896

AUDITORS**FORVIS MAZARS LLP**

135 Cecil Street

#10-01

Singapore 069536

PARTNER-IN-CHARGE

Zhang Liang (appointed on 22 August 2022)

PRINCIPAL BANKERS

Overseas-Chinese Banking Corporation

United Overseas Bank Limited

CORPORATE GOVERNANCE REPORT

The Company is committed to a high standard of corporate governance to ensure effective self-regulation practices are in place to enhance corporate performance and accountability.

This report outlines the Company's corporate governance practices throughout the financial year ended 30 September 2025 ("FY2025"), with specific references made to the principles of the Code of Corporate Governance 2018 (the "Code").

Pursuant to Rule 710 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST") ("SGX-ST Listing Manual"), the Board of Directors (the "Board") confirms that the Company has for FY2025 complied with the Principles as set out in the Code. The Board also confirms that where there are deviations from the provisions of the Code, explanations for the deviation and how the Group's practices are consistent with the intent of the relevant principle, are provided in the sections below:

BOARD MATTERS

The Board's Conduct of its Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Principal Duties of the Board

All Directors objectively discharge their duties and responsibilities at all times as fiduciaries in the best interests of the Company, and hold management accountable for performance. The Board oversees the business affairs of the Group, approves the financial objectives and the strategies to be implemented by the management of the Company (the "Management") and monitors standards of performance and issues of policy. In addition to its statutory duties, the Board's principal functions are: *Provision 1.1*

- (i) supervising the overall management of the business and affairs of the Group and approving the Group's corporate and strategic policies and direction;
- (ii) formulating and approving financial objectives of the Group and monitoring its performance such as reviewing and approving of financial results announcement and financial statements;
- (iii) overseeing the processes for evaluating the adequacy of internal controls and risk management including the review and approval of interested person transactions;
- (iv) assuming responsibility for corporate governance and compliance with the Companies Act 1967 and the rules and regulations of the relevant regulatory bodies;
- (v) evaluating performance of Management;
- (vi) reviewing and approving the remuneration framework for the Board and key executives; and
- (vii) considering sustainability issues e.g. environmental and social factors, as part of its strategic formulation.

The Company's Constitution requires a Director and, the Chief Executive Officer (or person(s) holding an equivalent position), who is in any way whether directly or indirectly interested in a contract or proposed contract with the Company, to declare the nature of his interest at a meeting of the Directors in accordance with Section 156 of the Companies Act 1967 (the "Act"). A Director and, Chief Executive Officer (or person(s) holding an equivalent position), shall not vote in respect of any contract or proposed contract or arrangement with the Company in which he has a personal material interest, directly or indirectly, and shall not be counted in the quorum present at the meeting.

Accordingly, the Board is obliged to exercise reasonable due diligence and independent judgement when making decisions. It sets appropriate tone-from-the-top and desired organizational culture and ensures proper accountability within the Group. When there is any conflict of interest, Directors will voluntarily recuse themselves from the discussions and decisions involving the issues of conflict.

CORPORATE GOVERNANCE REPORT

Board Orientation, Training and Updates

Upon the appointment of a new Director, the Company will provide him/her with a formal letter, setting out his/her duties and obligations. The Company has put in place an orientation program for all newly appointed Director(s) to assimilate him/her into his/her new role and will provide him/her with a set of the Company's policies, terms of reference of various board committees (where applicable) and corporate meeting calendar for the year. He/She will be briefed by Management on the business activities of the Group and its strategic directions as well as the duties and responsibilities as a Director. *Provision 1.2*

Changes to regulations and accounting standards are monitored closely by Management. To keep pace with the regulatory changes, where these changes have an important bearing on the Company's or Director's disclosure obligations, Directors are briefed by the Company Secretary on the continuing obligations under the SGX-ST Listing Manual and are regularly provided with news releases, articles and updates on changes to the Listing Manual from time to time. The Directors have also been kept abreast of the principles and provisions of the Code.

During the financial year, a number of Directors attended the Listed Company Directors courses conducted by the Singapore Institute of Directors ("SID") and other professional organisations including but not limited to "SID Directors Conference 2024: Directorship in Transition: Redefining Roles, Risks & Results", "CGS: Understanding Directors' Duties in Climate Risk", "ARC: Elevating Shareholder Value with Good Governance", "CTP-1: Navigating D&O Insurance: Essential Protection for Directors & Executives", "CTP-17: Driving Impact through Board Management", and "SID-CTP4: Strategies for a New World Order". Appropriate external training for Directors conducted by the SID and other organisations will be arranged by the Company when necessary.

Pursuant to Rule 720(7) of the Listing Manual, all directors have to undergo training on sustainability matters as prescribed by the SGX-ST. All the Directors have attended the LED-Environmental, Social and Governance Essentials (Core) conducted by the SID. *Rule 720(7)*

Matters Requiring Board Approval

The Board has adopted a set of internal guidelines on the matters requiring Board's approval. Matters that are specifically reserved for the approval of the Board include, among others, any material acquisitions and disposals of assets, corporate or financial restructuring, share issuance, proposal of dividends, announceable matters, legal claims and litigation, and other matters as may be considered by the Board from time to time. *Provision 1.3*

Delegation to Board Committees

The Board has delegated certain functions to various Board Committees, namely the Audit Committee ("AC"), the Remuneration Committee ("RC"), and the Nominating Committee ("NC"). Each Committee operates within clearly defined terms of reference and operating procedures, which are reviewed periodically. All Board Committees are chaired by an independent director. While these Board Committees are delegated with certain responsibilities, the responsibility for decisions relating to matters under the purview of the Board Committees ultimately lies with the Board. *Provision 1.4*

Attendance at Board and Board Committees Meetings

The Company's Constitution permits directors of the Company (the "Directors") to attend meetings through the use of audio-visual communication equipment. *Provision 1.5*

The Board and Board Committees conduct meetings on a regularly basis which are planned in advance. Ad-hoc meetings are conducted as and when circumstances require. In between Board meetings, important matters concerning the Company are also put to the Board for its decision by way of circulating resolutions in writing for the Directors' approval together with supporting memorandum, enabling the Directors to make informed decisions. *Provisions 1.5 & 1.6*

CORPORATE GOVERNANCE REPORT

The number of Board and Board Committees meetings held and attended by each Board member during FY2025 are as follows: *Provision 1.5*

	Board	Audit Committee	Remuneration Committee	Nominating Committee
	Number of Meetings attended in FY2025			
Number of meetings held	5	4	2	2
Executive Directors				
Leo Ting Ping Ronald	5	–	–	–
Er Ang Hooa	5	–	–	–
Xu Quanqiang	5	–	–	–
Independent Directors				
Chong Wai Siak	5	4	2	2
Koh Tee Huck Kenneth	5	4	2	2
Fong Heng Boo	5	4	2	2
Wong Ee Kean*	5	2	1	1

* Appointed as a member of the NC, RC and AC committees on 3 April 2025.

When a director has multiple board representations, the NC also considers whether the director is able to and has adequately carried out his duties as a director of the Company, taking into consideration the director's number of listed company board representations and other principal commitments.

The profile of each Director and other relevant information are set out on pages 18 to 21 of this Annual Report. Similar information is also published on the Company's website.

Access to Information

All Directors receive a set of Board papers (with background or explanatory information relating to matters to be brought before the Board, where necessary), copies of disclosure notes and internal group financial statements, prior to Board meetings. The Board papers are issued to the Directors at least three days prior to Board meetings. This is to allow sufficient time for the Board members to obtain further explanations, where necessary, and to be properly briefed and adequately prepared for Board meetings. *Provision 1.6*

The Directors are also provided with the following information:

Quarterly

- updates on the Group's operations and the markets in which the Group operates in

Quarterly/Yearly

- budgets and/or forecasts and the Group's financial performances

Yearly

- enterprise risk framework and risk governance report
- external auditors' report
- internal auditors' report

Ad hoc

- reports on on-going or planned corporate actions
- research report(s)
- feasibility study on property investments
- regulatory updates and implications

CORPORATE GOVERNANCE REPORT

The Directors are also regularly briefed on the development of the business activities of the Group. In order to ensure that the Board is able to fulfil its responsibilities, prior to the Board meetings, Management will provide the members of the Board with management accounts, as well as relevant background information and documents relating to items of business to be discussed at a Board meeting.

Separate and Independent Access

The Independent Directors have separate and independent access to senior Management of the Company and other employees to seek additional information, if required. To facilitate such access, the contact particulars of senior Management have been provided to the Directors. Directors have the right to seek independent professional advice, if required or as and when necessary, to enable them to discharge their duties and responsibilities effectively. The costs of such independent professional advice will be borne by the Company.

Provision 1.7

The Directors have separate and independent access to the Company Secretary at all times. The Company Secretary has the responsibility to ensure that Board procedures are followed and that all applicable rules and regulations including requirements of the Securities and Futures Act 2001, the Act and the SGX-ST Listing Manual, are complied with. The Company Secretary will assist the Chairman and the Board to implement and strengthen corporate governance practices, with a view to enhancing long-term shareholder value. Either one or both of the Company Secretary will be in attendance at meetings of the Board and Board Committees and prepare minutes of meetings. The Company Secretary will assist the Board Chairman, the Chairman of each Board Committee and key management personnel in the development of the agenda for the various Board and Board Committee meetings. The appointment and removal of the Company Secretary should be a matter for the Board as a whole.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

As at 30 September 2025, the Board comprises seven (7) members of whom one (1) is Non-Executive and Non-Independent Director, two (2) are Executive Directors and four (4) are Independent Directors, as follows:

Leo Ting Ping Ronald	Non-Executive and Non-Independent Chairman
Xu Quanqiang	Executive Director and Interim Chief Executive Officer
Er Ang Hooa	Executive Director
Fong Heng Boo	Lead Independent Director
Chong Wai Siak	Independent Director
Koh Tee Huck Kenneth	Independent Director
Wong Ee Kean	Independent Director

A majority of the Directors are non-executive and include professionals with relevant industry knowledge and experience, accounting and finance, legal, business and management experience, and strategic planning experience. This provides Management with the benefit of an external diverse and objective perspective of issues that are brought before the Board.

Board Independence

Under Provision 2.1 of the Code, an “independent” director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director’s independent business judgement in the best interest of the company.

Provision 2.1

Rule 210(5)(d) of the Listing Manual of the SGX-ST also sets out circumstances under which a director will not be independent.

CORPORATE GOVERNANCE REPORT

The independence of each Director is reviewed annually by the NC. The NC adopts the Code's definition of what constitutes an independent director as well as the independence criteria as set out in Rule 210(5)(d) of the SGX-ST Listing Manual in its review. The NC is satisfied that none of the Independent Director (i) is employed by the Company or any of its related corporations for the current or any of the past three financial years; or (ii) has an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the RC. The NC has reviewed and determined that the Independent Directors are independent. There are no Directors who are deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent.

*Rule 210(5)(d)(i)
and (ii)*

According to Provision 2.2 of the Code, independent directors should make up at least a majority of the board where the chairman is not an independent director. As at the date of this report, the Board comprises 7 Directors, and more than half of the Board is made up of Independent Directors. As such, there is a strong and independent element on the Board, capable of exercising independent and objective judgement on corporate affairs of the Company. Therefore, the Company fulfils the Code's requirements with a majority of the Board being made up of independent non-executive directors and there was also a Lead Independent Director being appointed.

Provision 2.2

The Independent Directors have confirmed that they do not have any relationship with the Company or its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment with a view to the best interests of the Company and its shareholders.

For FY2025, the Company has five (5) Non-Executive Directors which constituted a majority of the Board and thus had complied with Provision 2.3 of the Code.

Provision 2.3

Independence of Directors who have served on the Board beyond Nine Years

With effect from 11 January 2024, Rule 210(5)(d)(iv) of the Listing Manual of the SGX-ST further provides that a director will not be independent if he has been a director of the Company for an aggregate period of more than nine years (whether before or after listing) although such director may continue to be considered independent until the conclusion of the next annual general meeting of the Company.

No Independent and Non-executive Independent Directors have served on the Board for more than nine years.

Rule 210(5)(d)(iv)

Board Diversity

The Company has a written policy on Board Diversity and maintains a culture of diversity to benefit from a wide talent pool. Guided by the Board Diversity Policy, the Company recognises and strives to achieve an appropriate balanced mix of talent on the Board with a diversity of experience, age, skill sets, knowledge, industry discipline, age, gender, tenure of service, culture and ethnicity on the Board ("Board Diversity"). The Board views Board Diversity as an essential element to support the attainment of its strategic objectives and sustainable development of the Group.

*Provision 2.4 &
Rule 710A(2)*

The current Board composition provides a diversity of skills, experience, and knowledge of the Company and their core competencies include relevant industry knowledge and experience, accounting and finance, legal and corporate governance, business and management experience, and strategic planning experience and new directors will be selected based on their merits and the potential contributions which they can bring to the Board.

CORPORATE GOVERNANCE REPORT

The Board has a good mix of Directors and believes that its composition achieves a diversity of skills, knowledge, experience as well as gender to the Company as follows:

Diversity of the Board (FY2025)		
Core Competencies	Number of Directors	Proportion of Board
– Accounting or finance	2	29%
– Business management	5	71%
– Legal and corporate governance	4	57%
– Relevant Industry Knowledge or experience	5	71%
– Strategic planning experience	5	71%

Targets and Progress

In addition to having the relevant and appropriate professional experience, the Company aims to achieve a diversity of tenure of service, female representation, age as well as to maintain a majority Board members to be independent.

(a) Tenure of Service of Independent Directors

The tenure of each independent Director is monitored closely every year so that the process for Board renewal is reviewed and considered ahead of any independent Director reaching the nine-year mark to facilitate a smooth transition and to ensure that the Board continues to have an appropriate level of independence. The tenure of service of Independent and Non-executive Independent Directors as at 30 September 2025 as described below:

Years of service	Number of Directors	Proportion of Board
3 years or less	1	25%
Between 4 and 7 years	3	75%
More than 7 years	0	0%

The Company's target is to maintain the current level of tenure diversity as part of the Board renewal process to facilitate the Board renewal process.

(b) Female Board Representation

Ms Wong Ee Kean's appointment as an Non-executive Independent Director on 31 January 2024 marks the Company's inaugural appointment of a female director on its Board.

(c) Diversity of Age

There is no age limit fixed for its Directors as weight should be given to suitable candidates with repute and experience regardless of age. Nonetheless, the Company will endeavour to promote age diversity when considering the composition of board members for any board appointment. At the same time, the Company continues to value contribution of its members regardless of age.

(d) Maintain majority Board members to be independent

As of 30 September 2025, the Board of Directors comprised seven members of which four were Independent Directors. The Company will strive to maintain the same number of independent Board members if possible to ensure compliance with the CG Code.

CORPORATE GOVERNANCE REPORT

The Board has taken the following steps to maintain or enhance its balance and diversity:

- (i) annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
- (ii) annual evaluation by the Directors with a view to understanding the range and level of expertise which is potentially lacking on the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.

Non-Executive and/or Independent Directors, led by the Lead Independent Director, will meet at least once a year without the presence of Management to discuss pertinent matters like the performance of Management, risk management, internal controls, Management succession planning and important business issues. During the financial year, the Independent Directors met at least once without the presence of Management to confer and discuss pertinent matters.

Provision 2.5

Chairman and Chief Executive Officer (“CEO”)

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The roles of the Chairman and the CEO are currently occupied by different people. Mr Leo Ting Ping Ronald (“Mr Leo”) is the Non-Executive and Non-Independent Chairman of the Company and while Mr Xu Quanqiang (“Mr Xu”) is the Executive Director and Interim CEO of the Company. The Chairman and Interim CEO are not related. There is a clear division of responsibilities between the Chairman and the Interim CEO, which is clearly set out in writing. Having clarity of their respective responsibilities and separating the respective roles avoid unfettered powers of decision-making, ensure a degree of checks and balances, increase accountability and ensure greater capacity of the Board for independent decision-making.

*Provision 3.1 and
Provision 3.2*

Mr Leo retired as CEO of the Company on 30 June 2025 and thereafter re-designated as Non-Executive Non-Independent Chairman. He is responsible for the strategic direction of the Group, the workings of the Board and communicating the performance of the Company and the Group to the Board and shareholders. Effective 1 July 2025, Mr Leo has taken on the role of adviser for the construction projects of the subsidiary, Keong Hong Construction Pte Ltd.

Mr Xu was appointed as an Interim CEO of the Company, effective on 8 July 2025. He is involved in significant corporate matters, especially those strategic in nature and works together with the Board to formulate and execute the Group’s strategies, plans and processes. The Interim CEO of the Company is accountable to the Board for the conduct and performance of the Company’s business operations.

The Board has no dissenting views on the Chairman’s and interim CEO Statement to the shareholders for the financial year under review.

Lead Independent Director

As the Non-Executive Chairman is not independent, a Lead Independent Director is available to the shareholders if they have concerns when contact through the normal channels to the Chairman or Interim CEO or the Chief Financial Officer has failed resolution or when such contact is inappropriate or inadequate. Mr Fong Heng Boo is the Lead Independent Director appointed on 29 February 2024. Shareholders can send their enquiries through email to Mr Fong at hengboo.fong@gmail.com.

Provision 3.3

Based on the above reasons, the Board is of the view that the practices adopted by the Company are consistent with the intent of Principle 3 of the Code.

CORPORATE GOVERNANCE REPORT

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

NC Composition and Role

During FY2025, the NC comprised the following four Directors, all members, including its Chairman were independent: *Provision 4.1 and Provision 4.2*

Koh Tee Huck Kenneth	–	Chairman (Independent)
Chong Wai Siak	–	Member (Independent)
Fong Heng Boo	–	Member (Independent)
Wong Ee Kean*	–	Member (Independent)

* Appointed as a member of the NC on 3 April 2025.

The NC is guided by its terms of reference which sets out its responsibilities. The terms of reference are in line with the Code. The NC is responsible for: *Provision 4.1*

- (i) reviewing and recommending the nomination or re-nomination of the Directors having regard to the Director' contribution and performance;
- (ii) determining on an annual basis whether or not a Director is independent having regard to the circumstances set forth in Provision 2.1 of the 2018 Code and the Listing Manual of the SGX-ST;
- (iii) prior to 1 January 2022, conducting a rigorous review of the independence of any Director who has served on the Board for more than nine years from the date of his first appointment and the reasons for considering him as independent;
- (iv) deciding whether or not a Director is able to and has been adequately carrying out his duties as a director;
- (v) deciding whether a Director with multiple board representations is able to and has been adequately carrying out his duties as a director and where a Director holds a significant number of listed company directorships and principal commitments, assessing the ability of such a Director to diligently discharge his or her duties;
- (vi) reviewing the composition of the Board annually to ensure that the Board has an appropriate balance of expertise, skills, attributes and abilities;
- (vii) the process and criteria for evaluation of the performance of the Board, its board committees and Director;
- (viii) reviewing Board succession plans for Directors, in particular the Chairman & Interim CEO and key management personnel; and
- (ix) reviewing training & professional development programs for the Board and its Directors.

Board succession Planning

The Board believes in carrying out succession planning for itself and the CEO to ensure continuity of leadership. Board renewal is a continuing process. In this regard, the NC reviews annually the composition of the Board, which includes size and mix, and recommends to the Board the selection and appointment of new Directors, whether in addition to, or in replacement of retiring Board members, with a view to identifying any gaps in the Board's skills sets taking into account the Company's business operations. The Board will be able to function smoothly notwithstanding any resignation or retirement of any Director given the present number of members and mix of competence of the Board.

CORPORATE GOVERNANCE REPORT

Nomination and selection of Directors

When the need to appoint a new Director arises, the NC reviews the range of expertise, skills and attributes of the Board members, and identifies the Board's need and shortlists candidates who will complement the skills, competencies and attributes of the existing Board members and the requirements of the Group. Potential candidates are selected through internal resources, referrals from existing Directors and/or external search. The candidate must also be able to commit sufficient time and attention to the affairs of the Company, especially if he/she is serving on multiple boards. The Board believes that board diversity is more than just about gender diversity and embraces other factors such as a need for individuals from all backgrounds, skill sets, work experience, abilities and beliefs for better Board performance. New Directors are appointed by way of a Board resolution after the NC has reviewed and recommended the appointment of these new Directors. Article 122 of the Company's Constitution requires that new Directors appointed by the Board to hold office until the next Annual General Meeting ("AGM"). For re-appointment/re-election, the NC is charged with the responsibility of recommending to the Board the re-appointment/re-election of Director(s) having regard to, among other things, his/their/her past contribution and performance.

Provision 4.3

The Directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. Pursuant to the Constitution of the Company, one third of the Board or if their number is not a multiple of three, the number nearest but not less than one third with a minimum of one, to retire from office by rotation and be subjected to re-election at the AGM of the Company. A newly appointed Director must also subject himself/herself to retirement and re-election at the AGM immediately following his/her appointment. Thereafter, he/she is subject to retirement by rotation once every three years.

Rule 720(5)

Key information of each director is set out on pages 18 to 21 of this report and the dates of their initial appointment and last re-appointment/re-election are set out below:

Name of Director	Date of initial appointment	Date of last re-appointment/re-election
Leo Ting Ping Ronald	15 April 2008	28 March 2025
Er Ang Hooa	26 September 2011	28 March 2025
Xu Quanqiang	29 March 2021	28 March 2024
Chong Wai Siak	1 October 2019	28 March 2024
Koh Tee Huck Kenneth	30 September 2021	28 March 2024
Fong Heng Boo	1 January 2022	28 March 2025
Wong Ee Kean	31 January 2024	28 March 2024

The Directors due for re-nomination and re-election at the forthcoming AGM under Article 117 of the Company's Constitution are Mr Xu Quanqiang, Mr Chong Wai Siak ("Mr Chong") and Mr Koh Tee Huck Kenneth ("Mr Koh"). Both Mr Chong and Mr Koh have expressed their intention to retire from the Board of Directors and as such, they would not be seeking for re-election at the forthcoming AGM. Mr Chong, will upon retirement, relinquish from the positions as the Chairman of the RC and a member of the AC and NC. Mr Koh Tee Huck Kenneth will, upon retirement as a director, relinquish his positions as the Chairman of the NC and a member of the AC and RC.

Rule 720(6)

After assessing the contribution and performance of the retiring Director, the NC has recommended the re-election of Mr Xu Quanqiang, who will be retiring under Article 117 of the Company's Constitution at the forthcoming AGM. Mr Xu Quanqiang, has offered himself for re-election and the Board has accepted the recommendations of the NC. Mr Xu had recused himself relating to the recommendation on his re-election as director of the Company.

Rule 720(5)

Information relating to Mr Xu Quanqiang, is set out on pages 133 and 134 of the Annual Report, in accordance with Rule 720(6) of the Listing Manual of SGX-ST.

CORPORATE GOVERNANCE REPORT

Continuous review of Directors' independence

The NC determines the independence of each non-executive director annually, and when circumstances require, having regard to the circumstances set out in the Provision 2.1 of the Code, its Practice Guidance and Rule 210(5)(d) of the SGX-ST Listing Manual. The NC requires all the Independent Directors to confirm their independence and their relationships with the Directors, Management and substantial shareholders (5% or more stake) of the Company by a declaration in writing annually. *Provision 4.4*

The NC had assessed the independence of Mr Chong Wai Siak, Mr Koh Tee Huck Kenneth, Mr Fong Heng Boo and Ms Wong Ee Kean, and was satisfied that there was no relationship or other factors such as financial assistance, past association, business dealings, being a representative of a shareholder, financial dependence, relationship with the Group or the Group's management, which would impair or compromise their independent judgment or which would deem them not to be independent. Therefore, the NC is of the view that there is sufficient independence on the Board and its composition is appropriate to facilitate effective decision-making. Each Independent Director had recused himself/herself in the determination of his/her own independence.

Alternate Directors

The Board takes the stand that alternate directors should only be appointed in exceptional circumstances. The Company has no alternate director on its Board.

Commitment of Directors with Multiple Board Representatives

The NC has set guidelines on the maximum number of Board appointments in listed companies that a Board member can hold to ensure that the Directors are able to commit their time to effectively discharge their responsibilities. Based on the guidelines set by the NC, each Board member shall not have more than seven listed Board representations including the Company. None of the Directors currently have more than seven directorships on listed companies. As the number of board representations should not be the only measurement of a Director's commitment and ability to contribute effectively, the NC takes the view that if a Director wishes to hold board representations in more than the maximum stated per the guidelines, a request shall be made to the NC for consideration before it is submitted to the Board for approval. *Provision 4.5*

The considerations in assessing the capacity of Directors include the following:

- expected and/or competing time commitments of Directors;
- size and composition of the Board;
- nature and scope of the Group's operations and size;
- relevant industry knowledge and experience; and
- relevant corporate, professional and management experience.

CORPORATE GOVERNANCE REPORT

The directorships and principal commitments of each of the Directors are set out below:

Provision 4.5

Name of Director	Listed Company Directorships	Principal Commitments
Leo Ting Ping Ronald	Nil	Keong Hong group of companies
Er Ang Hooa	Nil	Keong Hong group of companies
Xu Quanqiang	Kori Holdings Limited	<ol style="list-style-type: none"> 1. PT Forevertrust International Indonesia 2. LJHB Capital (S) Pte Ltd 3. Forevertrust International (S) Pte Ltd 4. FT Development Pte. Ltd. 5. Wisewind International Pte. Ltd. 6. Pristine Islands Investment Pte. Ltd. 7. LJHB USA Inc 8. LJHB Holdings (S) Pte Ltd 9. Continental Hope Singapore Industrial Development Pte Ltd
Chong Wai Siak	Nil	Nil
Koh Tee Huck Kenneth	Nil	UniLegal LLC
Fong Heng Boo	<p><u>Present</u></p> <ol style="list-style-type: none"> 1. TA Corporation Ltd 2. Livingstone Health Holdings Ltd 3. Bonvest Holdings Limited 4. Kwan Yong Holdings Limited 5. UOA Development Berhad <p><u>Past three years</u></p> <ol style="list-style-type: none"> 1. Sheng Ye Holdings Group Ltd 	Nil
Wong Ee Kean	Nil	Nil

The NC has reviewed each Director's external directorships, their principal commitments, as well attendance and contributions to the Board. Although some Directors hold multiple directorships in non-Group entities, the NC is satisfied that these Directors are able to contribute and adequately perform their duties as Directors of the Company.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The performance of the Board is closely tied to the performance of the Company. The Board should ensure compliance with applicable laws. Board members should act in good faith, exercise due diligence and care in the best interests of the Company and its shareholders.

The Board, through the delegation of its authority to the NC, had made its best efforts to ensure each Director possesses the experience, knowledge and skills critical to the Group's business. This is necessary to enable the Board to make sound and well-considered decisions. The NC, in considering the nomination of any Director for re-election, will evaluate the performance of the Director based on a set of assessment criteria.

CORPORATE GOVERNANCE REPORT

Board Evaluation Process

The NC will decide how the Board's performance is to be evaluated and will also propose objective performance criteria which, subject to the approval of the Board, address how the Board has enhanced long-term shareholders' value. The Board has implemented a process which has been carried out by the NC for assessing the effectiveness of the Board as a whole and its Board Committees, and the contribution of each individual Director to the effectiveness of the Board.

Provision 5.1

Performance Criteria for Board Evaluation

For the performance of the Board as a whole, the appraisal process focuses on the evaluation of factors such as the size and composition of the Board, the Board's access to information, the Board's processes and accountability, communication with senior Management and the Directors' standard of conduct.

Performance Criteria for Board Committees

For the performance of the Board Committees, the appraisal process focuses on the evaluation of factors such as the size and composition of the respective Board Committees, the availability of training and resources to assist the Board Committees in discharging their duties, and ability to fulfil their duties and complete the tasks set out by the Board for the respective committees.

Performance Criteria for Individual Directors

The contribution of each individual Director to the effectiveness of the Board is assessed individually. The assessment criteria include, inter-alia, commitment of time, attendance record, level of participation and preparedness, candour and independence.

Annual Assessment

Evaluation of the performance of the Board will be undertaken on a continuous basis by the NC with input from other Board members and the Chairman. In FY2025, all Directors individually completed a board evaluation questionnaire on the effectiveness of the Board, board committees and the individual Directors based on the assessment criteria. To ensure confidentiality, all duly completed evaluation forms were submitted to the Company Secretary for collation. The responses on a collective basis are then discussed by the NC.

Provision 5.2

The NC discusses the results of the Board's performance evaluation to identify areas where improvements are necessary and makes recommendations to the Board for action to be taken. Each member of the NC abstains from voting on any resolutions in respect of the assessment of his performance or re-nomination as a Director. In the event that any member of the NC has an interest in a matter being deliberated upon by the NC, he will abstain from participating in the review and approval process relating to that matter.

The NC will then share the observation and findings with the Board. The Chairman will act on the results of the evaluation and where appropriate and in consultation with the NC, propose the appointment of new directors or seek the resignation of current Directors. Any renewal or replacement of directors does not necessarily reflect their contribution to date and it may be driven by the need to position and shape the Board in line with the medium term needs of the Group and its business.

The NC has assessed the current performance of the Board and Board Committees to-date, as well as the performance of each individual Director and is of the view that the performance of the Board as a whole, the Board Committees and of each individual Director had met their performance objectives.

No external evaluation facilitator was engaged for the financial year in review.

REMUNERATION MATTERS

Procedures for developing remuneration policies, level and mix of remuneration and disclosure of remuneration

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

CORPORATE GOVERNANCE REPORT

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationship between remuneration, performance and value creation.

Role and Composition of Remuneration Committee

During FY2025, the RC comprises the following four Directors, all of whom are independent:

Provision 6.2

Chong Wai Siak	–	Chairman (Independent)
Koh Tee Huck Kenneth	–	Member (Independent)
Fong Heng Boo	–	Member (Independent)
Wong Ee Kean*	–	Member (Independent)

* Appointed as a member of the RC on 3 April 2025.

The RC is guided by its terms of reference which is in line with the Code. The RC's principal responsibilities are:

Provision 6.1

- (i) reviewing and making recommendations to the Board on:
 - (a) a framework of remuneration for the Board and key executives; and
 - (b) the specific remuneration packages for each Executive Director as well as for the key management personnel,
 and in doing so the RC considers all aspects of remuneration, including termination terms, to ensure they are fair;
- (ii) where external remuneration consultant is appointed, reviewing whether the remuneration consultant has any relationship with the Company that could affect his or her independence and objectivity;
- (iii) reviewing annually the remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company and whose remuneration exceeds S\$100,000 during the year; and
- (iv) administering the Company's Employee Share Option Scheme, if any.

Remuneration Framework

The RC ensures that a formal and transparent procedure is in place for fixing the remuneration packages of individual Directors and key management personnel. Although the recommendations are made in consultation with the Chairman, the remuneration packages are ultimately approved by the entire Board. No Director will be involved in deciding his own remuneration. Each member of the RC shall abstain from voting on any resolution and making any recommendations in respect of his remuneration package.

Provision 6.3

The RC also reviews the Company's obligations arising in the event of termination of the Chairman, and key management personnel's contracts of service, to ensure that such contract of service contain fair and reasonable termination clauses which are not overly generous. At the moment, the Company does not use any contractual provisions to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. If required, the RC will consider instituting such contractual provisions to allow the Company to reclaim the incentive components of the remuneration of the Executive Directors and key management personnel paid in prior years in such exceptional circumstances.

CORPORATE GOVERNANCE REPORT

RC's access to Independent Advice

Provision 6.4

The RC may from time to time, when necessary or required, seek advice from external consultants in framing the remuneration policy and determining the level and mix of remuneration for Directors and Management, so that the Group remains competitive in this regard. During FY2025, the Company did not engage any independent remuneration consultant.

Performance-linked Remuneration

The Company adopts a remuneration policy for Executive Directors and key management personnel comprising a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Company and the individual's performance, the latter of which is assessed based on their respective key performance indicators allocated to them. Staff appraisals are conducted once a year. The Executive Directors do not receive Directors' fees. The corporate and individual performance-related elements of remuneration are designed to align the interests of Executive Directors with those of shareholders in order to promote the long-term success of the Company. The Executive Directors and key management personnel had met their respective key performance indicators in respect of FY2025.

Provisions 7.1 and 7.3

According to Mr Leo's service agreement as CEO, he is entitled to a performance bonus if the audited consolidated profit before taxation of the Group exceeds S\$5.0 million for the financial year. For FY2025, Mr Leo was not entitled to any performance bonus. Mr Leo's service agreement, which commenced on 1 July 2023, ended on 30 June 2025, and was not renewed upon its expiry. Following his cessation as CEO, he was redesignated as Non-Executive and Non-Independent Chairman of the Board with effect from 1 July 2025.

Directors' Fees for Non-Executive Directors

Director's fees for the Independent Directors and Non-Executive Director are set in accordance with the remuneration framework comprising basic fees and committee fees, taking into account their effort, time spent and responsibilities. These are subject to the approval of the Company's shareholders during the Company's AGM.

Provision 7.2

Remuneration Report for Directors and Key Management Personnel

The remuneration components paid to the Non-Independent Non-Executive Chairman and each of the Executive Directors, and Independent Directors for FY2025 are as follows:

Provisions 8.1 and 8.3

Remuneration Bands and Name	Fees S\$	Salary S\$	Bonus S\$	Benefits in kind S\$	Total Remuneration S\$
Non-Independent Non-Executive Chairman					
S\$500,000 to below \$500,000					
Leo Ting Ping Ronald	18,750 ¹ (4%)	270,000 (58%)	135,000 ² (30%)	41,935 ³ (8%)	465,685 (100%)
Executive Directors					
Er Ang Hooa	–	357,600 (80%)	29,800 (7%)	61,640 (13%)	449,040 (100%)
Xu Quanqiang	–	216,391 (84%)	25,250 (10%)	17,034 (6%)	258,675 (100%)

Notes:

- ¹ comprises Chairman Fee of S\$18,750 (pro-rated) effective 1 July 2025 and Advisor Fee of S\$36,000 paid by Keong Hong Construction Pte Ltd ("KHC"), a subsidiary of the Company pursuant to an advisory contract.
- ² represents annual wage supplement of minimum of three months according to the Service Contract.
- ³ comprises transport allowance of S\$6,000 paid by KHC.

CORPORATE GOVERNANCE REPORT

Remuneration Bands and Name	Fees S\$	Salary S\$	Bonus S\$	Benefits in kind S\$	Total Remuneration S\$
Independent Directors					
Below S\$250,000					
Chong Wai Siak	55,000 (100%)	–	–	–	55,000
Koh Tee Huck Kenneth	55,000 (100%)	–	–	–	55,000
Fong Heng Boo	65,000 (100%)	–	–	–	65,000
Wong Ee Kean ⁴	43,500 (100%)	–	–	–	43,500

Notes:

⁴ Ms Wong was appointed as a member of the NC, RC and AC on 3 April 2025.

A breakdown showing the level and mix of the key management personnel's remuneration payable for FY2025 in bands of S\$250,000 are as follows:

Provisions 8.1 and 8.3

Remuneration Bands and Name	Salary (%)	Bonus (%)	Benefits in kind (%)	Total (%)
Key Management Personnel				
S\$500,000 to \$250,000				
Ng Siew Khim ⁶	93	–	7	100
Below S\$250,000				
William Koh Hock Ann ⁵	88	–	12	100
Heng Fook Chang	78	7	15	100

Notes:

⁵ Resigned as General Manager (Operations) on 3 October 2025

⁶ Resigned as Head of Contracts on 19 September 2025

The annual aggregate remuneration paid to the key management personnel for FY2025 was S\$0.6 million.

There is no employee who is related to a Director, Chairman or substantial shareholder, whose remuneration exceeds S\$100,000 in the Group's employment for FY2025.

Provision 8.2

The profile of the key personnel can be found on page 22 of the Annual Report.

There is no termination, retirement, post-employment benefits that are granted to the Directors, Chairman, and top key management personnel.

Share Option Scheme

The Keong Hong Employee Share Option Scheme (the "Scheme"), which was approved by the shareholders at an extraordinary general meeting held on 21 November 2011 had expired on 21 November 2021.

Provision 8.3

Notwithstanding the expiry of the Scheme, there are still options granted previously which have yet to be exercised/expired. Further details of the outstanding options are found in the Directors' Statement.

Rule 1207 (16)

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls and Audit Committee

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Risk Management and Internal Control Systems

The Board is responsible for the governance of risk and sets the tone and direction for the Company in the way that it expects risks to be managed. The Board has overall responsibility for approving the business strategies of the Company in a manner which addresses stakeholders' expectations and does not expose the Company to an unacceptable level of risk which could impede the achievement of the Company's objectives. The Board sets the direction for how risk is to be managed in the pursuit of business objectives and promotes a risk aware and risk conscious culture, which is one where Management understands the importance of risk management as part of their day to day duties and their functional responsibilities therein.

Provision 9.1

Enterprise Risk Management Framework

The Company has developed and continues to review and update the Risk Governance and Internal Control Framework Manual ("The Manual"). The Manual sets out the risk governance responsibilities, business strategies, risk tolerances, risk appetites and the accountability and oversight for the appropriate risk management activities which mitigate the occurrence and exposure to significant risks that could impede business objectives. Management has defined the business objectives to be pursued for the financial year and the specific risk tolerance and appetite limits. The Board has been provided the basis for which they are able to delegate their responsibilities and the authority and limits assigned to Management in respect of these critical business activities. The Board and the Company have through this Manual articulated the operating policies and risk mitigation activities and controls that are in place to mitigate and provide contingencies to deal with the occurrence of significant business risks. In addition to this, Management has been evaluated on their ability to maintain an adequate and effective system of internal control environment. This evaluation takes into consideration the key internal control principles of ISO 31000:2009 Risk Management framework and the components of the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") which are the control environment, risk assessment, control activities, information and communication, and the monitoring activities within the Company. Management has provided responses to the Board to explain how they intend to resolve any potential internal control deficiencies and appropriately manage the enterprise wide risks identified through this process.

To supplement the Manual, the Company already has in place an Enterprise Risk Management ("ERM") framework which is aligned with the requirements of COSO Internal Controls Integrated Framework.

The Company has updated the risk profile in the ERM framework through a Group-wide risk assessment exercise conducted in FY2025. This ensures that the risk register is current and reflects the changing business risk exposures and addresses the significant and relevant risks to the Group, the risk owners responsible for managing the identified risks and the internal controls in place to address those risks. Management continues to regularly review and update the risk register with the objective of assigning clear accountability and ownership of risks at the operating level to manage risks, addressing any material breaches in risk thresholds and highlighting any emerging or material risks to the Board. This serves to uphold the effectiveness of risk management as the second line of defense.

The Group's Internal Auditors, RSM SG Risk Advisory Pte. Ltd. have taken into consideration the Risk Governance and Internal Control Framework Manual, the updated risk register and risk profile contained within the Group's Risk Assessment Report when preparing the annual internal audit plan. This risk-based internal audit plan is approved by the AC and internal audits are conducted to assess the adequacy and effectiveness of the Group's system of internal controls and risk management in addressing financial, operational, information technology, and compliance and sustainability related risks. This serves to ensure that internal audit as the third line of defense is able to function effectively. In addition, material control weaknesses over financial reporting, if any, are highlighted by the external auditors, Forvis Mazars LLP in the course of the statutory audit.

CORPORATE GOVERNANCE REPORT

Risk Committee

The Company has not established a separate Risk Committee. The responsibility for risk governance and oversight of the ERM framework and program rests with the AC.

The AC is independent and assists the Company in its oversight of risk management. The AC's responsibilities on risk management are as follows:

- to review and adopt the risk governance approach and risk policies of the Company which are then proposed to the Board;
- to review the risk management methodology adopted by the Company;
- to review the strategic, financial, operational, regulatory, compliance, information technology and other emerging risks and threats relevant to the Company;
- to review Management's assessment of risks and Management's action plans to mitigate such risks;
- to propose the risk appetite and risk tolerance limits to the Board;
- to review any material breaches of risk limits;
- to review the Company's anti-fraud procedures including the Whistle Blowing Policy and ensures appropriate follow-up actions;
- to report to the Board on matters, findings and recommendations relating to risk management; and
- to review the adequacy and effectiveness of the Company's risk management systems.

Adequacy and Effectiveness of Risk Management and Internal Control Systems

The Board has received assurances from:

Provision 9.2

- (a) the Interim CEO and the Chief Financial Officer ("CFO") that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances;
- (b) the Interim CEO and other key management personnel who are responsible for the Group's risk management and internal control system that the Group's risk management and internal control system remain adequate and effective; and
- (c) there has been full conformance with the risk governance activities and responsibilities as outlined in the Company's Risk Governance and Internal Control Framework Manual.

The Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective during the financial year and up to the date of this report. This opinion is based on the internal control policies and procedures established and maintained by the Company, the work done by the Internal and External Auditors, reviews carried out by Management, various Board Committees and the Board. The Board, together with the AC and Management, will continue to enhance and improve the existing internal controls framework to identify and mitigate these risks. There were no material weaknesses identified by the Board or the AC for FY2025.

Rule 1207 (10)

The system of internal controls and risk management established by the Company provides reasonable, but not absolute assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Board is also mindful that no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error losses, fraud or other irregularities.

CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE

Principle 10: The Board has an **Audit Committee** (“AC”) which discharges its duties objectively.

Roles, Responsibilities and Authority of AC

The AC comprises the following four Directors, all the members, including its Chairman were independent: *Provision 10.2*

Fong Heng Boo	–	Chairman (Independent)
Chong Wai Siak	–	Member (Independent)
Koh Tee Huck Kenneth	–	Member (Independent)
Wong Ee Kean*	–	Member (Independent)

* Appointed as a member of the AC on 3 April 2025.

The profiles of each AC members are set out on pages 19 to 21 of this Annual Report. The Board is of the view that the members of the AC have recent and relevant accounting or related financial management knowledge, expertise and experience to discharge their responsibilities properly. *Provision 10.2*

None of the AC members are former partners or Directors of, or have any financial interests in, the Company’s existing auditing firm or auditing corporation. *Provision 10.3*

The role of the AC is to assist the Board in overseeing the adequacy and effectiveness of the overall system of internal control, the internal audit functions within the Group, the scope of audit by the external auditor as well as their independence. The AC’s roles and responsibilities are described in its terms of reference. The duties of the AC include: *Provision 10.1*

- (i) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company’s financial performance;
- (ii) reviewing at least annually the adequacy and effectiveness of the Group’s internal controls and risk management systems;
- (iii) reviewing the assurance from the interim CEO and the CFO on the financial records and financial statements;
- (iv) making recommendations to the Board on (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;
- (v) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company’s internal audit functions;
- (vi) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- (vii) reviewing the risk management structure and any oversight of the risk management process and activities to mitigate and manage risk at acceptable levels determined by the Board;
- (viii) reviewing the assistance given by the Company’s officers to the external auditors;
- (ix) reviewing and discussing with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group’s operating results or financial position, and Management’s response;
- (x) reviewing the interested person transaction in accordance with the Listing Manual of the SGX-ST (if any);
- (xi) meeting with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually; and
- (xii) reporting to the Board the significant issues and judgements that the AC considered in relation to the financial statements, and how these issues were addressed.

CORPORATE GOVERNANCE REPORT

Apart from the duties listed above, the AC, if required, may commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or suspected infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. In the event that a member of the AC is interested in any matter being considered by the AC, he will abstain from reviewing and deliberating on that particular transaction or voting on that particular resolution.

The AC has been given full access and obtained the co-operation of Management. The AC has the explicit authority to investigate any matter within its terms of reference. It has full discretion to invite any Director or executive officer to attend its meetings, and be given reasonable resources to enable it to discharge its functions properly.

The AC has met with Forvis Mazars LLP, the external auditors of the Company, without the presence of Management, to discuss the results of their audit and their evaluation of the systems of internal accounting controls. *Provision 10.5*

For FY2025, Forvis Mazars LLP did not provide any non-audit services to the Group. *Rule 1207(6)(b)*

The AC has also reviewed and confirmed that Forvis Mazars LLP is a suitable audit firm to meet the Company's audit obligations, after taking into consideration the Audit Quality Indicators Disclosure Framework published by the ACRA and having regard to the adequacy of resources and experience of the firm and the assigned audit engagement partner, the external auditors' non-audit service, the size and complexity of the Group, number and experience of supervisory and professional staff assigned to the Group's audit.

The AC is satisfied with the independence and objectivity of the external auditors and has recommended that Forvis Mazars LLP be re-appointed as the Company's external auditors in respect of financial year ending 30 September 2025 ("FY2025") at the forthcoming AGM. The aggregate audit fees paid to the external auditors for FY2025 are S\$200,000 as set out on page 89 of this Annual Report.

To keep abreast of the changes in accounting standards and issues which have a direct impact on financial statements, discussions are held with the external auditors when they attend the AC meetings every half yearly. The AC members were encouraged to attend external courses conducted by relevant professional institutes as and when deemed necessary or upon request.

The Company confirms that Rules 712 and 715 of the SGX-ST Listing Manual in relation to engaging Forvis Mazars LLP, as the external auditors of the Company and its Singapore-incorporated subsidiaries and significant associated companies have been complied with. In addition, both the AC and Board have reviewed the appointment of a different auditor for its significant foreign-incorporated associated companies and are satisfied that the appointment of a different auditor would not compromise the standard and effectiveness of the audit of the Company. Accordingly, the Company has complied with Rule 716 of the SGX-ST Listing Manual. *Rules 712, 715 and 716*

The Board conducts periodic reviews and assessments of the internal controls for its financial, operational and compliance functions, and the internal audit systems put in place by Management to ensure the integrity and reliability of the Group's financial information and to safeguard its assets. Any recommendations from the internal and external auditors to further improve the Company's internal controls are reported to the AC.

In the review of the financial statements of the Group and the Company for FY2025, the AC had discussed with Management the accounting principles that were applied and their judgement of items that could affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The AC reviewed and addressed, among other matters, the following key audit matters ("KAMs") as reported by the external auditors for FY2025.

CORPORATE GOVERNANCE REPORT

Key audit matters	How these Issues were addressed by the AC
Accounting for construction contracts	The AC reviewed the contract revenue recognition using cost-based input method that reflects the over-time transfer of control to its customers. The AC considered Management's judgements and estimates used in the determination of total construction contract costs and found them to be appropriate.
Impairment assessment of investment in associates	The AC considered Management's approach and assumptions in assessing for impairment of its investments in the associates. The AC considered the fair value assessed by independent valuers, the reasonableness of the significant judgements and estimates involved in determining the present value of future cash flows from the associates and the adequacy of the expected credit loss allowance and were satisfied that these were appropriate.

Details on the KAMs can be found on pages 54 and 55 of the Annual Report.

Internal Audit Function

The AC is tasked to oversee the implementation of an effective system of internal controls as well as putting in place a risk management framework to continually identify, evaluate and manage significant business risks of the Group. The AC has the mandate to authorise special reviews or investigations, where appropriate in discharging its responsibilities.

The internal audit function of the Group is currently outsourced to RSM SG Risk Advisory Pte Ltd (the "Internal Auditor"), a professional advisory firm providing corporate governance, internal audit, enterprise risk assessment, technology as well as fraud risks and regulatory compliance services. The internal audit team is led by Mr Dennis Lee, a Chartered Accountant of Singapore and Certified Public Accountant of Australia, with extensive internal and risk management experience. All his team members have the relevant qualifications and experience and are members of The Institute of Internal Auditors of Singapore and/or members of relevant professional bodies.

Provision 10.4

The Internal Auditor reports directly to the AC and supports the AC in their role to assess the adequacy and effectiveness of the Group's overall system of operational, financial, technology and compliance related controls and this forms the third line of defense for the AC to discharge its responsibilities.

To ensure the adequacy of the internal audit function, the AC reviews and approves the risk based internal audit plan on an annual basis. All IA reports are given to the AC, the key management personnel and the Heads of the relevant business divisions, with a summary report of IA results presented at the AC meeting. The AC was satisfied that recommendations made were dealt with by the Management in a timely and appropriate manner, with outstanding exceptions or recommendations being closely monitored and reported back to the AC.

The Internal Audit function is independent of all the areas and activities which are covered under the scope of review and they have unfettered access to all documents and personnel relating to the areas or activities which are covered under the annual internal audit plan.

Provision 10.4

The internal audit function operates within the standards consistent with the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors (IIA), an international professional association with global headquarters in United States of America.

RSM SG Risk Advisory Pte Ltd is a corporate member of the Institute of Internal Auditors Singapore (IIAS), an affiliate of the IIA. Processes are in place to ensure that the professional competence of the IA staff is maintained and upgraded through continuing training and education programmes which comprised technical and non-technical training for the development of the IA staff.

During the year, the AC met with the Internal Auditor of the Company, without the presence of Management, to discuss the results of their audit and their evaluation of the Company's systems of internal controls.

Provision 10.5

The AC is satisfied with the quality and effectiveness of the Internal Audit function and that the Internal Audit function is currently adequately resourced and has appropriate independent standing within the Group to perform its functions effectively.

CORPORATE GOVERNANCE REPORT

Whistleblowing Policy

The Company has implemented a Whistleblowing Policy whereby accessible channels are provided for employees, shareholders, clients, consultants, vendors, contractors and sub-contractors, to raise concerns about possible improprieties in financial reporting, fraudulent acts and other irregularities, and to ensure that arrangements are in place for independent investigations of such matters and timely implementation of appropriate preventive and corrective actions.

The AC is responsible for oversight and monitoring of whistleblowing and the AC reviews all whistleblowing complaints, if any, at every meeting to ensure independence thorough investigation and appropriate follow-up actions are taken.

The Company will treat all information received as confidential and will protect the identity of all whistleblowers from reprisal. It is also committed to ensuring that whistleblowers will be treated fairly, and protected against detrimental or unfair treatment for whistleblowing in good faith. The details of the Whistleblowing Policy are available on the Company's website. During FY2025, there was no incident of concern reported to the AC.

SHAREHOLDERS RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Opportunity for Shareholders to Participate and Vote at General Meetings

The Company does not practise selective disclosure. Price sensitive information is promptly released on SGXNet after trading hours. Financial results and annual reports are announced or issued within the mandatory periods. Apart from the SGXNet announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website at www.keonghong.com.

General Meetings

Shareholders are encouraged to attend the AGM to ensure a greater level of shareholders' participation and for them to be kept up to date with the strategies and goals of the Group. All shareholders are informed through notices of general meetings sent by post and such notices are also advertised in the Business Times and made available on the SGX-ST's website. To facilitate participation by the shareholders, the Constitution of the Company allows the shareholders entitled to attend and vote at general meetings of the Company to appoint not more than two proxies to attend and vote on behalf. In the case of a shareholder who is a relevant intermediary (as defined in the Act), it may appoint more than two proxies but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. The proxy forms are to be deposited at the Company's Share Registrar office not less than 72 hours before the meeting. Detailed information on each item of the AGM agenda can be found in the explanatory notes to the AGM Notice in the Annual Report.

Provision 11.1

The AGM of the Company in respect of the financial year ended 30 September 2024 was conducted physically on 28 March 2025. The Company also had an Extraordinary General Meeting ("EGM") held physically on 18 June 2025 for the Proposed Disposal of Shares and Discharge of Loans. Shareholders were able to participate effectively in the AGM and the EGM, and vote in person or appoint proxy/proxies or the Chairman of the AGM and EGM to vote on their behalf at the AGM and EGM. Shareholders could submit questions related to the resolutions that were tabled at the respective AGM and EGM in advance of the lodgement of the proxy forms for the AGM and EGM. During the AGM and EGM, Shareholders could also ask questions after each resolution was tabled at the AGM and EGM. Such questions were addressed by the Board, Management or other professionals invited by the Company to attend the AGM and EGM, before the corresponding resolution was voted upon by shareholders at the AGM and EGM. The Company had set out detailed information on the above arrangements in the Notice of AGM dated 13 March 2025 and Notice of EGM dated 6 June 2025 on the SGXNet.

CORPORATE GOVERNANCE REPORT

The forthcoming AGM of the Company to be held in respect of FY2025 will be held, in a wholly physical format, in Singapore at Banquet Hall, Sembawang Country Club, 249 Sembawang Road, Singapore 758352. Shareholders may continue to: (i) appoint proxy/proxies or the Chairman of the AGM to vote on their behalf at the AGM, if they are unable to vote in person; and (ii) submit questions related to the resolutions to be tabled at the forthcoming AGM in advance of the lodgement of the proxy forms for the AGM.

Separate Resolutions at General Meetings

The Company provides for separate resolutions at general meeting on each distinct issue. All the resolutions at the general meetings are single item resolutions. Where resolutions are “bundled”, the Company will explain the reasons and material implications in the notice of meeting. *Provision 11.2*

All resolutions at general meeting are put to the vote by way of poll. Votes cast for, or against, for each resolution will be read out by the Chairman of the Meeting immediately at the meeting. The total numbers and percentage of votes cast for or against the resolutions are also announced after the conclusion of the general meeting via SGX-ST’s website.

The Company will appoint an independent external party as scrutineer for the poll voting process for the purpose of directing and supervising the count of the votes cast through proxy and in person. Prior to the commencement of the general meetings, the scrutineer will review the proxies and proxy process and also ensure that satisfactory procedures of the voting process are in place. Shareholders are informed of the voting process at each general meeting.

Attendees at General Meeting

All the Directors (including chairpersons of the Board Committees) attend all general meetings of the Company. The external auditors will also be present in addressing queries raised by shareholders relating to the conduct of the audit and the preparation and the content of the auditors’ report. All the Directors who held in office during the financial year were present at the AGM and EGM held in 2025, except Mr Chong Wai Siak, who was overseas on the day of the AGM, absent with apologies. The external auditors, Forvis Mazars LLP were also present at the AGM held on 28 March 2025. *Provision 11.3*

Absentia Voting at General Meetings

As authentication of shareholder identity information and other related security issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, facsimile or email. *Provision 11.4*

Minutes of General Meetings

The Company prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and Management. Provision 11.5 requires companies to publish minutes of general meetings with shareholders on its corporate website as soon as practicable. The Company published its minutes of general meetings via the SGXNet and on the Company’s corporate website within one (1) month from the conclusion of the general meetings. *Provision 11.5*

Dividend Policy Guideline

The Company does not have a fixed dividend policy. The frequency and amount of dividend distribution will depend on the Company’s earnings, general financial condition, results of operations, capital requirements, cash flow and general business conditions, development plans and other factors as the Directors may deem appropriate. Any pay-outs are clearly communicated to shareholders via the financial results announcements through SGXNet. *Provision 11.6*

CORPORATE GOVERNANCE REPORT

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Communication with Shareholders

In line with the continuous disclosure obligations under the requirements of the SGX-ST Listing Manual and requirements of the Act, the Board informs the shareholders promptly of all major developments that may have a material impact on the Group.

The Company communicates (at least once annually at the AGM) with its shareholders and facilitates the participation of shareholders during general meetings and (where applicable) other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

Investor Relations Policy

The Company has in place an investor relations policy and has engaged an external professional investor relation (“IR”) firm, 29 Communications LLP as its IR with the aim to better communicate with its shareholders and analyst on a regular basis and to gather views or inputs and take any of their queries or concerns. The IR firm also manages the dissemination of information to the media, public, institutional investors and public shareholder, and act as liaison with these parties. Shareholders can contact or provide their views directly to the IR firm via a dedicated ‘Investor Relations’ link at the Company’s website.

Provisions 12.1, 12.2 and 12.3

MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Relationship with Stakeholders

The Company values input from all of its stakeholder groups and uses a variety of channels and platforms to engage with them as well as receive their feedback. The Company identifies stakeholders as groups that have an impact or have the potential to be impacted by its business, as well as those external organisations that have expertise in aspects that the Company considers material.

Provision 13.1

Sustainability Report

The Company is committed to corporate social responsibility, built on a strong foundation of transparency, governance and ethics that create value for its stakeholders which comprise employees, suppliers and subcontractors, guests, developers and customers, industrial organisations, governments and regulators, community as well as shareholders and investors.

Provision 13.2

The Sustainability Report which highlights the Group’s strategy and key areas of focus in relation to managing stakeholders’ relationships during FY2025 have been set out in the Company’s standalone Sustainability Report to be released before 1 April 2026.

Corporate website

The Company maintains a corporate website to communicate and engage with all stakeholders. The Company’s corporate website is at www.keonghong.com.

Provision 13.3

CORPORATE GOVERNANCE REPORT

OTHER CORPORATE GOVERNANCE MATTERS

CODE OF CONDUCT AND DISCIPLINE

Employees of the Group are required to observe and maintain high standard of integrity, and to comply with the relevant laws, regulations including the Group's policies. The Group's employee handbook and internal policies set out the standards of ethical conduct such as work ethics and disciplinary procedures.

DEALINGS IN SECURITIES

The Company has adopted an internal compliance code which prohibits dealings in the securities of the Company by Directors and officers while in possession of price-sensitive information. The Company, Directors and officers should not deal in the Company's securities on short term consideration and are prohibited from dealing in the securities of the Company during the period beginning two weeks prior to the announcement of financial results of each of the first three quarters of the financial year, and one month before the announcement of full year results, and ending on the date of such announcements (if the Company announce its quarterly financial statements, whether required by the SGX-ST or otherwise), or one month before the announcement of the Company's half year financial statement and full year financial statements (if the Company does not announce its quarterly financial statements), and ending on the date of announcement of the relevant results. In addition, Directors and officers are expected to observe insider trading laws at all times even when dealing in securities

Rule 1207(19)(a) and (C)

Pursuant to Rule 704(2)(e) of the Listing Manual, the Company announced its quarterly financial reporting from the quarter of April 2025 to June 2025, being the third quarter ("3Q") of the financial year ended 30 September 2025 ("FY2025"). This quarterly requirement will continue until such time the auditor issues a clean opinion on the financial statements of the Company and has not highlighted any material uncertainty on going concern. In this respect, Directors and employees have been reminded to refrain from dealing with the securities of the Company during the period beginning two weeks prior to the announcement of the 3Q FY2025 financial results, and beginning one month prior to the announcement of the full year financial results for FY2025.

MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts entered into by the Company or its subsidiaries involving the interest of the Chairman, any Director, or controlling shareholder, which are either still subsisting at the end of FY2025 or if not then subsisting, entered into since the end of the previous financial year.

Rule 1207(8)

INTERESTED PERSON TRANSACTIONS

The Company has set out procedures governing all interested person transactions to ensure that they are reported in a timely manner to the AC and that the transactions are carried out fairly on an arm's length basis and on normal commercial terms, and will not be prejudicial to the interests of the Company and its shareholders. All interested person transactions are subject to review by the AC to ensure compliance.

Rule 1207(17), 1207(18) and 907

During the year, the following interested person transactions were entered into with the following Director and controlling shareholder:

Name of interested person	Aggregate value of all interested person transactions conducted during the financial year (excluding transactions below \$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	S\$'000	S\$'000
Director and Substantial Shareholder Leo Ting Ping Ronald	308	Nil
Controlling Shareholder LJHB Capital (S) Pte. Ltd.	520	Nil

The Company does not have a general shareholders' mandate for interested person transactions pursuant to Rule 920 of the SGX-ST Listing Manual.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Keong Hong Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”), and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 September 2025.

1. Opinion of the directors

In the opinion of the directors,

- (a) the consolidated financial statements of the Group, and the statement of financial position and the statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2025 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date, in accordance with the provisions of the Singapore Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The directors of the Company in office at the date of this statement are:

Non-Executive and Non-Independent Chairman

Leo Ting Ping Ronald

Executive Director and Interim Chief Executive Officer

Xu Quanqiang

Executive Director

Er Ang Hooa

Lead Independent Director

Fong Heng Boo

Non-Executive Independent Directors

Chong Wai Siak

Koh Tee Huck Kenneth

Wong Ee Kean

3. Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects were, or one of the objects was, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed in paragraph 4 and 5 below.

DIRECTORS' STATEMENT

4. Directors' interests in shares, warrants or debentures

The directors of the Company holding office at the end of the financial year had no interests in the share capital, warrants and debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, except as disclosed below:

Name of the directors and respective companies in which interests are held	Direct interest		Deemed interest	
	At beginning of the financial year	At end of the financial year	At beginning of the financial year	At end of the financial year
	Number of ordinary shares			
The Company				
Keong Hong Holdings Limited				
Leo Ting Ping Ronald	5,231,180	5,231,180	22,500,000	22,500,000
Er Ang Hooa	350,000	350,000	–	–
Xu Quanqiang	–	–	586,800	618,300

By virtue of Section 7 of the Act, Mr. Leo Ting Ping Ronald is deemed to have an interest in all related corporations of the Company. In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the Register of the Directors' Shareholdings, the Directors' interests as at 21 October 2025 in the shares or debentures of the Company and its related corporations have not changed from those disclosed as at 30 September 2025.

5. Share options

(a) Options to take up unissued shares

At the Company's Extraordinary General Meeting held on 21 November 2011, the shareholders approved the Keong Hong Holdings Limited Employee Share Option Scheme (the "Scheme"). The Scheme is administered by the Company's Remuneration Committee, comprising Chong Wai Siak, Fong Heng Boo and Koh Tee Huck Kenneth (the "Committee"). This Scheme is designed to reward and retain the eligible participants whose services are vital to the success of the Company. Under the rules of the Scheme, Executive Directors and Non-Executive Directors and employees of the Group, who are not controlling shareholders are eligible to participate in the Scheme.

Other information regarding the Scheme is set out below:

- The exercise price of the options can be set at a price at a discount to the market price not exceeding 20% of the market price;
- The market price is determined based on the average of the last dealt prices of the ordinary shares of the Company on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") over the five consecutive market days immediately preceding the date of grant;
- The vesting of the options is conditional on the eligible participants completing another two years of service to the Group. Once they have vested, the options are exercisable over a period of 8 years; and
- All options are settled by physical delivery of shares.

The aggregate number of shares over which the Committee may grant options on any date, when added to the number of shares issued or issuable and/or transferred or transferable in respect of all options granted under the Scheme and any other share schemes of the Company, shall not exceed 15% of the issued shares (excluding treasury shares) of the Company on the date immediately preceding the grant of an option (or such other limit as the SGX-ST may determine from time to time).

This scheme had expired on 21 November 2021.

Notwithstanding the expiry of the scheme, there are options granted previously which have yet to be exercised/expired.

DIRECTORS' STATEMENT

5. Share options (Continued)

(b) Unissued shares under option and options exercised

The number of outstanding share options under the scheme is as follows:

Number of options to subscribe for ordinary shares of the Company

Date of grant	Balance at beginning of financial year	Granted during the financial year	Exercised during the financial year	Forfeited during the financial year	Balance at end of financial year	Exercise price \$	Exercisable period
1.12.2014	200,000	–	–	200,000	–	0.315	1.12.2016 to 30.11.2024
8.1.2016	1,650,000	–	–	–	1,650,000	0.400	8.1.2018 to 7.1.2026
3.4.2017	300,000	–	–	–	300,000	0.355	3.4.2019 to 2.4.2027
2.4.2018	2,525,000	–	–	–	2,525,000	0.460	2.4.2020 to 1.4.2028
16.4.2019	500,000	–	–	–	500,000	0.400	16.4.2021 to 15.4.2029
Total	5,175,000	–	–	200,000	4,975,000		

There were no options granted to executive directors, key executive officers and employees during the financial year (2024: Nil).

No employees or employee of related corporations has received 5% or more of the total options available under this scheme, except as disclosed below.

Name of employee	Options granted during the financial year	Aggregate options granted since commencement of the Scheme to the end of financial year	Aggregate options exercised since commencement of the Scheme to the end of financial year	Aggregate options lapsed since commencement of the Scheme to the end of financial year	Aggregate options outstanding as at the end of financial year
Er Ang Hooa	–	1,300,000	(200,000)	(400,000)	700,000
Ng Siew Khim	–	950,000	(320,000)	(130,000)	500,000
Khoo Hong Choon	–	775,000	(625,000)	–	150,000
Toh Goon Yong	–	775,000	(625,000)	–	150,000

There are no options granted to any of the Company's controlling shareholders or their associates (as defined in the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual).

The information on Directors of the Company participating in the Scheme is as follows:

Name of Director	Options granted during the financial year	Aggregate options granted since commencement of the Scheme to the end of financial year	Aggregate options exercised since commencement of the Scheme to the end of financial year	Aggregate options lapsed since commencement of the Scheme to the end of financial year	Aggregate options outstanding as at the end of financial year
Er Ang Hooa	–	1,300,000	(200,000)	(400,000)	700,000

DIRECTORS' STATEMENT

6. Audit Committee

The Audit Committee comprises the following members, who are all Non-Executive Directors and a majority of whom, including the Chairman, are Independent Directors. The members of the Audit Committee at the date of this statement are:

Fong Heng Boo (Chairman)
Chong Wai Siak
Koh Tee Huck Kenneth
Wong Ee Kean (Appointed on 3 April 2025)

The Audit Committee has met 4 times during the financial year ended 30 September 2025. The Audit Committee carries out its functions in accordance with Section 201B (5) of the Act, and the Code of Corporate Governance, including the following:

- (a) review with the external auditors the audit plans, their evaluation of the system of internal controls relevant to the audit, their audit report, their management letter and the management's response;
- (b) review with the internal auditors the internal audit plans and their evaluation of the adequacy of the internal control and accounting system before submission of the results of such review to the Board for approval prior to the incorporation of such results in the annual report (where necessary);
- (c) review the risk management structure and any oversight of the risk management process and activities to mitigate and manage risk at acceptable levels determined by the Board;
- (d) review the internal control and procedures relevant to the audit and ensure co-ordination between the external auditors, internal auditors and the management, and review the assistance given by the management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management where necessary);
- (e) review the statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group and external auditors' report on those financial statements before their submission to the Directors of the Company;
- (f) review the co-operation and assistance given by the Company's officers to the external and internal auditors;
- (g) review the quarterly and half-yearly financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;
- (h) review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;
- (i) consider the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors;
- (j) review transactions falling within the scope of Chapter 9 and Chapter 10 of the SGX-ST Listing Manual (if any);
- (k) review potential conflicts of interest (if any) and to set out a framework to resolve or mitigate any potential conflicts of interests;
- (l) review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;
- (m) review the key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or the findings are material, immediately announced via SGXNET;
- (n) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the Audit Committee;

DIRECTORS' STATEMENT

6. **Audit Committee** (Continued)

The Audit Committee carries out its functions in accordance with Section 201B (5) of the Act, and the Code of Corporate Governance, including the following: (Continued)

- (o) generally to undertake such other functions and duties as may be required by statute or the SGX-ST Listing Manual, and by such amendments made thereto from time to time;
- (p) review arrangements by which the staff may, in confidence, raise concerns about possible improprieties or other matters financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and
- (q) review the Group's compliance with such functions and duties as may be required under the relevant statutes or the SGX-ST Listing Manual, including such amendments made thereto from time to time.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its functions properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, Forvis Mazars LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

7. **Auditors**

The auditors, Forvis Mazars LLP, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors

Xu Qianqiang
Director

Er Ang Hooa
Director

Singapore
13 March 2026

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEONG HONG HOLDINGS LIMITED

Report on the Audit of Financial Statements

Qualified Opinion

We have audited the financial statements of Keong Hong Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity of the Group and the statement of changes in equity of the Company, and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2025 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Qualified Opinion

During the financial year ended 30 September 2024, with reference to SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations, the investment in Katong Holdings Pte Ltd ("KHPL") was reclassified from an associate to be presented as non-current asset held for sale in the statement of financial position, at a carrying amount of S\$34,117,000. Prior to the reclassification to non-current asset held for sale, the Group recorded share of losses from the investment in KHPL of S\$2,299,000 in the consolidated statement of profit or loss and other comprehensive income for the financial year ended 30 September 2024. On 30 June 2025 ("the completion date of disposal"), the Group completed the disposal of its entire interest in KHPL for total consideration of S\$34,500,000 and recognised a gain on disposal of S\$383,000 in the consolidated statement of profit or loss and other comprehensive income for the financial year ended 30 September 2025, being the difference between the consideration of S\$34,500,000 and the carrying amount of the non-current asset held for sale of S\$34,117,000.

During the course of our audit of the financial year ended 30 September 2024 and 2025, we were unable to obtain sufficient appropriate audit evidence, including meeting minutes and resolutions as well as KHPL's financial information, to determine appropriateness of the classification of KHPL as an associate and hence the appropriateness of the share of results from the investment in KHPL recognised during the financial year ended 30 September 2024 and related disclosures. We were therefore also unable to assess the appropriateness of the carrying amount of KHPL presented as non-current asset held for sale as of 30 September 2024 as well as the completion date of disposal. Accordingly, we are also unable to determine whether the gain on disposal of the investment in KHPL recognised during the financial year ended 30 September 2025 is appropriately stated.

Should adjustments be made to the carrying amount of the non-current asset held for sale and/or the share of results of the investments in the respective financial years, corresponding and consequential adjustments would need to be made to the corresponding financial line items in the affected financial years.

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (the "ACRA code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our qualified opinion.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEONG HONG HOLDINGS LIMITED

Report on the Audit of Financial Statements (Continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section above, we have determined the matter described below to be the key audit matters to be communicated in our qualified report.

Key audit matter 1	Audit response
Accounting for construction contracts (Refer to Notes 3.2, 4 and 28 to the financial statements)	
<p>Revenue from construction contracts amounted to approximately \$182,368,000 and represented 100% of the Group's revenue for the financial year ended 30 September 2025. As at year end, the Group recorded a provision \$1,175,000 for onerous contracts, reflecting unavoidable costs that the economic benefits expected to be received. This provision is expected to be utilised over the remaining contract periods.</p> <p>The Group's core businesses are general and building contracting. Revenue from construction contracts is recognised over time using a cost-based input method, measured by reference to the proportion of costs incurred to date relative to the estimated total contract contract costs, excluding costs that do not contribute to satisfying performance obligations.</p> <p>Significant judgement is required in estimating the total contract costs, expected variations or claims recognised as contract revenue, provisions for liquidated damages, and the impact of contract modifications. These judgements affect the measure of progress and the resulting revenue and profit margins, with revisions to estimates recognised in profit or loss when they become known.</p> <p>A provision for onerous contracts is recognised when the expected benefits from a contract are lower than the unavoidable costs of fulfilling the Group's obligations. This assessment involves additional judgement, including estimating the remaining costs to complete and the expected economic benefits.</p> <p>Given the financial significance of construction contract revenue and the level of judgement involved in the these estimates, this area has been identified as a key audit matter.</p>	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> • Understood and evaluated the Group's design and implementation of its system of internal controls relating to revenue recognition, with a focus on key controls; • Agreed the variation orders sum to the approved variation orders by customers; • Assessed provisions for liquidated damages and, where applicable, whether they were appropriately offset against contract revenue; • Tested the project costs on a sample basis by checking that the costs are properly allocated to their respective contracts and that these costs are directly attributable to costs supported by suppliers' invoices or other supporting documents; • Reviewed management's estimated costs-to-complete for significant ongoing contracts by assessing the reasonableness of key cost components, including subcontractors' costs, estimated labour hours and rates, materials, and overheads; • Evaluated the reasonableness of management's budgets by comparing budgeted costs against actual costs of completed projects; • Obtained an understanding of the Group's consideration of SFRS(I) 1-37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> ("SFRS(I) 1-37") in their application of the corresponding requirements of the standard and assess the appropriateness thereof; • Checked the arithmetical accuracy of the revenue recognised based on the input method computations; and • Reviewed the completeness and appropriateness of corresponding disclosures made in the financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEONG HONG HOLDINGS LIMITED

Report on the Audit of Financial Statements (Continued)

Key Audit Matters (Continued)

Key audit matter 2	Audit response
Impairment of investment in associate – Pristine Islands Investment Pte. Ltd. and its subsidiary ("PIIPL Group") (Refer to Notes 3.2 and 13 to the financial statements)	
<p>As at 30 September 2025, the Group's investment in its associate, PIIPL Group, comprises equity interests and non-trade amounts due from PIIPL Group. PIIPL Group mainly focuses on hospitality operations and related businesses.</p> <p>At year end, the Group assessed the non-trade amounts due from PIIPL Group for expected credit losses using the general approach and recognised a 12-month ECL loss allowance of \$400,000 to reflect the credit risk exposure.</p> <p>During the financial year, management identified indicators of impairment in the associate and carried out an impairment assessment to determine whether an impairment loss was required. The recoverable amount was determined using a fair value less costs of disposal approach, for which management engaged an external valuation expert. This assessment involved significant judgement in valuing PIIPL Group's business and estimating disposal costs. No impairment loss was recognised as the recoverable amount exceeded the carrying amount.</p> <p>We considered this area to be a key audit matter due to the significant management judgements and estimates involved in assessing the recoverable amount of the PIIPL Group.</p>	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> • Evaluated management's assessment of whether the credit risk of the non-trade amount due from an associate had increased significantly; • Reviewed the adequacy of ECL allowance at year end, including assessing whether management's approach was consistent with SFRS(I) 9 <i>Financial Instruments</i> ("SFRS(I) 9") requirements; • Evaluated management's assessment of impairment indicators relating to the investment the associate; • Assessed the reasonableness of key assumptions used in determining the fair value less costs of disposal, including range adjustments and marketability discount, with the assistance of our internal valuation specialist, and obtained management representation on the accuracy and completeness of financial data; and • Reviewed the adequacy and appropriateness of the related disclosures made in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and the independent auditors' report thereon, which we obtained prior to the date of this report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for Qualified Opinion* section, we are unable to conclude whether or not the other information is materially misstated for the same matter.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEONG HONG HOLDINGS LIMITED

Report on the Audit of Financial Statements (Continued)

Responsibilities of Management and Directors for the Financial Statements (Continued)

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEONG HONG HOLDINGS LIMITED

Report on Other Legal and Regulatory Requirements

In our opinion, except for the matters described in the *Basis for Qualified Opinion* section of our report, the accounting and other records required by the Act to be kept by the Company and by the subsidiary entities incorporated in Singapore of which we are auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Zhang Liang.

FORVIS MAZARS LLP

Public Accountants and
Chartered Accountants

Singapore
13 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Note	2025 \$'000	2024 \$'000
Revenue	4	182,368	172,597
Cost of sales		(169,061)	(178,025)
Gross profit/(loss)		13,307	(5,428)
Other item of income			
Other income	5	13,135	8,739
Other items of expense			
Administrative expenses		(9,799)	(18,310)
Reversal/(Provision) of loss allowance			
– Trade and other receivables		–	438
– Contract assets		647	283
– Long-term interests		3,600	(4,000)
– Financial guarantee contracts		666	(187)
Reversal of impairment loss on investment of an associate		–	27,285
Finance costs	6	(1,590)	(2,138)
Share of results of joint ventures, net of tax		85	44
Share of results of associates, net of tax		(9,897)	(10,642)
Profit/(Loss) before income tax	7	10,154	(3,916)
Income tax expense	8	–	–
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		10,154	(3,916)
Other comprehensive (loss)/income:			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Exchange difference on translating foreign operations		(307)	3,248
Other comprehensive (loss)/income for the financial year that will be reclassified to profit or loss, net of tax		(307)	3,248
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Fair value loss on financial assets at FVTOCI	16	(120)	(90)
Total other comprehensive (loss)/income for the financial year, net of tax		(427)	3,158
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR		9,727	(758)
Profit/(Loss) for the financial year attributable to:			
Owners of the Company		10,154	(3,916)
Non-controlling interests		–	–
Profit/(Loss) for the financial year		10,154	(3,916)
Total comprehensive income/(loss) for the financial year attributable to:			
Owners of the Company		9,727	(758)
Non-controlling interests		–	–
Total comprehensive income/(loss) for the financial year		9,727	(758)
Earnings/(Loss) per share attributable to owners of the Company (cents per share)			
Basic	9	4.32	(1.67)
Diluted	9	4.32	(1.67)

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	9,514	11,218	–	–
Right-of-use assets	11	3,718	4,391	–	–
Investments in subsidiaries	12	–	–	21,139	21,139
Investments in associates	13	20,899	26,480	7,123	7,123
Investments in joint ventures	14	4,507	4,453	–	–
Intangible assets	15	–	43	–	–
Financial assets at FVTOCI	16	2,265	2,385	2,265	2,385
Trade and other receivables	17	6,500	–	–	–
Deferred tax assets	29	28	28	–	–
Total non-current assets		47,431	48,998	30,527	30,647
Current assets					
Trade and other receivables	17	64,158	60,434	30,916	29,998
Contract assets	18	33,167	28,754	–	–
Prepayments		141	173	11	18
Fixed deposits	19	10,383	2,964	–	1,505
Cash and bank balances	19	22,468	18,811	447	214
		130,317	111,136	31,374	31,735
Non-current assets classified as held for sale	20	–	34,117	–	–
Total current assets		130,317	145,253	31,374	31,735
Total assets		177,748	194,251	61,901	62,382
EQUITY AND LIABILITIES					
Equity					
Share capital	21	25,048	25,048	25,048	25,048
Treasury shares	22	(3,303)	(3,303)	(3,303)	(3,303)
Share option reserve	23	2,041	2,041	2,041	2,041
Foreign currency translation reserve	24	3,144	3,451	–	–
Merger reserve	24	(4,794)	(4,794)	–	–
Fair value reserve	24	(4,560)	28,102	(4,560)	(4,440)
Other reserves		1,125	1,125	–	–
Retained earnings		41,527	(1,169)	28,902	28,654
Total equity		60,228	50,501	48,128	48,000

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current liabilities					
Trade and other payables	25	17,600	17,636	12,750	12,750
Bank borrowings	26	3,470	4,353	–	–
Lease liabilities	27	3,659	4,120	–	–
Provisions	28	253	512	–	–
Deferred tax liabilities	29	1	1	–	–
Total non-current liabilities		24,983	26,622	12,750	12,750
Current liabilities					
Contract liabilities	18	16,195	16,244	–	–
Trade and other payables	25	61,446	79,462	1,023	1,632
Bank borrowings	26	9,729	9,855	–	–
Lease liabilities	27	447	635	–	–
Provisions	28	2,878	9,106	–	–
Current income tax payable		1,842	1,826	–	–
Total current liabilities		92,537	117,128	1,023	1,632
Total liabilities		117,520	143,750	13,773	14,382
Total equity and liabilities		177,748	194,251	61,901	62,382

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Attributable to owners of the Company								Total \$'000	
	Share capital \$'000	Treasury shares \$'000	Share option reserve \$'000	Foreign currency translation reserve \$'000	Merger reserve \$'000	Fair value reserve \$'000	Other reserve ⁽¹⁾ \$'000	Retained earnings \$'000		Non- controlling interests \$'000
2025										
Group										
Balance at 1 October 2024	25,048	(3,303)	2,041	3,451	(4,794)	28,102	1,125	(1,169)	-	50,501
Profit for the financial year	-	-	-	-	-	-	-	10,154	-	10,154
Other comprehensive										
income/(loss)										
Exchange differences on										
translating foreign										
operations	-	-	-	(307)	-	-	-	-	-	(307)
Fair value loss on financial										
assets at FVTOCI	-	-	-	-	-	(120)	-	-	-	(120)
Disposal of investment in										
an associate	-	-	-	-	-	(32,542)	-	32,542	-	-
	-	-	-	(307)	-	(32,662)	-	32,542	-	(427)
Total comprehensive										
income for the financial										
year	-	-	-	(307)	-	(32,662)	-	42,696	-	9,727
Balance at 30 September	25,048	(3,303)	2,041	3,144	(4,794)	(4,560)	1,125	41,527	-	60,228

(1) This relates to the share of associate's and joint venture's hedging reserve and transactions between owners of an associate and joint venture.

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Attributable to owners of the Company								Total \$'000	
	Share capital \$'000	Treasury shares \$'000	Share option reserve \$'000	Foreign currency translation reserve \$'000	Merger reserve \$'000	Fair value reserve \$'000	Other reserve ⁽¹⁾ \$'000	Retained earnings \$'000		Non- controlling interests \$'000
2024										
Group										
Balance at 1 October 2023	25,048	(3,303)	2,041	203	(4,794)	28,192	1,125	2,747	–	51,259
Loss for the financial year	–	–	–	–	–	–	–	(3,916)	–	(3,916)
Other comprehensive income/(loss)	–	–	–	–	–	–	–	–	–	–
Exchange differences on translating foreign operations	–	–	–	3,248	–	–	–	–	–	3,248
Fair value loss on financial assets at FVTOCI	–	–	–	–	–	(90)	–	–	–	(90)
	–	–	–	3,248	–	(90)	–	–	–	3,158
Total comprehensive loss for the financial year	–	–	–	3,248	–	(90)	–	(3,916)	–	(758)
Balance at 30 September 2024	25,048	(3,303)	2,041	3,451	(4,794)	28,102	1,125	(1,169)	–	50,501

16

(1) This relates to the share of associate's and joint venture's hedging reserve and transactions between owners of an associate and joint venture.

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

Note	Share capital \$'000	Treasury shares \$'000	Share option reserve \$'000	Fair value reserve \$'000	Retained earnings \$'000	Total \$'000
2025						
Company						
Balance at 1 October 2024	25,048	(3,303)	2,041	(4,440)	28,654	48,000
Profit for the financial year	–	–	–	–	248	248
<u>Other comprehensive income</u>						
Fair value loss on financial assets at FVTOCI	–	–	–	(120)	–	(120)
16						
Total comprehensive income for the financial year	–	–	–	(120)	248	128
Balance at 30 September 2025	25,048	(3,303)	2,041	(4,560)	28,902	48,128
2024						
Company						
Balance at 1 October 2023	25,048	(3,303)	2,041	(4,350)	10,618	30,054
Profit for the financial year	–	–	–	–	18,036	18,036
<u>Other comprehensive income</u>						
Fair value gain on financial assets at FVTOCI	–	–	–	(90)	–	(90)
16						
Total comprehensive income for the financial year	–	–	–	(90)	18,036	17,946
Balance at 30 September 2024	25,048	(3,303)	2,041	(4,440)	28,654	48,000

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

	Note	2025 \$'000	2024 \$'000
Operating activities			
Profit/(Loss) before income tax		10,154	(3,916)
Adjustments for:			
(Reversal)/Provision of loss allowance			
– Trade and other receivables		–	(438)
– Contract assets		(647)	(283)
– Long-term interests	7	(3,600)	4,000
– Financial guarantee contracts		(666)	187
Reversal of impairment loss on investment of an associate		–	(27,285)
Amortisation of intangible assets	7	43	99
Depreciation of property, plant and equipment	7	1,973	2,382
Depreciation of right-of-use assets	7	706	2,415
Gain on disposal of plant and equipment	5	(421)	–
Gain on disposal of non-current asset held for sale		(383)	–
Interest income	5	(6,214)	(6,344)
Interest expense	6	1,590	2,138
Decrease in:			
– Provision for onerous contract	28	(4,328)	(3,861)
– Provision for reinstatement cost	28	(1,900)	–
– Provision for restoration cost	28	(259)	–
(Gain)/Loss on unrealised foreign exchange, net	5/7	(564)	6,047
Share of results of joint ventures		(85)	(44)
Share of results of associates		9,897	10,642
Operating cash flows before movements in working capital		5,296	(14,261)
Changes in working capital:			
Trade and other receivables		15,387	(3,474)
Prepayments		32	17
Contract assets		(3,766)	(6,124)
Contract liabilities		(49)	13,089
Trade and other payables		(17,395)	18,259
Cash (used in)/generated from operations		(495)	7,506
Income taxes refund		–	1,293
Net cash (used in)/generated from operating activities		(495)	8,799
Investing activities			
Advance to a joint venture		(415)	(50)
Advance to an associate		–	(2,868)
Purchase of property, plant and equipment		(276)	(420)
Proceeds from disposal of property, plant and equipment		428	–
Proceeds from disposal of non-current asset held for sale		15,000	–
Repayment of loan from associate		–	719
Repayment of loan from joint ventures		–	14,669
Interest received		184	419
Dividend from joint venture		–	1,732
Net cash generated from investing activities		14,921	14,201
Financing activities			
Fixed deposit pledged with financial institutions		(5,100)	(1,000)
Proceeds from bank borrowings		3,881	6,000
Repayment of lease liabilities		(682)	(2,363)
Repayment of bank borrowings		(4,890)	(17,852)
Interest paid		(1,589)	(1,819)
Net cash used in financing activities		(8,380)	(17,034)
Net increase in cash and cash equivalents		6,046	5,966
Cash and cash equivalents at beginning of financial year		20,775	14,643
Effect of exchange rate changes on cash and cash equivalents		(70)	166
Cash and cash equivalents at end of financial year	19	26,751	20,775

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

Reconciliation of liabilities arising from financing activities

	At beginning of financial year \$'000	Financing cashflows \$'000	Non-cash movements Additions of right-of-use assets under finance leases \$'000	At end of financial year \$'000
2025				
Shareholders' loan	12,750	–	–	12,750
Lease liabilities	4,755	(682)	33	4,106
Bank borrowings	14,208	(1,009)	–	13,199
2024				
Shareholders' loan	12,750	–	–	12,750
Lease liabilities	6,943	(2,363)	175	4,755
Bank borrowings	26,060	(11,852)	–	14,208

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

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

1. GENERAL

Keong Hong Holdings Limited (the “Company”) (Registration Number: 200807303W) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The registered office and principal place of business of the Company is located at 20 Chin Bee Drive, Singapore 619866.

The principal activity of the Company is that of investment holding. The principal activities of the respective subsidiaries and associate are disclosed in Notes 12 and 13 to the financial statements.

The immediate holding company is LJHB Capital (S) Pte Ltd (“LJHB Capital”), a wholly-owned subsidiary of Forevertrust International (S) Pte. Ltd. (“Forevertrust”) which is, in turn, a wholly-owned subsidiary of LJHB Holdings (S) Pte. Ltd. (“LJHB Holdings”). The ultimate controlling party is Ms. Liu Haiyan who wholly owns LJHB Holdings.

The statement of financial position of Company as at 30 September 2025 and the consolidated financial statements of the Company and its subsidiaries (the “Group”) and statement of changes in equity of the Company for the financial year ended 30 September 2025 were authorised for issue in accordance with a Directors’ resolution on the date of Directors’ Statements.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group, and the statement of financial position and statement of changes in equity of the Company have been drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) including related Interpretations of SFRS(I) (“SFRS(I)s INT”) and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are presented in Singapore dollar (“\$”) which is also the functional currency of the Company, and all values presented are rounded to the nearest thousand (“\$’000”), unless otherwise indicated.

In the current year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I)s INT that are relevant to its operations and effective for annual periods beginning on or after 1 October 2024. The adoption of these new or revised SFRS(I)s and SFRS(I)s INT did not result in changes to the Group’s and Company’s accounting policies, and has no material effect on the current or prior year’s financial statement and is not expected to have a material effect on future periods.

Going concern

The Group’s cash flows are project-driven and sensitive to the timing of certification, billing and collection. Although operating cash outflow of the financial year ended 2025 was not significant in absolute terms being operating cash outflow of S\$495,000, conditions were identified that may pressure liquidity, including continued delays in certain construction projects since the COVID-19 period, potential timing mismatch between costs incurred and cash receipts, and heightened estimation uncertainty over cost-to-complete and the recoverability and timing of variations, claims or extension of time approvals. Prolonged delays may also give rise to downside exposure such as liquidated damages or dispute settlements if outcomes are unfavourable.

Notwithstanding these indicators, the Directors have assessed that there is no material uncertainty related to these conditions, based on the following factors:

- (a) The Directors have considered management’s cash flow forecasts for the 18-month period from April 2026 to September 2027, including the impact of potential liquidated damages, which indicate that the Group will be able to meet its obligations as and when they fall due; and
- (b) Achieving the forecasted operating cashflows from the Group’s core business comprising but not limited to improvement of the profit margin by streamlining the business operations, timeliness in the completion of the construction projects, and improved liquidity management.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

SFRS(I)s and SFRS(I)s INT issued but not yet effective:

At the date of authorisation of these financial statements, the following SFRS(I)s and SFRS(I)s INT that are relevant to the Group were issued but not yet effective:

<u>SFRS (I)s</u>	<u>Title</u>	<u>Effective date (annual periods beginning on or after)</u>
SFRS(I) 1-21, SFRS(I) 1	Amendments to SFRS(I) 1-21: <i>Lack of Exchangeability</i>	1 January 2025
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Various	Annual Improvements to SFRS(I)s – Volume 11	1 January 2026
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
SFRS(I) 10, SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Group and the Company do not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned revised/new standards, with the exception of SFRS(I) 18 *Presentation and Disclosure in Financial Statements* ("SFRS (I) 18"), will not have a material impact on the financial statements of the Company in the period of their initial adoption.

SFRS(I) 18, effective for annual periods beginning on or after 1 January 2027, replaces SFRS(I) 1 – 1 *Presentation of Financial Statements* ("SFRS (I) 1-1") and introduces new requirements for presentation and disclosure in financial statements. SFRS(I) 18 mandates a new structure for the statement of profit or loss and also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements and the notes. As a consequential result of SFRS(I) 18 requirements, all entities are required to use the operating profit subtotal, instead of profit or loss, as the starting point for presenting operating cash flows under the indirect method. The classification of cash flows from dividends and interests in either operating, investing and financing cash flows is also fixed.

SFRS(I) 18 will apply retrospectively. The Group is still in the process of assessing the corresponding impact on the primary financial statements and notes to the financial statements.

2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstances indicate that there are changes to one or more of the three elements of control.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation (Continued)

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup assets and liabilities, equity, income, expenses and cashflows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the amount by which the non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary and the fair value of the consideration paid or received is recognised directly in capital reserve and attributed to the owners of the Company.

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9") or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

2.3 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method when the acquired set of activities and assets constitute a business. When determining the acquired set of activities and assets constitute a business, the Group assesses whether the acquired set of activities and assets includes, at a minimum, an input and substantive process, which together contribute to the creation of outputs.

The Group has the option to apply a "concentration test" as a simplified assessment to determine whether an acquired set of activities and assets is not a business. The Group makes the election separately for each transaction or other event. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Business combinations (Continued)

The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the Group determines whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share in the recognised amounts of the acquiree's identifiable net assets. Acquisition-related costs are recognised in profit or loss as incurred and included in administrative expenses.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 *Business Combinations* ("SFRS(I) 3") are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held-for-sale in accordance with SFRS(I) 5 *Non-Current Assets Held for Sale and Discontinued Operations* ("SFRS(I) 5"), which are recognised and measured at the lower of cost and fair value less costs to sell.

The Group recognises any contingent consideration to be transferred for the acquiree at the fair value on the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement shall be accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair value at the acquisition date, except:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with SFRS(I) 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Business combinations (Continued)

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit (including the goodwill), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

The attributable amount of goodwill is included in the determination of gain or loss on disposal of the subsidiary or jointly controlled entity.

2.4 Revenue recognition

The Group is principally in the business of construction and general building contractors. Revenue from contracts with its customers is recognised when or as the Group satisfies a performance obligation by transferring a promised good or service generated in the ordinary course of the Group's activities to its customer, at a transaction price that reflects the consideration the Group expects to be entitled in exchange for the goods or service and that is allocated to that performance obligation. The goods or service is transferred when or as the customer obtains control of the goods or service.

Contract revenue

The Group provides building construction services to customers through fixed-price contracts. Contract revenue is recognised when the Group's performance creates or enhance an asset that the customer controls as the asset is created or enhanced.

For these contracts, revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method"). Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

In some circumstances such as in the early stages of a contract where the Group may not be able to reasonably measure its progress but expects to recover the contract costs incurred, contract revenue is recognised only to the extent of the contract costs incurred until such time when the Group can reasonably measure its progress.

Contract modifications that do not add distinct goods or services are accounted for as a continuation of the original contract and the change is recognised as a cumulative adjustment to revenue at the date of modification.

An amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items. The promised consideration can also vary if an entity's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event. Revenue from construction contracts are also adjusted with variations to the contracts claimable from customers, as well as liquidated damages due to delays or other causes, payable to customers.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The period between the transfer of the promised services and customer payment may exceed one year. For such contracts, there is no significant financing component present as the payment terms is an industry practice to protect the customers from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The customer is invoiced on a milestone payment schedule. If the value of the goods transferred by the Group exceed the payments, a contract asset is recognised. If the payments exceed the value of the goods transferred, a contract liability is recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.6 Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

2.7 Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

2.8 Share-based payments

The Group issues equity-settled share-based payments to certain employees.

Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share option reserve.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued, or to the treasury shares account, when treasury shares are re-issued to the employees.

2.9 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the financial year.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.9 Income tax (Continued)

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax that is incurred on purchases is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with amount of sales tax included.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which dividends are approved by shareholders. A corresponding amount is recognised in equity.

2.11 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the financial year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the financial year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Foreign currency transactions and translation (Continued)

Exchange differences relating to assets under construction for future productive use, are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollar using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's foreign currency translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.12 Investments in associates

An associate is an entity over which the Group has significant influence, being the power to participate in the financial and operating policy decisions of the entity but is not control or of joint control of those policies, and generally accompanying a shareholding of 20% or more of the voting power.

On acquisition of the associate, any excess of the cost of the investment over the Group's share of the net fair value of the associate identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate identifiable assets and liabilities over the cost of the investment is included as income in the determination of the Group's share of the associate's profit or loss in the reporting period in which the investment is acquired.

The results and assets and liabilities of the associate are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held-for-sale, in which case it is accounted for under SFRS(I) 5 from the date on which the investees become classified as held for sale. Under the equity method, investments in associates are carried at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment loss of individual investments. The Group's share of losses in an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Distributions received from the associate reduce the carrying amount of the investment. Any goodwill arising on the acquisition of the Group's interest in an associate is accounted for in accordance with the Group's accounting policy for goodwill arising on such acquisitions (see above).

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The Company has accounted for its investments in associates at cost less any accumulated impairment in its separate financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Interests in joint arrangements

Investments in joint ventures

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as a joint operation or a joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation.

To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only decisions about the relevant activities require unanimous consent of the parties sharing control.

On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill and is included in the carrying amount of the investment. Any excess of the Group's net fair value of the joint venture's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the Group's share of the joint venture's profit or loss in the reporting period in which the investment is acquired.

The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for under SFRS(I) 5, from the date on which the investees become classified as held for sale. Under the equity method, investments in joint ventures are carried at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the joint venture, less any accumulated losses of individual investments. The profit or loss reflects the share of results of the operations of the joint venture. Distributions received from the joint venture reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised profits and losses are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The Group's share of losses in a joint venture in excess of the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the joint ventures. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Any goodwill arising on the acquisition of the Group's interest in a joint venture is accounted for in accordance with the Group's accounting policy for goodwill arising on such acquisitions (see above).

The Company has accounted for its investments in joint ventures at cost less any accumulated impairment in its separate financial statements.

Investments in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Interests in joint arrangements (Continued)

Investments in joint operations (Continued)

The Group as joint operators recognise in relation to their interests in joint operations:

- (i) their assets, including their shares of any assets held jointly;
- (ii) their liabilities, including their shares of any liabilities incurred jointly;
- (iii) their revenue from the sale of their shares of the output arising from the joint operations;
- (iv) their shares of the revenue from the sale of the output by the joint operations; and
- (v) their expenses, including their shares of any expenses incurred jointly.

The Group accounts for assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

2.14 Property, plant and equipment

Property, Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

	Years
– Building	10 – 17
– Office equipment	2 – 3
– Furniture and fittings	3 – 5
– Motor vehicles	5
– Plant and machinery	3 – 5

For right-of-use assets for which ownership of the underlying asset is not transferred to the Group by the end of the lease term, depreciation is charged over the lease term, using the straight-line method. The lease periods are disclosed in Note 27.

No depreciation is charged on building under construction as this asset is not yet in use as at the end of the financial year.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of property, plant and equipment is recognised in profit or loss. Any amount in the revaluation reserve relating to that asset is transferred to accumulated profits directly.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.15 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful life of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite life are amortised on a straight-line basis over the estimated economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful life is recognised in profit or loss through the 'administrative expenses' line item.

Intangible assets with indefinite useful life or not yet available for use are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying amount may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss.

Computer software

Computer software licenses are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable costs of preparing the software for its intended use. Direct expenditure, which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured, is recognised as a capital improvement and added to the original cost of the software. Costs associated with maintaining the computer software are recognised as an expense as incurred.

Computer software licenses are subsequently carried at cost less accumulated amortisation and impairment loss, if any.

Amortisation is calculated on the straight-line method so as to write off the cost of the computer software over the estimated useful life of two years.

The useful life and amortisation method are reviewed at the end of each reporting period to ensure that the period of amortisation and amortisation method are consistent with previous estimates and expected pattern of consumption of the future economic benefits embodied in the computer software.

2.16 Impairment of non-financial assets excluding goodwill

The Group reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Irrespective of whether there is any indication of impairment, the Group also tests its intangible assets with indefinite useful lives and intangible assets not yet available for use for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Impairment of non-financial assets excluding goodwill (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (CGU) in prior financial years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.17 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient are measured at transaction price as defined in SFRS(I)15 in Note 2.4.

The classification of the financial assets at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL") depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Group's business model refers to how the Group manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group determines whether the asset's contractual cash flows are solely payments of principal and interest ("SPPI") on the principal amount outstanding to determine the classification of the financial assets.

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost include trade and other receivables, cash and cash equivalents and unquoted corporate bonds.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable and recognised in interests income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Financial instruments (Continued)

Financial assets (Continued)

Financial assets held at FVTOCI

Investments in quoted corporate bonds are debt instruments and are subsequently measured at FVTOCI as these are held within a business model whose objective is achieved by both collecting contractual cash flows that are solely payments of principal and interest on the principal amount outstanding and selling the financial assets. Gains or losses are recognised in other comprehensive income, except for impairment gains or losses, foreign exchange gains or losses and interest which are recognised in profit or loss. Upon derecognition cumulative fair value changes recognised in other comprehensive income is recycled to profit or loss.

At initial recognition, the Group may make an irrevocable election to classify its investment in equity instruments, for which the equity instrument is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3, as subsequently measured at FVTOCI so as to present subsequent changes in fair value in other comprehensive income. The election is made on an investment-by-investment basis. The group has elected to designate investments in unquoted equity instruments at FVTOCI. Upon derecognition cumulative fair value changes are transferred to accumulated profits.

Dividends from equity instruments are recognised in profit or loss only when the Group's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, unless the dividend clearly represents a recovery of part of the cost of investment.

Financial assets at FVTPL

A financial asset is subsequently measured at FVTPL if the financial asset is a financial asset held for trading, is not measured at amortised cost or at FVTOCI, or is irrevocably elected at initial recognition to be designated FVTPL if, by designating the financial asset as FVTPL, eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Gains or losses are recognised in profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost and debt instruments measured at FVTOCI. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on a financial assets has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The Group applies the simplified approach to recognise the ECL for trade receivables and contract assets, which is to measure the loss allowance at an amount equal to lifetime ECL. As a practical expedient, the Group uses an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions for measuring ECL.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

While they are not financial assets, contract assets arising from the Group's contracts with customers under SFRS(I) 15 are assessed for impairment in accordance with SFRS(I) 9, similar to that of trade receivables.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Group's accounting policy for its impairment of financial assets, refer to Note 34.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Ordinary share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Treasury shares

When shares recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of treasury shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Equity instruments (Continued)

Treasury shares (Continued)

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to the employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

Financial liabilities

Initial recognition and measurement

All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through profit or loss comprise derivatives that are not designated or do not qualify for hedge accounting.

Other financial liabilities

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Borrowings

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.5). A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Financial guarantee contracts

The Group and the Company have issued corporate guarantees to banks for banking facilities granted by them to certain subsidiaries and these guarantees qualify as financial guarantees because the Group and the Company are required to reimburse the banks if these subsidiaries breach any repayment terms.

Financial guarantee contract liabilities are measured initially at their fair values plus transaction costs and subsequently at the higher of the amount of the loss allowance and the amount initially recognised less cumulative amortisation in accordance with SFRS(I) 15.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Offsetting of financial instruments

A financial asset and a financial liability shall be offset and the net amount presented in the statements of financial position when and only when, an entity:

- (a) Currently has a legally enforceable right to set-off the recognised amounts; and
- (b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with financial institutions, bank overdrafts, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude deposits pledged with the financial institutions as collateral and are presented net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management.

2.19 Leases

At inception of a contract, the Group assessed whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where a contract contains more than one lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Group applied the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Group is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Group applied the recognition exemption allowed under SFRS(I) 16. For these leases, the Group recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. When the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The right-of-use asset is also reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, where applicable.

For right-of-use, see Note 11 for details.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.19 Leases (Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The Group generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Group obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentive receivable,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable under a residual value guarantee,
- the exercise price under a purchase option that the Group is reasonably certain to exercise, and
- payments of penalties for terminating the lease if the Group is reasonably certain to terminate early and lease payments for an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payments.

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset is reduced to zero.

The Group as a lessor

Where a contract contains more than one lease and/or non-lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component.

At the lease commencement date, the Group assesses and classifies each lease as either an operating lease or a finance lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased assets to the lessee. All other leases are classified as operating leases.

Operating Leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.19 Leases (Continued)

Subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated depreciation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use assets under cost model are depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise the purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset. The right-of-use assets are depreciated over the useful life as follows:

	<u>Years</u>
Land	6 – 16
Equipment	4
Motor vehicles	5 – 7
Dormitories & office	1 – 3

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use asset may be impaired. The accounting policy on impairment is as described in Note 2.16 to the financial statements.

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any remeasurement due to reassessment or lease modifications.

After the commencement date, interest on the lease liabilities is recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When the Group revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the remeasurement is recognised directly in profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting treatment depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional right-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- In all other cases where the renegotiation increases the scope of the lease (i.e. extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- If the renegotiation results in a decrease in scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference being recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For lease contracts that convey a right to use an identified asset and require services to be provided by the lessor, the Group has elected to account for the entire contract as a lease. The Group does not allocate any amount of contractual payments to, and account separately for, any services provided by the lessor as part of the contract.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

A provision is recognised for onerous contracts when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it and is measured at the lower of the cost of fulfilling it and any expected cost of terminating it. In determining the cost of fulfilling the contract, the Group includes both the incremental costs and an allocation of others costs that relate directly to fulfilling contracts. Before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets used in fulfilling the contract.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group of executive directors and the chief executive officer who make strategic decisions.

2.22 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an expense, the grant is recognised as income in profit or loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, is expensed. Where the grant relates to an asset, the grant is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalment.

Non-monetary government grant is recognised at nominal amount.

2.23 Non-current assets as held for sale

Non-current assets are classified as held-for-sale when their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable with the asset being available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to be completed within one year from the date of classification.

They are measured at the lower of the carrying amount and fair value less costs to sell. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

Depreciation and amortisation for a non-current asset ceases once it is classified as held for sale or while it is part of a disposal group classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale shall continue to be recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

3.1 Critical judgements made in applying the Group's accounting policies

Determination of the classification of joint operations and joint ventures

Joint arrangements are arrangements over which the Group has joint control, i.e. decisions about the relevant activities require the unanimous consent of the parties sharing control. The Group assesses the substance of each joint arrangement to determine whether it is a joint operation or a joint venture by evaluating the Group's rights to the assets and obligations for the liabilities arising from the arrangement in accordance with *SFRS(I) 11 Joint Arrangements*.

A joint operation is a joint arrangement whereby the Group has rights to the assets and obligations for the liabilities relating to the arrangement. In respect of its interest in a joint operation, the Group recognises in the consolidated financial statements:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output of the joint operation, and its share of revenue from the sale of output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method in the consolidated financial statements in accordance with *SFRS(I) 1-28 Investments in Associates and Joint Ventures*.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next financial year are discussed below:

Construction contracts

The Group has significant ongoing construction contracts as at 30 September 2025 that are non-cancellable. For these contracts, revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method"). Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of construction revenue. A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract. Significant assumptions are used to estimate the total contract sum and the total contract costs which affect the accuracy of revenue recognition based on the percentage-of-completion and completeness of provision for onerous contracts recognised. In making these estimates, management has relied on past experience and the work of specialists. If the remaining estimated contract costs were increase by 0.3% (2024: 0.3%) from management's estimates, the Group's profit/(loss) before income tax will (decrease)/increase by approximately \$856,000 (2024: \$1,089,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

Construction contracts (Continued)

Significant judgement is also required to estimate variations or claims recognised as contract revenue and provisions for liquidated damages (“LD”), which affect the revenue and profit margins recognised from construction contracts. In making these judgements, the Group evaluates and places reliance on past experience, contractual obligations, estimates from quantity surveyors and the value of work performed as determined by the architects. Customers have a right to claim LD under the contractual terms if contractual obligations, including completion of the project by a specified date, are not fulfilled. Due to the COVID-19 pandemic, certain projects were completed after the contractual completion date. Management assessed the probability of LD claims from customers by considering whether an extension of time would be reasonably granted by customers. The assessment of the probability of claims is based on the circumstances and relevant events known to management as at the reporting date. If the provision for LD were to increase by 15% (2024: 15%), the Group’s profit/(loss) before income tax would (decrease)/increase by approximately \$1,847,000 (2024: \$2,100,000).

Impairment of investments in subsidiaries, associates and joint ventures

Management follows the guidance of SFRS(I) 1-36 *Impairment of Assets* (“SFRS(I) 1-36”), in determining whether investments in subsidiaries, associates and joint ventures are impaired. This requires assumption to be made regarding the duration and extent to which the recoverable amount of an investment is less than its carrying amount, the financial health, and near-term business outlook of the investments including factors such as industry and sector performance, changes in technology and operational and financing cash flows. Investment in subsidiaries, associates and joint ventures are tested for impairment whenever there is indication that these assets may be impaired. The recoverable amounts of these assets and where applicable, cash-generating units (“CGU”) have been determined based on higher of value-in-use calculations and fair value less cost of disposal. The determination of recoverable amounts involved estimating the present value of future cash flows of the associates, the fair value of the associates’ business and estimated disposal costs. The Company’s carrying amount of investments in subsidiaries as at 30 September 2025 was \$21,139,000 (2024: \$21,139,000) (Note 12). The Company’s carrying amount of investments in associates as at 30 September 2025 was \$7,123,000 (2024: \$7,123,000) (Note 13). The Group’s carrying amounts of investments in associates and joint ventures as at 30 September 2025 were \$20,899,000 (2024: \$26,480,000) and \$4,507,000 (2024: \$4,453,000) respectively (Notes 13 and 14).

Loss allowance on trade and other receivables, retention sum and contract assets

Trade receivables, retention sum and contract assets

Expected credit loss model is initially based on the Group’s historical observed default rates. The Group will calibrate the model to adjust historical credit loss experience with industry future outlook. At end of each financial year, historical default rates are updated and change in the industry future outlook is reassessed. The Group also evaluates expected credit loss on credit-impaired receivables separately at each reporting period. The aggregate carrying amount of the Group’s trade receivables, retention sum and contract assets as at 30 September 2025 was \$43,333,000 (2024: \$51,783,000). The Group’s credit risk exposure is set out in Note 34 to the financial statements.

Non-trade receivables from subsidiaries, associates and joint ventures

Management determines whether there is significant increase in credit risk of these subsidiaries, associates and joint ventures since initial recognition. Management assesses the financial performances of subsidiaries, associates and joint ventures to meet the contractual cash flows obligation.

The carrying amount of the Company’s non-trade receivables from subsidiaries and associates as at 30 September 2025 were disclosed in Notes 12, 13 and 17 respectively. The carrying amount of the Group’s non-trade receivables from associates and joint ventures as at 30 September 2025 were disclosed in Notes 12, 13 and 17 respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

Measurement of lease liabilities

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term. The Group has determined the discount rate by reference to the Group's incremental borrowing rate when the rate inherent in the lease is not readily determinable. The Group obtains the relevant market interest rate after considering the applicable geographical location where the lessee operates as well as the term of the lease. Management considers industry data available as well as any security available in order to adjust the market interest rate obtained from similar economic environment, term and value of the lease.

The weighted average incremental borrowing rate applied to the Group's lease liabilities as at 30 September 2025 was 4.6% (2024: 4.6%). The carrying amount of the Group's lease liabilities as at 30 September 2025 was \$4,106,000 (2024: \$4,755,000) (Note 27). If the incremental borrowing rate had been 0.5% higher or lower than management's estimates, the Group's lease liabilities would have been lower or higher by \$21,000 (2024: \$24,000).

Fair value measurement and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting and disclosures purposes. In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. The Group works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. For unquoted equity shares, the Group determines the fair value with reference to SFRS(I) 13 Fair Value Measurement to establish the appropriate valuation techniques and inputs to the model. Changes in assumptions on the inputs to the model could affect the reported fair value of the financial instruments. Information about the valuation techniques and inputs used in determining the fair values is included in Notes 16 and 36 to the financial statements. The carrying amounts of the Group's assets measured at fair value as at 30 September 2025 are included in Notes 16 to the financial statements.

4. REVENUE

	Group	
	2025 \$'000	2024 \$'000
Construction contracts – over time	<u>182,368</u>	<u>172,597</u>

The disaggregation of revenue from contracts with customers is as follows:

	Buildings and Construction	
	2025 \$'000	2024 \$'000
Geographical markets^(a)		
Singapore	181,896	172,177
Maldives	<u>472</u>	<u>420</u>
	<u>182,368</u>	<u>172,597</u>
Timing of revenue recognition		
Services transferred overtime	<u>182,368</u>	<u>172,597</u>

(a) The disaggregation is based on the location of customers from which revenue was generated.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

5. OTHER INCOME

	Group	
	2025 \$'000	2024 \$'000
Gain on disposal of property, plant and equipment	421	–
Gain on disposal of non-current asset held for sales	383	–
Interest income		
– banks	185	66
– loan due from joint ventures	–	79
– loan due from associates	6,029	6,199
Late charges charged to subcontractors	86	216
Rental income	3,129	1,394
Sales of scrap steel	907	140
Management fee	331	300
Government grants	27	79
Supply of labour	730	259
Foreign exchange gain, net	564	–
Reversal of restoration costs	259	–
Others	84	7
	13,135	8,739

Included in government grants is an amount of \$Nil (2024: \$3,000) which was recognised during the financial year under the Job Growth Incentive.

6. FINANCE COSTS

	Group	
	2025 \$'000	2024 \$'000
Interest expenses:		
– term loans	587	1,080
– trust receipt	8	–
– lease liabilities	167	229
– shareholders' loan	828	829
	1,590	2,138

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

7. PROFIT/(LOSS) BEFORE INCOME TAX

In addition to the charges/(credits) disclosed elsewhere in the notes to the financial statements, the above includes the following charges:

	Group	
	2025 \$'000	2024 \$'000
<i>Cost of sales</i>		
Construction costs	149,898	153,412
Employee benefit expenses	11,960	15,896
Depreciation of property, plant and equipment	23	6
<i>Administrative and other expenses</i>		
Audit fees		
– Auditors of the Company	200	196
– Other auditors	12	14
Non-audit fees		
– Auditors of the Company	–	–
Amortisation of intangible assets	43	99
Depreciation of property, plant and equipment	1,950	2,376
Depreciation of right-of-use assets	706	2,415
Employee benefit expenses	2,617	3,001
Reversal of impairment loss on investment of an associate	–	(27,285)
(Reversal)/provision of loss allowance on long term interests*	(3,600)	4,000
Loss on unrealised foreign exchange, net	–	6,047
Professional fees	778	891

* Long-term interests refer to the non-current amount due from an associate, presented under Amount due from associate in the statement of financial position (Note 13)

The profit/(loss) before income tax also includes:

	Group	
	2025 \$'000	2024 \$'000
<i>Employee benefit expenses:</i>		
Salaries, wages, bonuses and other staff benefits	13,937	18,084
Contributions to defined contribution plans	640	813
	14,577	18,897

Included in the employee benefit expenses were directors' remuneration as shown in Note 30 to the financial statements.

8. INCOME TAX EXPENSE

	Group	
	2025 \$'000	2024 \$'000
Current income tax		
– current financial year	–	–
– over provision in prior financial years	–	–
	–	–
Deferred income tax		
– origination and reversal of temporary differences (Note 29)	–	–
Total income tax expense recognised in profit or loss	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

8. INCOME TAX EXPENSE (CONTINUED)

The income tax expense varied from the amount of income tax expense determined by applying the applicable income tax rate of 17% (2024: 17%) to profit/(loss) before income tax as a result of the following differences:

	Group	
	2025 \$'000	2024 \$'000
Profit/(Loss) before income tax	10,154	(3,916)
Add/(Less):		
Share of result of joint ventures	(85)	(44)
Share of result of associates	9,897	10,642
	19,966	6,682
Income tax calculated at applicable income tax rate of 17% (2024: 17%)	3,394	1,136
Effect of different tax rate in other countries	(11)	62
Tax effect of income not subject to income tax	(4,491)	(5,081)
Tax effect of expenses not deductible for income tax purposes	705	2,408
Unrecognised deferred tax assets	403	1,475
	–	–

Unrecognised deferred tax assets

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of financial year	7,124	5,649
Amount not recognised during the financial year	403	1,475
Balance at end of financial year	7,527	7,124

Unrecognised deferred tax assets are attributable to:

	Group	
	2025 \$'000	2024 \$'000
Unutilised tax losses	7,187	6,027
Unutilised capital allowance	186	176
Others	154	921
	7,527	7,124

As at 30 September 2025, the Group has unutilised tax losses amounting to approximately \$42,276,000 (2024: \$35,453,000) available for set-off against future taxable profits subject to agreement with the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Deferred tax assets have not been recognised as there is no certainty that there will be sufficient future taxable profits in the Group to realise these future benefits. Accordingly, the deferred tax assets have not been recognised in the financial statements in accordance with the accounting policy in Note 2.9 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

9. EARNINGS/(LOSS) PER SHARE

9.1 Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the net loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The calculation of basic loss per share is based on the following data:
Profit/(Loss) attributable to owners of the Company (\$'000)

Weighted average number of ordinary shares at 30 September ('000)

Basic earnings/(loss) per share (cents)

2025	2024
10,154	(3,916)
235,010	235,010
4.32	(1.67)

9.2 Diluted earnings/(loss) per share

Diluted earnings per share is the same as basic earnings per share as the outstanding share options were anti-dilutive for the financial year and were therefore excluded from the computation of diluted earnings per share.

At the end of the financial year, the Company had 4,975,000 outstanding share options (2024: 5,175,000) that could potentially dilute basic earnings per share in the future but were not included in the calculation of diluted earnings per share because they were anti-dilutive for the financial year.

10. PROPERTY, PLANT AND EQUIPMENT

Group	Building \$'000	Office equipment \$'000	Furniture and fittings \$'000	Motor vehicles \$'000	Plant and machinery \$'000	Total \$'000
Cost						
Balance at 1 October 2023	35,654	1,414	772	440	16,170	54,450
Additions	416	–	4	–	–	420
Balance at 30 September 2024	36,070	1,414	776	440	16,170	54,870
Additions	86	–	1	102	87	276
Disposals	–	–	(11)	(134)	–	(145)
Written-off	(21,270)	–	–	–	–	(21,270)
Balance at 30 September 2025	14,886	1,414	766	408	16,257	33,731
Accumulated depreciation						
Balance at 1 October 2023	20,321	1,358	745	341	16,019	38,784
Depreciation	2,243	37	6	22	74	2,382
Balance at 30 September 2024	22,564	1,395	751	363	16,093	41,166
Depreciation	1,830	13	4	34	92	1,973
Disposals	–	–	(4)	(134)	–	(138)
Write-off	(18,784)	–	–	–	–	(18,784)
Balance at 30 September 2025	5,610	1,408	751	263	16,185	24,217
Accumulated impairment loss						
Balance at 1 October 2023 and 30 September 2024	2,486	–	–	–	–	2,486
Write-off	(2,486)	–	–	–	–	(2,486)
Balance at 30 September 2025	–	–	–	–	–	–
Net carrying amount						
At 30 September 2024	11,020	19	25	77	77	11,218
At 30 September 2025	9,276	6	15	145	72	9,514

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 30 September 2025, the Group's buildings with carrying amounts of \$9,276,000 located in Chin Bee Drive and Fourth Chin Bee Road (2024: \$10,170,000) has been pledged with banks for bank facilities (Note 26).

As at 30 September 2025, the Group obtained an independent valuation of its buildings located at Chin Bee Drive and Fourth Chin Bee Road for impairment assessment purposes. The valuation was performed by an independent professional valuer using the market comparison approach, with reference to recent transactions of comparable industrial properties and adjusted for differences in location, tenure, floor area, age and condition. Based on the valuation, the aggregate fair value of these buildings was approximately \$19,500,000 (2024: \$20,800,000). This fair value measurement is categorised within Level 3 of the fair value hierarchy. Management assessed the recoverable amount of the buildings with reference to the valuation and concluded that no impairment loss was required as at 30 September 2025 and 2024. The buildings are not carried at revalued amounts and continue to be measured at cost less accumulated depreciation and accumulated impairment losses.

11. RIGHT-OF-USE ASSETS

Group	Land \$'000	Equipment \$'000	Motor vehicles \$'000	Dormitories/ Office \$'000	Total \$'000
Cost					
Balance at 1 October 2023	6,269	448	680	2,178	9,575
Additions	29	–	141	–	170
Disposal/write-off	–	–	(5)	(37)	(42)
Balance at 30 September 2024	6,298	448	816	2,141	9,703
Additions	14	–	19	–	33
Disposal/write-off	(814)	–	(383)	(2,141)	(3,338)
Balance at 30 September 2025	5,498	448	452	–	6,398
Accumulated depreciation					
Balance at 1 October 2023	1,961	22	572	384	2,939
Depreciation	520	90	85	1,720	2,415
Disposal/write off	–	–	(5)	(37)	(42)
Balance at 30 September 2024	2,481	112	652	2,067	5,312
Depreciation	485	88	59	74	706
Disposal/write off	(814)	–	(383)	(2,141)	(3,338)
Balance at 30 September 2025	2,152	200	328	–	2,680
Net carrying amount					
At 30 September 2024	3,817	336	164	74	4,391
At 30 September 2025	3,346	248	124	–	3,718

Included in the above, motor vehicles with a carrying amount of \$124,000 (2024: \$164,000), is secured over the lease liabilities of \$173,000 (2024: \$208,000) (Note 27). The motor vehicles will be returned to lessor in the event of default by the Group.

12. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025 \$'000	2024 \$'000
Unquoted equity share, at cost	24,204	24,573
Amount due from subsidiaries – Interest free	274	274
Allowance for impairment loss	(3,339)	(3,708)
	21,139	21,139

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Movements in the allowance for impairment loss are as follows:

	Company	
	2025 \$'000	2024 \$'000
At beginning of financial year	3,708	3,708
Reversal of impairment loss	(369)	–
At end of the financial year	3,339	3,708

The amounts due from subsidiaries form part of the Company's net investment in subsidiaries. These loans are unsecured, has no fixed repayment terms and is repayable only when the cashflows of the subsidiary permit.

During the financial year, the Company reviewed the recoverable amounts of its investments in subsidiaries. Following the strike-off of certain subsidiaries, the review led to a reversal of impairment loss of \$369,000 (2024: \$Nil). The reversal reflects the adjustment of the carrying amount of these investments in subsidiaries to their recoverable amount of \$369,000, determined based on fair value less costs of disposal, which management is of the opinion that it approximate to the subsidiaries' net tangible assets.

The details of the subsidiaries are as follows:

Name of company (Country of incorporation and principal place of business)	Principal activities	Proportion of ownership interest held by the Group	
		2025 %	2024 %
Held by the Company			
Keong Hong Construction Pte Ltd ⁽¹⁾ ("KHC") (Singapore)	General and building contractors	100	100
KH Capital Pte Ltd ⁽¹⁾ (Singapore)	Investment holdings and trading of building construction materials	100	100
K.H. Land Pte Ltd ⁽¹⁾ ("KHL") (Singapore)	Investment holding, real estate development and building construction	100	100
Grandwood Holdings Pte Ltd ⁽¹⁾⁽⁴⁾ (Singapore)	Investment holding	100	100
Held by K.H. Land Pte Ltd			
KHA Resorts & Hotels Construction Pvt Ltd ⁽²⁾ (Cayman Islands)	Hotel building contractors	100	100
KHA Resorts & Hotels Construction (Maldives) Pvt Ltd ⁽²⁾⁽³⁾ ("KHAM") (Republic of Maldives)	Hotel building contractors	100	100
Held by Grandwood Holdings Pte. Ltd.			
Grandwood (Japan) Pte Ltd ⁽¹⁾⁽⁴⁾ (Singapore)	Investment holding	100	100

(1) Audited by Forvis Mazars LLP, Singapore.

(2) Audited by Ernst & Young, Maldives.

(3) Proportion of ownership interest of 5% (2024: 5%) held by KHC.

(4) ACRA has issued Section 344A letters dated 30 September 2025 to Grandwood (Japan) Pte. Ltd. ("GWJ") and Grandwood Holdings Pte. Ltd. ("GWH") informing that striking-off applications had been initiated. Subsequently, both companies were struck off on 2 January 2026.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Unquoted equity shares, at cost	83,178	13,655	7,123	7,123
Share of reserves of associates, net of dividend received and tax	(75,978)	(66,081)	–	–
Amounts due from associates				
– interest bearing	15,868	84,924	–	–
– interest free	1,233	1,199	–	–
– loss allowance on amount due from associates	(400)	(4,000)	–	–
	16,701	82,123	–	–
Less: elimination of unrealised profit	(6,763)	(7,235)	–	–
Currency realignment	3,761	4,018	–	–
Carrying amount	20,899	26,480	7,123	7,123

The amounts due from associates form part of the Group's net investment in associates. These loans are unsecured and settlement is neither planned nor likely to occur in the foreseeable future.

As of 30 September 2025, the carrying amount of the Group's investment in Pristine Islands Investment Pte Ltd ("PIIPL Group") was approximately \$15,968,000 (2024: \$20,927,000). Pursuant to a resolution of the Board dated 30 September 2025, the Group and the other shareholder agreed to capitalise their shareholder loans into equity on a pro-rata basis. Accordingly, PIIPL Group issued 109,876,408 new ordinary shares for consideration of USD109,876,408, which 56,036,968 shares were allocated to the other shareholder and 53,839,440 shares to KHC. Following the capitalisation, the Group's equity interest in PIIPL Group remained at approximately 49%, and the investment continued to be accounted for as an associate. On conversion, the portion of amount due from PIIPL Group of \$69,523,000 was reclassified from "Amount due from associate" to "Unquoted equity shares, at cost". This is a non-cash transaction.

The amounts due from associates are non-trade in nature, unsecured and non-interest bearing except for an amount of \$15,868,000 (2024: \$84,924,000) which bears effective interest rate of 8% (2024: 9%) per annum.

The amounts due from associates are denominated in the following currency:

	2025 \$'000	2024 \$'000
United States dollar	17,101	86,123

Movements in the allowance for impairment loss and loss allowance are as follows:

	2025 \$'000	2024 \$'000
Balance at beginning of financial year	4,000	42,080
Reclassification to non-current assets held for sale (Note 20)	–	(14,795)
Reversal of impairment loss	–	(27,285)
(Reversal)/Provision of loss allowance	(3,600)	4,000
Balance at end of financial year	400	4,000

The Group assessed the recoverable amount of its investment in the PIIPL Group based on fair value less costs of disposal ("FVLCD"), as the resort's operating performance has yet to recover to pre-pandemic levels. The recoverable amount was determined to be \$43,644,000 (2024: \$40,400,000). Based on this assessment, no impairment was recognised in the current financial year (2024: reversal of impairment of \$27,285,000). The FVLCD measurement was based on a valuation prepared by an independent external valuer engaged by management using the Revalued Net Asset Value ("RNAV") approach. The valuation range comprised a high RNAV scenario, based on discounting the expected shareholder repayment over a 10-year period at 8%, with no additional adjustment and a low RNAV scenario based on discounting the same expected shareholder repayment over a 5-year period at 8%, with a further 5% downward adjustment applied to reflect the lower bound of the valuation range.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENTS IN ASSOCIATES (CONTINUED)

On 3 September 2024, the Group held a board of directors' meeting to approve the disposal of its 20% interest in KHPL for a consideration of \$34,500,000. Consequently, due to the intended disposal plan, the Group reclassified its investment in KHPL to non-current assets classified as held for sale (Note 20).

Name of company (Country of incorporation and principal place of business)	Principal activities	Effective equity interest held by the Group	
		2025 %	2024 %
Held by the Company			
Nuform System Asia Pte. Ltd. ⁽⁴⁾ ("NSAPL") (Singapore)	Trading and renting of construction and civil engineering machinery and equipment	31.1	31.1
Held by Nuform System Asia Pte. Ltd.			
NuformSystem (M) Sdn. Bhd. ⁽⁴⁾⁽⁵⁾ (Malaysia)	Trading and renting of formwork equipment	100	100
HLMG-Nuform System Pte Ltd ⁽⁶⁾ (Singapore)	Renting, repair, servicing and storage of tower crane	50	50
Held by Keong Hong Construction Pte Ltd			
Punggol Residences Pte. Ltd. ("PRPL") ⁽³⁾ (Singapore)	Property development	20	20
Pristine Islands Investment Pte. Ltd. ("PIIPL") ⁽¹⁾ (Singapore)	Investment holdings	49	49
Katong Holdings Pte. Ltd. ("KHPL") (Singapore) ⁽⁷⁾⁽⁸⁾⁽⁹⁾	Own, operate and management of hotel	–	–
Held by KH Capital Pte. Ltd.			
Sembawang Residences Pte. Ltd. ("SRPL") ⁽³⁾ (Singapore)	Property development	20	20
Held by Pristine Islands Investment Pte. Ltd.			
Pristine Islands Investment (Maldives) Pvt Ltd ("PIIMPL") ⁽²⁾⁽³⁾⁽⁶⁾ (Republic of Maldives)	Own, operate and management of airport, hotel and resort	49	49

(1) Audited by Forvis Mazars LLP, Singapore.

(2) Proportion of ownership interest of 0.1% (2023: 0.1%) held by KHC.

(3) Equity accounted based on the management financial statements.

(4) Equity accounted based on the financial statements aligned to the Group's financial year.

(5) Audited by Forvis Mazars PLT, Malaysia.

(6) Audited by Ernst & Young, Maldives.

(7) Audited by Ecovis Assurance LLP, Singapore.

(8) Equity accounted based on the management financial statements as at 31 December.

(9) Reclassified to non-current assets classified as held for sales as at 30 September 2024.

The financial year-end of PRPL, SRPL and PIIPL Group are 30 September. The financial year-end of NSAPL Group and KHPL are 31 December.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENTS IN ASSOCIATES (CONTINUED)

Set out below are the summarised financial information of the Group's significant associates.

Summarised statements of financial position

	KHPL \$'000	PIIPL Group \$'000	SRPL \$'000	NSAPL Group \$'000	Total \$'000
30 September 2025					
Current assets	–	13,155	5,036	9,024	27,215
Non-current assets	–	128,629	–	20,250	148,879
Current liabilities	–	(46,698)	(3,467)	(15,036)	(65,201)
Non-current liabilities	–	(82,781)	–	(267)	(83,048)
30 September 2024					
Current assets	–	17,195	5,043	9,398	31,636
Non-current assets	–	134,517	–	23,973	158,490
Current liabilities	–	(54,458)	(3,473)	(17,394)	(75,325)
Non-current liabilities	–	(207,379)	–	–	(207,379)

Summarised statements of comprehensive income

	KHPL \$'000	PIIPL Group \$'000	SRPL \$'000	NSAPL Group \$'000	Total \$'000
30 September 2025					
Revenue	–	39,935	–	10,670	50,605
Loss before tax	–	(18,719)	(8)	(1,969)	(20,696)
Income tax	–	(194)	7	(29)	(216)
Loss after tax, representing total comprehensive loss	–	(18,913)	(1)	(1,998)	(20,912)
30 September 2024					
Revenue	31,125	50,491	–	12,808	94,424
(Loss)/Profit before tax	(11,497)	(17,821)	82	1,339	(27,897)
Income tax	–	198	(7)	(468)	(277)
(Loss)/Profit after tax, representing total comprehensive (loss)/income	(11,497)	(17,623)	75	871	(28,174)

The information above reflects the amounts presented in the financial statements of the associates (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associates.

The following table summarises, in aggregate, the Group's share of profit and other comprehensive income of the Group's individually immaterial associates accounted for using the equity method.

	2025 \$'000	2024 \$'000
The Group's share of profit before income tax	–	14
The Group's share of profit after income tax	2	14
The Group's share of total comprehensive income	2	14
Aggregate carrying amount of the Group's interest in these associates	272	270

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENTS IN ASSOCIATES (CONTINUED)

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in significant associates for the financial year ended 30 September 2025 and 2024, are as follows:

	PIIPL Group \$'000	SRPL \$'000	NSAPL Group \$'000	Total \$'000
30 September 2025				
Proportion of Group ownership	49%	20%	31.1%	
Net assets/(liabilities) of the associates	12,305	1,569	13,971	
Interest in associates	6,030	314	4,345	
Carrying value of Group's interest in associates	6,030	314	4,345	10,689
Amount due from associates	17,101	–	–	17,101
Less: allowance for impairment loss	(400)	–	–	(400)
Less: elimination of unrealised profit	(6,763)	–	–	(6,763)
Total carrying value of significant associates	15,968	314	4,345	20,627
Add:				
Carrying amount of individually immaterial associate, in aggregate				272
Carrying amount of Group's interest in associates				20,899
	PIIPL Group \$'000	SRPL \$'000	NSAPL Group \$'000	Total \$'000
30 September 2024				
Proportion of Group ownership	49%	20%	31.1%	
Net assets/(liabilities) of the associates	(110,125)	1,570	15,977	
Interest in associates	(53,961)	314	4,969	
Carrying value of Group's interest in associates	(53,961)	314	4,969	(48,678)
Amount due from associates	86,123	–	–	86,123
Less: allowance for impairment loss	(4,000)	–	–	(4,000)
Less: elimination of unrealised profit	(7,235)	–	–	(7,235)
Total carrying value of significant associates	20,927	314	4,969	26,210
Add:				
Carrying amount of individually immaterial associate, in aggregate				270
Carrying amount of Group's interest in associates				26,480

14. INTERESTS IN JOINT ARRANGEMENTS

Investment in joint ventures

	Group	
	2025 \$'000	2024 \$'000
Unquoted equity investment, at cost	2,933	2,933
Amount due from joint venture – interest free	714	714
Share of reserves of joint ventures, net of dividend received and tax	1,787	1,702
Less: allowance for impairment loss	(823)	(823)
Currency realignment	(104)	(73)
	4,507	4,453

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

14. INTERESTS IN JOINT ARRANGEMENTS (CONTINUED)

Investment in joint ventures (Continued)

The amount due from joint venture forms part of the Group's net investment in joint ventures. The loan is unsecured and settlement is neither planned nor likely to occur in the foreseeable future.

The amount due from joint ventures is denominated in Singapore dollar.

Movements in the allowance for impairment loss are as follows:

	Group	
	2025 \$'000	2024 \$'000
At beginning and end of financial year	823	823

At the end of each financial year, the Group assessed the latest performance and financial position of the joint venture and accordingly, the Group measured the loss allowance using 12-month ECL and concluded a recognition of an impairment loss of \$Nil (2024: \$Nil).

The details of the joint ventures are as follows:

Name of company (Country of incorporation and principal place of business)	Principal activities	Effective equity interest held by the Group	
		2025 %	2024 %
Held by Keong Hong Construction Pte Ltd K&H Innovative Systems Pte. Ltd. ("K&H") ⁽¹⁾ (Singapore)	Manufacturing of prefabricated bathroom unit	50	50
Held by K&H Innovative Systems Pte. Ltd. KHL Capital Holdings Pte. Ltd. ("KHLPL") ⁽¹⁾ (Singapore)	Investment holding company and production of pre-cast concrete components	60	60
Held by KHL Capital Holdings Pte. Ltd. KHL Capital Holdings Sdn. Bhd. ("KHLSB") ⁽⁴⁾ (Malaysia)	Manufacturing, export and import of precast concrete, cement or artificial stone activities used in construction	60	60
Held by K.H. Land Pte Ltd Keong Hong-MK Development Co., Ltd ("KH-MK") ⁽²⁾ (Vietnam)	Development of real estate	49	49
Held by KH Capital Pte. Ltd. East Vue Pte. Ltd. ("EVPL") ⁽⁵⁾ (Singapore)	Property developer of a parcel of land at Siglap Road	20	20
FSKH Development Pte. Ltd. ("FSKH") ⁽⁶⁾ (Singapore)	Property developer of a parcel of land at Mattar Road	35	35

(1) Audited by Forvis Mazars LLP, Singapore.

(2) Equity accounted based on the management financial statements.

(3) Equity accounted based on the management financial statements aligned to the Group's financial year.

(4) Audited by Forvis Mazars PLT, Malaysia.

(5) Audited by KPMG, Singapore.

(6) Audited by Ernst & Young, Singapore.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

14. INTERESTS IN JOINT ARRANGEMENTS (CONTINUED)

Investment in joint ventures (Continued)

The financial year end of K&H and EVPL are 30 September and FSKH and KH-MK are 31 December.

Set out below are the summarised financial information of the Group's significant joint ventures.

Summarised statements of financial position

	FSKH \$'000	EVPL \$'000	Total \$'000
30 September 2025			
Current assets	10,704	14,761	25,465
Current liabilities	(2,246)	(9,539)	(11,785)
30 September 2024			
Current assets	10,661	14,417	25,078
Current liabilities	(2,384)	(9,236)	(11,620)

The above amounts of assets and liabilities include the following:

	FSKH \$'000	EVPL \$'000
30 September 2025		
Cash and cash equivalents	10,441	7,720
Current liabilities (excluding trade and other payables and provisions)	(2,234)	–
30 September 2024		
Cash and cash equivalents	10,399	7,352
Current liabilities (excluding trade and other payables and provisions)	(2,382)	–

Summarised statements of comprehensive income

	FSKH \$'000	EVPL \$'000
30 September 2025		
Revenue	–	–
Income tax expenses	(10)	(36)
Profit after tax	180	42
Total comprehensive income	180	42
30 September 2024		
Revenue	–	–
Income tax (expenses)/credit	(6)	20
Interest expenses	(29)	–
Profit after tax	74	364
Total comprehensive income	74	364

The information above reflects the amounts presented in the financial statements of the joint ventures (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the joint venture. Dividend received from EVPL and FSKH amounted to \$Nil (2024: \$Nil) and \$Nil (2024: \$1,732,000) respectively.

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FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

14. INTERESTS IN JOINT ARRANGEMENTS (CONTINUED)

Investment in joint ventures (Continued)

Aggregate information of joint ventures that are not individually material

The following table summarises, in aggregate, the Group's share of loss and other comprehensive income of the Group's individually immaterial joint ventures accounted for using the equity method.

	2025 \$'000	2024 \$'000
The Group's share of profit before tax	13	9
The Group's share of profit after tax	13	9
The Group's share of total comprehensive income/(loss)	(17)	(31)
Aggregate carrying amount of the Group's interest in these joint ventures	<u>503</u>	<u>520</u>

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in significant joint ventures for the financial year ended 30 September 2025 and 2024, are as follows:

	FSKH \$'000	EVPL \$'000	Total \$'000
30 September 2025			
Proportion of Group ownership	35%	20%	
Net assets of the joint ventures	8,458	5,222	
Interest in joint ventures	<u>2,960</u>	<u>1,044</u>	
Total carrying value of significant joint ventures	<u>2,960</u>	<u>1,044</u>	4,004
Add:			
Carrying value of individually immaterial joint ventures, in aggregate			<u>503</u>
Carrying value of Group's interest in joint ventures			<u>4,507</u>
30 September 2024			
Proportion of Group ownership	35%	20%	
Net assets of the joint ventures	8,277	5,180	
Interest in joint ventures	<u>2,897</u>	<u>1,036</u>	
Total carrying value of significant joint ventures	<u>2,897</u>	<u>1,036</u>	3,933
Add:			
Carrying value of individually immaterial joint ventures, in aggregate			<u>520</u>
Carrying value of Group's interest in joint ventures			<u>4,453</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

14. INTERESTS IN JOINT ARRANGEMENTS (CONTINUED)

Investments in joint operations

Details of the joint operations are as follow:

Name of joint operation	Proportion of ownership		Principal activities
	2025 %	2024 %	
Unincorporated in Singapore Hyundai-Keong Hong JV Limited Partnership*	30	30	Undertake of construction works for Punggol Recreation Sport Centre
Unincorporated in Singapore Building Works at Tengah Plantation Contract 5 and Common Green*	51	51	Undertake of construction works for Housing and Development Board

* Audited by Forvis Mazars LLP, Singapore.

15. INTANGIBLE ASSETS

	Computer software \$'000
Group	
Cost	
Balance at 1 October 2023, 30 September 2024 and 2025	639
Accumulated amortisation	
Balance at 1 October 2023	409
Amortisation	99
Balance at 30 September 2024	508
Amortisation	43
Balance at 30 September 2025	551
Impairment	
Balance at 30 September 2024 and 2025	88
Net carrying amount	
Balance at 30 September 2024	43
Balance at 30 September 2025	-

The amortisation expense is included in the "Administrative expenses" line item in profit or loss.

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVTOCI")

	Group and Company	
	2025 \$'000	2024 \$'000
Quoted equity shares	2,265	2,385

The equity shares are listed on the Catalist board of the Singapore Exchange Securities Trading Limited. The fair value of the investments in quoted equity shares were based on the quoted closing market prices on the last market day of the financial year. The investments classified as a Level 1 fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVTOCI”) (CONTINUED)

Movements in financial assets at FVTOCI were as follows:

	Group and Company	
	2025 \$'000	2024 \$'000
Balance at beginning of financial year	2,385	2,475
Fair value changes recognised in other comprehensive income (Note 24)	(120)	(90)
Balance at end of financial year	2,265	2,385

The Group intends to hold these investments for long-term for appreciation in value as well as strategic investments purposes.

The financial assets at FVTOCI are denominated in Singapore dollar.

17. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current				
Non-trade receivables				
– third parties	6,500	–	–	–
Current				
Trade receivables				
– third parties	5,440	18,334	–	–
– associates	4,059	4,025	–	–
– joint ventures	43	43	–	–
Loss allowance on trade receivables from third parties	(305)	(302)	–	–
	9,237	22,100	–	–
Retention sum				
– third parties	1,698	1,698	–	–
– associates	2,924	2,900	–	–
Loss allowance on retention sum:				
– third parties	(769)	(769)	–	–
– associates	(2,924)	(2,900)	–	–
Security deposits	1,045	939	–	–
Non-trade receivables				
– third parties	15,249	2,266	–	–
– subsidiaries	–	–	30,916	29,998
– associates	37,890	33,086	–	–
– joint ventures	1,719	1,304	–	–
– joint operations	1,538	1,869	–	–
Loss allowance on non-trade receivables:				
– third parties	(1,722)	(1,720)	–	–
– associates	(819)	(815)	–	–
– joint ventures	(1,254)	(1,254)	–	–
– joint operations	(1,324)	(1,324)	–	–
Goods and Services Tax receivable	337	334	–	–
Advance payments	1,333	2,720	–	–
Sub total	64,158	60,434	30,916	29,998
Total	70,658	60,434	30,916	29,998

Trade receivables from third parties, associates and joint ventures are unsecured, non-interest bearing and generally on 30 to 60 days (2024: 30 to 60 days) credit terms.

Non-trade receivables from third parties are unsecured, non-interest bearing and generally on 30 to 60 days (2024: 30 to 60 days) credit terms.

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17. TRADE AND OTHER RECEIVABLES (CONTINUED)

Non-trade amounts due from subsidiaries are unsecured and bear an effective interest rate of 3.5% (2024: 3.5%) per annum.

Non-trade amounts due from joint ventures and joint operations are unsecured, repayable on demand and non-interest bearing.

Non-trade amounts due from associates include amounts due from PIPL Group of \$20,493,000 (2024: \$14,463,000) which bears interest rate of 8% (2024: 9%) per annum.

The non-trade amount due from a third party of S\$6,500,000 relates to disposal proceeds from KHPL, which are to be received by instalment in December 2026.

Advance payments are related to advance payment to subcontractors for the purchase of materials.

Movements in the loss allowance for trade receivables are as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of financial year	302	322
Currency realignment	3	(20)
Balance at end of financial year	<u>305</u>	<u>302</u>

As at 30 September 2025, retention sum held by customers for contract work amounted to \$4,622,000 (2024: \$4,598,000). Retention sum is due for settlement after more than 12 months. They have been classified as current asset because they are expected to be realised in the normal operating cycle of the Group.

Movements in the loss allowance for retention sum are as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of financial year	3,669	3,860
Currency realignment	24	(191)
Balance at end of financial year	<u>3,693</u>	<u>3,669</u>

Movements in the loss allowance for non-trade receivables due from a third party is as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of financial year	1,720	1,447
Loss allowance recognised in the financial year – non-credit impaired	–	284
Currency realignment	2	(11)
Balance at end of financial year	<u>1,722</u>	<u>1,720</u>

Individual analysis of impaired non-trade receivables:

	Group	
	2025 \$'000	2024 \$'000
Amount past due of more than 6 months and no response to repayment demands	<u>1,722</u>	<u>1,720</u>

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FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

17. TRADE AND OTHER RECEIVABLES (CONTINUED)

Movements in the loss allowance for non-trade receivables due from associates are as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Balance at beginning of financial year	815	1,564	–	722
Reversal of loss allowance made in prior year – non-credit impaired	–	(722)	–	(722)
Currency realignment	4	(27)	–	–
Balance at end of financial year	819	815	–	–

During the financial year ended 30 September 2025, there is a reversal of loss allowance of \$Nil (2024: \$722,000) was recognised in profit or loss.

Movements in the loss allowance for non-trade receivables due from joint ventures are as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning and end of financial year	1,254	1,254

Movements in the loss allowance for non-trade receivables due from joint operations are as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning and end of financial year	1,324	1,324

Trade and other receivables are denominated in the following currencies:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Singapore dollar	32,827	27,443	30,916	29,998
United States dollar	37,790	32,950	–	–
Maldives rufiyaa	41	41	–	–
	70,658	60,434	30,916	29,998

18. CONTRACT ASSETS AND CONTRACT LIABILITIES

	Group		
	2025 \$'000	2024 \$'000	1 October 2023 \$'000
Contract assets	33,167	28,754	22,347
Contract liabilities	16,195	16,244	3,155

During the financial year, the Group has recognised a reversal on loss allowance on contract assets arising from contracts with customers amounting to \$647,000 (2024: \$283,000).

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for building construction contracts. 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 building construction contracts. Contract liabilities are recognised as revenue as the Group fulfils its performance obligations under the contract.

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18. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

a) Significant changes in contract assets are explained as follows:

	Group	
	2025 \$'000	2024 \$'000
Contract assets reclassified to receivables	(4,787)	(3,571)
Changes in measurement of progress	8,553	9,270

b) Significant changes in contract liabilities are explained as follows:

	Group	
	2025 \$'000	2024 \$'000
Changes in measurement of progress	(49)	13,089

The Group's revenue recognised in the financial years that was included in the contract liabilities balance at the beginning of the respective financial years and that related to performance obligations satisfied in previous years is as follows:

	Group	
	2025 \$'000	2024 \$'000
Amounts included in contract liabilities at the beginning of the financial year		
– Projects	16,244	3,155
Performance obligations satisfied in previous financial years		
– Projects	16,244	3,155

c) Remaining performance obligations

The aggregate amount of transaction price allocated to the unsatisfied (or partially satisfied) performance obligations as at 30 September 2025 is \$204,325,000 (2024: \$380,561,000). This amount has not included the following:

- Performance obligation for which the Group has applied the practical expedient not to disclose information about its remaining performance obligations if:
 - The performance obligation is part of a contract that has an original expected duration for one year or less, or
 - The Group recognises revenue to which the Group has a right to invoice customers in amounts that correspond directly with the value to the customer of the Group's performance completed to date.
- Variable consideration that is constrained and therefore is not included in the transaction price.

The amount of Group's revenue that will be recognised in future periods on these contracts when those remaining performance obligations will be satisfied is analysed as follows:

	2026 \$'000	2027 \$'000	2028 \$'000	Total \$'000
As at 30 September 2025				
Construction contracts	95,638	76,194	32,493	204,325
	2025 \$'000	2026 \$'000	2027 \$'000	Total \$'000
As at 30 September 2024				
Construction contracts	229,163	95,436	55,962	380,561

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FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

19. CASH AND BANK BALANCES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Fixed deposits	10,383	2,964	–	1,505
Cash at bank balances	22,468	18,811	447	214
	32,851	21,775	447	1,719
Fixed deposits pledged	(6,100)	(1,000)	–	–
Cash and cash equivalents per consolidated statement of cash flows	26,751	20,775	447	1,719

Fixed deposits will mature within 7 days to 12 months (2024: 1 to 12 months) from the financial year-end and the effective interest rate on the fixed deposits ranges from between 1.1% to 3.99% (2024: 1.7% to 5.2%) per annum.

For the purpose of presenting consolidated statement of cash flows, cash and cash equivalents include short-term deposits with an average maturity of more than 3 months, as there is no significant loss or penalty in converting these deposits into liquid cash before maturity.

Cash and bank balances on statements of financial position are denominated in the following currencies:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Malaysian Ringgit	1	1	–	–
Singapore dollar	31,775	20,217	415	1,665
United States dollar	1,051	929	32	54
Maldives rufiyaa	24	273	–	–
Japanese yen	–	355	–	–
	32,851	21,775	447	1,719

20. NON-CURRENT ASSETS HELD FOR SALE

On 2 September 2024, management expressed the intention to dispose off the 20% interest in KHPL to MCSK Pte Ltd (“MCSK”), the major shareholder of KHPL. The disposal includes the sale of the entire shareholding interest in KHPL and the shareholder’s loan for a total consideration of \$34,500,000. The sale and purchase agreement were signed and completed on 19 February 2025. The disposal of KHPL is expected to be completed within a year from the reporting date. Accordingly, investments in KHPL have been reclassified as a non-current assets held for sale as at 30 September 2024.

Details of non-current assets held for sale as at 30 September 2024 as follows:

	2024 \$'000
Cost	200
Share of reserves of associates, net of dividend received and tax	14,111
Amount due from associate	34,601
Impairment loss	(14,795)
	34,117

On 30 June 2025, the Group completed the disposal of its entire interest in KHPL, payable over six instalments from February 2025 to December 2026.

The disposal resulted in a gain of \$383,000, recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

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21. SHARE CAPITAL

	Group and Company			
	2025		2024	
	No. of shares '000	\$'000	No. of shares '000	\$'000
Issued and fully paid, no par value				
At beginning and end of financial year	242,565	25,048	242,565	25,048

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

22. TREASURY SHARES

	Group and Company			
	2025		2024	
	No. of shares '000	\$'000	No. of shares '000	\$'000
At beginning and end of financial year	7,555	3,303	7,555	3,303

The treasury shares have been used and released for share awards vested under the Keong Hong Group 2011 Employee Share Option Scheme. The difference between the average price paid to acquire treasury shares and the share grant price has been presented within the statements of changes in equity.

23. SHARE OPTION RESERVE

Equity-settled share option scheme

The Keong Hong Holdings Limited Employee Share Option Scheme (the "Scheme") was approved in November 2011. This Scheme is designed to reward and retain the eligible participants whose services are vital to the success of the Group. Under the rules of the Scheme, Executive Directors and Non-Executive Directors and employees of the Group, who are not controlling shareholders are eligible to participate in the Scheme.

Pursuant to the Scheme,

- a) On 1 October 2013, the Company granted 4,000,000 share options ("2014 Options") to subscribe for 4,000,000 ordinary shares in the Company at an exercise price of \$0.47, which is at 19.7% discount to the market price. The market price is the average of the last dealt prices for the ordinary shares on the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five consecutive trading days immediately preceding the date of grant. The vesting of the options is conditional on the eligible participants completing another two years of service to the Group. Once they have vested, the Options are exercisable over a period of 8 years, from 1 October 2015 and expire on 30 September 2023. The Options may be exercised in full or in part in respect of 1,000 shares or a multiple thereof, on the payment of the exercise price. The Group has no legal or constructive obligation to repurchase or settle the Options in cash.
- b) Following a bonus issue to the Company's ordinary shareholders on 20 June 2014 ("2014 Options"), the Company granted additional share options to the holders of the 2014 Options. The additional share options were granted based on one additional bonus share option for every two existing issued share options. The exercise price for the bonus share options and existing share options were also revised from \$0.47 to \$0.31. The vesting conditions remains unchanged.
- c) On 1 December 2014, the Company had granted 825,000 share options ("2015 Options") to subscribe for 825,000 ordinary shares in the Company at an exercise price of \$0.32. The vesting of the Options is conditional on the eligible participants completing another two years of service to the Group. Once they have vested, the Options are exercisable over a period of 8 years, from 1 December 2016 and expire on 30 November 2024.
- d) On 8 January 2016, the Company had granted 4,175,000 share options ("2016 Options") to subscribe for 4,175,000 ordinary shares in the Company at an exercise price of \$0.40. The vesting of the options is conditional on the eligible participants completing another two years of service to the Group. Once they have vested, the Options are exercisable over a period of 8 years, from 8 January 2018 and expire on 7 January 2026.

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23. SHARE OPTION RESERVE (CONTINUED)

Equity-settled share option scheme (Continued)

- e) On 3 April 2017, the Company had granted 700,000 share options (“2017 Options”) to subscribe for 700,000 ordinary shares in the Company at an exercise price of \$0.355. The vesting of the options is conditional on the eligible participants completing another two years of service to the Group. Once they have vested, the Options are exercisable over a period of 8 years, from 3 April 2019 and expire on 2 April 2027.
- f) On 2 April 2018, the Company had granted 2,950,000 share options (“2018 Options”) to subscribe for 2,950,000 ordinary shares in the Company at an exercise price of \$0.46. The vesting of the options is conditional on the eligible participants completing another two years of service to the Group. Once they have vested, the Options are exercisable over a period of 8 years, from 2 April 2020 and expire on 1 April 2028.
- g) On 16 April 2019, the Company had granted 650,000 share options (“2019 Options”) to subscribe for 650,000 ordinary shares in the Company at an exercise price of \$0.40. The vesting of the options is conditional on the eligible participants completing another two years of service to the Group. Once they have vested, the Options are exercisable over a period of 8 years, from 16 April 2021 and expire on 15 April 2029.

Movements in the number of unissued ordinary shares under option and their exercise prices are as follows:

Date of grant	Balance at beginning of financial year	Granted during the financial year	Exercised during the financial year	Forfeited during the financial year	Balance at end of financial year	Exercise price \$	Exercisable period
1/12/2014	200,000	–	–	200,000	–	0.315	1.12.2016 to 30.11.2024
8/1/2016	1,650,000	–	–	–	1,650,000	0.400	8.1.2018 to 7.1.2026
3/4/2017	300,000	–	–	–	300,000	0.355	3.4.2019 to 2.4.2027
2/4/2018	2,525,000	–	–	–	2,525,000	0.460	2.4.2020 to 1.4.2028
16/4/2019	500,000	–	–	–	500,000	0.400	16.4.2021 to 15.4.2029
Total	<u>5,175,000</u>	<u>–</u>	<u>–</u>	<u>200,000</u>	<u>4,975,000</u>		

During the financial year ended 30 September 2025, no (2024: no) options were exercised for the equity-settled share option scheme. The options outstanding at end of the reporting period have remaining exercisable life of 1 to 3.5 years (2024: 1 to 4.5 years).

Out of the total equity-settled share option schemes of 4,975,000 (2024: 5,175,000) options, 4,975,000 (2023: 5,175,000) options are exercisable as at 30 September 2025.

The Group recognised share based payment expenses and a corresponding share option reserve of \$Nil (2024: \$Nil) for the financial year ended 30 September 2025.

24. OTHER RESERVES

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group’s presentation currency and is non-distributable. Movements in this reserve are set out in the consolidated statements of changes in equity.

Merger reserve

Merger reserve represents the difference between the consideration paid and the share capital of subsidiaries acquired under common control.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

24. OTHER RESERVES (CONTINUED)

Fair value reserve

Fair value reserve represents the cumulative fair value changes, net of tax, of the financial asset until it is disposed of.

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At beginning of financial year	28,102	28,192	(4,440)	(4,350)
Disposal of investment in an associate	(32,542)	–	–	–
Fair value changes recognised in other comprehensive income	(120)	(90)	(120)	(90)
At end of financial year	(4,560)	28,102	(4,560)	(4,440)

25. TRADE AND OTHER PAYABLES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current				
Trade payables				
– accrued subcontractor expenses	4,850	4,886	–	–
Non-trade payables				
– Loan from ultimate shareholders	12,750	12,750	12,750	12,750
	17,600	17,636	12,750	12,750
Current				
Trade payables				
– third parties	15,909	17,039	–	–
– accrued subcontractor expenses	30,734	51,698	–	–
	46,643	68,737	–	–
Non-trade payables				
– third parties	5,227	2,486	–	–
– due to associates	1,281	1,280	–	–
– due to a joint venture	1,400	1,400	–	–
Rental deposits	–	10	–	–
Accrued operating expenses	6,531	3,571	795	738
Corporate guarantee liability	228	894	228	894
Goods and Services Tax payable	136	1,084	–	–
Sub total	61,446	79,462	1,023	1,632
Total	79,046	97,098	13,773	14,382

Non-trade amounts due to ultimate shareholders are unsecured, bears interest rate of 6.5% (2024: 6.5%) per annum and has no fixed repayment terms and is repayable only when the cashflows of the subsidiary permit.

Trade and non-trade payables to third parties are unsecured, non-interest bearing and generally on 30 to 60 (2024: 30 to 60) days credit terms.

Non-trade amount due to associates and a joint venture are unsecured, non-interest bearing and repayable on demand.

The provision for corporate guarantees is related to corporate guarantees to bank for borrowings of an associate. These guarantees qualify as financial guarantees because the Group and the Company is required to reimburse the banks in the event of breach of any repayment term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

25. TRADE AND OTHER PAYABLES (CONTINUED)

Trade and other payables are denominated in the following currencies:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Singapore dollar	78,420	96,489	13,773	14,382
United States dollar	626	609	–	–
	79,046	97,098	13,773	14,382

26. BANK BORROWINGS

	Group	
	2025 \$'000	2024 \$'000
Non-current liabilities		
Secured		
– Term loan I	3,470	4,353
Current liabilities		
Secured		
– Term loan I	9,729	9,423
– Term loan II	–	432
	9,729	9,855
Total bank borrowings	13,199	14,208

The Group bank borrowings are as follows:

a) Term loan I

The Group entered into a banking facility amounting to \$8,600,000 on 5 November 2018, which is to finance the purchase of two properties. The loan carries an interest at 3.32% for the first and second year of the loan, 2.95% for the third year of loan and 6.25% thereafter plus the bank cost of borrowings. The loan is secured by a first legal mortgage over the two buildings under Group's property, plant and equipment (Note 10). The term loan is repayable over 132 monthly instalments comprising of the principal amount and monthly interest. The monthly repayment commences on 17 June 2019 and will continue until 17 April 2030.

On 11 May 2022, the banking facility was revised with conversion of interest rate on the outstanding borrowing amounts of \$7,019,000. The revised loan carries an interest at 0.88% over the applicable 3-month Compound Singapore Overnight Rate Average ("SORA") for the first year of conversion, 1.08% over the applicable 3-month Compounded SORA for the second year of conversion and 2.00% the applicable 3-month Compounded SORA for the third year of conversion and thereafter.

As at the end of the reporting period, the outstanding borrowing amounts to \$4,338,000 (2024: \$5,147,000), comprising of both current and non-current loan amount of \$868,000 (2024: \$794,000) and \$3,470,000 (2024: \$4,353,000) respectively.

The Group entered into an additional banking facility amounting to \$3,000,000 on 9 April 2020, which can be drawn down based on the Group's financing requirements. The loan carries an interest at 2.75% plus the bank cost of borrowings. The loan is secured by a corporate guarantee provided by the Company. The term loan is repayable over 60 monthly instalments comprising of the principal amount and monthly interest. The monthly repayment commences on 31 October 2020 and will continue until 30 September 2025.

As at the end of reporting period, the outstanding borrowings amounted to \$Nil (2024: \$629,000), comprising of both current and non-current loan amount of \$Nil (2024: \$629,000) and \$Nil (2024: \$Nil) respectively. The loan was fully repaid during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

26. BANK BORROWINGS (CONTINUED)

The Group bank borrowings are as follows: (Continued)

a) Term loan I (Continued)

The Group entered into two additional banking facilities amounting to \$6,000,000 and \$10,000,000 on 31 January 2023 (revised on 6 July 2023) and 6 July 2023, which can be drawn down based on the Group's financing requirements. The facilities are revolving short term loan meant for financing the building construction projects, which the limits are subjected to a step up/down schedule and are repayable by 31 August 2025 and 1 February 2026. The loans carry an interest of 1.5% per annum over the Bank's Cost of Funds as determined by the Bank on the day of transaction. The loans are secured by:

- (i) a charge over the receivables of construction contract, including charge on non-checking account for the specific property development projects; and
- (ii) the corporate guarantee provided by the Company.

As at the end of the reporting period, the outstanding borrowing amounts to \$6,000,000 (2024: \$8,000,000).

The Group entered into an additional banking facility amounting to \$18,000,000 on 20 December 2024, which can be drawn down based on the Group's financing requirements. The facility is Projects Trust Receipts meant for financing the building construction project, which the limits are subjected to a step up/down schedule and are repayable by 31 July 2026. The loans carry an interest of 1.5% per annum over the Bank's Cost of Funds as determined by the Bank on the day of transaction. The loans are secured by:

- (i) a charge over the Contracts and Contract proceeds & first Fixed Charge over account in respect of Project; and
- (ii) the corporate guarantee provided by the Company.

As at the end of the reporting period, the outstanding borrowing amounts to \$2,861,000 (2024: \$Nil).

b) Term loan II

The Group entered into a banking facility amount to \$2,000,000 on 9 April 2020. The facility is a temporary bridging loan under the Enterprise Financing Scheme for working capital requirements. The loan carries an interest at 2.75% (2024: 2.75%) per annum and is repayable over 60 monthly instalments. The loan is secured by the corporate guarantee provided by the Company.

As at the end of reporting period, the outstanding borrowings amounted to \$Nil (2024: \$432,000), comprising of both current and non-current loan amount of \$Nil (2024: \$432,000) and \$Nil (2024: \$Nil) respectively.

The Group is up to date with the scheduled repayments of the term loans and does not consider it probable that the banks will exercise its discretion to demand repayment for so long as the Group continues to meet the requirements. Further details of the Group's management of liquidity risk are set out in Note 34 to the financial statements.

Management estimates that the carrying amounts of the Group's borrowings approximate their fair values as these borrowings are at floating interest rates and repriced regularly.

Undrawn banking and credit facilities

As at 30 September 2025, the Group has undrawn banking and credit facilities of \$8.4 million (2024: \$13.5 million) in respect of which all conditions precedent had been met.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

27. LEASE LIABILITIES

	Land \$'000	Equipment \$'000	Motor vehicles \$'000	Dormitories/ Office \$'000	Total \$'000
Group					
Balance at 1 October 2024	4,116	354	208	77	4,755
Additions	14	–	19	–	33
Interest expenses (Note 6)	138	16	12	1	167
Repayment during the financial year					
– Principal portion	(467)	(84)	(54)	(77)	(682)
– Interest portion	(138)	(16)	(12)	(1)	(167)
Balance at 30 September 2025	3,663	270	173	–	4,106
Group					
Balance at 1 October 2023	4,573	429	129	1,812	6,943
Additions	29	–	146	–	175
Interest expense (Note 6)	158	19	8	44	229
Repayment during the financial year					
– Principal portion	(486)	(75)	(67)	(1,735)	(2,363)
– Interest portion	(158)	(19)	(8)	(44)	(229)
Balance at 30 September 2024	4,116	354	208	77	4,755

The maturity analysis of lease liabilities of the Group and the Company at the end of the reporting period are as follows:

	2025 \$'000	2024 \$'000
Group		
Contractual undiscounted cash flows		
– Not later than one financial year	584	810
– After one financial year but within five financial years	2,121	2,714
– More than five financial years	2,119	2,118
	4,824	5,642
Less: Future interest expense	(718)	(887)
Present value of lease liabilities	4,106	4,755
Presented in statements of financial position		
– Non-current	447	635
– Current	3,659	4,120
	4,106	4,755

The Group leases land, equipment, dormitories and warehouse in Singapore. As at 30 September 2025, the average incremental borrowing rate applied in the lease were 4.6% (2024: 4.6%).

As at 30 September 2025, the Group leased certain motor vehicles under finance lease and the average discount rate implicit in finance lease was 5.4% (2024: 5.4%).

Interest rates are fixed at the contract date. All finance leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The Group's lease liabilities of \$173,000 (2024: \$208,000) were secured over motor vehicles (Note 11).

The details for right-of-use assets are disclosed in Note 11.

The lease liabilities are denominated in Singapore dollar.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

28. PROVISIONS

	Current liabilities			Non-current liabilities	Total \$'000
	Provision for onerous contracts \$'000	Provision for warranty and defects \$'000	Provision for reinstatement \$'000	Provision for restoration costs \$'000	
Group					
30 September 2025					
Balance at beginning of financial year	5,503	1,703	1,900	512	9,618
Utilisation	(4,328)	–	(1,900)	(259)	(6,487)
Balance at end of financial year	<u>1,175</u>	<u>1,703</u>	<u>–</u>	<u>253</u>	<u>3,131</u>
30 September 2024					
Balance at beginning of financial year	9,364	1,703	1,900	512	13,479
Utilisation	(3,861)	–	–	–	(3,861)
Balance at end of financial year	<u>5,503</u>	<u>1,703</u>	<u>1,900</u>	<u>512</u>	<u>9,618</u>

During the financial year ended 30 September 2025, the Group recognised \$1,175,000 (2024: \$5,503,000) provision for the unavoidable costs of fulfilling certain construction contract with customers, that were in excess of the economic benefits expected to be received under the contract. The provision for the onerous contracts is expected to be utilised by the end of the contract term.

Provision for warranty and defects is recognised based on the claims experienced in the past and the level of repairs experienced and defaults for similar projects. A reversal of provision for warranty is made due to expiration of warranty period for completed project. The Group has undertaken to perform the necessary repairs should the work carried out by the Group fail to perform satisfactorily.

A provision is recognised for expected restoration cost in relation to properties. The provision for restoration costs are the estimated costs of dismantlement, removal or restoration of property arising from the acquisition or use of assets, which are capitalised and included in the cost of property, plant and equipment.

29. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2025 \$'000	2024 \$'000
Deferred tax assets	<u>28</u>	<u>28</u>
Deferred tax liabilities	<u>(1)</u>	<u>(1)</u>

Movements in deferred tax assets are as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning and end of financial year	<u>28</u>	<u>28</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

29. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

Movements in deferred tax liabilities are as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning and end of financial year	(1)	(1)

Deferred tax assets are attributable to the following temporary differences:

	Group	
	2025 \$'000	2024 \$'000
Accelerated tax depreciation	28	28

Deferred tax liabilities are attributable to the following temporary differences:

	Group	
	2025 \$'000	2024 \$'000
Accelerated tax depreciation	(1)	(1)

The amount of the deferred tax income or expense in respect of each type of unutilised tax losses and unutilised tax credits recognised in profit or loss are as follows:

	Accelerated tax depreciation \$'000
2025	
Balance at beginning and end of financial year	28
2024	
Balance at beginning and end of financial year	28

30. SIGNIFICANT RELATED PARTY TRANSACTIONS

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

30. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

- (b) An entity is related to the Group and the Company if any of the following conditions applies: (Continued)
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

For the purposes of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the financial statements, the Group and the Company entered into the following transactions with their related parties during the financial year at rates and terms between the parties:

	Group	
	2025 \$'000	2024 \$'000
Joint ventures		
Contract revenue from joint ventures	80	477
Interest charged to joint ventures	–	79
Advance to joint ventures	415	50
Associates		
Advance to an associate	–	2,868
Payment made on behalf of associates	4	9
Subcontract services by associates	422	410
Management fee charged to associates	331	300
Interest charge to associates	6,029	6,198
Rental charged to associates	1,656	1,179

As at end of reporting period, the outstanding balances in respect of the above related party transactions are disclosed in Note 13, 14 and 17 to the financial statements.

	Group and Company	
	2025 \$'000	2024 \$'000
Loan from ultimate shareholders		
Interest expense		
– LJHB Capital (S) Pte Ltd	520	520
– Leo Ting Ping, Ronald	308	309

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

30. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

Compensation of key management personnel

The remuneration of the key management personnel of the Group during the financial year was as follows:

	Group	
	2025 \$'000	2024 \$'000
<i>Directors of the Company</i>		
– Short-term benefits	879	921
– Post-employment benefits	17	14
– Directors' fees	237	162
<i>Other key management personnel</i>		
– Short-term benefits	793	600
– Post-employment benefits	61	44
	1,987	1,741

31. COMMITMENTS

Operating lease commitments

Group as a lessor

The Group lease out its warehouse to third parties and an associate under non-cancellable operating leases. These leases have a tenure range from 1 to 2 financial years with options to renew.

Future minimum rentals receivables under non-cancellable operating leases as at the reporting date are as follows:

	Group	
	2025 \$'000	2024 \$'000
Not later than one financial year	1,242	1,858
Later than one financial year but not later than five financial years	–	1,242
	1,242	3,100

32. FINANCIAL GUARANTEES

As at 30 September 2025, the Company has issued corporate guarantees amounting to \$74,353,000 (2024: \$151,894,000) to banks for banking facilities of certain subsidiaries and associate.

The maximum amount of the Company could be forced to settle under the guarantees obligation if the full guaranteed amount is claimed by the counterparties to the guarantees, is \$65,984,000 (2024: \$151,894,000). The earliest period that the guarantees could be called is within 1 year from reporting date. As at 30 September 2025, the Group and the Company have accounted for a corporate guarantee liability of \$228,000 (2024: \$894,000) (Note 25).

The Company has not recognised any liability in respect of the guarantees given to the banks for banking facilities granted to the subsidiaries and an associate as the Company's directors have assessed that the likelihood of defaulting on repayment of its banking facilities are remote. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

As at the end of the financial year, the Company had also given undertakings to certain subsidiaries to provide continued financial support to these subsidiaries to enable them to operate as going concerns and to meet their obligations as and when they fall due for at least 12 months from the financial year end.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

33. SEGMENT INFORMATION

For management reporting purposes, the Group is organised into four main operating divisions as follows:

- The construction segment is in the business of general building contractors.
- The property development segment is in the business of developing properties with other partners. The Group has investments in associates or joint ventures and available-for-sale financial assets which are special purpose entities set up for the purpose of property development. The returns from this segment is included in the "Share of results from associates or joint ventures".
- The investment property segment is in the business of leasing office and retail shops in two commercial buildings acquired in Osaka Japan. The Group has completed the disposal of its investment properties on 28 February 2023.
- Investment holding segment is related to Group-level corporate services and investments in quoted and unquoted equity shares.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit from operations.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. There is no asymmetrical allocation to reportable segments. Management evaluates performance on the basis of profit or loss from operations before tax expense not including non-recurring gains and losses and foreign exchange gains or losses.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

	Buildings and construction \$'000	Property development \$'000	Investment property \$'000	Investment holding \$'000	Elimination \$'000	Total \$'000
Group						
2025						
Revenue						
External revenue	182,368	–	–	–	–	182,368
Inter-segment sales	–	131	–	–	(131)	–
	<u>182,368</u>	<u>131</u>	<u>–</u>	<u>–</u>	<u>(131)</u>	<u>182,368</u>
Profit from operations						
Share of results from joint ventures, net of tax	–	85	–	–	–	85
Share of results from associates, net of tax	–	(9,897)	–	–	–	(9,897)
Interest income	6,194	–	–	20	–	6,214
Interest expenses	(762)	–	–	(828)	–	(1,590)
Reversal of loss allowance for long term interests	–	3,600	–	–	–	3,600
Depreciation and amortisation	(2,722)	–	–	–	–	(2,722)
Reportable segment profit/(loss) before income tax	17,162	(5,834)	(32)	(1,142)	–	10,154
Net profit/(loss) for the financial year after tax	17,162	(5,834)	(32)	(1,142)	–	10,154
Other information:						
Additions to non-current assets	276	–	–	–	–	276
Investments in joint ventures	–	4,507	–	–	–	4,507
Investments in associates	–	20,899	–	–	–	20,899
Segment assets	105,956	69,069	–	2,723	–	177,748
Segment liabilities	101,642	2,105	–	13,773	–	117,520

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

33. SEGMENT INFORMATION (CONTINUED)

	Buildings and construction \$'000	Property development \$'000	Investment property \$'000	Investment holding \$'000	Elimination \$'000	Total \$'000
Group						
2024						
Revenue						
External revenue	172,597	–	–	–	–	172,597
Inter-segment sales	–	206	–	–	(206)	–
	<u>172,597</u>	<u>206</u>	<u>–</u>	<u>–</u>	<u>(206)</u>	<u>172,597</u>
Loss from operations						
Share of results from joint ventures, net of tax	–	44	–	–	–	44
Share of results from associates, net of tax	–	(10,642)	–	–	–	(10,642)
Interest income	6,313	–	–	31	–	6,344
Interest expenses	(1,309)	–	–	(829)	–	(2,138)
Provision for loss allowance for long term interests	–	(4,000)	–	–	–	(4,000)
Impairment reversed on investment of an associate	–	27,285	–	–	–	27,285
Depreciation and amortisation	(4,896)	–	–	–	–	(4,896)
Reportable segment (loss)/profit before income tax	(15,284)	12,768	(35)	(1,365)	–	(3,916)
Net (loss)/profit for the financial year after tax	(15,284)	12,768	(35)	(1,365)	–	(3,916)
Other information:						
Additions to non-current assets	420	–	–	–	–	420
Investments in joint ventures	–	4,453	–	–	–	4,453
Investments in associates	–	26,480	–	–	–	26,480
Segment assets	113,205	37,409	385	9,135	–	160,134
Non current assets held for sale	–	34,117	–	–	–	34,117
Segment liabilities	<u>127,238</u>	<u>2,116</u>	<u>9</u>	<u>14,387</u>	<u>–</u>	<u>143,750</u>

	Group	
	2025 \$'000	2024 \$'000
Non-current assets		
Singapore	<u>38,638</u>	<u>46,585</u>

Non-current assets consist of property, plant and equipment, right-of-use assets, intangible assets, investments in associates and investments in joint ventures.

Major customers

During the financial year, the Group's revenue attributable to 3 (2024: 3) customers represent approximately 83% (2024: 79%) of total revenue. Revenue from certain customers (named alphabetically A to C of the Group's construction segment amount to approximately \$152,389,000 (2024: \$139,193,000). The details of these customers which individually contributed 10 percent or more of the Group's revenue in the financial year are as follows:

	2025		2024	
	\$'000	%	\$'000	%
Customer A	73,866	40	90,561	51
Customer B	41,827	23	26,631	15
Customer C	36,696	20	22,001	13
	<u>152,389</u>	<u>83</u>	<u>139,193</u>	<u>79</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

34. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

The Group's and the Company's activities expose them to credit risk, market risk (including equity price risk, foreign exchange risk and interest rate risk) and liquidity risk. The Group and the Company do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange rates.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group and the Company. The Group's and the Company's management then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

There has been no change to the Group's and the Company's exposures to these financial risks or the manner in which it manages and measures the risk.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a loss to the Group. The Group's major classes of financial assets are trade and other receivables, contract assets, financial assets at FVTOCI and cash and bank balances. The Group has adopted a policy of only bidding for contracts from developers with good financial standings. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collaterals.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position, except as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Committed corporate guarantees provided to banks for subsidiaries' and associate's banking facilities as at the end of reporting period	65,984	151,894	853	1,268

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics except as follows:

- At the end of the reporting period, the Group has outstanding trade receivables from 4 (2024: 5) customers which represent 83% (2024: 93%) of total trade receivables balance.
- At the end of the reporting period, the retention sum from 1 (2024: 1) customers represent 100% (2024: 100%) of total retention sum receivables.

The Group defines counterparties as having similar characteristics if they are related entities. Ongoing evaluation is performed on the financial condition of accounts receivable.

Trade receivables and contract assets

Expected credit loss model is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the model to adjust historical credit loss experience with industry future outlook. At each reporting period, historical default rates are updated and change in the industry future outlook is reassessed. The Group and the Company also evaluate expected credit loss on credit-impaired receivables separately at each reporting period.

The expected credit loss computed is derived from historical data and credit assessment includes forward-looking information which management view is representative of the customers' credit situation at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

34. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Trade receivables and contract assets (Continued)

The following table provides information about the exposure to credit loss for trade receivables and contract assets as at the end of reporting period:

	Expected credit loss rates	Group		Carrying amount \$'000
		Gross carrying amount \$'000	Loss allowance \$'000	
2025				
<u>Trade receivables</u>				
Not past due	0%	4,283	–	4,283
Past due but not impaired				
– less than 1 month	0%	428	–	428
– 1 to 3 months	0%	44	–	44
– 3 to 6 months	0%	115	–	115
– over 6 months	6%	4,672	(305)	4,367
<u>Contract assets</u>				
Not past due	4%	34,641	(1,474)	33,167
		44,183	(1,779)	42,404
2024				
<u>Trade receivables</u>				
Not past due	0%	17,700	–	17,700
Past due but not impaired				
– less than 1 month	0%	66	–	66
– 1 to 3 months	0%	303	–	303
– 3 to 6 months	0%	103	–	103
– over 6 months	7%	4,230	(302)	3,928
<u>Contract assets</u>				
Not past due	7%	30,875	(2,121)	28,754
		53,277	(2,423)	50,854

A loss allowance of \$1,779,000 (2024: \$2,423,000) related to trade receivables and contract assets was recognised for trade receivables and contract assets.

Management believes that no impairment allowance is necessary for the remaining trade receivables and contract assets as these are well known customer and government agencies, with good collection track record and no recent history of default, hence the expected credit loss is not material.

Retention sum

The Group's impaired retention sum as at 30 September 2025 amounted to \$3,693,000 (2024: \$3,669,000). The impaired retention sum related to customers who had indicated that they were not likely to repay the outstanding balances due to economic circumstances or who have defaulted in payment terms. The Group has assessed expected credit loss allowance for remaining retention sum based on 12-month expected credit loss model. Management is of the view that loss allowance on remaining retention sum is insignificant.

Non-trade amounts due from third parties

The Group has assessed expected credit loss for non-trade amounts due from third parties based on 12-month expected credit loss model. The expected credit loss of these receivables is recognised at \$1,722,000 (2024: \$1,720,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

34. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Non-trade amounts due from joint ventures

In determining the recoverability of receivable from the joint ventures, the Group considers the financial performance of the joint ventures. The expected credit loss of these receivables is recognised at \$1,254,000 (2024: \$1,254,000).

Non-trade amounts due from joint operation

In determining the recoverability of receivable from the joint operation, the Group considers the financial performance of the joint operation. The expected credit loss of these receivables has remained unchanged at \$1,324,000 (2024: \$1,324,000).

Non-trade amounts due from associates

For non-trade amounts due from associates, the Group have taken into account the financial strength and financial performance of the associates. The Group monitor and assess at each reporting date for any indicator of significant increase in credit risk on the amounts due from associates, by considering their financial performance.

At the end of the reporting period, the Group has assessed the associates' financial performance to meet the contractual cash flow obligations and have recognised an expected credit loss allowance of \$819,000 (2024: \$815,000) for non-trade amounts due from associates (Note 17).

Non-trade amounts due from subsidiaries

For non-trade amounts due from subsidiaries and the amounts due from subsidiaries which formed part of the Company's net investment in subsidiaries, the Board of Directors has taken into account information that available internally about these subsidiaries' past, current and expected operating performance and cash flow position. The Board of Directors monitors and assesses at each reporting date of any indicator of significant increase in credit risk on the amount due from the respective subsidiaries, by considering their financial performance and results. At the end of the reporting period, the Company has assessed its subsidiaries financial performance to meet the contractual cash flow obligations and has recognised expected credit loss allowance of \$Nil (2024: \$Nil) for non-trade amounts due from subsidiaries (Note 17).

Cash and bank balances

The cash and bank balances are held with bank and financial institution counterparties, which are rated A3 to Aa1 for long-term deposit and P2 to P1 for short term deposit, based on Moody's rating. The Board of Directors monitors the credit ratings of counterparties regularly. Impairment on cash and bank balances has been measured on the 12-month expected credit loss model. At the reporting date, the Group and the Company did not expect any material credit losses from non-performance by the counterparties.

Market risk

Market risk is the risk that changes in market prices, such as equity prices, foreign exchange rates and interest rates that will affect the Group's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

(i) Equity prices

The Group is exposed to equity price risks arising from equity investments classified as financial assets at FVTOCI. Equity investments carried at FVTOCI are held for strategic reasons rather than trading purpose. The Group does not actively trade equity investments.

Further details of these equity investments can be found in Note 16 to the financial statements.

Equity price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

34. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Market risk (Continued)

(i) Equity prices (Continued)

Equity price sensitivity analysis (Continued)

In respect of quoted equity investments carried at FVTOCI, if the prices for equity securities listed on the Catalist Board of the Singapore Exchange Securities Trading Limited had been 34% (2024: 33%) higher or lower with all other variables including tax rate being held constant, the effects on loss after tax and other comprehensive income would be as follows:

- The Group's net profit/(loss) for the financial years ended 30 September 2025 and 30 September 2024 would have been unaffected as the equity investments are classified as financial assets at FVTOCI and no investments were disposed of or impaired; and
- The Group's fair value reserves would increase or decrease by \$759,000 (2024: \$776,000).

The equity price sensitivity analysis for unquoted equity investments carried at FVTOCI is disclosed in Note 36.

(ii) Foreign exchange risk management

Currency risk arises from transactions denominated in currency other than the functional currency of the entities within the Group. The currencies that give rise to this risk are primarily United States dollar, Malaysian Ringgit and Maldives rufiyaa.

It is not the Group's policy to take speculative positions in foreign currency.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the functional currency of the entities within the Group are as follows:

	Assets		Liabilities	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
United States dollar	55,942	120,002	626	609
Malaysian Ringgit	1	1	–	–
Maldives rufiyaa	65	314	–	–

The Group has foreign operations, whose net assets are exposed to currency translation risk. The Group does not currently designate its foreign currency denominated debt as a hedging instrument for the purpose of hedging the translation of its foreign operations.

Exposure to foreign currency risk is monitored on an ongoing basis in accordance with the Group's risk management policies to ensure that the net exposure is at an acceptable level.

Foreign currency sensitivity analysis

The following table details the sensitivity to a 5% (2024: 5%) increase and decrease in the relevant foreign currencies against the functional currency of the entities within the Group. The 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents the management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2024: 5%) change in foreign currency rates. The sensitivity analysis includes loans to foreign operations within the Group where they gave rise to an impact to the Group's profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

34. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Market risk (Continued)

(ii) Foreign exchange risk management (Continued)

Foreign currency sensitivity analysis (Continued)

If the relevant foreign currency strengthen or weakens by 5% against the functional currency of each group entity, profit or loss will increase/(decrease) by:

Group	Profit or loss	
	2025 \$'000	2024 \$'000
United States dollar		
Strengthens against functional currencies*	2,797	6,000
Weakens against functional currencies*	(2,797)	(6,000)
Malaysian Ringgit		
Strengthens against functional currencies#	–	–
Weakens against functional currencies#	–	–
Maldives rufiyaa		
Strengthens against functional currencies	3	16
Weakens against functional currencies	(3)	(16)

* Primary Singapore dollar and Japanese yen

Primary Singapore dollar

(iii) Interest rate risk

The Group's exposure to market risk for changes in interest rates relate primarily to variable rate bank borrowings with financial institutions. The Group maintains an efficient and optimal interest cost structure using a combination of fixed and variable rate debts, and long and short term borrowings.

The exposure of the Group's borrowings to interest rate changes and contractual repricing dates as at the end of the reporting period are as follows:

	Weighted average effective interest rate		Group	
	2025 %	2024 %	2025 \$'000	2024 \$'000
Within 6 months	3.16	4.31	9,292	8,921
After 6 months but within 12 months	3.71	3.53	437	934
After one year but within five financial years	3.71	5.60	3,470	3,660
After five financial years	3.71	5.60	–	693
Total			13,199	14,208

The Company is not exposed to significant interest rate risk.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

34. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Market risk (Continued)

(iii) Interest rate risk (Continued)

Interest rate sensitivity analysis (Continued)

If interest rate had been 50 basis points higher or lower and all other variables were held constant, the Group's loss for the financial year ended 30 September 2025 would decrease/increase by \$66,000 (2024: decrease/increase by \$71,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

The Company's profit or loss and equity are not significantly affected by the changes in interest rates as the Company has no significant variable interest-bearing financial instruments.

Liquidity risk

Liquidity risk refers to the risk in which the Group and the Company encounter difficulties in meeting their short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle.

The Group and the Company actively manage their operating cash flows so as to ensure that all repayment needs are met. As part of overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash to meet working capital requirements.

The following tables detail the Group's and the Company's remaining contractual maturity for financial instruments. The tables has been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group and the Company are expected to pay. The tables includes both interest and principal cash flows.

Contractual maturity analysis

	Within one financial year \$'000	After one financial year but within five financial years \$'000	After five financial years \$'000	Total \$'000
Group				
30 September 2025				
Financial liabilities				
Trade and other payables (excluding Goods and Services Tax payable and corporate guarantee liability)	61,910	17,600	–	79,510
Corporate guarantee liability	304	–	–	304
Bank borrowings	9,914	3,706	–	13,620
Lease liabilities	584	2,121	2,119	4,824
30 September 2024				
Financial liabilities				
Trade and other payables (excluding Goods and Services Tax payable and corporate guarantee liability)	78,313	18,053	–	96,366
Corporate guarantee liability	1,192	–	–	1,192
Bank borrowings	10,190	4,249	707	15,146
Lease liabilities	810	2,714	2,118	5,642

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

34. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Liquidity risk (Continued)

Contractual maturity analysis (Continued)

	Within one financial year \$'000	After one financial year but within five financial years \$'000	After five financial years \$'000	Total \$'000
Company				
30 September 2025				
Financial liabilities				
Trade and other payables	1,624	12,750	–	14,374
Corporate guarantee liability	304	–	–	304
Financial guarantee contracts	74,353	–	–	74,353
30 September 2024				
Financial liabilities				
Trade and other payables	1,566	13,167	–	14,733
Corporate guarantee liability	1,192	–	–	1,192
Financial guarantee contracts	151,000	–	–	151,000

35. CAPITAL MANAGEMENT POLICIES AND OBJECTIVES

The Group and the Company manage their capital to ensure that the Group and the Company are able to continue as going concern and maintains an optimal capital structure so as to maximise shareholder's value. The Group and the Company are subject to and complied with externally imposed capital requirements which are financial covenants for the financial years ended 30 September 2025 and 2024, as disclosed in Note 26 to the financial statements.

The Group and the Company constantly review the capital structure to ensure the Group and the Company are able to service any debt obligations (include principal repayment and interests) based on its operating cash flows. The Group's and the Company's overall strategy remain unchanged during the financial years ended 30 September 2025 and 2024.

The Group and the Company monitor capital based on a gearing ratio, which is net debt divided by total capital. The Group and the Company include within net debt, trade and other payables, bank borrowings, and lease liabilities less cash, bank balances and fixed deposits which are not pledged. Total equity consists of total share capital, other reserves plus retained earnings. Total capital consists of net debt plus total equity.

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Trade and other payables	79,046	97,098	13,773	14,382
Bank borrowings	13,199	14,208	–	–
Lease liabilities	4,106	4,755	–	–
Less: Cash, bank balances and fixed deposits which are not pledged	(26,751)	(20,775)	(447)	(1,719)
Net debt	69,600	95,286	13,326	12,663
Total equity	60,228	50,501	48,128	48,000
Total capital	129,828	145,787	61,454	60,663
Gearing ratio (%)	53.6	65.4	21.7	20.9

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2025

36. FAIR VALUE

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis

The table below presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

- 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 assets or liabilities, either directly (i.e. as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

	Level 1 \$'000
Group and Company	
30 September 2025	
Financial assets	
Financial assets, at FVTOCI	
– Quoted equity shares	2,265
30 September 2024	
Financial assets	
Financial assets, at FVTOCI	
– Quoted equity shares	2,385

There were no transfers between levels of the fair value hierarchy during the financial year.

The carrying amounts of the Group's and Company's current financial assets and current financial liabilities approximate their fair values as at the end of the reporting periods due to the relatively short period of maturity of these financial instruments. The management considers that the fair values of Group's and Company's non-current financial liabilities were not materially different from their carrying amounts at the end of the reporting years except as disclosed in Note 25 to the financial statements.

37. CATEGORIES OF FINANCIAL INSTRUMENTS

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial assets				
Financial assets at FVTOCI	2,265	2,385	2,265	2,385
Financial assets at amortised cost	101,839	79,155	31,363	31,717
Financial liabilities				
Financial liabilities at amortised cost	96,215	114,977	13,773	14,382

38. SUBSEQUENT EVENT

Subsequent to 30 September 2025, the Group completed the striking off of its wholly-owned subsidiaries, Grandwood Holdings Pte. Ltd. and Grandwood (Japan) Pte. Ltd. The Group does not expect the striking off to have any material impact on the Group's consolidated financial statements for the financial year ended 30 September 2025.

ANALYSIS OF SHAREHOLDINGS

AS AT 2 MARCH 2026

Issued and Fully Paid-Up Capital (including Treasury Shares):	S\$25,817,265
Issued and Fully Paid-Up Capital (excluding Treasury Shares):	S\$22,514,415
Number of Issued Shares (excluding Treasury Shares):	235,010,000
Number/Percentage of Treasury Shares:	7,555,000 (3.21%)
Class Of Shares:	Ordinary shares
Voting Rights (excluding Treasury Shares):	One Vote Per Share

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	3	0.82	100	0.00
100 – 1,000	40	10.99	18,600	0.01
1,001 – 10,000	117	32.14	726,220	0.31
10,001 – 1,000,000	192	52.75	19,806,182	8.43
1,000,001 AND ABOVE	12	3.30	214,458,898	91.25
TOTAL	364	100.00	235,010,000	100.00

Based on the information available to the Company, as at 2 March 2026, approximately 13.30% of the issued ordinary shares of the Company is held by the public. Hence, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

TOP TWENTY SHAREHOLDERS AS AT 2 MARCH 2026	NO. OF SHARES	%
CITIBANK NOMINEES SINGAPORE PTE LTD	113,218,720	48.18
LJHB CAPITAL (S) PTE LTD	61,411,398	26.13
IFAST FINANCIAL PTE LTD	9,586,300	4.08
DBS NOMINEES PTE LTD	8,847,300	3.76
LEO TING PING RONALD	5,231,180	2.22
BNP PARIBAS NOMINEES SINGAPORE PTE LTD	5,000,000	2.13
LIM SIAK MENG	3,835,800	1.63
LIM EWE GHEE	2,000,000	0.85
LEO SHU YAN, NICOLE (LIANG SHUYAN)	1,700,000	0.72
TEOU KEM ENG @ TEOU KIM ENG	1,402,000	0.60
CHEONG SHUEK MUI	1,132,900	0.48
RAFFLES NOMINEES (PTE) LIMITED	1,093,300	0.47
TEOU CHUN TONG JASON	1,000,000	0.42
ANG JUI KHOON	835,900	0.36
TEOU CHOON GEE	746,500	0.32
CHOW KWOK HONG	700,000	0.30
LIM AH KAW@LIM LAN CHING	647,000	0.28
LIM AND TAN SECURITIES PTE LTD	588,000	0.25
LEE KOK LOONG	554,000	0.23
TAY LIAN CHEE	543,600	0.23
	220,073,898	93.64

ANALYSIS OF SHAREHOLDINGS

AS AT 2 MARCH 2026

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 2 MARCH 2026 AS RECORDED IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

SUBSTANTIAL SHAREHOLDERS	NO. OF SHARES HELD AS DIRECT	%	NO. OF SHARES HELD AS DEEMED	%
LEO TING PING RONALD ¹	5,231,180	2.23	22,500,000	9.57
LJHB CAPITAL (S) PTE. LTD. ²	61,411,398	26.13	111,525,620	47.46
FOREVERTRUST INTERNATIONAL (S) PTE. LTD. ³	–	–	172,937,018	73.59
LJHB HOLDINGS (S) PTE. LTD. ⁴	–	–	172,937,018	73.59
LIU HAIYAN ⁵	–	–	172,937,018	73.59

Notes:

- ¹ Mr Leo Ting Ping Ronald is deemed interested in 5,000,000 shares held in the name of BNP Paribas Nominees Singapore Pte Ltd, 7,500,000 shares held in the name of DBS Nominees Pte Ltd and 10,000,000 shares held in the name of Citibank Nominees Singapore Pte Ltd.
- ² LJHB Capital (S) Pte. Ltd. ("LJHB Capital") is deemed interested in 102,359,020 shares held in the name of Citibank Nominees Singapore Pte. Ltd. and 9,166,600 shares held in the name of iFast Financial Pte Ltd.
- ³ Forevertrust International (S) Pte. Ltd. ("Forevertrust") is the holding company of LJHB Capital and is therefore deemed to have interest in the shares held through LJHB Capital.
- ⁴ LJHB Holdings (S) Pte. Ltd. ("LJHB Holdings") is the holding company of Forevertrust and is therefore deemed to have interest in the shares held through LJHB Capital, its indirect wholly-owned subsidiary.
- ⁵ Liu Haiyan is the sole shareholder of LJHB Holdings.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eighteenth Annual General Meeting (“AGM” or “Meeting”) of Keong Hong Holdings Limited (the “Company”) will be held at Banquet Hall, Sembawang Country Club, 249 Sembawang Road, Singapore 758352 on Tuesday, 31 March 2026 at 10.30 a.m. for the purpose of transacting the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and Audited Financial Statements for the financial year ended 30 September 2025 and the Auditor’s Report thereon. **Resolution 1**
2. To approve the proposed Directors’ Fees of S\$237,250 for the financial year ended 30 September 2025. (2024: S\$161,667) **Resolution 2**
3. To approve the payment of Directors’ Fees of S\$54,850 for the period from 1 October 2025 to 31 March 2026 [See Explanatory Note (a)] **Resolution 3**
4. To re-elect Mr Xu Quanqiang, who is retiring by rotation as a Director pursuant to Article 117 of the Company’s Constitution [See Explanatory Note (b)] **Resolution 4**
5. To record the retirement of the following Directors pursuant to Article 117 of the Company’s Constitution at the conclusion of the AGM:–
 - (i) Mr Chong Wai Siak [See Explanatory Note (c)]
 - (ii) Mr Koh Tee Huck Kenneth [See Explanatory Note (d)]
6. To re-appoint Forvis Mazars LLP as Auditor of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modifications, the following Ordinary Resolution:

7. **Share Issue Mandate** **Resolution 6**

“That pursuant to Section 161 of the Companies Act 1967 (Singapore) (the “Act”) and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) (“Listing Manual”), the Directors of the Company be authorised and empowered to:

 - (a) allot and issue shares in the capital of the Company (“Shares”) whether by way of rights, bonus or otherwise; and/or
 - (b) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit pursuant to Section 161 of the Act and Rule 806 of the Listing Manual; and
 - (c) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force, notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time of such issuance of Shares,

NOTICE OF ANNUAL GENERAL MEETING

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution), shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed twenty per cent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of total issued Shares shall be based on the total issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (i) new Shares arising from the conversion or exercise of any convertible securities;
 - (ii) new Shares arising from exercising of share options or vesting of share awards outstanding and/or subsisting at the time of the passing of this Resolution, provided the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Mainboard Rules; and
 - (iii) any subsequent bonus issue, consolidation or sub-division of Shares.
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Mainboard Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and the Constitution for the time being of the Company; and
- (4) the authority conferred by this Resolution shall, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.”
[See Explanatory Note (e)]

By Order of the Board

Lim Guek Hong
Company Secretary

16 March 2026
Singapore

Explanatory Notes:

- (a) The Directors' Fees of \$54,850, if approved, will be paid to Mr Chong Wai Siak and Mr Koh Tee Huck Kenneth, who will retire at the forthcoming AGM. Each of them will receive Directors' fees of \$27,425 for the period from 1 October 2025 to 31 March 2026.
- (b) Detailed Information pursuant to Rule 720(6) of the Listing Manual of the SGX-ST on Mr Xu Quanqiang can be found on pages 134 and 135 of the Annual Report.
- (c) In relation to item 5(i) above, Mr Chong Wai Siak, who is due for retirement by rotation pursuant to Article 117 of the Company's Constitution at the forthcoming AGM, will not be seeking re-election. Mr Chong Wai Siak will retire from the Board of Directors at the conclusion of the AGM. He will also relinquish his positions as the Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee.
- (d) In relation to item 5(ii) above, Mr Koh Tee Huck Kenneth, who is due for retirement by rotation pursuant to Article 117 of the Company's Constitution at the forthcoming AGM, will not be seeking re-election. Mr Koh Tee Huck Kenneth will retire from the Board of Directors at the conclusion of the AGM. He will also relinquish his positions as the Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee.

NOTICE OF ANNUAL GENERAL MEETING

- (e) The Ordinary Resolution 6 proposed in item 7 above, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting whichever is the earlier, to allot and issue Shares and/or the convertible securities. The aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) which the Directors may allot and issue under this Resolution, shall not exceed fifty per cent (50%) of the total issued Shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of Shares and/or convertible securities other than on a pro-rata basis to all existing shareholders of the Company shall not exceed twenty per cent (20%) of the total issued Shares (excluding treasury shares and subsidiary holdings).

Notes:

1. Conduct of Meeting

The AGM will be held, in a wholly physical format, at the venue, date and time stated above. Members, including CPF and SRS investors, and (where applicable) duly appointed proxies or representatives will be able to ask questions and vote at the AGM by attending the AGM in person. There will be no option for shareholders to participate virtually.

2. Annual Report 2025, Notice of AGM and Proxy Form

Documents relating to the business of the AGM which comprise the Company's Annual Report 2025, Notice of AGM and Proxy Form have been published on SGX website at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://www.keonghong.com/newsroom.html>. Printed copies of this Notice and the accompanying Proxy Form will be despatched by post to the Members accordingly.

Members may request for printed copies of the Annual Report 2025 of the Company by completing and submitting the request form sent to them by post together with printed copies of this Notice of AGM and the accompanying proxy form, no later than 24 March 2026 to the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896.

3. Submission of Questions relating to the Agenda of the AGM

Members, including CPF and SRS investors, can submit questions relating to the business of the AGM in advance by **5.00 p.m. on 24 March 2026**:

- (a) by post to the Company's registered address at 20 Chin Bee Drive, Singapore 619866; or
- (b) via email at ir@keonghong.com.

When submitting questions by post or via email, members should provide the following details; (i) the member's full name; (ii) his/her/its identification/registration number; (iii) contact for verification purposes; and (iv) the manner in which the member holds shares in the Company (e.g. via CDP, CPF, SRS and/or scrip), for verification purposes.

4. Publication of Responses

The Company will endeavour to address all substantial and relevant questions (which are related to the resolutions to be tabled for approval at the AGM) received from members by publishing its responses to such questions on the Company's corporate website at <https://www.keonghong.com/newsroom.html> and the SGX website at <https://www.sgx.com/securities/company-announcements>, at least 48 hours prior to the deadline for the submission of Proxy Form, or at AGM.

If there are any relevant and subsequent questions received after the deadline for submission of questions on **24 March 2026**, the Company will address them during the AGM. For questions which are addressed during the AGM, the responses to such questions will be included in the minutes of AGM which will be published on the SGX website and the Company's website within one (1) month after the date of AGM.

5. Submission of Proxy Forms

- (a) The instrument appointing proxy(ies) must be submitted to the Company in the following manner:

- (i) If submitted by post, be lodged at the office of the Company's Share Registrar, B.A.C.S Private Limited, at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896; or
- (ii) If submitted electronically, be submitted via email to the Company's Share Registrar at main@zicoholdings.com

in either case, by **10.30 a.m. on 28 March 2026**, being 72 hours before the time appointed for holding the AGM.

- (b) Members are strongly encouraged to submit the completed proxy form electronically.

NOTICE OF ANNUAL GENERAL MEETING

- (c) CPF/SRS investors who hold the Company's shares:
- (i) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operations if they have any queries regarding their appointment as proxies; or
 - (ii) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 19 March 2026**.
- (d) The instrument of proxy must be signed by the appointor or his attorney duly authorised in writing. In the case of joint shareholders, all holders must sign the instrument of proxy.

Personal data privacy:

By submitting an instrument appointing proxy/proxies to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of proxy/proxies for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy/proxies and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy/proxies and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy/proxies and/or representative(s) for the Purposes (the "**Warranty**"), and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of Warranty. Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes to be prepared for the Meeting. Accordingly, the personal data of a member of the Company (such as his name, his presence at the Meeting and any questions he may raise or motions he may propose/second) may be recorded by the Company for such purpose.

ADDITIONAL INFORMATION ON DIRECTOR SEEKING RE-ELECTION

Mr Xu Quanqiang, (“Mr Xu”) is the Director seeking re-election at the annual general meeting of the Company on 31 March 2026 (“AGM”).

Pursuant to Rule 720(6) of the Listing Manual of SGX-ST, the information relating to Mr Xu is as set out in Appendix 7.4.1 to the Listing Manual of SGX-ST is set out below:

Name of Director	Xu Quanqiang
Date of appointment	29 March 2021
Date of last re-appointment (if applicable)	28 March 2024
Age	47
Country of principal residence	Singapore
The Board’s comments on this re-appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	<p>The Board has considered, among others, the recommendation of the NC and has reviewed and considered the performance, contributions, qualifications, expertise, work experience and suitability of Mr Xu Quanqiang (“Mr Xu”) for re-election as the Interim Chief Executive Officer and Executive Director of the Company.</p> <p>The Board has accepted the NC’s recommendation and concluded that Mr Xu continues to possess the experience, expertise, knowledge and skills to contribute positively towards core competencies and diversity of the Board. With his in-depth knowledge of strategic growth planning in the asset investment space, Mr Xu is in a good position to manage the Group’s investments.</p>
Whether Board appointment is executive, and if so, the area of responsibility	The appointment is Executive.
Job Title (e.g. Lead ID, AC Chairman, AC Member)	Interim Chief Executive Officer & Executive Director.
Academic/Professional qualifications	Master of Business Administration, University of South Australia
Working experience and occupation(s) during the past 10 years	Mr Xu is the Chief Executive Officer of LJHB Holdings (S) Pte Ltd (“LJHB”), LJHB Capital (S) Pte Ltd, LJHB USA Inc, Forevertrust International (S) Pte Ltd and Continental Hope Singapore Industrial Development Pte. Ltd. Prior to joining LJHB, Mr Xu was the CEO of Ronghua Group Pte Ltd, a provider of healthcare solutions. His previous appointments also include Regional General Manager of GIC Group Pte Ltd, Country General Manager of BSI Group Singapore Pte Ltd, and Assistant Vice President (Sales) of TUV SUD PSB Pte Ltd. Mr Xu was a Director of BSI Group Singapore Pte Ltd from 2013 to 2016. He currently sits on the board of PT Forevertrust International Indonesia, Forevertrust International (S) Pte Ltd, FT Development Pte. Ltd., Kori Holdings Limited, Wisewind International Pte. Ltd. and Pristine Islands Investment Pte. Ltd.
Any relationship (including immediate family relationships) with any existing director/existing executive officer of the Company or any of its principal subsidiaries and/or substantial shareholder	No
Conflict of interest (including any competing business)	No

ADDITIONAL INFORMATION ON DIRECTOR SEEKING RE-ELECTION

Name of Director	Xu Quanqiang
Other Principal Commitments including Directorships	
Past 5 years	<ol style="list-style-type: none"> 1. BSI Group Singapore Pte Ltd 2. Innotruster Pte Ltd 3. Wisestone Pte Ltd 4. Grandwood Holdings Pte. Ltd. 5. Grandwood (Japan) Pte. Ltd.
Present	<p>Directorships:</p> <ol style="list-style-type: none"> 1. PT Forevertrust International Indonesia 2. LJHB Capital (S) Pte Ltd 3. Forevertrust International (S) Pte Ltd 4. FT Development Pte. Ltd. 5. Kori Holdings Limited 6. Wisewind International Pte. Ltd. 7. Pristine Islands Investment Pte. Ltd. <p>Principal Commitments:</p> <ol style="list-style-type: none"> 1. LJHB Capital (S) Pte Ltd – Chief Executive Officer 2. LJHB USA Inc – Chief Executive Officer 3. LJHB Holdings (S) Pte Ltd – Chief Executive Officer 4. Forevertrust International (S) Pte Ltd – Chief Executive Officer 5. Continental Hope Singapore Industrial Development Pte. Ltd. – Chief Executive Officer

Mr Xu Quanqiang, has provided an undertaking set out in Appendix 7.7 under Rule 720(1) of SGX-ST.

Mr Xu confirmed that on each of the questions as set out in paragraphs (a) to (k) of Appendix 7.4.1 of the Listing Manual of the SGX-ST, the answer is “No”.

The shareholding interest in the Company and its subsidiaries of Mr Xu is disclosed in the Directors’ Statement on page 49 of the Annual Report.

The disclosure on prior experience as a director of an issuer listed on the Exchange and details of prior experience is not applicable as this disclosure is only applicable to the appointment of a new director.

PROXY FORM

(Please see notes overleaf before completing this form)

<p>Important</p> <ol style="list-style-type: none"> The Eighteenth Annual General Meeting (“AGM” or “Meeting”) will be held, in a wholly physical format, at the venue, date and time stated below. There will be no option for members to participate virtually. Pursuant to Section 181(1C) of the Companies Act 1967 (the “Act”), relevant intermediaries may appoint more than two proxies to attend, speak and vote at the AGM. For investors who have used their Central Provident Fund or Supplementary Retirement Scheme monies to buy Shares in the Company (the “CPF Investors” or “SRS Investors”), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF and SRS investors: <ol style="list-style-type: none"> may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 19 March 2026. Please read the notes overleaf which contain instructions on, <i>inter alia</i>, the appointment of a proxy/proxies to vote on his/her/its behalf at the Meeting. <p>Personal Data Privacy By submitting an instrument appointing proxy/proxies and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 16 March 2026.</p>

I/We _____ (Name) _____ (NRIC/Passport/Unique Entity Number)
of _____ (Address)
being a member/members of KEONG HONG HOLDINGS LIMITED hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing the person, or either or both the persons, referred to the above, the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the AGM of the Company to be held at Banquet Hall, Sembawang Country Club, 249 Sembawang Road, Singapore 758352 on **Tuesday, 31 March 2026 at 10.30 a.m.** and at any adjournment thereon in the following manner.

Please indicate your vote “For”, “Against” or “Abstain” with an “X” within the box provided. Alternatively, please indicate the number of votes “For” or “Against” within the box provided. If you wish to abstain from voting on a resolution, please indicate “X” in the “Abstain” box in respect of that resolution. Alternatively, please indicate the number of shares that your proxy is directed to abstain from voting in that resolution.

In the absence of specific directions in respect of a resolution, the proxy/proxies will vote or abstain from voting at his/her/its discretion.

No.	Resolutions relating to:	For*	Against*	Abstain*
1.	To adopt the Directors’ Statements, Auditor’s Report and Audited Financial Statements for financial year ended 30 September 2025			
2.	To approve Directors’ Fees of S\$237,250 for the financial year ended 30 September 2025			
3.	To approve Directors’ Fees of S\$54,850 for the period from 1 October 2025 to 31 March 2026			
4.	To re-elect Mr Xu Quanqiang as a Director of the Company			
5.	To re-appoint Forvis Mazars LLP as Auditor of the Company and to authorize Directors to fix their remuneration			
Special Business				
6.	General authority to allot and issue new shares pursuant to Section 161 of the Companies Act 1967 of Singapore			

Dated this _____ day of _____ 2026

Total Number of Shares:	No. of Shares
CDP Register	
Register of Members	

Signature(s) of Member(s) or Common Seal
of Corporate Shareholder

*Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF



NOTES:

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's Proxy Form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.
- (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.

"Relevant intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967.

A member who wishes to submit an instrument of proxy must complete and sign the Proxy Form, before submitting it in the manner set out below.

2. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy. If no name is inserted in the space for the name of your proxy on the form of proxy, the Chairman of the Meeting will act as your proxy.
3. The instrument appointing proxy/proxies must be submitted to the Company in the following manner:
 - (i) if submitted by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, 77 Robinson Road, #06-03, Robinson 77, Singapore 068896; or
 - (ii) if submitted electronically, be submitted via email to the Company's Share Registrar at main@zicoholdings.com,

in either case, by **10.30 a.m. on 28 March 2026**, being 72 hours before the time appointed for holding the AGM.

A member who wishes to submit an instrument appointing proxy must complete and sign the Proxy Form, before scanning and sending it by email to the email address provided above or submitting it by post to the address provided above.

Members are strongly encouraged to submit the completed Proxy Form electronically.

4. CPF/SRS investors who hold the Company's shares may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case, they should approach their respective CPF Agent Banks or SRS Operators at least seven (7) working days before the AGM to submit their votes which is by 5.00 p.m. on 19 March 2026.
5. Completion and return of this instrument appointing a proxy/proxies shall not preclude a member from attending, speaking and voting at the Meeting. Any appointment of a proxy/proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
6. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number. If no number is inserted, this Proxy Form will be deemed to relate to all the shares held by the member.
7. The instrument appointing proxy/proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing proxy/proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its authorised officer(s) or its attorney duly authorised.
8. Where an instrument appointing proxy/proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument appointing proxy/proxies is submitted by post, be lodged with the instrument of proxy or, if the instrument appointing proxy/proxies is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.
9. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act 1967.
10. The Company shall be entitled to reject the instrument appointing proxy/proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing proxy/proxies (including any related attachment). In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject an instrument appointing proxy/proxies lodged or submitted if such members are not shown to have shares against their names in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.
11. Members should take note that once this Proxy Form is submitted electronically via email to the Company's Share Registrar, they cannot change their vote as indicated in the box provided above.



**KEONG HONG
HOLDINGS LIMITED**
强枫控股有限公司

(INCORPORATED IN THE REPUBLIC OF SINGAPORE ON 15 APRIL 2008)
(COMPANY REGISTRATION NO.: 200807303W)

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