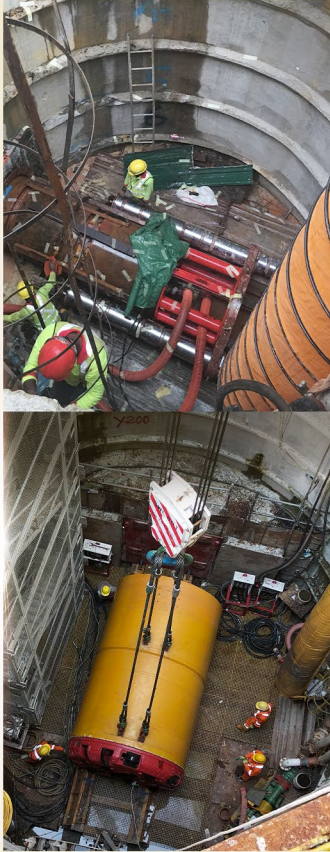




GROWTH IN PROGRESS

Annual Report 2026



MISSION

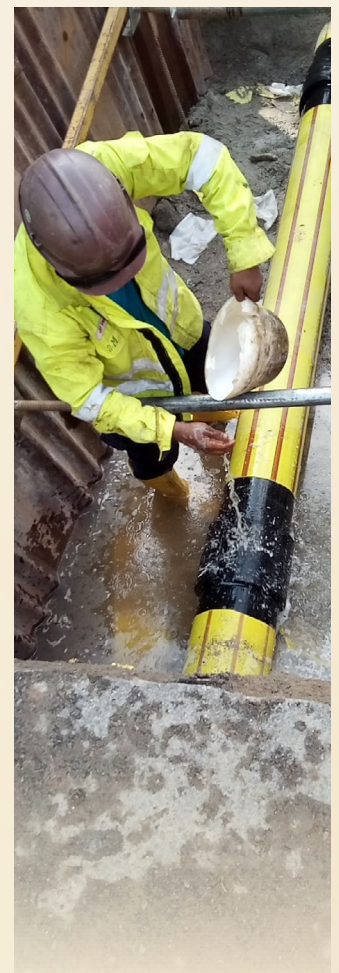
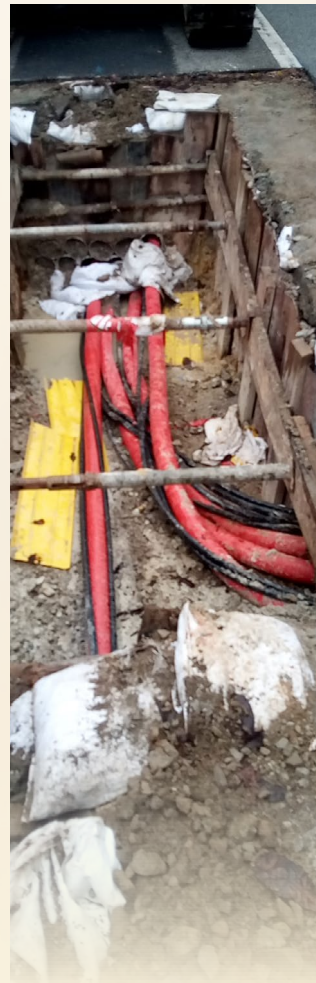
We aim to provide timely and reliable integrated solutions while building a strong team of in-house expertise and developing advanced machinery and technology to best serve the individual needs of our customers.

VISION

To be a leading one-stop regional service provider of underground infrastructure construction, road and airfield construction and maintenance, asphalt premix production and construction waste recycling.

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CORPORATE PROFILE



Ley Choon Group Holdings Limited ("**Ley Choon**" or the "**Group**") is an established one-stop underground utilities infrastructure construction, road and airfield works service provider. Since our inception as Ley Choon Constructions and Engineering Pte Ltd in 1990, we have grown our spectrum of services to encompass:

- (1) Underground utilities infrastructure construction and maintenance services, which include water pipes, NEWater pipes, high-pressure gas pipes, high-voltage power cables, fibre optic cables and sewer pipeline rehabilitation;
- (2) Road and airfield pavement construction and maintenance services, which include the supplying and laying of graded stones, cement treated base and milling and laying of asphalt premix; and
- (3) Construction materials supply services, which include production of asphalt premix and recycled aggregates from construction and demolition wastes.

As a one-stop underground utilities infrastructure construction service provider, our core strengths reside with our technical expertise in underground utilities infrastructure and the in-house supply of construction materials such as asphalt premix and recycled aggregates.

Ley Choon is one of the few asphalt plant operators in Singapore. Our 400 tonnes per hour asphalt plant is one of the largest in terms of production capacity in Singapore. The built-in recycling feature and the offering of various asphalt premix formulations to meet customer requirements provide us with a competitive advantage.

Our customers include Singapore government agencies such as Public Utilities Board ("**PUB**") and Land Transport Authority ("**LTA**"), as well as reputable companies such as Changi Airport Group and SP Group.

As a L6-registered contractor (the highest grade) with the Building and Construction Authority ("**BCA**"), Ley Choon is able to tender for Singapore's public sector contracts of unlimited value in the categories of cable/pipe-laying and road reinstatement, essential construction materials and other basic construction materials. The Group is also an A1-registered contractor in the category of civil engineering (CW02).

Leveraging on our expertise, the Group has been expanding overseas. The Group has ventured overseas to undertake civil engineering projects and had a presence in Sri Lanka since 2014 through the undertaking of a sewer pipeline rehabilitation project funded by Asian Development Bank.

Headquartered in Singapore with headcount of approximately 1,300, we build our capabilities by investing in people, operational optimisation and digitalisation of processes in order to be more efficient, productive and competitive. We have invested in digital tools such as an Enterprise Resource Planning system, business intelligence systems and other surveillance systems to integrate our operations and better manage our resources.

As a testament to our technological advantage and service quality, Ley Choon has been accredited with IMS-ISO 9001, BS-OHSAS 18001, ISO 14001 and Green and Gracious Builder Award.

Ley Choon was listed on the Mainboard of Singapore Exchange Securities Trading Limited ("**SGX-ST**") in August 2012 via a reverse takeover of Ultro Technologies Limited, transferred to Catalist in February 2017 and subsequently transferred to the Mainboard in March 2026.

CHAIRMAN'S STATEMENT

"FY2026 was a year of resilient execution — the Group grew revenue by 10.3% to S\$144.0 million while navigating margin headwinds and rising costs in a more challenging operating environment."



TOH CHOO HUAT
EXECUTIVE CHAIRMAN
AND CHIEF EXECUTIVE
OFFICER

DEAR SHAREHOLDERS AND READERS,

On behalf of the Board of Directors of Ley Choon Group Holdings Limited (the "**Company**"), and together with all its subsidiaries, collectively the "**Group**", I am pleased to present to you the Annual Report for the financial year ended 31 March 2026 ("**FY2026**").

FY2026 was a year of resilient execution for the Group. Against a backdrop of sustained construction demand in Singapore's built environment sector, we delivered revenue of S\$144.0 million, a 10.3% increase from the prior year, driven by strong project activity across our cable and pipe laying operations as well as meaningful contributions from airport-related works. While the year brought headwinds in the form of margin compression, elevated cost pressures in oil-related materials and a higher tax charge, the Group remained profitable and continued to reward shareholders with dividends.

We remained focused on strengthening our operational capabilities, maintaining rigorous cost discipline, and upholding our commitment to safety, quality and integrity across all our projects. We approach FY2027 with measured confidence, guided by our values and anchored in prudent financial stewardship.

FINANCIAL PERFORMANCE

In FY2026, the Group recorded revenue of S\$144.0 million, an increase of approximately S\$13.5 million or 10.3% compared to S\$130.5 million in the financial year ended 31 March 2025 ("**FY2025**"). This growth was primarily driven by higher construction activities in cable and pipe laying projects as well as airport-related works, partially offset

by a reduction in road works revenue following the substantial completion of a major section under an existing contract. The Pipes & Roads segment remained the predominant contributor, accounting for approximately 98% of total revenue, broadly in line with the prior year.

Gross profit for FY2026 was S\$24.7 million, a decrease of S\$2.3 million or 8.3% from S\$27.0 million in FY2025. Gross profit margin declined by 3.5 percentage points to 17.2%, from 20.7% in the prior year. The decline was attributable to compressed margins in certain pipe laying projects reflecting differing phases of execution and the prevailing composition of the Group's order book, lower profit contributions from projects nearing completion and the onset of cost pressures in oil-related materials and fuel costs towards the close of FY2026 amid global oil price volatility. The Group continues to monitor cost dynamics closely and remains disciplined in project pricing and cost management.

Profit before taxation for FY2026 was S\$13.2 million, a decrease of S\$2.4 million or 15.2% from S\$15.6 million in FY2025. Income tax expense increased by S\$2.1 million to S\$3.2 million, reflecting current year tax provisions and deferred tax movements recognised during the period. As a result, net profit after tax attributable to owners of the Company was S\$10.0 million (FY2025: S\$14.5 million), a decrease of 31.0%. Earnings per share correspondingly declined from 0.963 Singapore cents to 0.664 Singapore cents.

The Group's balance sheet remained sound. Total equity grew to S\$76.3 million as at 31 March 2026, from S\$70.7 million a year earlier, supported by the Group's continued profitability. Total assets expanded to S\$119.4 million (FY2025:

S\$97.6 million), driven partly by an increase in contract assets reflecting the timing of progress billings across the Group's project portfolio. Management remains focused on timely progress billing and collections as projects advance through their respective completion milestones and is confident of the recoverability of the contract assets recognised.

The Group generated net cash from operating activities of S\$9.9 million for FY2026. Cash and cash equivalents stood at S\$10.4 million as at 31 March 2026, compared to S\$15.1 million a year ago, with the movement reflecting dividend payments to shareholders, capital expenditure on plant and equipment, and repayment of lease liabilities arising from new lease arrangements entered into during the year. The Group continues to maintain a healthy liquidity position to support its operational requirements and strategic priorities.

BUSINESS OUTLOOK

The outlook for Singapore's built environment sector remains positive. The Building and Construction Authority has projected construction demand of S\$47 billion to S\$53 billion for 2026, broadly in line with 2025 levels. This is underpinned by a healthy pipeline of major infrastructure and development projects, including Changi Terminal 5, the Marina Bay Sands expansion, the New Tengah General and Community Hospital, the Downtown Line 2 Extension and the Thomson-East Coast Line Extension. Over the medium term, the sector is expected to remain well-supported by continued public and private sector investment.

At the same time, the Group remains mindful of the broader uncertainties stemming from global economic volatility,

evolving trade dynamics and ongoing geopolitical developments, which may affect business sentiment and project timelines. In this environment, we will remain prudent, disciplined and agile in managing our operations and costs.

Against this backdrop, the Group is well-positioned to pursue opportunities, supported by its established track record, operational credibility, technical expertise and experienced management team. In FY2026, we secured S\$138.6 million in new contracts, bringing our unfulfilled order book to approximately S\$346.3 million as at 31 March 2026, with projects extending through 2028. This provides the Group with a firm foundation and healthy earnings visibility for the periods ahead.

Looking ahead, the Group will continue to adopt a disciplined approach in bidding for new projects while maintaining its focus on timely delivery, cost effectiveness and sustainable growth. We remain confident in our ability to navigate the evolving landscape and to deliver long-term value to our stakeholders.

PROJECT MANAGEMENT AND SAFETY

Project execution and workplace safety remained key priorities for the Group in FY2026. As our operations expanded alongside a growing project portfolio, we remained focused on delivering projects efficiently, on time and within budget, while upholding the high standards of quality and service that our clients have come to expect. This was made possible by the dedication and professionalism of our divisional heads, project managers and employees, whose commitment continues to underpin the Group's operational performance.

Digitalisation continues to be an important enabler of operational excellence. By leveraging data, technology and digital platforms, the Group has strengthened its oversight of project progress, resource deployment and operational performance. These efforts have enhanced workflow efficiency, improved coordination across teams and supported more effective monitoring of project execution. Manpower and talent development remain important areas of focus. With approximately 1,300 employees across our operations, we continue to invest in building a capable, resilient and committed workforce. We place emphasis not only on the effective integration of new recruits, but equally on the continuous development of our people to support the Group's long-term growth aspirations.

Safety remains deeply embedded in our culture and is fundamental to the way we operate. In FY2026, we continued to strengthen our Environment, Health and Safety ("EHS") standards as we expanded our workforce, machinery and vehicle fleet to support business growth. Our commitment to workplace safety was recognised in late 2025 when the Group received the Workplace Safety and Health Performance Award, affirming our sustained efforts to uphold strong safety practices and a sound risk management framework.

We also continued to advance our technology-enabled approach to safety management. Enhancements to our AI-driven road inspection systems, together with real-time monitoring through our Operations Command Centre, have improved situational awareness, enabled earlier detection of road defects and strengthened overall safety surveillance across our operations.

We remain equally committed to investing in training and people development. During the year, we expanded our internal training programmes to include structured competency development initiatives and broader well-being programmes covering stress and emotional management for both workers and management staff. Periodic supervisor competency assessments, regular CEO safety walks and active senior management participation in site inspections continue to reinforce a strong safety culture across the Group.

Looking ahead, we will continue to strengthen our operational capabilities, harness innovation and uphold the highest standards of safety and project execution as we position the Group for sustainable long-term growth.

EMBRACING SUSTAINABILITY FOR GROWTH

Sustainability remains central to the Group's long-term vision and to the way we position our business for the future. Guided by our values of "Build, Renew and Recycle," we continue to embed sustainability into our operations and decision-making. This reflects our commitment to building essential infrastructure, renewing critical assets and recycling resources responsibly, while advancing innovation, operational excellence and sustainable progress across the Group.

In an environment shaped by economic uncertainty and evolving regulatory expectations, we believe that sustainability is not merely a corporate responsibility, but a meaningful foundation for long-term resilience and relevance. We continue to monitor developments in sustainability reporting requirements, including the planned adoption of ISSB-based climate-related disclosures by FY2030, and are progressively aligning our practices and disclosures in accordance with the applicable requirements and implementation timeline.

Looking ahead, we will continue to strengthen organisational resilience, pursue sustainable solutions and uphold our commitment to responsible stewardship as we create enduring value for our stakeholders and the communities we serve.

REWARDING OUR SHAREHOLDERS

Notwithstanding the more challenging operating conditions in FY2026, the Board of Directors is pleased to recommend a final one-tier tax-exempt dividend of 0.15 Singapore cents per ordinary share for FY2026, representing a dividend payout ratio of approximately 22.6% of the Group's net profit attributable to shareholders. This reflects the Board's continued commitment to rewarding shareholders while maintaining the financial flexibility necessary to support the Group's operational needs and long-term growth.

APPRECIATION

On behalf of the Board, I would like to express my sincere appreciation to my fellow Board members for their invaluable guidance, counsel and contributions throughout the year. I also wish to extend my heartfelt thanks to our management team and staff for their dedication, professionalism and steadfast commitment to the Group.

To our shareholders, clients, business associates, suppliers and all stakeholders, thank you for your continued trust and confidence in the Group. Your support remains deeply valued as we continue to strengthen our foundations, uphold our values and build a resilient and progressive organisation for the long term.

TOH CHOO HUAT
EXECUTIVE CHAIRMAN
AND CHIEF EXECUTIVE OFFICER

OPERATIONS REVIEW

SEGMENTAL OVERVIEW

PIPES AND ROADS

Revenue from the Pipes and Roads segment rose 10.3% to S\$141.4 million for the financial year ended 31 March 2026 ("FY2026"), up from S\$128.2 million in FY2025. As the Group's core business, this segment accounted for approximately 98.2% of total Group revenue, in line with the prior year.



The improvement was underpinned by increased project activity in cable and pipe laying works, supported by contributions from airport infrastructure projects. These gains were partly moderated by lower road works output as a sizeable portion of an existing contract neared substantial completion during the year.

The Group continued to broaden its project portfolio across Singapore's utility and civil infrastructure landscape. Among the contracts secured during FY2026 were the resurfacing and strengthening of taxiways at Singapore Changi Airport, the supply and installation of 66kV power cables and accessories, the supply and laying of gas mains and services at various locations, cable installation and road reinstatement works, pipe installation by horizontal directional drilling, and road-related facilities and road safety scheme works. These awards, granted by key government agencies and statutory boards, reflect the Group's breadth of technical competence and its standing as a reliable partner in public infrastructure delivery.

The Group added S\$138.6 million in new contract wins during FY2026, bringing the total outstanding order book to approximately S\$346.3 million as at 31 March 2026, with works scheduled through 2028. This robust pipeline reinforces the Group's near-term revenue visibility and its capacity to sustain execution momentum across multiple concurrent projects.



Operational Excellence and Digitalisation

The Group remained steadfast in its pursuit of operational improvement throughout FY2026, channelling efforts into strengthening project management processes, tightening cost controls, and accelerating the digitalisation of its day-to-day operations. Central to this strategy is the Group's commitment to harnessing technology and integrating artificial intelligence into its workflows wherever practicable, with the aim of driving greater productivity, precision, and safety across all project activities.

On the technology front, the Group made further advances to its machine-learning-based road condition monitoring tools and expanded the functionality of its centralised Operations Command Centre. Together, these systems have sharpened the Group's ability to detect road defects at an earlier stage, allocate resources more responsively, and maintain a higher level of oversight across its geographically dispersed worksites. Digital platforms supporting

project tracking, resource scheduling, and inter-team coordination have also been progressively refined, contributing to more streamlined workflows and improved on-site execution outcomes.

Safety governance continued to be a cornerstone of the Group's operating philosophy. The Group's consistent investment in its Environment, Health and Safety framework — encompassing workforce expansion, fleet upgrades, and rigorous site protocols — was externally validated when it was conferred the Workplace Safety and Health Performance Award in late 2025. This recognition reflects the Group's long-standing approach to embedding safety accountability at every level of the organisation, reinforced through structured site inspections led by senior management, regular competency evaluations for supervisory staff, and a culture of proactive risk identification.

Looking ahead, the Group is well placed to capitalise on a constructive operating environment. The Building and Construction Authority projects industry demand of between S\$47 billion and S\$53 billion for 2026, backed by a substantial pipeline of national-scale projects spanning transport, healthcare, and mixed-use developments. Against this backdrop, the Group's deep sectoral experience, diversified contract base, and strengthened operational platform position it to pursue new opportunities selectively and to continue delivering value to its stakeholders over the medium and long term.



CONSTRUCTION MATERIALS

The Construction Materials segment, which derives its revenue principally from the sale of asphalt premix to external parties, recorded an 8.9% increase in revenue to S\$2.6 million in FY2026, from S\$2.3 million in the preceding year. The segment accounted for approximately 1.8% of total Group revenue, consistent with its contribution in FY2025. Growth was driven by stronger premix volumes, reflecting a wider customer base and sustained demand from private sector construction and infrastructure activities.

Beyond its revenue contribution, this segment plays a broader supporting role within the Group by providing a reliable, quality-assured source of asphalt premix for the Group's own infrastructure projects. This internal supply capability strengthens cost efficiency and supply chain certainty, while third-party sales help to optimise production throughput and maximise the utilisation of the Group's plant capacity.

The operating environment for construction materials continues to present headwinds, with raw material prices, fuel costs, and competitive market dynamics placing pressure on margins. The Group is responding through targeted measures to improve production economics, deepen customer relationships, and enhance the operational effectiveness of its asphalt plant. These efforts are directed at reinforcing the segment's competitiveness and identifying avenues to grow its contribution to the Group over time.

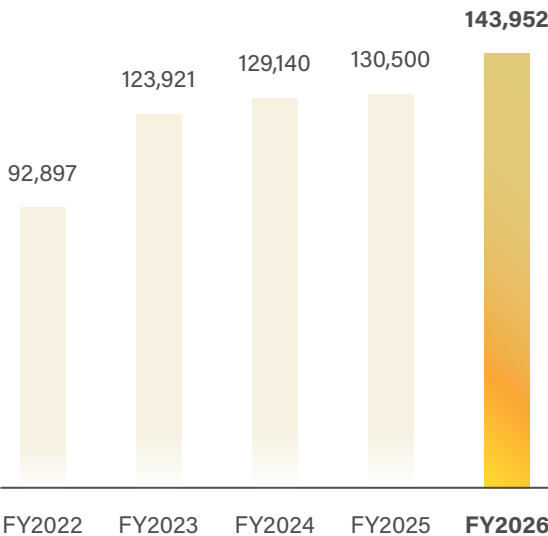
The Group will continue to manage this segment with a focus on output quality, cost discipline, and service reliability, while remaining attentive to shifts in market demand and input cost trends.



FINANCIAL HIGHLIGHTS

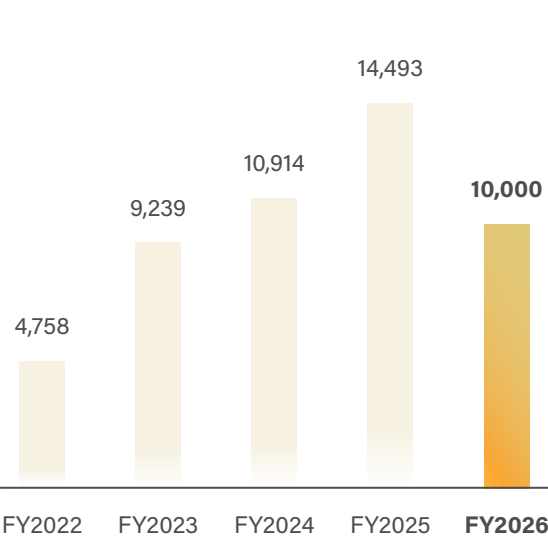
REVENUE (S\$'000)

S\$143,952



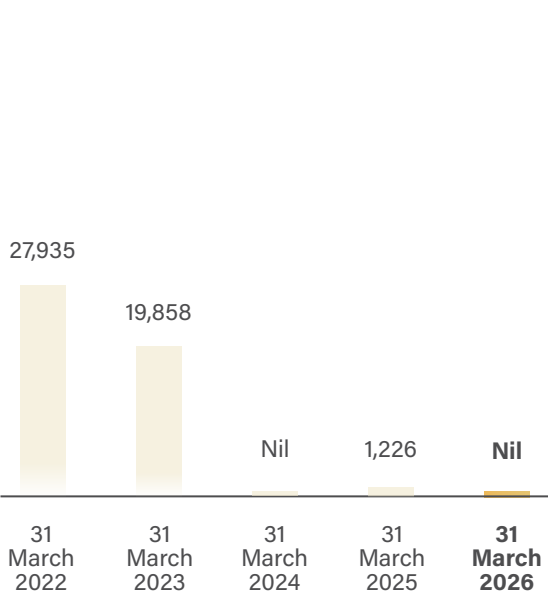
PROFIT AFTER TAXATION (S\$'000)

S\$10,000



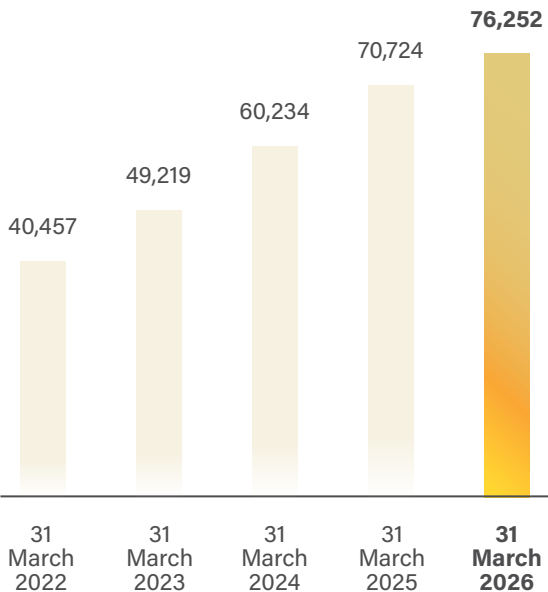
BORROWINGS* (S\$'000)

NIL



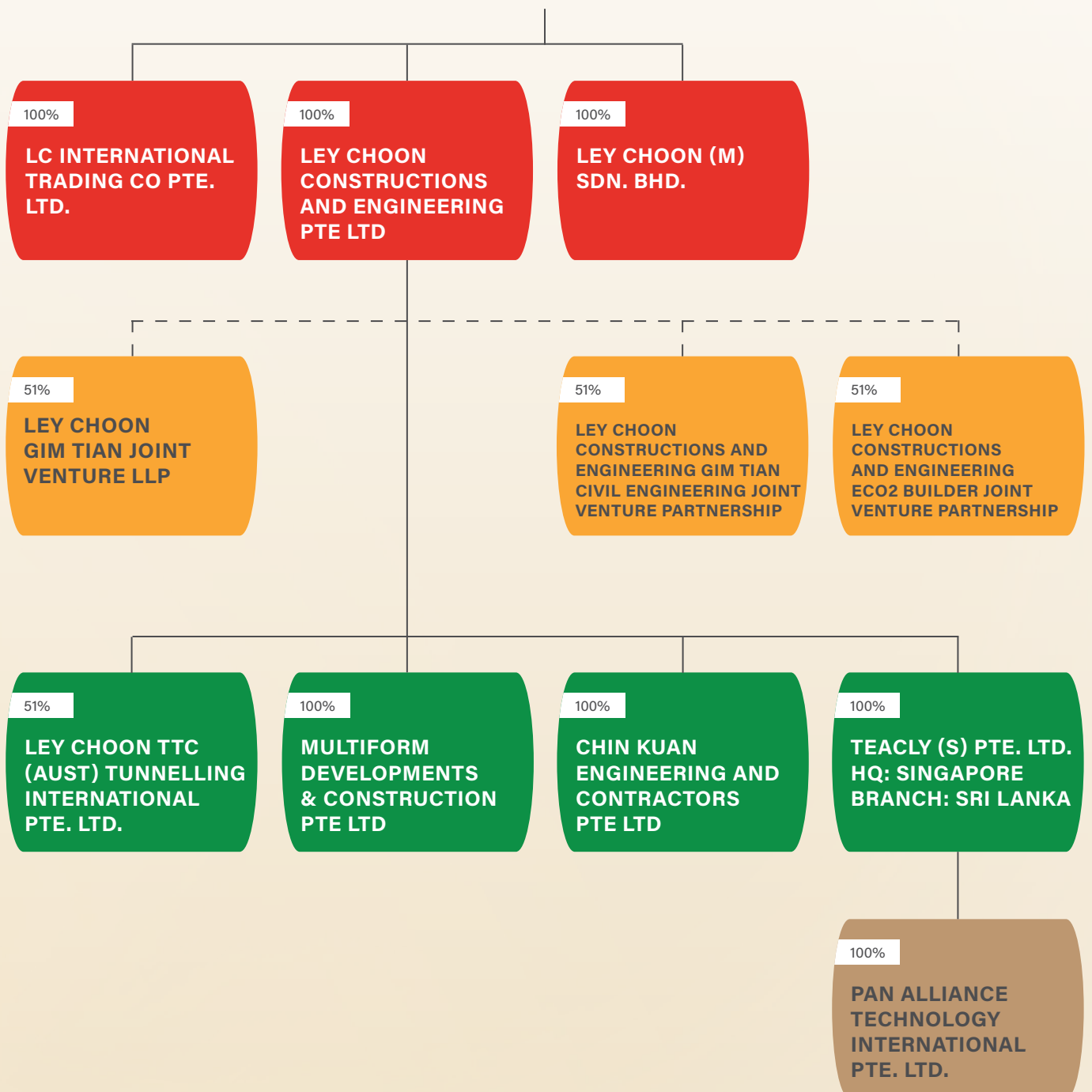
EQUITY (S\$'000)

S\$76,252



* Excludes lease liabilities

GROUP STRUCTURE



BOARD OF DIRECTORS



TOH CHOO HUAT
EXECUTIVE CHAIRMAN AND
CHIEF EXECUTIVE OFFICER

Mr Toh Choo Huat is the Executive Chairman and Chief Executive Officer of Ley Choon Group Holdings Limited. As one of the Group's founders, Mr Toh has played a pivotal role in the growth and development of the Group. He is responsible for the overall business development and general management of the Group. He also oversees the overall strategic direction and expansion plans for the growth and development of the Group.

Mr Toh has more than 30 years of experience in the business of underground utilities infrastructure

construction and maintenance, sewer pipeline rehabilitation, road and airfield construction and maintenance. Prior to the establishment of Ley Choon, Mr Toh worked as a maintenance technician in Fairchild Semiconductor Pte Ltd. In 1990, Mr Toh and his brothers incorporated Ley Choon Constructions and Engineering Pte Ltd.

Mr Toh holds a Diploma in Electrical & Electronic Engineering from Ngee Ann Technical College (in association with Central Polytechnic London).



R.SRINIVASAN
EXECUTIVE DIRECTOR
CHIEF FINANCIAL OFFICER
AND DEPUTY CHIEF
EXECUTIVE OFFICER

Mr. R. Srinivasan is the Executive Director, Chief Financial Officer (CFO), and Deputy Chief Executive Officer (DCEO) of the Group. He was appointed as CFO in January 2021, promoted to DECO in April 2024 and subsequently appointed to the Board in September 2024. In his current roles, Mr. Srinivasan leads the Group's financial strategy and business management, supporting the CEO in steering the Group's overall direction and performance. His responsibilities encompass financial reporting, treasury, management accounting, taxation, corporate compliance, and strategic oversight of the Group's financial and corporate functions. Mr. Srinivasan joined the Group in 2012 as Senior Assistant Financial Controller and was promoted to Group Financial Controller in 2016. Before joining the

Group, he served as Group Finance Manager of Ultro Technologies Ltd from 1997.

With over 25 years of extensive experience in accounting and finance, Mr. Srinivasan has held leadership roles for more than 15 years in financial reporting, management accounting, tax planning, and corporate compliance across various industries including electronics components distribution, manufacturing, coal mining, and construction. Mr. Srinivasan holds a Bachelor of Commerce degree and is a Chartered Accountant of Singapore with the Institute of Singapore Chartered Accountants. He is also a Fellow of the Association of Chartered Certified Accountants (ACCA), UK.



TOH TING XUAN REANNE
EXECUTIVE DIRECTOR
AND HEAD (TENDER &
CONTRACTS)

Ms. Reanne Toh was appointed as Executive Director on 2 September 2024. She plays a pivotal role in the Group's strategic and commercial growth, overseeing the execution of contracts, driving sales revenue, and formulating business and tender strategies. She brings strong industry acumen and excels in fostering strategic partnerships, client engagement, and supplier relationship management.

Before assuming her current role, Ms. Toh led the Group's project management division, where she ensured that projects were delivered on schedule, within budget, and in full compliance with stringent safety and health standards. Her earlier experience

as an Estimator in Melbourne, Australia, laid the foundation for her deep understanding of market trends, industry practices, and project execution—from competitive bidding to successful delivery. Over time, she developed a passion for navigating complex market dynamics, mastering trade-specific skills, and bridging the gap between commercial strategy and on-ground execution.

Ms. Toh holds a Bachelor's degree in Property and Construction from the University of Melbourne, Australia. She is an Associate Member of the Singapore Institute of Arbitrators (SIArb) and a member of the Singapore Institute of Directors (SID).



**WILLIAM TAN
KWANG HWE**
LEAD INDEPENDENT
DIRECTOR

Mr. William Tan Kwang Hwee was appointed as Lead Independent Director on 2 September 2024. He is also the Chairman of the Audit Committee and a Member of the Remuneration Committee and Nominating Committee.

William is Group CFO of SGX Mainboard-listed Tiong Woon Corporation Holding (SGX: BQM), and presently serves as member of the ACCA Singapore Members Network Panel. An MBA, qualified accountant and engineer by training, he was named Executive of the Year – Construction & Materials at the Singapore Business Review Management Excellence Awards 2016.

William possesses strong working knowledge of SGX Listing Requirements and Corporate Governance, having served as CFO in 4 SGX-listed groups spanning multi-industries. Beginning his career in Liang Huat Aluminium (erstwhile SGX: 1C5), his previous roles include CFO of EnGro Corporation

(SGX: S44), Assistant Vice President, Finance - Casino Accounting & Credit of Resorts World Sentosa (SGX: G13), CFO of Ley Choon Group Holdings (SGX: Q0X), CFO of Metal Component Engineering (SGX: 5DX) and auditor with KPMG.

A Chartered Accountant of Singapore and Fellow of the Association of Chartered Certified Accountants (ACCA), UK, William graduated with Honours with a Bachelor of Engineering (Mechanical) from National University of Singapore, holds a Bachelor of Science in Applied Accounting (First Class Honours) from Oxford Brookes University, UK, obtained his MBA from Manchester Business School, UK and attended the Enterprise Singapore Scale-Up Programme at the Stanford University Graduate School of Business. He was also an ACCA Prize Winner and Top 30 Affiliate, and is a Member and Accredited Board Director of the Singapore Institute of Directors (SID).

BOARD OF DIRECTORS



BUHDY BOK SIN SWEE
INDEPENDENT DIRECTOR

Mr. Buhdy Bok Sin Swee was appointed as Independent Director on 2 September 2024. He is also the Chairman of the Remuneration Committee and a Member of the Audit Committee and Nominating Committee.

Mr. Buhdy Bok is a seasoned leader with extensive experience in the travel and tourism industry, spanning various sectors such as airlines, cruise lines, and attractions across Asia. He has held several key leadership positions throughout his career, significantly contributing to the growth and success of each organization he has been a part of.

Mr. Bok is currently Managing Director of Mount Faber Leisure Group Pte. Ltd., one of Singapore's largest attraction companies. In this role, he has been responsible for overseeing the company's overall operations and strategy.

Prior to his current role, Mr. Bok held several senior leadership positions in the travel and tourism industry. He served as Chief Commercial Officer at NokScoot

Airlines, President of Carnival Asia at Carnival Corporation & PLC, and President of Costa Group Asia at Costa Crociere S.p.A., overseeing operations across Asia. Earlier in his career, he spent 15 years at Singapore Airlines, working in various roles from Finance to Planning, with overseas postings in China and Italy.

Mr. Bok's contributions to the industry have been recognized, including the Magnolia Silver Award in 2016 by the Shanghai Municipal People's Government for his contributions to Shanghai's economic construction, social development and international exchange. He holds a Bachelor's degree in Accountancy from Nanyang Technological University, a Bachelor's degree in Law from the University of London, and an MBA from Duke University's Fuqua School of Business in the USA.

He brings extensive expertise and leadership experience to the board, contributing to the organization's strategic direction and governance.



CHUA HOCK THAK
INDEPENDENT DIRECTOR

Mr Chua Hock Thak was appointed as Independent Director of the Company on 29 March 2018. He is also the Chairman of the Nominating Committee and a Member of the Audit Committee and Remuneration Committee.

Mr Chua has some 40 years of experience in the development of water infrastructure projects. He was with PUB, Singapore's National Water Agency, for 34 years holding various positions and was

involved in the development of water infrastructures such as water and NEWater treatment works, water transmission and distribution pipelines, raw water and treated water reservoirs and barrage structures for raw water intakes. Prior to that, he was with JKR Kelantan for 2 years and contractors for 4 years, during which he was involved in the development of rural water supply scheme in Kelantan.



TEO HO BENG
NON-EXECUTIVE DIRECTOR

Mr Teo Ho Beng was appointed as Non- Executive Director of the Company on 28 September 2015. He is also a Member of the Audit Committee, Remuneration Committee and Nominating Committee.

Mr Teo is presently the Chairman of Hiap Hoe Group. Mr Teo has more than 40 years of experience in the construction and property industries, and over 25 years of experience in the leisure industry.

Mr Teo is responsible for the formulation of corporate strategies and policies for Hiap Hoe Group, and ensures their implementation by senior management at the operations level. Mr Teo also chairs the senior management meetings to monitor Hiap Hoe Group's performance, and oversees management, budgeting and forecasting procedures to ensure there is prudent financial management.

EXECUTIVE OFFICERS

TOH CHEW LEONG ADVISOR

Mr Toh Chew Leong is the Advisor of Ley Choon and is one of the founders of the Group. Mr Toh oversees the Group's underground utilities infrastructure construction and overseas in the day to day operations of the Group's business. Mr Toh has an extensive experience of more than 30 years in the Group's pipe and cable laying as well as asphalt premix businesses.

TOH SWEE KIM ADVISOR

Mr Toh Swee Kim is the Advisor of Ley Choon. He oversees all operations for underground utilities infrastructure construction and maintenance business, including deployment of resources, manpower and operations management of the Group.

Mr Toh has extensive experience of more than 30 years in the Group's pipe and cable laying business. In 1990, Mr Toh joined the Group as an operations manager.

TOH CHEW CHAI ADVISOR

Mr Toh Chew Chai joined Ley Choon since its establishment. As the Group's Advisor, he oversees all operations for underground utilities infrastructure construction, deployment of resources and operations management of the Group.

Mr Toh has extensive experience of more than 30 years in the Group's pipe and cable laying business. In 1990, Mr Toh joined the Group as an operations manager.

ZHANG WEI QIANG CHIEF OPERATING OFFICER

Mr Zhang Wei Qiang joined Ley Choon Group as a Project Manager in 2019 and has since taken on leadership roles across multiple key departments, including the Small Diameter Pipe Division, Gas Division, Fleet Department, Asphalt Plant, Milling & Patching Department, and the Group's Environment, Health & Safety function.

In April 2022, he was appointed General Manager for Sri Lanka at the height of the country's national economic crisis and recession, where he played a pivotal role in navigating operational challenges.

Before joining Ley Choon, Mr Zhang served as a Project Manager at a well-established construction firm in Singapore for several years, where he managed both construction and coal mining operations across Singapore and the wider Asia region. His broad experience in operations and support functions has been instrumental in restructuring Ley Choon's Supply Chain and establishing an Asset Management function, including the direct import of pipes and fittings from China under the Ley Choon brand.

Mr Zhang holds a Bachelor's Degree in Civil Engineering from China University of Mining and Technology (CUMT, 中国矿业大学), awarded in 2010. He went on to earn a Master's Degree in Applied Project Management from the University of Adelaide in 2016, and most recently completed the Global Master of Business Administration (GMBA) program at Alliance Manchester Business School in December 2024.

EXECUTIVE OFFICERS

DR OU ZHIYONG

HEAD (PROJECT MANAGEMENT OFFICE, BIG PIPE & ROAD WORKS)

Dr Ou joined the Group in 2020 as Senior Project Manager. Prior to joining Ley Choon Group, Dr Ou worked as a consultant in the engineering field for 5 years and then as a manager for a property developer for 3 years.

Dr Ou has been appointed as a Director since 2024 and is the Head of Project Management Office, Large Diameter Pipe Division, and Road Works Division. Dr Ou also assists in tendering of projects and other developments in Ley Choon Group.

Dr Ou holds a Bachelor degree and a PhD degree from the National University of Singapore in Civil Engineering.

TOH KAI HOCK

IT DIRECTOR & HEAD OF FLEET DEPARTMENT

Mr Toh Kai Hock joined the Group as IT Manager in 2011. His areas of responsibilities include all informational technology related matters and fleet management of the organisation.

Mr Toh graduated with a Bachelor of Engineering (Electrical Engineering) First Class Honours from National University of Singapore (NUS).

TOH KAI SHENG ADAM

DIRECTOR, OPERATIONS & HR

Mr Toh Kai Sheng Adam joined the Group in 2009 as management executive, and has since worked under various departments within the Group. He oversees Group HR and Administration, and assists the COO in managing the operations of the Group.

Mr Toh graduated from the Nanyang Technological University of Singapore with a Bachelor of Accountancy with First Class Honours and second specialisation in Banking and Finance, and is a Chartered Management Accountant with the Chartered Institute of Management Accountants.

SUSTAINABILITY REPORT

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SUSTAINABILITY REPORT

1. BOARD STATEMENT

INNOVATE FOR SUSTAINABILITY

Ley Choon Group Holdings Limited ("**Ley Choon**", together with its subsidiaries, the "**Group**"), continues to advance responsible and sustainable business practices, underpinned by its dedication to Economic, Environmental, Social, and Governance ("**EESG**"). This framework shapes our decision-making and influences how we create long-term value while engaging with the environment, communities and stakeholders connected to our operations.

Recognising that long-term business resilience depends on more than financial performance alone, we have integrated EESG considerations into our broader strategic framework. EESG reporting is an important component of this approach, enabling us to assess our performance, identify areas for enhancement, and respond proactively to the evolving expectations of our stakeholders.

In parallel with strengthening our internal capabilities, the Group remains focused on pursuing sustainable growth. We actively consider opportunities that support our strategic direction, including investments, partnerships, as well as mergers and acquisitions. In doing so, we seek to balance value creation for shareholders with a continued commitment to responsible business conduct.

BUSINESS OPPORTUNITIES AND RESILIENCE

In response to continued population growth, we are seeing significant efforts nationwide to modernise and expand underground infrastructure. We are well-positioned to support these developments through our vertically integrated model, which includes the operation of our in-house asphalt premix plant. This capability gives us greater control over project execution and enables more effective management of cost fluctuations in road-related works.

At the same time, we have progressed our adoption of digital solutions to improve coordination and improve overall productivity. Through advanced planning and monitoring tools, we are able to allocate manpower and equipment more efficiently, allowing us to take on a broader range of projects while maintaining efficiency and meeting delivery expectations. This includes the adoption of advanced technologies to improve monitoring, reporting and operational visibility, contributing to more effective project management.

We also remain focused on strengthening our organisational preparedness. During the year, we engaged independent experts for the annual review and update of the Company's Risk Register as part of the Enterprise Risk Management ("**ERM**") process. The insights gained are being used to refine our internal processes and reinforce safeguards, better equipping us to navigate uncertainties and sustain stable operations over the longer term.

EHS EXCELLENCE

In Financial Year 2026 ("**FY2026**"), Environmental, Health and Safety ("**EHS**") was embedded as a fundamental pillar of our operations, guiding how we oversee activities across the Group. Through the implementation of our EHS Monitoring Plan, we reinforce accountability at all levels, with employees expected to take ownership of safe practices in their daily responsibilities, thereby cultivating a culture centred on safety awareness.

To uphold high standards, we continue to fine-tune our Safety Management System to ensure it remains robust and fit for purpose. We have introduced a Competency Skill Test for site supervisors to maintain consistent performance standards, alongside quarterly audits conducted by both our internal teams and independent external parties. These measures are designed to safeguard employee well-being while supporting operational efficiency. They have also contributed to a reduction in safety incidents and enhanced assurance provided to our clients.

We utilise our Safety Enhancement Programme ("**SEP**") to promote safe behaviours in a structured and practical manner. By leveraging data-driven analytical tools, we examine trends and root causes of past incidents, thereby allowing us to put in place preventive measures and identify areas where targeted training can further develop workforce capabilities. Expanded inspection programmes, including cross audits and third-party reviews, as well as process safety enhancements across higher-risk operations, have further reinforced oversight and control.

SUSTAINABILITY REPORT

1. BOARD STATEMENT

Leadership involvement remained highly visible during the year, with senior management actively participating in site engagements, safety walks and toolbox meetings, reinforcing a visible and committed safety culture. Workforce engagement was also strengthened through targeted initiatives, supporting a more proactive and accountable workforce.

We have recorded zero environmental violations for six consecutive years since FY2020, reflecting the effectiveness of our EHS practices. In addition, ISO certifications were successfully renewed and external recognitions were received, reinforcing the Group's alignment with industry standards and best practices. We are committed to further elevating these standards through sustained investment in our people and ongoing refinement of our systems, contributing to the Group's long-term sustainability objectives.

HUMAN CAPITAL AND INNOVATION

At Ley Choon Group, long-term value creation is driven by our people, with a clear focus on developing capabilities to meet evolving business needs. Training and development initiatives form a core part of our approach, with programmes designed to spark innovation while broadening skill sets across the workforce. Through these efforts, we equip our employees to navigate change and contribute to organisational advancement.

Our workforce comprises individuals from diverse backgrounds, including both local and migrant personnel. In FY2026, we introduced a series of engagement initiatives to strengthen connections beyond daily operations, creating opportunities for interaction and collaboration. Events such as the annual appreciation dinner, a company incentive trip to Zhangjiajie, employees' games day and department bonding activities were organised to encourage teamwork, deepen mutual understanding, and reinforce cohesion across teams. These efforts reflect an intention to build an inclusive workplace where employees feel valued, connected, and part of a unified organisation.

Employee empowerment continued to be reinforced through training, recognition and structured engagement programmes, strengthening participation and accountability across the organisation. In addition, stakeholder engagement and community outreach initiatives were carried out to build stronger relationships and support broader social objectives.

As these initiatives continue to evolve, innovation and adaptability remain key drivers of sustainable progress. By investing in our people and aligning efforts towards common objectives, we are well-positioned to achieve both business and EESG priorities. This approach reinforces our ability to create lasting value for stakeholders while maintaining a clear focus on sustainability.

On behalf of the Board of Directors

TOH CHOO HUAT

Executive Chairman and Chief Executive Officer

SUSTAINABILITY REPORT

2. KEY PERFORMANCE HIGHLIGHTS

**E**

ECONOMIC

- Ley Choon Group recorded revenue of S\$144 million in FY2026, a 10.3% increase from FY2025.
- Enhanced operational efficiency through digitalisation, improving coordination, cost monitoring and resource utilisation

**E**

ENVIRONMENTAL

- Energy intensity decreased by 0.4% compared to FY2025, despite higher activity levels.
- Water consumption intensity decreased by 14.7% compared to FY2025.
- Achieved S\$3.2 million cost savings from recycled materials in underground works.
- Maintained zero environmental-related cases in FY2026

**S**

SOCIAL

- Maintained zero non-compliance with labour regulations in FY2026.
- Strengthened employee engagement through HR Connection Sessions, achieving 100% resolution of feedback cases.
- Improved workforce capability through training programmes and competency assessments.
- Promoted inclusivity through fair employment practices and renewal of Progressive Wage Mark certification.
- Promoted workforce diversity in FY2026, with 11% of employees aged above 50, 28% below 30, and 8% female representation.

**G**

GOVERNANCE

- Maintained full compliance with applicable laws and regulations, with zero breaches in FY2026.
- Achieved zero environmental violations for six consecutive years.
- Recorded zero complaints relating to customer data breaches or privacy incidents.
- Reinforced governance through internal controls and Code of Corporate Governance alignment, and received the Workplace Safety and Health ("WSH") Performance Award (2025).

SUSTAINABILITY REPORT

3. ABOUT THIS REPORT

Reporting Period	The report covers data and information on Ley Choon's material sustainability matters for the period from 1 April 2025 to 31 March 2026, unless otherwise specified, and highlights the Group's performance and progress in addressing key EESG matters.
Reporting Standards	This report is prepared with reference to the Global Reporting Initiative ("GRI") Standards: Core Option, which serves as an internationally recognised framework for sustainability reporting. In determining the report content, we considered key GRI principles, including: ▪ <i>Materiality</i>: Prioritising issues that have significant impact on the Group's performance and are most relevant to stakeholders; ▪ <i>Stakeholder Inclusiveness</i>: Taking into account the expectations and concerns of our stakeholders; ▪ <i>Sustainability Context</i>: Presenting performance within the wider sustainability landscape and ▪ <i>Completeness</i>: Providing sufficient information on economic, environmental and social impacts to enable a comprehensive assessment of the Group's performance. This report also takes into account the Sustainability Reporting Guide set out in Practice Note 7.6 of the SGX-ST Listing Manual. In preparing this report, we applied the GRI principles for defining content and quality, considering the Group's operations, impacts, and stakeholder expectations. Please refer to Appendix B for the GRI Content Index. In respect of climate-related disclosures, the Group has adopted a phased approach aligned with the sustainability reporting roadmap issued by the SGX-ST. Climate-related disclosures are structured in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), which form the foundational framework of IFRS S2 Climate-related Disclosures. The Group is progressively enhancing its disclosures towards alignment with IFRS S2 requirements. Please refer to Appendix D for the TCFD Recommendations Content Index.
Reporting Boundaries	The aspect boundaries 'within' the organisation are limited to Ley Choon and its subsidiaries. Boundaries 'outside' the organisation include customers, employees, government and regulatory authorities, local communities, shareholders and investors, and suppliers.
Independent Verification	The data and information presented in this report have not been subject to external assurance. However, Ley Choon has engaged Acclime Risk Advisory Pte Ltd ("Acclime"), a reputable professional firm specialising in audit and risk solutions, to assist the Board in reviewing the adequacy and effectiveness of the Company's internal controls relating to sustainability reporting. The scope of this review focused on the operations associated with the development of this report. The findings were presented to the Audit Committee ("AC") for discussion and subsequent recommendation to the Board. There are no significant weaknesses reported.
Restatements	We have restated the reported data on carbon emission (scope 1), total carbon emission, carbon emission intensity, fuel energy consumption, energy consumption, energy consumption intensity, water consumption intensity, and average training hours per male and female employees. Please refer to the Restatements table on page 17 and 18 for details of the restatements.
Accessibility	The Group continues to print adequate copies of this annual-cum-sustainability report as part of our environmental conservation efforts. A digital version of this report can be accessed via our website at www.leychoon.com
Sustainability Contact	Your feedback on our sustainability efforts is important to us. We welcome your views through the feedback form available via the QR code on the right.



SUSTAINABILITY REPORT

3. ABOUT THIS REPORT

RESTATEMENTS

Metrics	Units before restatement	Units after restatement	FY2025		Reasons
			Before restatement	After restatement	
Environment					
Carbon emission (Scope 1)	tCO ₂ e	tCO ₂ e	9,207.2	8,985.4	The restatement was made following a review of the calculation methodology, during which the Group adopted updated conversion factors from UK DEFRA to enhance alignment with internationally recognised standards and improve the accuracy and consistency of emissions and energy reporting. While the previously applied conversion factors were not incorrect, the adoption of UK DEFRA factors provides a more robust and widely accepted basis for calculation.
Total carbon emission	tCO ₂ e	tCO ₂ e	10,273.0	10,051.2	
Carbon emission intensity	tCO ₂ e /S\$'000	tCO ₂ e /S\$'mil	78.7	77.0	
Fuel energy consumption	MWh	MWh	36,297.2	33,554.6	
Energy consumption	MWh	MWh	38,884.1	36,141.5	Accordingly, the reported figures for carbon emission (scope 1), total carbon emission, carbon emission intensity, fuel energy consumption, energy consumption and energy consumption intensity were revised. In addition, the units of measurement for carbon emission intensity and energy consumption intensity were restated from S\$'000 to S\$'mil to improve consistency and comparability across reported indicators.
Energy consumption intensity	MWh/S\$'000	MWh/S\$'mil	298.0	276.9	
Water consumption intensity	m³/S\$'000	m³/S\$'mil	787.4	787.4	Water consumption intensity metrics were restated to reflect a change in units from S\$'000 to S\$'mil to ensure consistency across reported indicators. This adjustment relates solely to a revision in the presentation and wording of the unit of measurement, and does not affect the underlying data or calculated values.

SUSTAINABILITY REPORT

3. ABOUT THIS REPORT

RESTATEMENTS

Metrics	Units before restatement	Units after restatement	FY2025		Reasons
			Before restatement	After restatement	
Social					
Average training hours per male employee	Hours	Hours	30.9	30.5	The restatement was made following a review of the data calculation process, during which inaccuracies in the computation of average training hours were identified. Adjustments were therefore applied to the reported average training hours for FY2025.
Average training hours per female employee	Hours	Hours	1.0	4.4	



SUSTAINABILITY REPORT

4. SUSTAINABILITY APPROACH

SUSTAINABILITY GOVERNANCE STRUCTURE

Sustainability considerations are integrated into how we direct and manage our business, supporting long-term value creation and resilience. Our approach recognises the importance of balancing financial performance with the well-being of employees, the environment and the wider community.

To support this, the Group has established a governance framework that defines roles and responsibilities for overseeing sustainability matters. The structure, as illustrated below, provides clear accountability and facilitates coordination across the organisation in implementing sustainability-related initiatives:

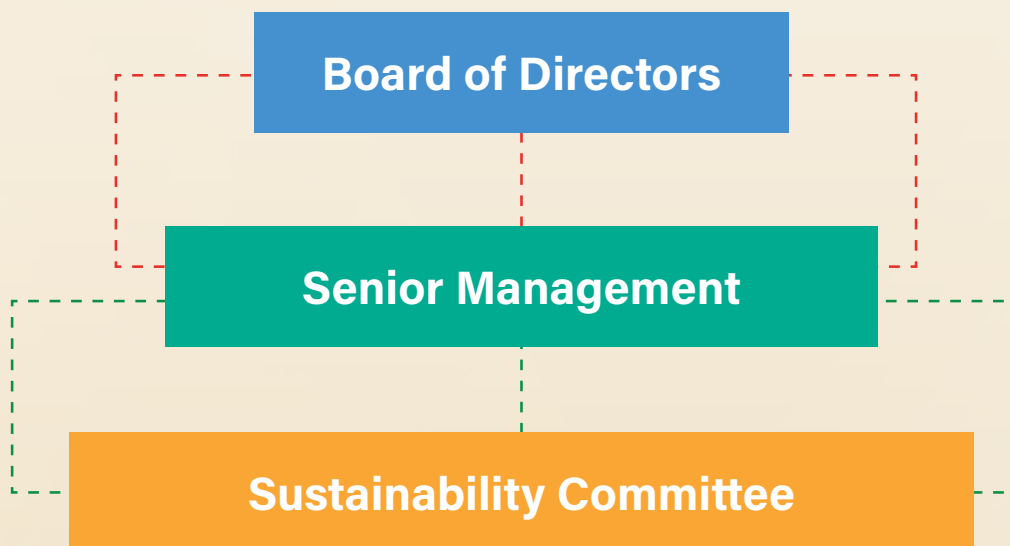
SUSTAINABILITY STRATEGY

Building on this structure, sustainability considerations are translated into practical actions and day-to-day decision-making across the Group. It informs our decision-making and underscores our responsibility to balance business performance with environmental and social considerations.

Oversight of sustainability initiatives is led by senior management, with regular updates provided to the Board of Directors. This ensures that sustainability priorities remain aligned with business strategy and that progress is monitored with appropriate accountability. In working together, the Board and management have identified key focus areas that reflect both organisational priorities and stakeholder expectations.

We also seek input from stakeholders on a continual basis to better understand their perspectives and refine our approach. By fostering continuous interaction and partnership, the Group endeavours to generate outcomes that are relevant, responsible and aligned with long-term value creation.

As at the date of this report, all Directors have attended sustainability training as prescribed by the SGX-ST.



SUSTAINABILITY REPORT

4. SUSTAINABILITY APPROACH

STAKEHOLDER ENGAGEMENT

We understand that strong and lasting relationships with our stakeholders are key to supporting the Group's sustained growth and performance. Regular engagement helps us gain insights into their expectations across economic, environmental and social matters, allowing us to address issues most relevant to both the Group and those we work with. As expectations evolve, our business practices are refined to remain aligned with stakeholder priorities and to respond to emerging concerns in a responsible manner.

An overview of our engagement approach, including the rationale and feedback received (with stakeholders listed in alphabetical order), is presented below.

Stakeholders	How we engage them	Key topics
Customers	- Formal meetings - Informal feedback - Company's website	- Project timelines, requirements and specifications - Work-in-progress and status - Feedback on completed projects
Employees	- Performance appraisals - Team bonding and company events - Internal communication (emails and intranet) - Annual appreciation dinner	- Performance and skills - Health and safety issues and necessary precautions to note - New contract wins - Project timelines and status updates
Governments and regulatory agencies	- Regular updates and communication - Reports and compliance - Periodical meetings / discussion with government bodies	Regulatory and industry standards and guidelines
Local community	- Community outreach activities (such as community event sponsorships) - Charity events - Sponsor technical seminars	Partner with local not-for-profit charitable organisations to identify the target beneficiaries
Shareholders and Financial Community	- Annual General Meeting - SGX Announcements - Annual reports - Company's website - Regular updates and communication	- Financial results - Key developments such as contract wins, corporate action, etc. - Long-term profitability and sustainability - Compliance with all relevant requirements
Suppliers	- Regular meetings - Emails - Periodic evaluations on suppliers' performance	- Feedback on their products and services - Information of their new products or services

SUSTAINABILITY REPORT

4. SUSTAINABILITY APPROACH

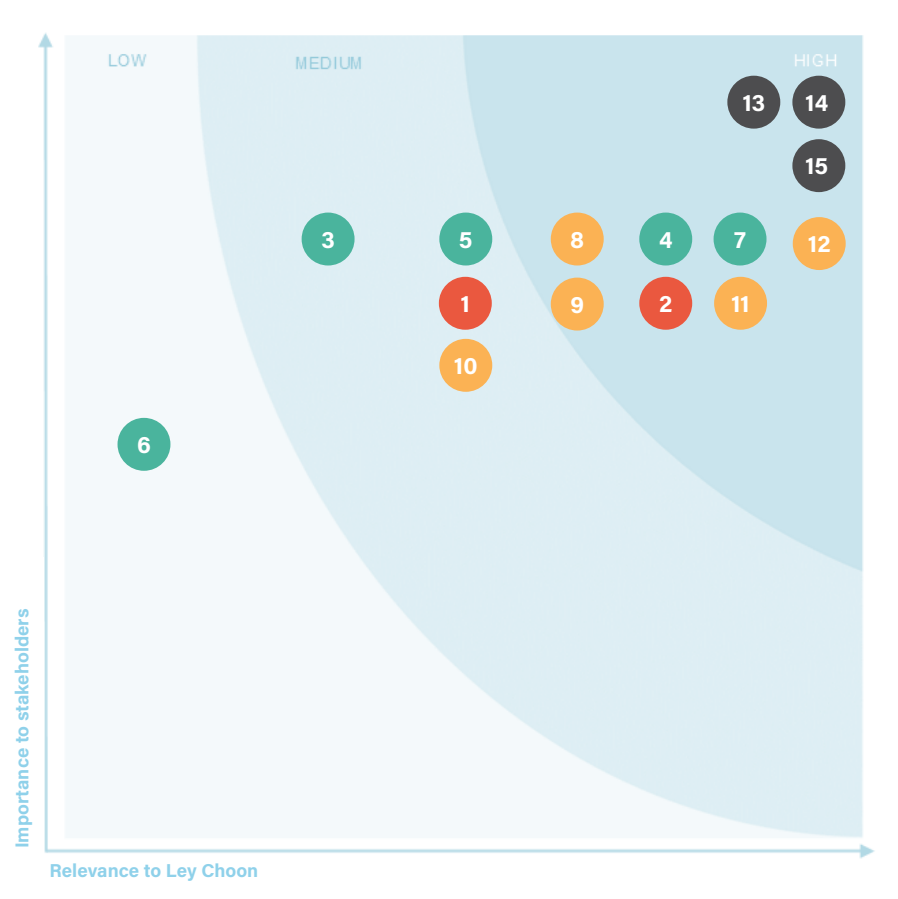
MATERIALITY ANALYSIS

Informed by insights gathered from stakeholder engagement, a materiality assessment was conducted to identify sustainability issues most relevant to both stakeholders and the Group.

We prioritised these topics based on their level of significance, focusing on those assessed as high or critical by both internal and external stakeholders in the materiality matrix. These priority areas guide the Group's sustainability initiatives and disclosures, ensuring alignment with stakeholder expectations.

Through this process, Ley Choon Group identified 15 key sustainability issues for inclusion in this report. These topics were initially compiled from stakeholder engagement and subsequently refined through further evaluation. A detailed review was then carried out by senior management, taking into account stakeholder relevance and the potential impact on the Group's sustainability performance before finalising the material issues.

The relative importance of these issues was determined based on stakeholder consultations, including meetings and interviews, which provided insights into their significance.



ECONOMIC

1. Economic contribution to society
2. Wage and local hiring

ENVIRONMENT

3. Energy management
4. Environmental impact assessment and mitigation
5. Water conservation
6. Waste management
7. Climate change and emission

SOCIAL

8. Diversity and equal opportunity
9. Training and staff development
10. Business partners engagement
11. Labour management relations
12. Supply chain and procurement practices

GOVERNANCE

13. Legal compliance and corporate governance
14. Anti-corruption and anti-fraud
15. Health and safety

SUSTAINABILITY REPORT

4. SUSTAINABILITY APPROACH

MATERIALITY TOPIC ANALYSIS SUPPORTING UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs)

To reinforce the effectiveness of our sustainability efforts, priority initiatives have been defined across the Group's priority areas. These initiatives draw reference from the UN SDGs providing a recognised framework to guide our direction and align our objectives with global sustainability priorities.

We incorporate these initiatives across our sustainability initiatives to support a cohesive and forward-looking approach. In doing so, the Group seeks to address environmental, social and economic challenges in a structured manner, while building resilience and delivering meaningful outcomes for both the organisation and its stakeholders.

Goals	How we support
 3 GOOD HEALTH AND WELL-BEING	We are dedicated to prioritising the health and well-being of our workforce as a core aspect of our operations. To sustain this priority, we have implemented a comprehensive set of policies and procedures and SEP that cover all aspects of workplace safety, from hazard identification and risk assessment to injury prevention and emergency response. These policies and procedures are regularly reviewed and updated to align with the latest industry standards and best practices. For more on our commitment, please refer to the Health and safety section.
 6 CLEAN WATER AND SANITATION	We recognise the importance of ensuring the availability and sustainable management of water and sanitation for all. The Group adopts various measures, including the installation of water-efficient fittings, promoting employee awareness of water scarcity, and actively utilising NEWater, a process that recycles treated wastewater into clean, reclaimed water. These efforts demonstrate our dedication to responsible water use and contribute to the sustainable development of our community and the planet. For more on our commitment, please refer to the Water conservation section.
 7 AFFORDABLE AND CLEAN ENERGY	We recognise the critical importance of universal access to affordable, reliable, sustainable, and modern energy and have integrated energy conservation measures throughout our operations. We have made strategic investments in energy-efficient technologies and low-emission vehicles to reduce consumption and lessen reliance on finite energy resources. Additionally, we have partially transitioned selected sites to solar panels as part of our ongoing efforts to decrease dependence on non-renewable energy. We remain dedicated to advancing sustainable energy solutions, intending to minimise environmental impact and lower our carbon footprint. For more on our commitment, please refer to the Energy management section.
 8 DECENT WORK AND ECONOMIC GROWTH	We maintain a strong commitment to advancing decent work and sustainable economic development, demonstrated through our continuous initiatives aimed at generating positive socio-economic impacts within the communities and markets we serve. Our strategy encompasses the promotion of equitable employment practices, the enhancement of workforce capabilities through targeted development programmes, and proactive collaboration with local stakeholders to foster inclusive economic growth. For more on our commitment, please refer to the Training and staff development, Labour management relations and Supply chain and Procurement practices sections.
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	We are committed to safeguarding our customers' personal information as a fundamental aspect of our operations. To uphold this commitment, we have established a robust Customer Privacy and Data Protection system that complies with the Personal Data Protection Act ("PDPA") and other relevant regulations. Regular audits and updates to our data protection measures guarantee alignment with the evolving technological and industry best practices. For more on our commitment, please refer to the Legal compliance and corporate governance section.

SUSTAINABILITY REPORT

4. SUSTAINABILITY APPROACH

Goals	How we support
 10 REDUCED INEQUALITIES	We are committed to cultivating an inclusive and diverse workplace where all individuals have equal opportunities to succeed. Our open recruitment approach is designed to attract the best talent from diverse backgrounds. We actively work toward balanced representation across gender, age and nationality, recognising that diversity enhances our innovation and performance. By adopting unbiased hiring practices and fostering an inclusive culture, we strive to reduce inequalities and create a workplace where everyone feels valued and respected. For more on our commitment, please refer to the Diversity and equal opportunity section.
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	We are focused on demonstrating environmental stewardship through strict compliance with relevant environmental laws, regulations, standards, and industry requirements. We have established a comprehensive Environmental Compliance system to achieve operational consistency with the applicable environmental requirements and guidelines. This includes ongoing monitoring, auditing, and reporting of our environmental performance to ensure continuous improvement and organisational accountability. For more on our environmental compliance efforts, please refer to the Legal compliance and corporate governance section.
 13 CLIMATE ACTION	We recognise the imperative of urgent climate action and are dedicated to curbing our greenhouse gas ("GHG") emissions through a range of initiatives, including the adoption of energy-efficient building designs and sustainable operational methodologies. We conduct regular evaluations of our GHG emissions, continually seeking opportunities to enhance our environmental performance. These concerted efforts embody our commitment to mitigating climate change and fostering a sustainable future for our stakeholders and the broader environment. For more on our climate action efforts, please refer to the Climate change and emission section.
 15 LIFE ON LAND	We remain resolute in our commitment to preserving biodiversity and ensuring the long-term sustainability of ecosystems, recognising this as a fundamental responsibility of our organisation. We allocate the necessary resources to protect and enhance natural habitats, focusing on minimising the impact of our operations on local flora and fauna and promoting sustainable land use practices. Through continual assessment of our environmental footprint, we strive to make a meaningful contribution to biodiversity conservation. For more on our efforts to preserve biodiversity, please refer to the Climate change and emission section.
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	We maintain an unwavering dedication to upholding the utmost standards of integrity and accountability by ensuring our activities conform to the relevant legal frameworks and regulatory requirements. By prioritising regulatory compliance, we safeguard our organisation while mitigating environmental impacts and fostering sustainable practices. Concurrently, we advance the welfare of the communities we serve by promoting economic development. For more on our compliance efforts, please refer to the Labour management relations and Legal compliance and corporate governance sections.

We support a range of UN SDGs through our business activities and community initiatives. Our efforts are directed towards contributing to sustainable urban development, addressing social disparities and advancing climate-related actions, with the aim of creating positive and lasting outcomes for both the environment and society.

SUSTAINABILITY REPORT

4. SUSTAINABILITY APPROACH

OUR SUSTAINABILITY APPROACH WITH THE TCFD PILLARS

In relation to climate-related disclosures, the Group adopts a phased approach in line with the sustainability reporting roadmap issued by the SGX-ST. These disclosures draw reference from the recommendations of the TCFD, which underpin the IFRS S2 Climate-related Disclosures standard, and are progressively enhanced towards closer alignment with IFRS S2 requirements.

The report addresses the four TCFD pillars - Governance, Strategy, Risk Management, and Metrics and Targets - to provide a structured overview of how climate-related risks and opportunities are considered across our organisational processes. Through these disclosures, we aim to enhance transparency, support informed decision-making in the face of climate-related uncertainties, and reinforce long-term value creation for our stakeholders.



OUR PERFORMANCE

HOW WE MEASURE OUR PERFORMANCE

Sustainability performance is managed across the Group through dedicated teams responsible for each focus area, with departmental managers providing coordination and oversight.

We assess progress using two main approaches: tracking performance against defined indicators and reviewing the implementation of initiatives aligned with our sustainability priorities.

Metrics and targets

We have defined key performance indicators (“KPIs”) for each focus area in our materiality matrix. These indicators are reviewed regularly to ensure their continued relevance, with updates made where necessary to reflect evolving priorities and business developments.

Commitments

In addition to performance metrics, we have set commitments across each focus area to guide our actions and decision-making. Progress is tracked and presented using the indicators shown in the table below, providing a clear view of achievements and areas for further improvement.

We track and review our sustainability programme with the Board of Directors at least once a year.

Symbols to represent the status of progress against commitments

Symbol	Description
Ⓝ	New commitment this year
⦿	Not started
◐	In progress
●	Complete
⌚	Ongoing commitment: no end date

SUSTAINABILITY REPORT

5. ECONOMIC

The Group's approach to value creation is grounded in the delivery of sustainable infrastructure solutions within Singapore. By embedding resource efficiency, recycling practices and digital capabilities into our operations, we derive tangible economic benefits while supporting long-term business viability. In FY2026, these initiatives contributed revenue of S\$144 million, demonstrating the alignment between sustainability priorities and financial performance.

ECONOMIC CONTRIBUTION TO SOCIETY

Sustaining growth through innovation and endurance

Singapore's transition towards a low-carbon and technologically advanced construction sector, guided by the Building and Construction Authority ("BCA"), continues to shape the operating environment. In response, we align our strategic priorities with national objectives while identifying opportunities arising from industry transformation. The increasing focus on low-emission developments and digitally enabled infrastructure presents avenues for innovation, particularly for organisations able to harness technology effectively.

We have incorporated digitalisation into key aspects of our operations to improve coordination and oversight. Through the implementation of customised systems and applications, we streamline workflows and enhance visibility across project execution. These tools facilitate the digital capture of work progress, support real-time monitoring of costs and billing processes, and provide clearer oversight of asset utilisation and inventory management. As a result, we are able to make more informed decisions and maintain consistency in project delivery.

In FY2026, we achieved revenue of S\$144 million (FY2025: S\$131 million), indicating the Group's ability to sustain stable performance in a changing operating landscape.

Realising economic benefits of recycling

We integrate sustainability considerations into our underground utilities and road infrastructure activities, with a focus on responsible material use and the effective management of environmental risks and opportunities. Through collaboration with partners, we deliver infrastructure projects that contribute to both economic and environmental outcomes.

Our circular economy approach is anchored by the operation of a construction waste recycling facility, through which demolition and construction materials are recovered and repurposed. These materials are subsequently processed into backfilling materials and aggregates for applications such as site reinstatement and asphalt premix production. The planned investment in a new recycling crusher with higher capacity has been deferred to FY2028 or FY2029 in view of the upcoming expiry of the Company's current lease agreement and the

anticipated relocation of its recycling operations. Management is evaluating the replacement of existing equipment with newer, more environmentally sustainable and operationally efficient machinery at the new site. Deferring the investment will help avoid premature capital expenditure and optimise resource allocation by aligning equipment upgrades with the relocation plan. Management will present the proposed investment strategy and relocation considerations to the Board for further discussion and evaluation in due course.

By utilising 114 thousand tonnes of recycled asphalt and 57 thousand tonnes of recycled backfilling materials, we reduce reliance on landfill disposal while improving material efficiency. In FY2026, this resulted in cost savings of S\$3.2 million, highlighting the economic value derived from circular practices alongside environmental benefits.

WAGE AND LOCAL HIRING

The Group believes that fair and sustainable wage practices are essential to supporting workforce stability and long-term economic growth. By providing competitive remuneration and progressive wage opportunities, the Group not only supports the financial well-being of employees, but also strengthens employee retention, productivity, and operational resilience. These efforts contribute to the development of a stable and motivated workforce, supporting the Group's continued growth and long-term sustainability.

In recognition of these efforts, the Group successfully renewed its Progressive Wage Mark certification in FY2026, an accreditation introduced by the Singapore Business Federation and supported by the National Trades Union Congress and the Government of Singapore. During the year, we have effectively utilised financial support under the Progressive Wage Credit Scheme to facilitate the transition towards progressive wage structures. These efforts reflect our proactive approach to responsible business conduct, while contributing to a fairer economy and strengthening our corporate reputation and industry competitiveness.

In addition, we remains committed to supporting local employment and contributing to the development of Singapore's workforce. In FY2026, Singaporeans continued to represent 10% of the Group's workforce, maintaining a consistent level of local workforce participation over the past three years and reflecting the Group's ongoing commitment to providing employment opportunities for local talent across its operations. The Group remains focused on supporting local workforce development through skills enhancement, career development opportunities, and sustainable employment practices, contributing to workforce resilience and long-term operational sustainability.

SUSTAINABILITY REPORT

6. ENVIRONMENT

Climate change represents a critical global challenge, and we take a proactive approach in addressing its potential impacts on our operations. Increasing climate variability, including unpredictable weather patterns and rising temperatures, introduces operational risks that may affect project timelines, cost management and overall efficiency. To manage these exposures, we have established a structured approach to climate risk oversight, coordinated by our Project Management Office ("PMO"), ensuring that relevant considerations are integrated into project planning and execution across the Group.

Our approach is supported by the use of data to inform environmental performance management. Through systematic evaluation of key impact areas, we identify opportunities to improve resource efficiency and reduce emissions intensity. Targeted initiatives have been introduced, focusing on energy optimisation, more efficient use of construction materials, and the adoption of technologies that support sustainable construction practices.

These measures enable us to limit our environmental impact while improving operational outcomes, ensuring that sustainability considerations are embedded in how projects are delivered. In parallel, we align our practices with evolving regulatory requirements and stakeholder expectations, reinforcing our position as a responsible participant in the development of sustainable infrastructure.

CLIMATE CHANGE AND EMISSION

We align our climate-related disclosures with the recommendations of the TCFD with particular focus on the Metrics and Targets pillar to track and communicate performance transparently. Key indicators disclosed include GHG emissions, energy consumption, carbon intensity, as well as water and waste management metrics. These indicators form the basis for setting measurable targets and monitoring progress over time, supporting a structured approach to managing climate-related risks and opportunities.

A systematic approach has been adopted to manage emissions across our operations. We compile energy consumption data from all operational units and quantify annual GHG emissions to establish a clear baseline and identify areas for improvement. This process enables more informed decision-making in relation to emissions reduction initiatives and environmental performance.

Our emissions are calculated in accordance with the GHG Protocol developed by the World Resources Institute and the World Business Council for Sustainable Development, ensuring consistency and comparability in reporting. We apply the 'control method, under which emissions from operations under our direct control are fully accounted for. Our inventory currently covers both Scope 1 and Scope 2 emissions, comprising fuel consumption within our operations and electricity usage across our facilities.

In recognition of the increasing importance of value chain emissions, we are assessing the relevance of Scope 3 emissions. Preliminary evaluations are underway to determine material categories and appropriate methodologies, with the aim of establishing a reliable framework for future disclosure and providing a more comprehensive view of our overall emissions profile.

In FY2026, the Group recorded total greenhouse gas emissions of 10,991.2 tonnes of carbon dioxide equivalent ("**tCO₂e**"), with an emissions intensity of 76.3 tCO₂e per million dollars ("**tCO₂e/\$mil**") of revenue. This reflects a 9.4% year-on-year increase in total greenhouse gas emissions from 10,051.2 tCO₂e in FY2025. Despite the increase in total emissions, carbon emission intensity decreased by 0.9%, from 77.0 tCO₂e/\$mil in FY2025 to 76.3 tCO₂e/\$mil in FY2026, indicating improved emissions efficiency relative to revenue generation. Diesel consumption remained the dominant source of emissions, contributing 9,708.8 tCO₂e, which accounted for approximately 88.3% of total emissions. This was primarily driven by increased diesel usage in asphalt production, transportation activities, and the operation of heavy machinery such as excavators, cranes and generators.

Compared to FY2025, the increase in emissions was also influenced by higher petrol consumption due to the recruitment of additional project staff to support new projects and expanded site coverage, as well as increased electricity usage resulting from a larger workforce and greater utilisation of operational facilities, including the asphalt plant and crusher plant at headquarters.

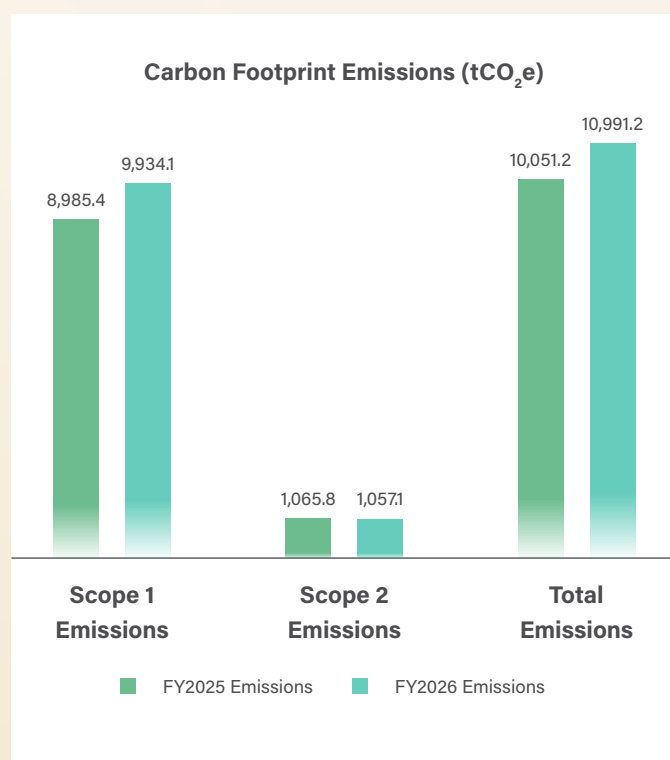
Notwithstanding the increase in absolute emissions, the reduction in emissions intensity demonstrates the Group's ability to support business growth while managing carbon emissions more efficiently on a revenue-adjusted basis.

SUSTAINABILITY REPORT

6. ENVIRONMENT

Amid sustained operational demand, particularly in relation to infrastructure projects such as water pipelines, roadworks and electrical cabling, we are implementing targeted measures to moderate emissions intensity, including workforce training on sustainable construction practices, closer coordination with project teams to improve resource efficiency, and structured maintenance programmes to optimise fuel consumption and extend equipment lifespan.

Taken together, these efforts strengthen our approach to emissions management and reinforce our environmental responsibilities. Reducing GHG emissions remains a key priority within our broader sustainability agenda, reflecting our contribution to global climate action.



Biodiversity preservation

We incorporate biodiversity considerations into the planning and execution of our operations, recognising the importance of protecting Singapore's native ecosystems. Environmental monitoring and site management practices are applied to minimise potential impacts on surrounding flora and fauna.

In FY2026, monitoring activities identified no significant biodiversity-related concerns, indicating that the Group's controls and environmental management practices remain effective. Site teams perform regular assessments of nearby vegetation and wildlife conditions, and any observations of ecological relevance are promptly reported to the relevant authorities.

The Group adopts a considered approach to site management, guided by established environmental protocols to limit disturbance to the natural environment. By factoring ecological considerations into both planning and execution stages, we aim to preserve natural habitats while maintaining responsible operational standards.

ENERGY MANAGEMENT

Energy remains a critical component of our operations, given the nature of our underground utilities infrastructure works, which rely extensively on heavy machinery such as excavators, bulldozers, cranes and drilling equipment. These assets are integral to project execution and are predominantly powered by fossil fuels, making effective energy management essential to both operational performance and environmental responsibility.

Fuel consumption (Scope 1) accounted for 93.4% of our total energy use, while electricity consumption (Scope 2) made up the remaining 6.6%. This distribution informs our approach, with a focus on managing fuel consumption to reduce environmental impact and cost exposure.

In FY2026, total energy consumption stood at 39,727.3 megawatt-hours ("MWh"), while energy intensity was recorded at 275.9 MWh per million dollars ("MWh/\$\$mil") of revenue. On an intensity basis, this represents a 0.4% decrease from FY2025 (276.9¹ MWh/\$\$mil), indicating improved energy efficiency despite higher operational activity. The increase in overall energy consumption was attributable to a combination of factors, including higher electricity usage arising from workforce expansion and increased utilisation of facilities such as the asphalt plant and crusher plant at headquarters. In

¹ Energy consumption intensity of FY2025 was restated. Please refer to Restatements, for the details.

SUSTAINABILITY REPORT

6. ENVIRONMENT

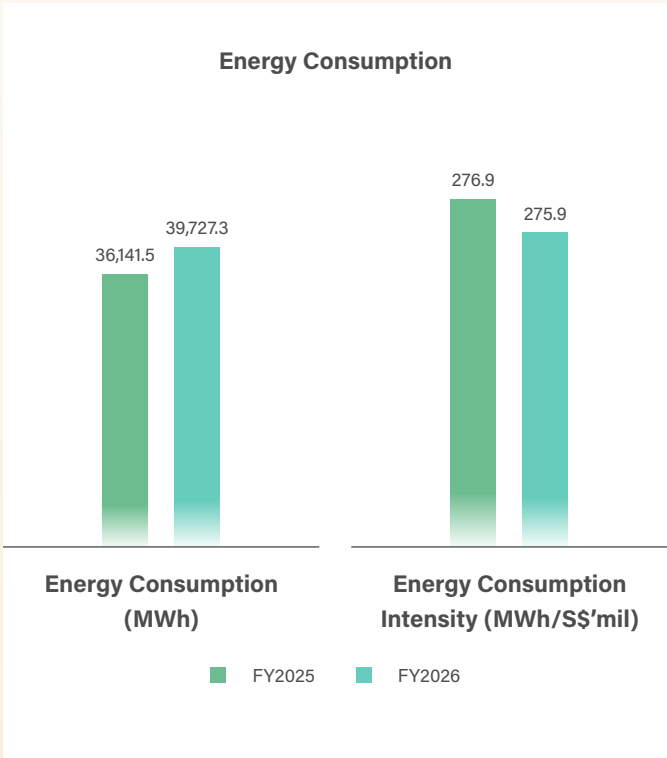
addition, greater fuel consumption was observed, as expanded operational activities required more extensive use of vehicles, machinery and equipment across project sites.

While total energy consumption increased in line with expanded operational activities, the Group improved its energy efficiency, as evidenced by the reduction in energy intensity. This reflects our ability to generate greater economic value while managing energy consumption in a disciplined and effective manner.

To build on this progress, we have implemented a series of focused initiatives designed to optimise energy use across our operations:

- **Fuel Consumption Monitoring:** We have implemented a robust fuel monitoring and management system to monitor fuel usage across all our operations. This system enables us to identify inefficiencies in fuel consumption, and respond promptly by applying targeted measures. These interventions help to optimise fuel usage, reduce wastage, and ultimately improve our overall fuel efficiency, contributing both to cost savings and reduced environmental impact.
- **Reducing Engine Idling:** We actively promote and encourage our workforce to minimise unnecessary engine idling in vehicles and machinery. By fostering awareness and behavioural change through training and site management practices, we have been able to significantly reduce idling times, which directly lowers fuel use and diminishes our carbon footprint.
- **Operational Efficiency Optimisation:** We focus on regular maintenance and tuning of our machinery and equipment as essential parts of our operational strategy. By keeping all machinery in excellent condition and properly adjusted for peak performance, we decrease the energy needed for operation. This proactive method not only cuts fuel and electricity use but also prolongs equipment lifespan, reducing replacement expenses and advancing our sustainability objectives.
- **Incorporation of Renewable Energy:** We have installed solar-powered street lighting systems at selected project sites, utilising renewable energy to power our operations. By incorporating these sustainable technologies, we actively reduce our carbon footprint and demonstrate our commitment to environmental stewardship.

As operational demands evolve, we apply a structured and data-driven approach to energy management. Our efforts are directed towards improving efficiency, lowering emissions intensity, and reinforcing long-term operational resilience, in line with the Group's broader sustainability objectives.



SUSTAINABILITY REPORT

6. ENVIRONMENT

WATER CONSERVATION

Effective water management forms an integral part of our environmental approach, with ongoing efforts to optimise consumption across our operations. In FY2026, total water usage reached 96,668.4 cubic metres ("m³"), with water intensity recorded at 671.3 cubic metres per million dollars ("m³/S\$'mil") of revenue. This represents a 14.7% decrease from 787.4 m³/S\$'mil in FY2025, reflecting more efficient utilisation of water resources.

A key factor contributing to this improvement was tighter oversight of water usage by our in-house facilities team, supported by the implementation of water efficiency measures at our headquarters. In addition, the completion of pipe jacking works resulted in lower water consumption at project sites.

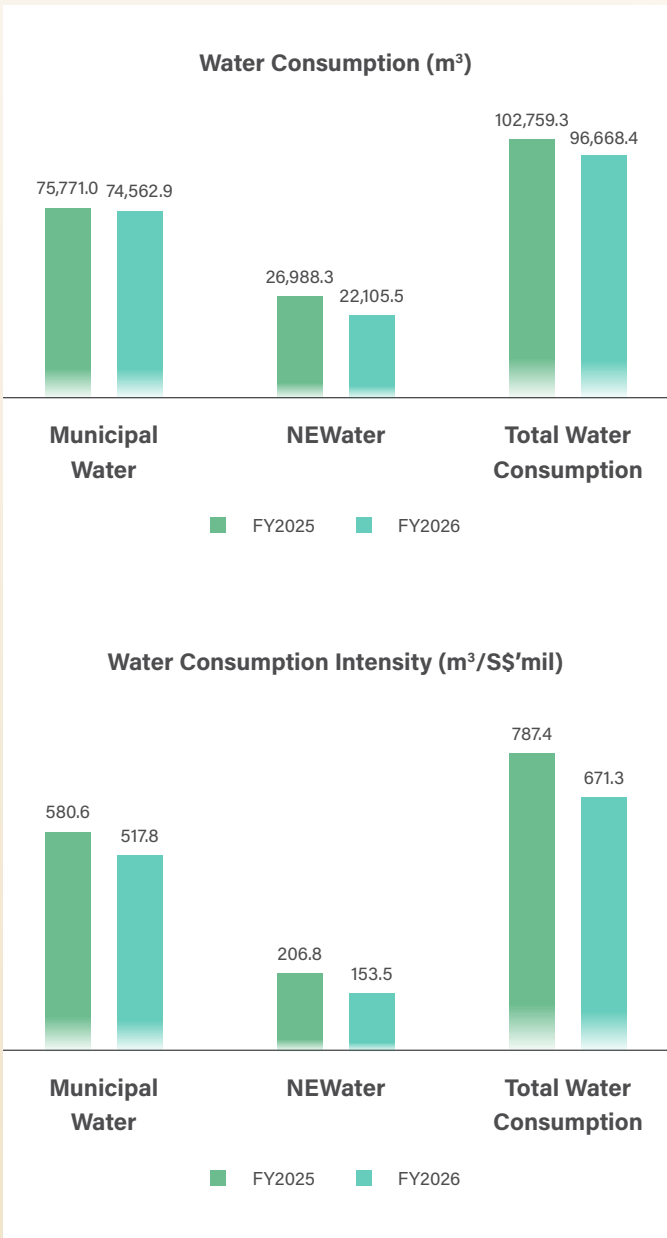
The reduction in water intensity demonstrates the Group's ability to support its operational activities while utilising water resources more efficiently. This reflects the effectiveness of our water management practices and continued focus on resource optimisation across our operations.

To further strengthen water conservation efforts, we have introduced targeted initiatives aimed at reducing reliance on potable water and expanding the use of alternative sources:

- **Infrastructure Enhancement:** Piping systems have been installed to facilitate the use of NEWater in dormitory urinals and washing machines, reducing the demand for potable water in non-potable applications.
- **Operational Substitution:** Project teams are instructed to prioritise NEWater over potable water for construction-related activities such as road cleaning, machinery washing, and site reinstatement.
- **Awareness and Engagement:** Initiatives have been introduced to educate employees, customers, and local communities on the importance of water conservation and sustainable practices.

These measures reflect our approach to responsible water management, balancing operational needs with environmental considerations while supporting Singapore's broader water sustainability efforts.

As part of our ongoing efforts, we are working towards a target of reducing water consumption by 1% per headcount at our headquarters ("HQ"). This objective is supported by structured planning, workforce awareness programmes and monitoring systems that provide visibility over water usage across our properties. Collectively, these measures aim to embed water stewardship into our operational practices while contributing to long-term environmental sustainability.



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WASTE MANAGEMENT

Hazardous waste and non-hazardous waste management

We manage waste as a key aspect of our environmental responsibilities, with emphasis on reducing disposal volumes and improving the recovery of usable materials. By adopting practical approaches to reuse and recycling, the Group converts waste streams into valuable resources, supporting both environmental outcomes and operational efficiency.

A central component of this approach is our asphalt premix plant, with recycled materials accounting for approximately 67% of its inputs in FY2026. This practice aligns with regulatory requirements set by the BCA, the National Environment Agency ("NEA"), and the broader construction sector. Approved by the Land Transport Authority ("LTA"), the facility utilises recycled aggregates sourced from resurfacing projects and contributions from partners such as LTA, SP Group and the Public Utilities Board ("PUB").

The incorporation of recycled asphalt into our production processes supports a more circular use of materials, allowing us to reduce waste sent for disposal while maintaining the required quality standards for infrastructure works. In parallel, we have introduced clearly labelled recycling points across our sites to facilitate proper waste segregation, enabling both employees and stakeholders to manage recyclable materials more effectively.

Our waste management priorities focus on:

- Reviewing and refining waste management systems and processes to minimise material wastage and improve resource utilisation;
- Protecting water bodies through the careful handling of wastewater and waste by-products to prevent contamination.

Cost savings in FY2026 amounted to S\$3.2 million, compared to S\$3.4 million in FY2025. The slight decrease was mainly attributable to lower volumes of recycled materials utilised during the year. The volume of materials available for recycling may vary from year to year depending on project-specific requirements and actual material consumption at work sites.

Nevertheless, the use of recycled materials in underground works continued to deliver meaningful cost efficiencies while supporting the Group's environmental objectives. These outcomes reflect the practical value of integrating recycled inputs into operations and reinforce the role of circular practices within the Group's sustainable operating model.

Innovative waste recycling and resource optimisation

Across multiple project sites island-wide, surplus waste materials arising from demolition activities as well as ongoing construction and infrastructure projects have been effectively managed through collaborative arrangements. By working closely with industry partners, the Group has transformed what is typically regarded as a disposal cost into a value-generating opportunity.

This approach was sustained in FY2026, with concrete waste systematically recycled for use in our utility projects. The recycled material is repurposed as backfill, replacing the need for granite and reducing overall material costs, while also supporting partners in managing surplus waste more efficiently. In certain cases, these arrangements have also generated additional income streams. Through these efforts, the Group improves resource efficiency, optimises cost management, and advances sustainable construction practices in line with circular economy principles.

Driving economic value with collaborative sustainability

Effective waste management not only supports the Group's environmental priorities but also contributes to value creation. By working closely with industry partners to manage surplus materials, we are able to derive additional revenue streams while reducing reliance on virgin resources. This approach reflects how sustainability initiatives can be integrated with cost efficiency and resource optimisation.

Material recovery and reuse form part of our operational practices, allowing waste materials to be converted into useful inputs for construction activities. Through the application of circular principles such as reuse and recycling, we reduce disposal volumes and improve overall material efficiency, while maintaining the quality standards required for our projects.

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6. ENVIRONMENT

ENVIRONMENTAL IMPACT ASSESSMENT AND MITIGATION

Climate strategy: risks, opportunities and resilience

Risks and opportunities across temporal horizons

Ley Choon's Engineering and Construction Services are guided by sustainability disclosure requirements as part of our reporting framework, with ongoing enhancements guided by the recommendations of the TCFD. Climate-related risks and opportunities are assessed to support their integration into strategic planning and financial decision-making.

To ensure a structured evaluation, we assess these risks and opportunities across defined time horizons, reflecting both near-term operational considerations and longer-term developments:

- Short term: 1-3 years
- Medium to long term: beyond 3 years

In line with the TCFD strategy pillar, the Group has identified key climate-related risks and opportunities that may have a material impact on our operations, supply chain and long-term value creation. These factors are considered across the respective time horizons to account for changes in regulatory requirements, market conditions and industry developments.

The table below summarises how we evaluate and respond to these risks and opportunities across short-, medium- and long-term planning horizons.

Time Horizon	Risk / Opportunity Area	Risks	Opportunities
Short Term (1-3 years)	Environmental Regulations	▪ Increasingly stringent environmental regulations may lead to higher compliance costs and operational constraints.	▪ Proactively adopting sustainable practices and ensuring compliance with regulations such as NEA, BCA, and PDPA reduces regulatory risks, enhances reputation, and unlocks opportunities for green certifications or incentives.
	Sustainable Materials and Construction Methods	▪ Adoption of sustainable materials and advanced construction methods may increase upfront costs, impacting budgets and profits.	▪ Implementing energy-efficient machinery and recycled construction materials can reduce emissions and save costs. ▪ Eg, recycled materials used led to significant savings of S\$3.2 million in FY2026.
	Energy Management	▪ Dependence on fossil fuels exposes the company to price volatility and supply disruptions.	▪ Investments in renewable energy sources reduce dependence on non-renewable resources. ▪ Eg, the installation of solar panels at the Group's training centre forms part of its ongoing efforts to incorporate renewable energy initiatives into its operations.
	Greenhouse Gas Emissions	▪ Construction activities contribute to carbon emissions, increasing regulatory costs and scrutiny.	▪ Use of energy-efficient machinery and recycled materials reduces emissions and achieves cost savings.

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Time Horizon	Risk / Opportunity Area	Risks	Opportunities
Medium to Long Term (beyond 3 years)	Materials Sourcing	Use of non-sustainable materials may cause reputational risks, non-compliance, and affect project eligibility and trust.	Strengthening partnerships with certified suppliers and using green-labelled or recycled materials enhances the sustainability profile and meets client expectations.
	Market Competitiveness for Sustainable Practices	Poor ESG visibility may limit access to government contracts and investor relations.	- Improving sustainability credentials differentiates the Group and improves brand reputation and tender success - Eg, attained ISO 14001 and the Green & Gracious Builder Award differentiates Ley Choon Group in public tenders and investor screening.
	Technological Investments in Green Materials	Transitioning to green materials may require upfront investment, new suppliers, and face supply/cost challenges.	Leveraging recycled materials and technology innovation improves lifecycle performance and attracts environmentally-conscious clients.
	Physical Climate Risks	Increased frequency or intensity of extreme weather causes operational delays, infrastructure damage, safety hazards, and reputational risk.	Commitment to sustainability via recycled materials and digital monitoring reduces vulnerability, and minimises delays and response costs.
	Innovation in Circular Economy Practices	Transitioning to circular economy models requires investments, staff retraining, procurement changes, and faces supply and regulatory challenges.	Scaling circular practices, such as the reuse of excavated materials, debris recycling and alternative aggregates, supports regulation compliance, and unlocks green procurement opportunities.
	Market and Policy Shifts	Policy shifts towards decarbonisation may render conventional practices uncompetitive.	Positioning our Group in low-carbon infrastructure unlocks future market opportunities in green roads and climate-resilient underground systems, while aligning with the objectives of Singapore's Green Plan.

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Impact on organisational strategy

As climate-related considerations become increasingly significant within the construction sector, they are taken into account alongside broader business priorities in shaping our strategic direction and financial planning. This reflects a growing recognition of the potential impacts of climate variability across the full construction lifecycle, from project design through to execution and maintenance. By factoring these elements into our decision-making processes, we strengthen our ability to respond to emerging risks while supporting long-term sustainability and operational resilience. The following outlines how these considerations influence key aspects of our operations, strategic planning and financial management.

Operational Impact

At the operational level, targeted measures have been introduced to address climate-related risks and improve resource management. For example, dedicated piping systems for NEWater have been installed to reduce reliance on potable water across dormitories and operational sites. This initiative enhances resource efficiency while reducing exposure to potential water supply constraints and regulatory pressures associated with freshwater usage. Such measures contribute to more sustainable water management practices and improve the Group's ability to manage climate-related challenges, particularly those linked to water scarcity and changing environmental conditions.

Strategic Integration

Environmental considerations are factored into key stages of project delivery, including design, procurement and execution. During project tendering, potential environmental risks are assessed to ensure that they are appropriately addressed from the outset. In addition, ongoing monitoring of greenhouse gas emissions, energy consumption and resource usage is undertaken throughout the project lifecycle. This allows us to maintain compliance with applicable requirements while adapting to evolving sustainability standards. By incorporating these elements into our planning processes, we are better positioned to manage risks, improve environmental performance and identify opportunities for innovation across our projects.

Financial Planning

Investment decisions are guided by the need to support more sustainable practices across our operations. Capital is progressively allocated towards initiatives such as energy-efficient technologies, renewable energy solutions and the use of environmentally responsible construction materials. These investments are aligned with national

frameworks, including the Singapore Green Plan 2030, so that our growth remains aligned with broader environmental objectives. At the same time, this approach supports long-term cost optimisation and strengthens the Group's ability to respond to future regulatory and market developments.

Our approach will be regularly reviewed and refined as climate-related expectations continue to evolve. This includes monitoring developments in climate science, regulatory requirements and stakeholder priorities, and incorporating relevant considerations into our planning processes where appropriate. Should future growth opportunities arise in areas such as renewable energy or climate-related infrastructure, the Group will assess the associated risks and opportunities and integrate them more comprehensively into its strategic and financial planning frameworks.

Risk management

Approach to risk management

Climate-related and environmental risks are considered within the Group's broader risk governance framework, guided by the recommendations of the TCFD. A structured ERM framework supports the systematic identification, evaluation and monitoring of material risks across the organisation. This framework is applied consistently at both corporate and project levels, providing a coordinated approach to managing risk exposures.

Within this structure, climate-related risks are treated as cross-functional in nature, given their potential impact on strategic direction, operational performance, financial outcomes and regulatory compliance. By incorporating these considerations into the overall risk management process, the Group ensures that climate-related factors are addressed alongside other key business risks.

Risk ownership is distributed across business and operational units, enabling teams to manage risks within their respective areas of responsibility. These efforts are supported by the PMO, which plays a central role in driving the implementation of sustainability-related initiatives. Oversight is provided by the AC, which works closely with the PMO to review risk processes and ensure that appropriate controls are in place.

Assessment and identification of climate-related and environmental risks

Risks are evaluated using a structured matrix that considers both the likelihood of occurrence and the potential impact across multiple dimensions, including strategic, financial, operational, compliance, information technology and environmental factors.

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Climate-related risks are assessed alongside other enterprise risks to ensure a comprehensive and integrated view of the Group's risk profile.

These assessments inform decision-making across the organisation, supporting the allocation of resources, development of contingency measures and implementation of mitigation actions at both project and corporate levels.

Climate-related risks are broadly categorised into two main groups, identified through ongoing monitoring of regulatory developments, engagement with stakeholders and internal sustainability reviews:

a) Physical risks:

Climate-related physical risks may arise from both acute events and longer-term environmental changes, each of which can affect the Group's operations in different ways. Extreme weather conditions, shifting temperature patterns and changes in water availability may disrupt project execution, affect site conditions and place additional strain on resources. These factors can result in operational delays, increased costs and challenges in maintaining consistent project delivery.

For example, prolonged periods of high temperatures may affect workforce productivity and health on-site, while heavy rainfall or flooding can impact site accessibility and compromise infrastructure stability. Such conditions may disrupt project schedules and increase the complexity of managing construction activities. Addressing these risks is therefore important in maintaining operational continuity, safeguarding employee well-being and preserving overall project performance.

b) Transition risks

Transition risks are driven by changes associated with the shift towards a low-carbon and more sustainable economy. These include evolving regulatory requirements, technological developments and changing market expectations, all of which may influence how projects are planned and executed.

Policy developments such as tighter emissions standards, carbon-related regulations and sustainability-focused procurement requirements may lead to higher compliance costs and adjustments in operational practices. For the Group, these changes may also require the adoption of new technologies and processes to remain competitive and compliant.

For instance, Singapore's move towards a low-carbon transport system, including the transition to electric vehicles ("EVs"), presents potential cost implications. Measures such as higher renewal costs for fuel-based vehicles may require the gradual replacement of existing fleets with compliant alternatives. This transition may involve significant capital investment while ensuring that operational needs continue to be met.

Risk mitigation and control

To manage climate-related risks, Ley Choon Group deploys a range of mitigation measures, including:

- Embedding climate risks within our ERM framework, which enables anticipatory identification, monitoring, and strategic mitigation;
- Prioritising the use of recycled construction materials, resulting in cost savings in FY2026 and reducing environmental impact;
- Conducting ongoing staff training and awareness programmes to improve responsiveness and safety during extreme weather events;
- Monitoring sustainability developments and updating the climate-related risk framework to remain aligned with evolving regulatory requirements and stakeholder expectations.

In addition, we are exploring the application of climate scenario analysis to better understand the potential long-term effects of both physical and transition risks on our operations, supply chain and financial performance. This forms part of a forward-looking approach to strengthen risk management practices and support future sustainability disclosures.

Integration into strategic decision-making

Climate-related considerations are embedded within key business processes, including project planning, procurement and operational management. This enables the Group to respond more effectively to environmental risks while maintaining compliance with evolving regulatory requirements.

Coordination between the PMO and the AC provides oversight of risk management processes and facilitates alignment with the Group's sustainability priorities. Existing initiatives, such as the use of recycled construction materials, demonstrate a practical approach to improving resource efficiency. At the same time, the ongoing evaluation of tools such as climate scenario analysis is expected to further strengthen the Group's ability to respond to future environmental uncertainties.

SUSTAINABILITY REPORT

6. ENVIRONMENT

Targets & Performance

We have established an EHS roadmap to guide our long-term direction, with implementation underway since FY2018. Key performance indicators are periodically reviewed, and targets are set across the following time horizons:

- Short term: 1-3 years
- Medium to long term: beyond 3 years

Aspects	Objective	Targets (Short term)	Target (Medium to Long term)	Progress	FY2026 Progress and Policy
Environment					
Environmental Compliance 	▪ To ensure we conform to environmental laws, regulations, standards and other industry requirements	▪ Reduce the number of environmental-related cases brought by external authorities	▪ Achieve zero environmental-related cases brought by external authorities		▪ No environmental-related cases reported in this FY. ▪ We comply with all national and international legal regulations to uphold the highest level of environmental standards at our worksites.
Climate change and greenhouse gas emission management 	▪ Minimise the environmental impact by reducing GHG emission	▪ Reduce carbon footprint intensity by 5% compared to previous year	▪ Reduce carbon footprint intensity by 10% compared to the baseline year ▪ Achieve carbon neutrality in HQ building		▪ Carbon emissions intensity decreased by 0.9% in FY2026, indicating improved emissions efficiency relative to revenue generation. The Group continues to implement initiatives to improve energy efficiency, adopt lower-emission technologies and strengthen emissions management practices as it progresses towards its carbon footprint reduction target. ▪ We remain committed to reducing our carbon footprint by 5% in the future FY through the continued implementation of sustainable practices across our operations. ▪ We implement a data-driven approach to monitor and review our GHG emissions and ensure effective management of environmental impacts.

SUSTAINABILITY REPORT

6. ENVIRONMENT

Aspects	Objective	Targets (Short term)	Target (Medium to Long term)	Progress	FY2026 Progress and Policy
Energy Efficiency 	Preserve our environment by reducing energy consumption and avoiding pollution	Reduce the total energy consumption by 1% in the HQ building compared to the previous year	- Reduce the total energy consumption by 5% in the HQ building compared to the baseline year - Achieve carbon neutrality in HQ building		- In FY2026, energy intensity decreased by approximately 0.4% to 275.9 MWh/\$'mil compared to the previous financial year, indicating improved energy efficiency despite higher operational activity and increased total energy consumption. - The rise in total energy consumption was driven by expanded operations; however, the reduction in energy intensity indicates more efficient use of energy across the Group. - We committed to increasing our efforts in reducing our total energy consumption by 1% compared to previous FY, supported by the continued implementation of energy-efficient practices, technologies and equipment within our premises.
Water Conservation 	Preserve our environment by reducing the use of water for our activities	Reduce the total water consumption by 1% in the HQ building compared to the previous year	Reduce total water consumption by 5% per headcount in the HQ building compared to the baseline year		- In FY2026, water consumption intensity decreased by 14.7% compared to FY2025, driven by increased use of NEWater and the installation of water-efficient fixtures in dormitory facilities. - We continue to work towards reducing water consumption intensity by 1% at our headquarters year-on-year through targeted water efficiency measures.

SUSTAINABILITY REPORT

6. ENVIRONMENT

Aspects	Objective	Targets (Short term)	Target (Medium to Long term)	Progress	FY2026 Progress and Policy
Biodiversity Preservation 	Deploy the necessary resources to preserve biodiversity and ensuring the sustainability of ecosystems	Engage specialists/ experts to set up the environmental programme for the protected area prior to the commencement of works	- Develop and implement comprehensive environmental management plans for all projects in protected areas - Achieve Singapore Environmental Achievement Award for Systems and Management		- We maintain zero significant issues related to biodiversity in FY2026. - We implement environmentally friendly practices, technology, and equipment to preserve biodiversity.
Waste management 	Ensure all the contaminated waste are sent for proper disposal by NEA approved General Disposal Facilities	Employ an environmental control office or specialist for environmental control measures	- Standardise environmental control measures across all operations - Achieve comprehensive environmental management across all projects		- Achieved zero generation of hazardous waste throughout our business operations. - We implement effective waste management measures and technology to ensure we maximise the materials we use and the waste disposal or discharge is responsibly managed.

SUSTAINABILITY REPORT

7. SOCIAL



Our commitment to social responsibility is demonstrated through our focus on employee health, safety, and well-being. We foster an inclusive and diverse culture, contribute to our communities, and maintain a safe workplace while promoting work-life balance, continuous development, and fair labour standards.

Supporting our migrant workforce is a key priority, with initiatives that have generated measurable impact. We recognise their contributions through engagement activities such as team-building programmes, community engagement initiatives and an annual appreciation dinner, fostering social cohesion and mutual respect.

We celebrated our achievements in innovation, excellence, and growth through a company incentive trip to Zhangjiajie, China. Beyond providing rest and rejuvenation, the trip strengthened team cohesion and recognised the dedication of our people. These shared experiences cultivate a strong sense of belonging and contribute to sustained well-being, informed decision-making, and a more engaged, connected workforce.

Together, these initiatives reinforce our commitment to responsible stewardship and to cultivating a workplace that is both supportive and empowering.

SUSTAINABILITY REPORT

7. SOCIAL

DIVERSITY AND EQUAL OPPORTUNITY

Talent inventory

In FY2026, the Group employed 1,080 individuals across a diverse range of operational and corporate functions. We adopt a recruitment approach grounded in fairness and objectivity, where opportunities are offered based on individual capability and experience rather than personal attributes such as age, gender, ethnicity or nationality. This approach supports an inclusive workforce that reflects a broad mix of backgrounds and perspectives.

Talent is distributed across professional and managerial levels to support both operational requirements and long-term organisational development. This composition, as illustrated in the chart below, allows the Group to draw on varied expertise and viewpoints, contributing to adaptability and resilience. Women represented 10% of senior leadership roles during the year, where they contribute to key decision-making processes and provide perspectives that inform strategic planning.

In FY2026, experienced professionals accounted for approximately 6% of the workforce, bringing with them industry knowledge and insights that support operational continuity and responsiveness to changing business conditions. Their contributions extend beyond project execution, as they also play an important role in mentoring and knowledge sharing, supporting the development of less experienced employees. We continue to invest in developing workforce capabilities, as sustained growth depends on continuous learning and skills enhancement.

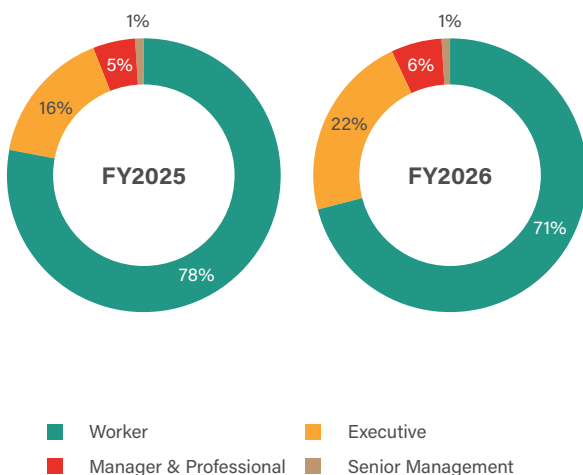
The Group has put in place the Tripartite Standard on Age-friendly Workplace Practices ("AFW") since FY2022, reflecting our approach to supporting employees across different age groups. This nationally recognised framework, developed through collaboration between government agencies, unions and employers, promotes inclusive practices in areas such as recruitment, flexible work arrangements, workplace design and employee engagement.

Key practices implemented under the AFW Standard include:

- Age is not a selection criterion in recruitment processes.
- A senior management member champions age-friendly practices.
- Older employees receive training to perform their jobs effectively.
- Implementation of workplace health programmes tailored for older employees.
- Designing jobs and workplaces to be age-friendly.
- Ensuring older employees with satisfactory performance receive annual increments.
- Engaging employees on re-employment issues well before retirement age and offering re-employment contracts promptly.

These practices reflect the Group's efforts in fostering an inclusive and supportive workplace environment. As a recognised Tripartite Standards adopter, Ley Choon is authorised to display the TS logo across its recruitment and communication platforms, highlighting its commitment to progressive employment practices and reinforcing its position as a responsible employer.

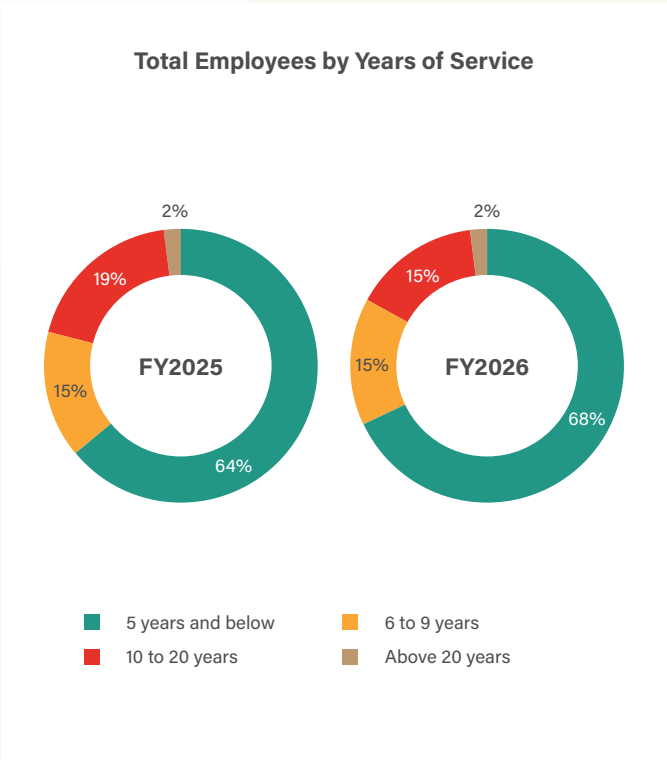
Total Employees by Job Position



SUSTAINABILITY REPORT

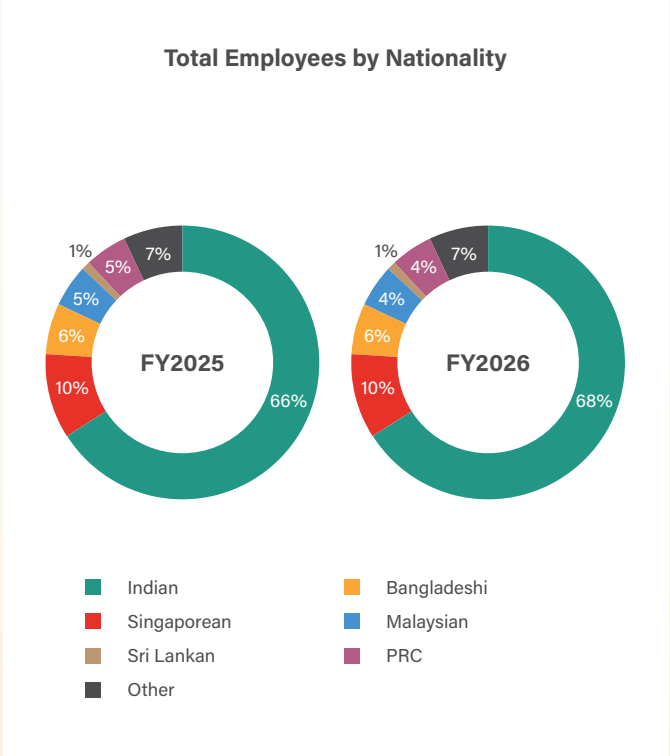
7. SOCIAL

Having a mix of age groups within the workforce allows experienced employees to remain active contributors. Their experience supports continuity and knowledge sharing across teams, while also helping to guide newer employees. This balance strengthens the organisation and supports its ability to respond to changing business needs over time.



Manpower resource

The Group places value on a multicultural workforce made up of employees from a variety of national backgrounds. As illustrated in the chart below, individuals of Indian descent represent the largest demographic group within the organisation. This diversity brings together a wide range of perspectives, experiences and cultural backgrounds, shaping a workplace that encourages collaboration across functions, supports new ideas and promotes inclusive interaction.



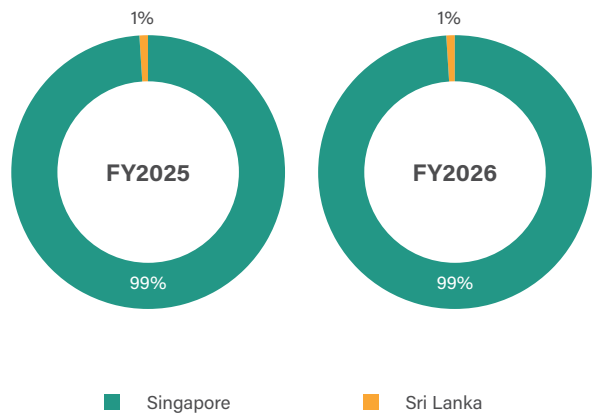
Workforce planning for site operations is managed with a structured and forward-looking approach. Manpower histograms and project schedules are used to guide the allocation of personnel, ensuring that resources are deployed efficiently in line with project requirements. Close monitoring of workload patterns allows adjustments to be made where necessary, while ensuring that employees are provided with adequate rest periods following their shifts.

Employee well-being is also considered in managing work arrangements, particularly in maintaining a sustainable balance between operational demands and personal time. The workforce is primarily based in Singapore and Sri Lanka. In FY2026, employees located in Singapore accounted for approximately 99% of total headcount, following the completion of projects in that region. During the same period, most construction activities were concentrated in Singapore, resulting in a higher deployment of manpower locally.

SUSTAINABILITY REPORT

7. SOCIAL

Workforce Allocation by Geographical Region



No incidents of discrimination were recorded in FY2026, indicating that workplace practices remained consistent with the Group’s policies on fairness and respect.

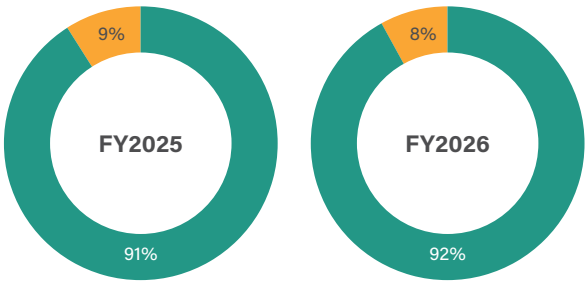
Diversity, equity and anti-discrimination

Our workforce reflects a diverse mix of nationalities and age groups, which contributes to the Group’s ability to operate effectively within its core market in Singapore. We value diversity as an important aspect of organisational strength, supporting a broader range of perspectives and responsiveness to evolving business needs.

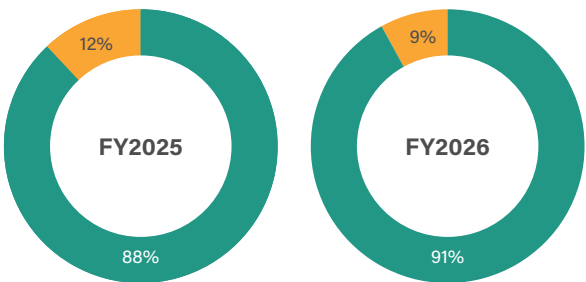
Gender inclusivity and equal opportunity are actively encouraged across the organisation, while a gender imbalance continues to be observed.

Given the physically intensive and site-based nature of our operations in underground utilities infrastructure and roadworks, many roles require on-site deployment. As a result, 92% of the workforce is male.

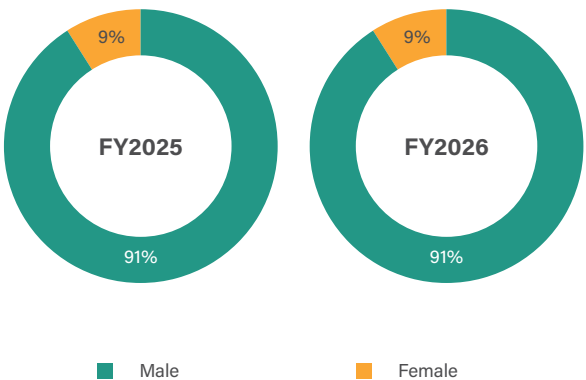
Total Employees by Gender



New Hires by Gender



Employee Turnover by Gender



We are committed to fostering an inclusive workplace where employees are treated fairly and provided with equal opportunities for development and advancement, regardless of gender. Contributions from female employees are valued across all levels of the organisation, particularly in key support functions that enable our operations.

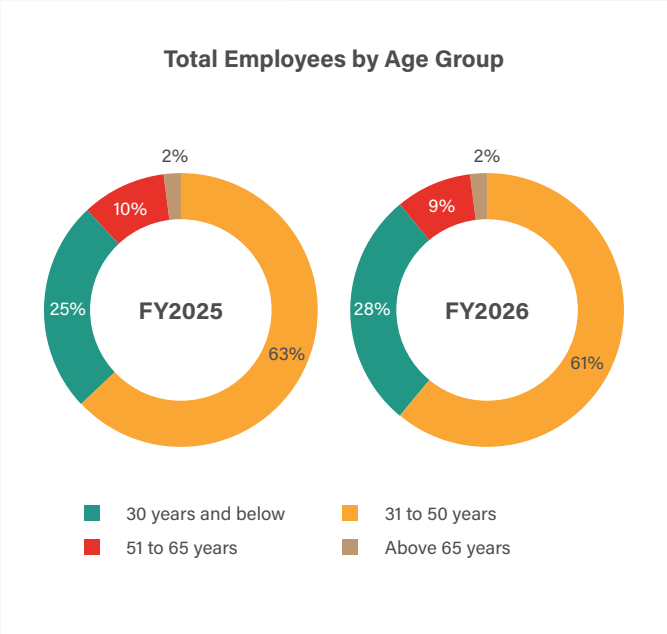
SUSTAINABILITY REPORT

7. SOCIAL

Fairness is applied consistently across work practices and remuneration, with outcomes determined by individual performance. The Group does not tolerate discrimination in any form and seeks to maintain a respectful and equitable working environment.

Age diversity also contributes to the strength of our workforce. In FY2026, 11% of employees were aged above 50, bringing valuable experience and expertise that enhance our operations and service quality.

The charts below illustrate the Group's approach to promoting equal opportunities, workforce diversity and a workplace culture grounded in fairness and respect.



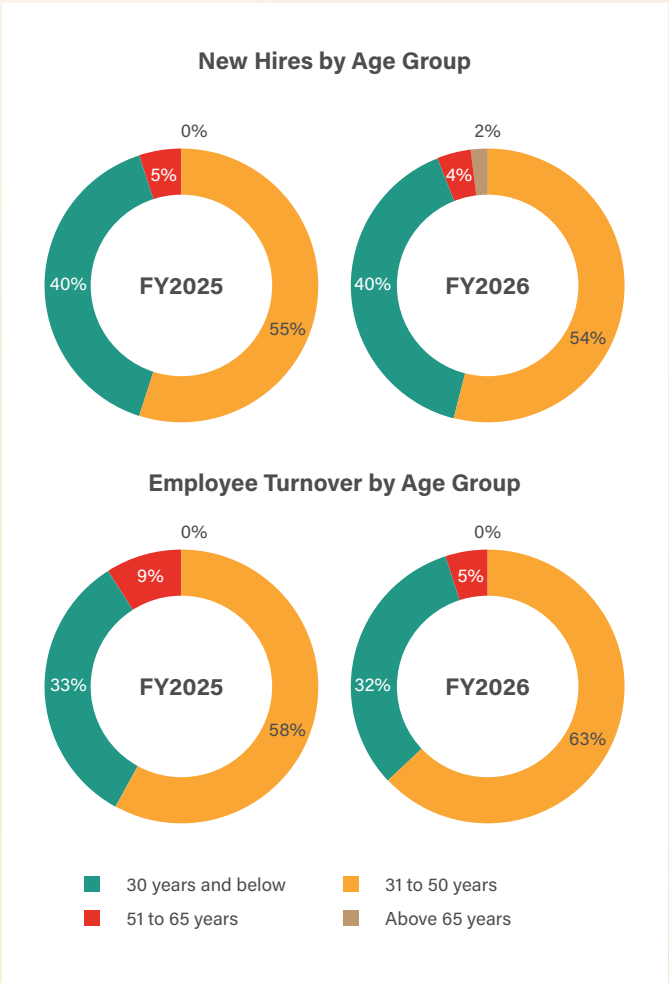
Recruitment and retention

In FY2026, around 54% of new hires were within the 31 to 50 age group, bringing relevant experience that strengthened the Group's project delivery capabilities. During the same period, 63% of resignations were recorded within this age range, reflecting a 5% increase compared to the previous financial year. This was primarily attributable to a larger employee population within the 31 to 50 age bracket, driven by new hires joining within this age range as well as employees from younger age groups progressing into the category over time.

To facilitate a smooth transition for new employees, we implement a structured onboarding programme. This begins with a briefing on employment terms to ensure clarity on roles and expectations, followed by a guided introduction to the workplace environment. New joiners are also introduced to colleagues to encourage early engagement and integration within teams.

Supporting materials are provided through a welcome email, which directs employees to key resources available on the company intranet and website. In addition, a buddy system is in place across our Group, where designated colleagues offer guidance and support during the initial stages of employment. These measures are designed to help new employees settle in effectively and contribute to a positive onboarding experience.

Overall, this approach supports employee integration and helps foster a sense of belonging, which contributes to retention over time.



SUSTAINABILITY REPORT

7. SOCIAL

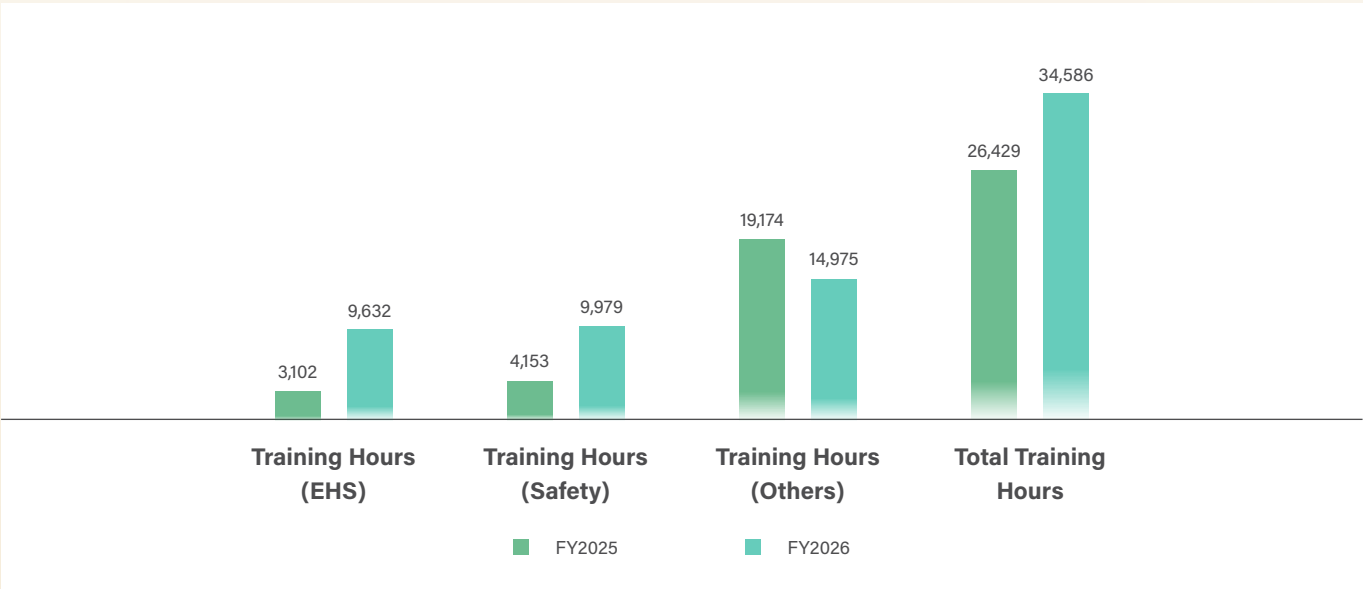
TRAINING AND STAFF DEVELOPMENT

During the year, training resources were redirected to develop the capabilities of field personnel, with greater emphasis placed on EHS programme. This adjustment enables employees to develop a deeper understanding of safety requirements while increasing awareness in critical operational areas.

Employees development is also reinforced through regular performance and career development reviews, complemented by coaching and mentoring initiatives that enable more targeted skills development beyond formal appraisal processes. In

FY2026, 511 employees underwent reviews, representing a decline of 6% from 542 employees in the previous financial year. The decline was mainly attributable to a larger proportion of newly hired employees who were not yet eligible for review within the FY2026 reporting cycle.

Taken together, these measures contribute to a workforce that is equipped with the knowledge and awareness required to perform effectively, while reinforcing safe practices and supporting organisational resilience.



In FY2026, the Group recorded a total of 34,586 training hours, comprising EHS training programmes focused on environmental awareness, occupational health, regulatory compliance and workplace safety management; safety training programmes aimed at enhancing employees' awareness of workplace hazards, accident prevention and safe work practices; as well as other training programmes relating to compliance, operational competency and professional development.

Total training hours in FY2026 increased by 30.9% compared to FY2025, primarily driven by the expansion of EHS and safety training programmes. This resulted in the average training hours per employee increasing by 13.9% from 28.1 hours in FY2025 to 32.0 hours in the current year. The average training hours conducted in FY2026 per male employee and female employee were 34.7 hours and 2.9 hours, respectively.

Training is delivered through a combination of internal knowledge-sharing sessions and externally facilitated courses, allowing employees to benefit from both organisational expertise and broader industry practices. In parallel, internal programmes are tailored to operational requirements, addressing specific challenges encountered across different functions. Regular refresher sessions are also conducted to reinforce key competencies and maintain performance standards.

The Group also participates in programmes organised by industry bodies, providing employees with access to industry training opportunities, professional networks and sector insights. Through these programmes and engagements, employees are able to enhance their knowledge of industry developments and strengthen their professional capabilities, supporting continuous learning and workforce development across the organisation.

SUSTAINABILITY REPORT

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Safety and compliance-related training programmes conducted during the year included Standard Basic Training, Project Safety Management and General Drivers Safety Course, reinforcing the Group's commitment to workplace safety and responsible operations.

The following structured workforce development initiatives were organised to support employee growth and operational excellence, including:

- The Foreman Training Programme, a formalised two-stage programme comprising classroom theory, practical training, and a three-month on-the-job training component with buddy supervision, competency assessment, and certification.
- The Operations Supervisor Training Programme, which provides in-house training covering safety compliance, resource management, leadership and communication skills, ensuring supervisors are prepared to manage both technical and team responsibilities.
- Strategic Upskilling and Reskilling Programme, which focuses on enhancing technical competencies, broadening skill sets, and equipping employees with the knowledge required to support long-term business growth and operational resilience.
- Strategic Manpower Management Workshop, equips employees and supervisors with effective skills and techniques for performance evaluation and workforce management.

In FY2026, the Group established the Learning Space and Learning Exchange platform to promote continuous learning and peer knowledge-sharing across the organisation. As part of the Company's virtual training approach, the platform facilitates the sharing and application of key learnings across different teams, fostering skills development, cross-functional collaboration, and organisational growth.

In addition, we expanded our safety enhancement initiatives to the divisional level in FY2026, strengthening oversight and reinforcing safe practices across operations. This extension enables more targeted training and equips employees with the knowledge required to maintain a safe working environment. It also supports a more structured approach to safety management by ensuring that training is aligned with specific operational needs across different divisions.

Each training session is followed by a structured Question & Answer ("Q&A") segment, providing employees with the opportunity to clarify procedures and discuss practical scenarios. This interactive approach encourages active participation and supports a deeper understanding of safety requirements, while reinforcing shared responsibility for workplace safety. By facilitating open dialogue, employees are better able to address uncertainties and apply safety protocols more effectively in their day-to-day responsibilities.

Overall, the Group's training programmes enhance workforce competencies and enhance employees' readiness to meet evolving operational and industry demands. Through continuous investment in learning and development, the Group builds organisational resilience while supporting the long-term workforce growth and capability development.

LABOUR MANAGEMENT RELATIONS

Labour regulations compliance

The Group's human capital strategy is founded on principles of equity, inclusivity, continuous development, and employee well-being, with an emphasis on fostering work-life balance. Our Human Resource ("HR") policies are established in accordance with applicable laws and regulations in Singapore, including the Employment Act (Cap. 91), the Employment of Foreign Manpower Act (Cap. 91A), as well as statutory social protection schemes such as the Central Provident Fund. We maintain oversight and accountability for compliance across all operating jurisdictions, with processes in place to monitor adherence to regulatory requirements. In Singapore, this includes compliance with standards and guidelines issued by the BCA and the Ministry of Manpower ("MOM").

In FY2026, the Group reported zero instances of non-compliance with applicable labour laws and regulations. This reflects the effectiveness of our established compliance framework and internal control processes, and reinforces our commitment to ethical labour practices, workplace safety, and the protection of employee rights and dignity.

SUSTAINABILITY REPORT

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Workforce communications

Effective communication across the workforce strengthens alignment, collaboration and overall organisational effectiveness. We acknowledge that keeping employees informed and engaged fosters workplace cohesion and contributes to a positive working environment.

With this in mind, we have introduced a range of initiatives to encourage interaction and promote the consistent sharing of relevant information across all levels of the organisation:

- **Monthly Management Meetings:** These gatherings primarily focus on reviewing the physical and financial progress of ongoing projects, offering insights into our collective achievements and areas for improvement.
- **Chief Executive Officer ("CEO") Dialogue Sessions:** Regular sessions are conducted between our CEO and operational staff to gain a deeper understanding of their day-to-day challenges and identify opportunities for enhancing productivity. This open dialogue facilitates agile adjustments to workflows and business processes.
- **Weekly/Monthly Team Meetings:** Team Managers convene regular meetings to discuss operational reviews and project progress, fostering collaboration and alignment across all levels of the organisation.
- **Quarterly Board Meetings:** Quarterly meetings are held for the Board of Directors to delve into strategic business development initiatives and financial matters, ensuring transparency and alignment with our overarching objectives.
- **Informal Small Group Gatherings:** Management frequently organises informal meetings to provide a platform for employees to voice their concerns and grievances, fostering a culture of openness and trust within the organisation.

Collectively, these communication channels contribute to a more connected and engaged workforce, enabling employees to contribute effectively towards shared goals.

Employee welfare and HR engagement

In July 2024, the Group introduced a Flexible Work Arrangement ("FWA") policy in line with the Tripartite Alliance for Fair and Progressive Employment Practices Guidelines on FWA, supporting flexible working hours and hybrid work arrangements subject to supervisory approval. The policy has since remained an integral part of our employee welfare initiatives, promoted work-life balance while fostered a flexible, inclusive, and supportive workplace culture.

Following the introduction of the HR Connection Session Programme in August 2024, we continued to enhance and implement the initiative this year by providing employees with a dedicated platform to communicate concerns, feedback, and suggestions directly to HR. The programme promotes open communication, strengthens employee engagement and trust, and supports a positive and responsive work environment.

During the year, a total of 7 employee feedback cases were received through the HR Connection Session Programme. All cases were reviewed and addressed within the year, covering areas such as workplace matters and HR-related enquiries. The 100% resolution rate reflects the Group's commitment to timely and responsive people management, while also demonstrating employees' confidence in raising concerns through formal engagement channels.

Furthermore, we introduced a Leave Policy to support family-inclusive workplace practices and foster a more supportive working environment for employees. In addition, we continued to strengthen employee support and well-being through the implementation of our Staff Welfare Policy, which promotes a positive and caring workplace environment.

President's challenge enabling employment pledge

Following our signing of the President's Challenge Enabling Employment Pledge, a national initiative that supports the employment of persons with disabilities ("PWDs"), we continued to advance our commitment to inclusivity by implementing inclusive HR practices, providing tailored training and workplace support, and fostering a culture that promotes diversity and equal participation. We uphold fair employment principles in line with the Tripartite Guidelines on Fair Employment Practices. Reasonable accommodation is considered on a case-by-case basis to support employees with disabilities in carrying out their roles effectively.

SUSTAINABILITY REPORT

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Currently, our workforce includes one employee with a hearing impairment who actively contributes to the project team. While this individual was not recruited specifically through the President's Challenge Enabling Employment Pledge scheme, the Group remains committed to inclusive employment practices and will continue to explore opportunities to support people with disabilities in the workplace.

These ongoing efforts continue to align with our core values while contributing to a more engaged workforce, a stronger organisational culture, and a broader and more diverse talent pipeline. By further embedding disability inclusion into our operational framework in FY2026, we strengthened our social impact initiatives and reinforced our position as a responsible and forward-looking employer.

Grievance and harassment management

The Company has established a Grievances Policy to promote fairness, transparency, and accountability in the management of employee concerns. The policy provides employees with a clear and structured channel to raise issues relating to employment terms, workplace conditions, or interpersonal matters within the organisation. Through this policy, we aim to foster a respectful and inclusive workplace culture where every individual feels heard and valued. Key benefits of our Grievances Policy include enhanced employee well-being and strengthened organisational effectiveness through the following:



FAIR RESOLUTION

The policy ensures that grievances are addressed promptly and impartially, fostering a respectful and supportive workplace culture.



EMPLOYEE EMPOWERMENT

It empowers employees to voice concerns without fear of reprisal, promoting open communication and trust within the organisation.



COMPLIANCE AND ACCOUNTABILITY

By adhering to this policy, we demonstrate our commitment to legal and ethical standards, ensuring compliance with relevant regulations and promoting accountability at all levels.



CONTINUOUS IMPROVEMENT

The policy allows us to learn from feedback and improve our practices, enhancing employee satisfaction and overall organisational effectiveness.

In addition, the Company has also implemented a Workplace Harassment Policy, in line with the Tripartite Advisory on Managing Workplace Harassment, to reinforce our commitment to maintaining a safe, respectful, and dignified working environment. By aligning our practices with these guidelines and embedding them into our organisational values, we strive to cultivate fair and effective workplace practices that support both employee well-being and organisational growth.

SUSTAINABILITY REPORT

7. SOCIAL

Employee engagement and well-being

In FY2026, the Group continued to reinforce employee engagement and well-being through various team bonding and community involvement initiatives aimed at fostering a positive and collaborative workplace culture. Department bonding activities were conducted to enhance teamwork and enhance cohesion across departments, while the Staff Team Bonding Bowling Night provided employees with opportunities for recreation, interaction, and relationship-building beyond the workplace.



Team Bonding Bowling Night



Department Bonding Activities



Community Decluttering Initiative in Yishun



In addition, the Group supported the Community Decluttering Initiative in Yishun in September 2025, encouraging employees to participate in meaningful community engagement activities and contribute positively to society. The initiatives involve decluttering homes of elderly or low-income residents, cleaning and improving their living environments. Through these initiatives, we continue to promote employee well-being, strengthen organisational connectivity, and foster a supportive and engaged workforce culture.

We reinforced workplace safety and employee well-being through participation in the Road Safety Champion ("RSC") Programme in collaboration with the Traffic Police. Under the programme, selected drivers were trained and recognised as Road Safety Champions to advocate road safety awareness within the worker community, support road safety initiatives, and assist in identifying potential road hazards.

The Group celebrated our Annual Appreciation Dinner 2026 and 35th Anniversary Celebration on 17 January 2026. The event marked a significant milestone in the Group's history and was attended by approximately 1,100 participants, including employees, workers, and esteemed guests. The celebration reflected the Group's strong commitment to inclusivity by recognising and celebrating employees across all roles and levels as part of this important occasion.

During the event, a total of 73 employees received Long Service Awards in recognition of their dedication and valuable contributions to the Group. Among the award recipients were 2 employees who achieved 30 years of service and 3 employees who marked 20 years of service. The event provided a meaningful platform to honour the commitment of our people, strengthen employee morale, and celebrate the Group's collective journey and achievements over the past 35 years.

SUSTAINABILITY REPORT

7. SOCIAL



Annual Appreciation Dinner 2026 and 35th Anniversary Celebration

In December 2025, we actively supported and collaborated with the MOM, Assurance, Case and Engagement ("ACE") Group in commemorating International Migrants Day ("IMD"), reaffirming our deep appreciation for the invaluable contributions of our migrant workers. The LCG Games Day was organised in conjunction with IMD to promote employee engagement, well-being, and appreciation for migrant workers. Open to all migrant workers, the event featured various recreational and bonding



activities, including a cricket tournament, free-and-easy sports sessions (including badminton, basketball, volleyball and futsal), photo booth and carnival game stalls, and a lucky draw with cash prizes. This inclusive platform provided individuals with the opportunity to showcase their talents beyond the workplace, while fostering cross-cultural interaction, teamwork, and a spirit of friendly competition.



LCG Games Day

In recognition of our continued commitment to migrant worker welfare and engagement, the Company was awarded the MOM Certificate of Appreciation for International Migrants Day 2025. The award reflects the Group's ongoing efforts to foster an inclusive, supportive, and caring environment for its migrant workforce. This recognition reaffirms the Group's dedication to employee well-being, engagement, and responsible employment practices.

Moreover, we organised an incentive trip to Zhangjiajie, China in November 2025 as part of our incentive programme to acknowledge the exemplary contributions of our employees. This initiative serves not only as recognition of their dedication and hard work but also as an opportunity to foster team cohesion and collective motivation. This programme reflects our



dedication to a balanced work-life, stronger team bonds, and a nurturing workplace culture.

The programme also aimed to foster stronger teamwork and collaboration by enhancing interpersonal relationships across departments and organisational levels. In line with the Group's commitment to employee well-being and work-life balance, family members were included in the trip, reflecting the importance of family support in creating a positive and supportive work environment. In addition, the trip provided employees with opportunities for cultural exposure and personal enrichment beyond the workplace. Through such initiatives, the Group continues to reinforce a positive corporate culture and its position as an employer of choice.

SUSTAINABILITY REPORT

7. SOCIAL

Foreign workers living conditions

Providing a supportive living environment for foreign workers continues to be an important aspect of our workforce welfare efforts. We recognise the importance of rest and well-being beyond working hours and seek to maintain accommodation standards that promote comfort and dignity, acknowledging that quality living conditions contribute to overall morale and readiness for work.

Dormitory facilities are equipped with amenities such as washing machines, fitness areas, recreational spaces and reliable Wi-Fi access, while we organise social and recreational activities periodically to encourage interaction and foster a sense of community among residents. These initiatives support overall well-being and contribute to employee retention, as we continue to promote a more inclusive and supportive living environment.

In FY2026, the Group developed the Home Check App as part of our worker welfare initiatives to support and monitor the living conditions of foreign workers. The GPS location-based mobile application enables employers to verify workers' declared residential addresses and remotely assess accommodation conditions through photo submissions of key areas within the residence, including living spaces, kitchen, common toilets, and bedrooms. The system generates reports for management review, enabling timely follow-up and intervention where unsuitable living conditions are identified.

Through the implementation of the Home Check App, the Group strengthened its oversight of worker welfare while improving operational efficiency by reducing the need for physical site visits. The initiative reflects the Group's continued commitment to safeguarding employee well-being, promoting responsible employment practices, and leveraging digital solutions to enhance workforce management and support.

BUSINESS PARTNERS ENGAGEMENT

At Ley Choon, we build strong and constructive relationships with key external partners to support the Group's ability to operate effectively. We place importance on clear communication and regular dialogue to ensure that expectations and priorities are well understood as our business continues to evolve.

To support this, we maintain ongoing engagement with stakeholders through consistent interaction and timely updates on strategic initiatives and business developments. This approach promotes transparency and encourages a shared understanding of our objectives, while strengthening collaboration across our network of partners.

Further details on our engagement approach are provided in the **Stakeholder Engagement** section.

SUPPLY CHAIN AND PROCUREMENT PRACTICE

Supply chain management

Vendors are assessed against defined criteria such as quality, pricing, delivery performance, certifications and responsiveness before being included in the Approved Vendor List ("**AVL**"). Within our Group, ongoing engagements are also reviewed periodically to ensure that these standards are consistently met throughout project execution.

As at 31 March 2026, the AVL comprised a diverse pool of qualified suppliers, providing flexibility in sourcing and reducing dependence on any single vendor. This allows us to respond effectively to changing project requirements while maintaining supply continuity and cost competitiveness. Ley Choon also engages local suppliers through periodic capability assessments, supporting the development of long-term partnerships.

Environmental considerations are factored into vendor selection where relevant. While certification is not mandatory, preference is given to suppliers with recognised standards such as ISO 14001:2015. Vendors associated with environmental or social concerns are subject to further evaluation, and the Group may take appropriate actions where necessary.

During FY2026, 94.7% of procurement expenditure was directed towards local suppliers, representing an increase from 93.4% in the previous year. This shift was primarily driven by higher project activity, where we prioritised local sourcing to meet immediate operational needs and support timely project delivery.

SUSTAINABILITY REPORT

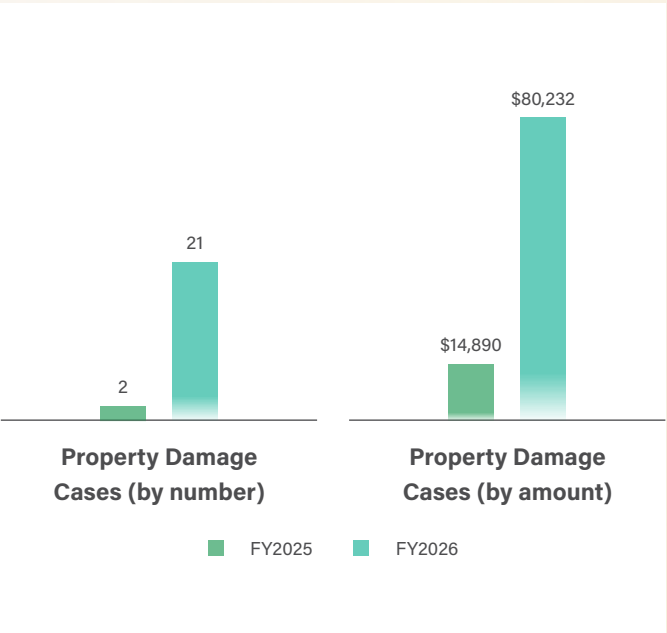
7. SOCIAL

Products responsibility

In FY2026, the number of property damage incidents increased to 21 cases, with repair costs rising to S\$80,232 compared to the previous financial year. This increase reflects higher operational exposure arising from a greater volume of excavation and trenching activities undertaken during the year.

Property damage incidents were mainly associated with excavation and trenching works in areas with existing underground utilities. In some instances, utilities were unrecorded, insufficiently protected, or located at shallower depths than expected. Other contributing factors included congested work areas, limited access, visibility constraints, and gaps in pre-commencement verification and site supervision.

In response, the Group continues to review and strengthen its work processes, site verification procedures and supervisory controls to reduce such incidents. Preventive measures implemented include cable detection and depth checks, marking of underground services prior to excavation, enhanced site supervision and the use of controlled exposure methods near live cables. Work procedures are also regularly reviewed and reinforced to ensure compliance with approved safety and protection measures.



Customer satisfaction index

In FY2026, the Group recorded a Customer Satisfaction Index of 88%, representing an improvement from the previous year. We continue to value client feedback and use these insights to refine our service delivery in line with evolving expectations.

During the year, 11 rework cases were recorded, compared to 20 cases in FY2025, representing a 45% reduction. While this reflects a significant improvement, the outcome was slightly above the Group's previous target of maintaining rework cases below 10. The reduction was driven by improved site supervision, closer coordination with premix suppliers and enhanced quality control during laying works.

To build on this progress, additional measures have been implemented, including strengthening site supervision to ensure adherence to workmanship standards and adopting weather monitoring protocols. Paving activities are deferred during unsuitable conditions, such as wet surfaces or rainfall, to maintain work quality.



Looking ahead, we aim to achieve a further reduction of approximately 20% to 30% in rework cases in the next financial year. This will be supported by improved workmanship consistency and enhanced planning around weather-related constraints, with the objective of maintaining service quality and delivering reliable outcomes for our clients.

SUSTAINABILITY REPORT

7. SOCIAL

Targets & Performance

We strive for excellence to raise our investments and standards for our human capital. We have set a three-year roadmap along 6 key pillars of:

- Employee Engagement and Excellence
- Fair Remuneration
- Diversity and Equal Opportunities
- Training and Development
- Talent Performance Management
- Corporate Social Responsibility

We are systematically reviewing and setting the key performance metrics for our human resource management system based on the temporal horizons for targets as follows:

- Short term: 1-3 years
- Medium to long term: beyond 3 years

Aspects	Objective	Targets (Short term)	Target (Medium to Long term)	Progress	FY2026 Progress and Policy
Social					
Employee Wellness 	Enhance employee wellness in both physical and mental state of well-being	▪ Immediate wellness initiatives: Through organised activities for employees to participate in	▪ Strengthen wellness initiatives: Through wellness programmes to promote work-life balance and mental health ▪ Develop wellness metrics to measure employees' well-being on a regular basis	Ⓒ	▪ We organised a range of employee engagement activities to encourage participation and strengthen workforce morale. ▪ We position Ley Choon as an employer of choice for both current and prospective employees. ▪ We maintain a healthy workplace environment, recognising the link between employee well-being, productivity and organisational growth.
Employee Engagement 	Foster a highly engaged, cohesive, and motivated workforce	▪ Initiate well-designed employee engagement programmes	▪ Refine engagement programmes and conduct regular engagement assessment sessions ▪ Sustain high level of engagement and develop programmes targeting other aspects such as leadership	Ⓒ	▪ In FY2026, we conducted bonding initiatives, including staff team bonding bowling night, department bonding activities, worker games day to promote interaction and strengthen connections among employees. ▪ We target at least 90% employee participation in company-organised engagement activities to promote interaction, communication and organisational cohesion. ▪ We encourage social interaction through company-wide programmes and internal and external communication channels.

SUSTAINABILITY REPORT

7. SOCIAL

Aspects	Objective	Targets (Short term)	Target (Medium to Long term)	Progress	FY2026 Progress and Policy
Employee Loyalty 	Foster strong employee loyalty by enhancing morale, motivation, and social cohesion	Launch employee loyalty strategies and programmes	Enhance loyalty programmes with competitive benefits and career development Sustain and implement more loyalty-enhancing programmes		- We continue the practice of awarding long-service recognition to acknowledge employees' contributions. - We strive to strengthen Ley Choon's position as an employer of choice among current and prospective employees. - We aim to achieve 80% employee loyalty to strengthen morale, motivation and workforce cohesion.
Compensation and Benefits 	Ensure fair and competitive remuneration and benefits to attract, retain, and motivate top talent, aligning with employees' skills and experience	Provide fair and competitive remuneration and staff benefits that meet the Company's goals of attracting and retaining good talent	- Improve remuneration packages for staff that correspond to their work experience and skillset - Sustain compensation and remuneration benefits that aptly reflect changes in the job market, economic conditions and employee needs		- We attained certification under the Singapore Government's Progressive Wage Mark, reflecting our commitment to fair wages for lower-wage employees. - We provide fair, competitive and non-discriminatory remuneration aligned with employees' experience and skillsets. - We target a satisfaction rating above 80% for remuneration and benefits, based on employee exit feedback.
Recruitment  	Embrace an open recruitment approach to attract the best talent to join the Group	Conduct fair recruitment to employ employees with a good profile and required skillset	- Develop a strong employer branding and referral programmes - Sustain programmes and regularly review and update recruitment strategies		- We recruited 1,080 employees across diverse age groups, genders and nationalities. - We apply an open recruitment approach to promote fairness and merit-based selection.
Diversity 	Foster a diverse workforce by achieving balanced representation in gender, age, and nationality	Review and update HR policies and practices	- Implement diversity recruitment initiatives and inclusive policies and practices - Establish mechanisms for continuous monitoring and evaluation of diversity metrics to track progress over time		- We achieved workforce diversity, with 11% aged above 50, 28% below 30, and 8% female representation in FY2026. - We strive to promote diversity across gender, age and nationality within the workforce.

SUSTAINABILITY REPORT

7. SOCIAL

Aspects	Objective	Targets (Short term)	Target (Medium to Long term)	Progress	FY2026 Progress and Policy
Training & Development 	Empower employees through comprehensive training programmes	Implement training programmes which will upgrade and enhance the technical skillsets and professional competencies of our employees for them to excel in their current position	- Implement advanced training programmes that go beyond basic skill enhancement to develop specialised skills and competencies required for career advancement - Establish leadership development programmes		- In FY2026, total training hours increased to 34,586 hours compared to the previous financial year, driven by the expansion of EHS and Safety training programmes for employees. - We established the Learning Space and Learning Exchange platform to promote continuous learning and peer knowledge-sharing across the organization. - We are committed to providing a minimum of 8 training hours per employee to support continuous development and skills enhancement. - We provide training programmes for our employees, including operations supervisors, to enhance their professional competencies and technical capabilities in meeting job requirements.
Employee Performance 	Create a culture of high performance and motivation by implementing a fair and effective employee performance strategy	Develop an employee performance system that will provide a fair evaluation and a high motivation system for employees	- Establish a continuous feedback mechanism and recognition reward programme - Regularly review and refine the performance management system		- A total of 511 employees underwent performance reviews in FY2026, representing a decline of 6% from 542 employees in the previous financial year. The decline was mainly attributable to a larger proportion of newly hired employees who were not yet eligible for review within the FY2026 reporting cycle. - We implement a fair employee performance system that provides a fair evaluation system for employees and encourages high employee performance.

SUSTAINABILITY REPORT

8. GOVERNANCE

Strong governance is fundamental to Ley Choon's operations, with emphasis on compliance, accountability and responsible business conduct. In FY2026, we maintained full legal compliance, with no reported whistle-blowing cases, and continued to safeguard customer data through established privacy controls.

Climate-related matters are addressed within the Group's governance structure, with oversight at both Board and

management levels. The Board reviews key developments, ensures alignment with strategic and regulatory priorities, and approves relevant disclosures. The AC considers climate-related risks within the broader risk framework, while the PMO oversees implementation and monitors environmental performance.

Through these arrangements, we maintain a structured governance approach while supporting sustainable and responsible business outcomes.



SUSTAINABILITY REPORT

8. GOVERNANCE

LEGAL COMPLIANCE AND CORPORATE GOVERNANCE

In FY2026, the Group maintained a strong record of compliance, with no material regulatory breaches and no whistle-blowing cases reported. This outcome reflects the robustness of our internal controls and the discipline applied across our operations. Ley Choon has also sustained zero environmental violations since FY2021, demonstrating consistent adherence to regulatory expectations and responsible operational practices over time.

Governance at Ley Choon is guided by established regulatory frameworks, including the Code of Corporate Governance issued by the Monetary Authority of Singapore, alongside requirements from BCA, LTA, NEA and MOM. These frameworks shape our decision-making processes and reinforce accountability at both Board and management levels.

As the operating landscape continues to evolve, we remain focused on maintaining high standards of governance and compliance, recognising their importance in preserving stakeholder trust and supporting long-term business resilience.

Customer privacy and data protection

Safeguarding customer information is an important responsibility across the Group's operations. During FY2026, no verified cases of data breaches or loss of confidential information were reported, indicating that existing controls remain effective.

Data protection practices are aligned with the requirements of the PDPA, supported by IT systems designed to meet recognised cybersecurity standards. Physical records containing sensitive information are managed with care and disposed of through authorised service providers, ensuring confidentiality is preserved throughout the process.

These measures reflect a consistent approach to managing information securely. By maintaining strong controls over both digital and physical data, Ley Choon reinforces stakeholder confidence and ensures that information is handled responsibly in all interactions.

Ensuring good investor relations

Rising expectations around transparency and corporate governance, both globally and in Singapore, continue to shape how listed companies engage with their stakeholders. In this environment, the Group places strong emphasis on clear and responsible communication, recognising its role in maintaining investor confidence and supporting sound governance practices.

Timely and reliable information

Providing accurate and timely information plays a central role in how we engage with our investors. We share updates on financial performance, key developments and strategic initiatives through regular financial reports, investor presentations and corporate announcements. These disclosures are intended to ensure that stakeholders remain informed of material developments affecting the Group.

Key information, including half-year financial results, is made available through the SGX announcements platform as well as the newsroom section of the Ley Choon website. By maintaining these channels, we seek to provide investors with accessible and up-to-date information to support their decision-making.

Supporting informed investment decisions

Clear and consistent communication underpins how we build and sustain relationships with our stakeholders. By providing relevant and reliable information, we enable investors to better understand the Group's strategic direction, operational considerations and growth outlook.

Annual General Meetings ("AGMs") serve as a key platform for engagement, allowing shareholders to interact directly with the Board and management. These sessions provide an opportunity to discuss business developments, seek clarification on key matters and raise any concerns.

Our approach to disclosure is aligned with our broader sustainability objectives, emphasising openness, accountability and respect in all stakeholder interactions. Through consistent communication and engagement, we aim to strengthen trust and support long-term value creation.

SUSTAINABILITY REPORT

8. GOVERNANCE

Digital transformation journey

In FY2026, the Group embarked on a significant digital transformation journey focused on enhancing operational efficiency and productivity across departments. By leveraging AI-powered tools within the Google Workspace ecosystem, the Group strengthened digital collaboration, streamlined work processes, and supported more efficient decision-making and workforce productivity.

NotebookLM — AI knowledge management platform

As part of the digital transformation journey, the Group adopted Google NotebookLM as an internal AI-powered knowledge management platform under the Group's Google Workspace Enterprise licence. The implementation aimed to enhance operational efficiency, improve knowledge accessibility, and strengthen cross-functional collaboration through the use of AI-assisted search, summarisation, and information management capabilities.

HR POLICY NOTEBOOK

The HR department developed an "HR Policies" notebook to enable employees to access and query HR policies through a conversational interface, improving policy accessibility and reducing ad hoc enquiries.

TENDER & SUBMISSION AUTOMATION

Project-specific notebooks were established to support tender and submission activities, enabling teams to efficiently analyse large volumes of technical documents, bills of quantities, specifications, and corrigendums through AI-assisted tools.

AI COURSES ON LMS

The Learning & Development team also introduced basic AI literacy courses on the Group's Learning Management System ("LMS"), with plans to progressively expand the training content available to employees.

SMART E-PROCESS ELECTRONIC OFFBOARDING

Under the Smart E-Process, the offboarding cessation and clearance process was fully digitised, eliminating the need for hardcopy documentation and manual sign-offs.

The paperless process was positively received by employees and supports the Group's environmental sustainability objectives through reduced paper consumption and administrative waste.

The Group's digital transformation initiative was driven with strong leadership support, with the CEO advocating the adoption of technology and aspiring to position the Group as a leader in IT innovation within Singapore's construction industry. To support the effective implementation of these initiatives, the Group established governance measures, data integrity controls, and structured adoption roadmaps, with the IT and Learning & Development teams leading implementation efforts across the organisation.

SUSTAINABILITY REPORT

8. GOVERNANCE

ANTI-CORRUPTION AND ANTI-FRAUD

A clear emphasis is placed on maintaining ethical conduct and accountability across all levels of the organisation. To address risks related to corruption and fraud, the Group has established internal frameworks that set expectations for behaviour and provide mechanisms for addressing potential misconduct.

Employees have access to a formal whistle-blowing channel through which concerns may be raised in confidence. This mechanism is designed to allow individuals to report matters without fear of reprisal, ensuring that issues can be surfaced and addressed at an early stage. Reports received are subject to appropriate review and investigation, with follow-up actions taken to address any identified gaps and prevent recurrence. These processes support a transparent working environment and contribute to maintaining trust in the Group's governance practices. Supporting materials, including guidance documents and frequently asked questions, are provided to facilitate understanding and accessibility of the framework.

Standards of conduct are further reinforced through a Code of Conduct that applies to all employees. This is complemented by a disciplinary framework that outlines consequences for non-compliance and promotes consistency in how such matters are handled. A demerit-based system is used to document and manage instances of misconduct, ensuring fairness in enforcement. These frameworks are periodically reviewed to ensure they remain aligned with operational needs and regulatory expectations.

HEALTH AND SAFETY

Environmental health and safety

We prioritise workplace safety, environmental responsibility and quality standards across all aspects of our operations. These areas are central to protecting employee well-being, meeting stakeholder expectations and managing our impact on the communities in which we operate.

"Safety is everybody's responsibility" informs behaviour across the organisation and shapes how risks are managed on the ground. This principle is embedded within the Group's integrated management system, providing a consistent framework for addressing safety and environmental considerations.

Under our integrated management system policy, we emphasise employee well-being, protection of property, environmental responsibility, and the minimisation of public disturbances. To deliver on these priorities, we:

- Embrace the principles of "Reduce, Reuse, and Recycle" to diminish our environmental footprint.
- Proactively prevent environmental pollution, injuries, illnesses, and accidents that could impact our employees, stakeholders, contractors, suppliers, and the wider community.
- Continuously enhance our management systems, processes, and performance to drive ongoing improvement.
- Ensure strict compliance with all relevant legislation and other requirements.
- Champion green and gracious approaches to safeguard our environment and demonstrate consideration for the well-being of the public.

Accordingly, the Group maintains a consistent and disciplined approach to managing safety, health and environmental matters across its operations.

Pursuing EHS excellence

Our approach to EHS focuses on maintaining compliance with the standards set by the BCA, the Green and Gracious Builder Award, and the bizSAFE STAR certification, which are achieved annually by the following subsidiaries:

bizSAFE STAR	BCA Green & Gracious Awards
▪ Ley Choon Constructions and Engineering Pte Ltd ▪ Teacly (S) Pte. Ltd. ▪ Chin Kuan Engineering and Contractors Pte Ltd ▪ Multiform Developments & Construction Pte Ltd ▪ Pan Alliance Technology International Pte. Ltd.	▪ Ley Choon Constructions and Engineering Pte Ltd ▪ Teacly (S) Pte. Ltd. ▪ Chin Kuan Engineering and Contractors Pte Ltd

Over the years, the Group has received various industry recognitions for its safety performance and project delivery standards. Most recently, Ley Choon was awarded the Workplace Safety and Health ("WSH") Performance Award in 2025, recognising the Group's strong safety performance and continued efforts in promoting workplace safety standards.

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Beyond these recognitions, FY2026 reflects continued progress in strengthening EHS performance across the Group through enhanced governance, improved monitoring systems and sustained leadership involvement. These efforts contributed to better oversight, reduced incidents and stronger control over high-risk operations, supported by structured inspections, proactive risk management and ongoing improvements in contractor safety management.

Leadership commitment remained evident through regular site engagements and safety initiatives, reinforcing a strong safety culture across operations. Workforce capability was further developed through structured training and competency assessments, while employee well-being initiatives supported a more inclusive and responsive work environment.

We also advanced the adoption of technology to enhance safety monitoring, operational efficiency and environmental performance. Efforts to reduce carbon emissions, improve resource efficiency and expand circular economy practices were strengthened, alongside measures to enhance resilience against operational and external risks.

Building on these developments, the Group will continue to enhance its EHS framework with a focus on prevention, protection and participation, while supporting long-term sustainability and operational excellence.

Occupational health and safety

Aligned with our integrated management system policy, we foster a workplace culture that prioritises employee well-being, environmental responsibility and the prevention of operational risks, including property damage and public disturbances such as noise pollution.

Our SEP forms a key part of this approach and is integrated into our EHS management system. It supports ongoing efforts to strengthen safety performance while reducing both the Accident Frequency Rate and Accident Severity Rate across our operations.

In 2025, the Group recorded an improvement in its Accident Frequency Rate ("**AFR**"), which decreased from 2.33 in 2024 to 1.71, reflecting a reduction in the number of reportable workplace accidents from six to four. This indicates continued progress in strengthening workplace safety and reducing the frequency of occupational incidents.

The Accident Severity Rate ("**ASR**") increased from 8.55 in 2024 to 31.17 during the same period. The increase was primarily attributable to a higher number of lost workdays arising from a limited number of incidents that required extended recovery periods. While the overall number of accidents declined, the nature and impact of certain incidents resulted in a higher severity rate.

The Group remains committed to enhancing its occupational health and safety performance through ongoing incident reviews, strengthened risk management measures, improved workplace controls, and continued safety awareness initiatives. Particular attention is given to higher-risk activities to minimise both the likelihood and potential consequences of workplace incidents.

For occupational health and safety reporting purposes, the AFR and ASR are calculated based on the calendar year (1 January to 31 December), which differs from the Group's financial year reporting period applied to other sustainability performance indicators.

Safety is reinforced as a shared responsibility across the organisation. The PMO convenes monthly meetings with key project personnel, including the EHS Manager, to review project progress and monitor compliance with safety requirements. These sessions, attended by the CEO, facilitate timely decision-making on matters such as training needs and resource allocation, ensuring that safety considerations are addressed at the leadership level. During these meetings, the Corporate Safety Manager presents group-wide EHS data for review, while the Project Management Director provides input on improving workplace safety and employee well-being.

To support workforce readiness, we have established a structured safety training framework that combines practical guidance with continuous learning. Toolbox meetings are conducted regularly to highlight site-specific risks, safe work practices and expected behaviours, encouraging proactive risk awareness among workers. Monthly refresher sessions reinforce key safety procedures and address areas identified through incident reviews or site observations. All new employees are required to complete EHS induction training before deployment, ensuring familiarity with the Group's standards and expectations. These programmes are coordinated by the Corporate Safety Manager and delivered by Work Safety and Health Officers at project sites.

In addition to internal programmes, we engage external specialists to provide targeted training in areas such as risk management and emergency preparedness. This includes participation in national initiatives and emergency response exercises, such as fire drills, to improve readiness across the workforce. Communication is further supported through structured channels, including regular EHS meetings and digital platforms, enabling timely dissemination of critical safety information.

Ongoing improvement remains a priority. The Group regularly reviews its Safety Management System and incorporates tools such as competency assessments for site supervisors and data-driven analysis of incidents. These measures support a balanced approach to operational performance and workforce protection, contributing to a safe, healthy and productive working environment.

SUSTAINABILITY REPORT

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Workplace health and safety

Safety performance in FY2026 reflected the effectiveness of the Group's safety management practices, with zero fatalities, high-consequence injuries and cases of work-related ill health recorded.

A total of 29 injury cases were reported during the year, representing an increase from the previous financial year. This was largely driven by a higher number of non-recordable incidents, which typically involve minor injuries requiring only first aid treatment. While these cases are less severe, they remain an important focus area as part of ongoing efforts to improve workplace safety outcomes.

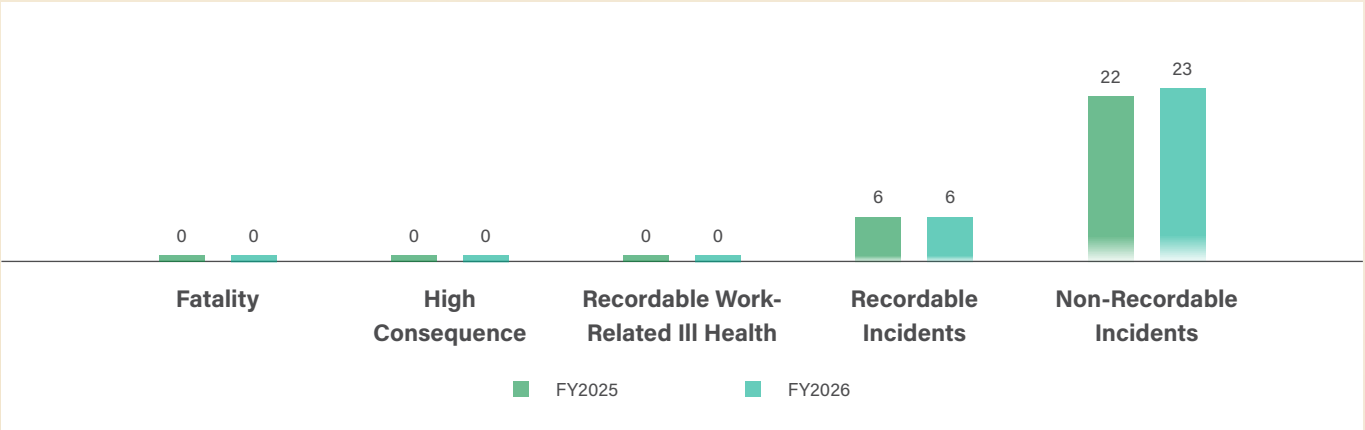
For health-related incidents, the Group follows a structured assessment process to determine whether a case is classified as work-related ill health. This includes review by relevant internal stakeholders and confirmation by external parties, such as insurers or medical professionals, where applicable. Only cases that meet the required criteria and are formally validated are recognised as work-related ill health cases for reporting purposes.

Maintaining a safe working environment is firmly embedded in our operational approach, with the aim of achieving zero incidents over time. We continue to strengthen our safety management practices to reduce the occurrence of injuries and enhance overall workplace conditions. In accordance with the Code of Practice ("COP") issued by the WSH Council, workplace safety and health matters are included as a standing agenda item at Board meetings. EHS performance indicators are presented regularly, enabling consistent review and oversight at the governance level.

To support these efforts, the Group has implemented a range of initiatives aimed at improving safety performance across the organisation, including:

- **Safety Enhancement Programme Implementation:** The Project Management Office conducts comprehensive monthly reviews to identify opportunities for improvement and ensure the ongoing advancement of safety protocols.
- **Consistent Training Initiatives:** We have established an extensive training programme on EHS practices tailored for both new hires and existing employees, supplemented by regular internal refresher sessions held directly at worksites.
- **Focused Recruitment and Retention:** Our recruitment strategy prioritises attracting and retaining individuals who demonstrate a strong commitment to health and safety, fostering a workforce dedicated to maintaining a secure work environment across all divisions.
- **Regular Toolbox Meetings:** We hold frequent toolbox meetings to reinforce safe working procedures and provide incentives to workers who consistently demonstrate adherence to safety standards.
- **Buddy Care System:** We have implemented a buddy care system organisation-wide to foster a culture of mutual support and vigilance, which strengthens safety awareness and responsiveness among employees.
- **Improved Dormitory Facilities:** We have enhanced worker accommodations to ensure better rest and comfort, promoting overall well-being and readiness for work.
- **Active Management Engagement:** We actively engage our leadership team in regular visits to worksites, underscoring their commitment to EHS and elevating safety awareness through direct interaction with employees.

Looking ahead, we will continue to reinforce safety practices across all levels of the organisation. Our objective is centred on achieving a zero-incident environment while safeguarding employee well-being and maintaining strong operational performance.



SUSTAINABILITY REPORT

8. GOVERNANCE

Our performance through the ISSB lens

For FY2026, we presented key environmental, safety and climate-related performance indicators, drawing on the International Sustainability Standards Board (“ISSB”) framework for the Engineering & Construction Services sector. This provides a structured basis for communicating how sustainability considerations are managed within our operations. The following sections set out our performance across the relevant ISSB topics:

ISSB Topic	Reporting Dimension	Metric	FY2026 Key Data and Disclosure
Environmental Impacts of Project Development	Environmental Compliance	Incidents of non-compliance with environmental standards	- No instances of environmental non-compliance were recorded across our operations during the year. - Environmental practices are maintained in accordance with NEA and BCA requirements, reflecting adherence to relevant regulatory expectations.
	Environmental Risk Management	Process for assessing environmental risks during project lifecycle	- Environmental risks are assessed through a structured approach applied across project planning and execution. - Key actions include early identification of environmentally sensitive areas, the conduct of impact assessments where required, and the integration of mitigation measures into construction processes. Project teams are supported by environmental control plans, with guidance provided to promote responsible practices throughout execution.
Structural Integrity & Safety	Structural Integrity & Rework	Cost of defect/safety-related rework	Rework costs totalled S\$92,321, with 11 cases recorded in FY2026, reflecting a reduction compared to the previous financial year. This improvement was driven by enhanced site supervision, closer coordination with premix suppliers, and stricter quality control during laying works. Measures such as strengthened supervision and the implementation of weather monitoring protocols have further improved planning and reduced exposure to weather-related disruptions, while maintaining safety and project quality standards.
	Legal Liability from Safety Issues	Monetary losses from defect/safety-related legal proceedings	No material financial losses from legal proceedings related to safety incidents were recorded in FY2026, reflecting the effectiveness of the Group's safety management practices.
Lifecycle Impacts of Buildings & Infrastructure	Sustainability Certifications	Certified & active projects with sustainability certification	Projects delivered by Ley Choon Constructions and Engineering Pte Ltd, Chin Kuan Engineering and Contractors Pte Ltd, and Teacly (S) Pte Ltd were recognised with the BCA Green & Gracious Builder Award, acknowledging their performance in sustainable construction and environmental management.
	Energy & Water Efficiency	Integration of operational energy/water efficiency in design	- NEWater usage has been expanded through the installation of dedicated piping systems at dormitories and operational sites, reducing reliance on potable water for non-potable applications. - Renewable energy integration contributes to improved energy efficiency across the building lifecycle, supporting sustainability objectives and lowering greenhouse gas emissions.
Climate Impacts of Business Mix	Business Mix & Climate Impact	Backlog for hydrocarbon, renewable, and climate-aligned infrastructure projects	- The Group's project portfolio is largely concentrated on infrastructure developments aligned with climate priorities, including underground utility works that support water recycling (NEWater) and green urban systems. - The absence of hydrocarbon-related projects, together with a project backlog centred on climate-aligned infrastructure, reflects alignment with Singapore's Green Plan and long-term environmental goals, including the development of water and sewer pipeline networks that support a circular water system.

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8. GOVERNANCE

Targets & Performance

Key performance metrics for compliance and environmental health and safety are being defined and periodically reviewed, with targets structured across the following time horizons:

- Short term: 1-3 years
- Medium to long term: beyond 3 years

Aspects	Objective	Targets (Short term)	Target (Medium to Long term)	Progress	FY 2026 Progress and Policy
Governance					
Legal compliance 	Maintain full compliance with local laws and regulatory requirement and minimise impact on the environment	▪ Ensure continuous full legal compliance	▪ Conduct periodic internal assessments and external audits to verify compliance and identify opportunities for improvement		▪ Achieved full compliance with local regulatory requirements in FY2026. ▪ Achieved zero violations against laws and regulations relevant to the environment in FY2026. ▪ We are committed to continuing to comply with laws and local regulatory requirements.
Customer Privacy & Data Protection 	Protect customers' personal information as per PDPA	▪ Maintain zero complaints	▪ Implement advanced data protection technologies ▪ Conduct regular risk assessments		▪ Achieved zero complaints concerning breaches of customer privacy or losses of customer data in FY2026. ▪ We are committed to continuing to safeguard our client's information and maintain zero complaints concerning breaches of customer privacy or losses of customer data.
Environmental Health Safety 	Ensure workplace safety and health	▪ Achieve a 50% reduction in Accident Frequency Rate and Accident Severity Rate	▪ Achieve a 100% reduction in Accident Frequency Rate and Accident Severity Rate ▪ Continuously improve EHS management systems and improve safety training sessions.		▪ We collaborate with external service providers for specialised training on risk management. ▪ We remain dedicated to balancing productivity and safety, ensuring workforce well-being and operational excellence.

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8. GOVERNANCE

Aspects	Objective	Targets (Short term)	Target (Medium to Long term)	Progress	FY 2026 Progress and Policy
Anti-Corruption and Anti-Fraud 	Ensure the highest standards of integrity and accountability of all employees	Implement training sessions to educate employees	- Conduct regular audits and reviews of the whistle-blowing policy and HR disciplinary framework - Achieve and sustain zero whistle-blowing incidents		- Achieved zero whistle-blowing incidents in FY2026 and in the recent financial years. - We seek to maintain a strong ethical foundation, ensuring the Group operates with the highest standards of integrity and accountability.
Good Investor Relations	Supporting informed investment decisions	Continue to maintain transparent communication	- Expand engagement opportunities - Establish robust channels for ongoing engagement with stakeholders		- Conducted an annual general meeting and regularly published announcements and updates on our website. - We set up regular dialogue sessions with stakeholders and investors, such as Annual General Meetings. - We are committed to delivering timely and reliable information regarding our Group and operations.
	Maintain good risk management and adaptability	Enhance risk identification and monitoring	- Strengthen the risk management framework - Maintain a track record for risk management		- Regularly keep up with market trends and industry regulations. - We committed to identifying risks through continuous monitoring and comprehensive analysis.
					

SUSTAINABILITY REPORT

APPENDIX A: SUSTAINABILITY SCORECARD

Economic Contribution and Governance

Metrics	Units	FY2025	FY2026
Revenue	S\$ 'mil	131	144
Number of whistleblowing incidents	Number	-	-
Number of environmental violations	Number	-	-
Number of breaches of customer privacy and losses of customer data incident	Number	-	-
Number issues concerning biodiversity conservation	Number	-	-

Environmental Sustainability

Metrics	Units	FY2025	FY2026
Carbon emission			
Carbon emission (scope 1)	tCO ₂ e	8,985.4 ³	9,934.1
Carbon emission (scope 2)	tCO ₂ e	1,065.8	1,057.1
Total carbon emission	tCO ₂ e	10,051.2 ³	10,991.2
Carbon emission intensity	tCO ₂ e/ S\$'mil ²	77.0 ³	76.3
Energy consumption			
Fuel energy consumption	MWh	33,554.6 ³	37,097.6
Electricity consumption	MWh	2,586.9	2,629.7
Energy consumption	MWh	36,141.5 ³	39,727.3
Energy consumption intensity	MWh/ S\$'mil ²	276.9 ³	275.9
Water consumption			
Water consumption (municipal)	m ³	75,771.0	74,562.9
Water consumption intensity (municipal)	m ³ / S\$ mil ²	580.6	517.8
Water consumption (NEWater)	m ³	26,988.3	22,105.5
Water consumption intensity (NEWater)	m ³ / S\$'mil ²	206.8	153.5
Total water consumption	m ³	102,759.3	96,668.4
Water consumption intensity	m ³ / S\$'mil ²	787.4	671.3
Waste consumption			
Use of recycled asphalt	tonnes	120,000	114,000
Use of recycled backfill material	tonnes	60,000	57,000

² Environmental intensity metrics have been restated. Please refer to Restatements, for the details.

³ The data has been restated. Please refer to Restatements, for the details.

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APPENDIX A: SUSTAINABILITY SCORECARD

Employment and Labour Practices

Metrics	Units	FY2025	FY2026
Employment			
Total number of employees	Number	941	1,080
Employee turnover	%	4%	2%
Female representation in senior management	Number	1	1
Female representation in senior management	%	13%	10%
Current employees by gender			
Male employee	Number (%)	855 (91%)	989 (92%)
Female employee	Number (%)	86 (9%)	91 (8%)
Current employees by age group			
30 years and below	Number (%)	238 (25%)	300 (28%)
31 to 50 years	Number (%)	595 (63%)	663 (61%)
51 to 65 years	Number (%)	94 (10%)	99 (9%)
Above 65 years	Number (%)	14 (2%)	18 (2%)
Current employees by job position			
Senior Management	Number (%)	8 (1%)	10 (1%)
Managers and Professionals	Number (%)	50 (5%)	65 (6%)
Executives	Number (%)	149 (16%)	243 (22%)
Workers	Number (%)	734 (78%)	762 (71%)
Current employees by years of service			
5 years and below	Number (%)	600 (64%)	735 (68%)
6 to 9 years	Number (%)	145 (15%)	168 (15%)
10 to 20 years	Number (%)	179 (19%)	158 (15%)
Above 20 years	Number (%)	17 (2%)	20 (2%)
Current employees by nationality			
Foreigner – Indian	Number (%)	619 (66%)	736 (68%)
Foreigner – Bangladeshi	Number (%)	56 (6%)	67 (6%)
Local – Singaporean	Number (%)	98 (10%)	112 (10%)
Foreigner – Sri Lankan	Number (%)	11 (1%)	10 (1%)
Foreigner – PRC	Number (%)	45 (5%)	42 (4%)
Foreigner – Malaysian	Number (%)	45 (5%)	42 (4%)
Others	Number (%)	67 (7%)	71 (7%)
Allocation of employees by geographical region			
Singapore	Number (%)	936 (99%)	1,076 (99%)
PRC	Number (%)	-	-
Sri Lanka	Number (%)	5 (1%)	4 (1%)
Current employees by employment type			
Full-time	Number (%)	941 (100%)	1,076 (99%)
Part-time	Number (%)	-	4 (1%)
Employee turnover by gender			
Male resigned employee	Number (%)	30 (91%)	20 (91%)
Female resigned employee	Number (%)	3 (9%)	2 (9%)
Employee turnover by age group			
30 years and below	Number (%)	11 (33%)	7 (32%)
31 to 50 years	Number (%)	19 (58%)	14 (63%)
51 to 65 years	Number (%)	3 (9%)	1 (5%)
Above 65 years	Number (%)	-	-

SUSTAINABILITY REPORT

APPENDIX A: SUSTAINABILITY SCORECARD

Metrics	Units	FY2025	FY2026
Employee turnover by nationality			
Singapore	Number (%)	4 (12%)	4 (18%)
Other	Number (%)	29 (88%)	18 (82%)
New hires by gender			
Male new hire	Number (%)	69 (88%)	39 (91%)
Female new hire	Number (%)	9 (12%)	4 (9%)
New hires by age group			
30 years and below	Number (%)	31 (40%)	17 (40%)
31 to 50 years	Number (%)	43 (55%)	23 (54%)
51 to 65 years	Number (%)	4 (5%)	2 (4%)
Above 65 years	Number (%)	-	1 (2%)
New hires by nationality			
Singaporean	Number (%)	7 (9%)	7 (17%)
Others	Number (%)	71 (91%)	36 (83%)
Training			
Training hours (Safety)	Hours	4,153	9,979
Training hours (EHS)	Hours	3,102	9,632
Training hours (Others)	Hours	19,175	14,975
Training hours (Total)	Hours	26,430	34,586
Training hours for male employee	Hours	26,048.5	34,322.0
Training hours for female employee	Hours	381.5	264.0
Average training hours per employee	Hours	28.1	32.0
Average training hours per male employee	Hours	30.5 ⁴	34.7
Average training hours per female employee	Hours	4.4 ⁴	2.9
Workplace Safety			
Number of cases related to fatalities	Number	-	-
High-consequence injuries	Number	-	-
Recordable injuries	Number	6	6
Non-recordable injuries	Number	22	23
Recordable work-related ill health cases	Number	-	-
Incidents and injuries (Total)	Number	28	29

Operating Practices

Metrics	Units	FY2025	FY2026
Supply Chain Management			
Total purchase	S\$ '000	32,192	42,086
Purchase from local suppliers	S\$ '000	30,080	39,838
Purchase from local suppliers	%	93.4%	94.7%
Products Responsibility			
Number of customer surveys conducted	Number	11	7
Customer satisfactory index	%	86%	88%
Number of rework cases	Number	20	11
Number of property damage cases	Number	2	21
Amount of property damage cases	S\$	14,890	80,232
Anti-Corruption			
Violations against relevant laws and regulations	Number	-	-

⁴ The data has been restated. Please refer to Restatements, for the details.

SUSTAINABILITY REPORT

APPENDIX B: GRI CONTENT INDEX

GRI Standards Content Index

The GRI Content Index references the Ley Choon Group Holdings Limited Sustainability Report FY2026 and Annual Report FY2026 (AR).

Statement of use	Ley Choon Group Holdings Limited has reported with reference to the GRI Standards for the period 1 April 2025 to 31 March 2026.
GRI 1 used	GRI 1: Foundation 2021

Disclosure number	Disclosure title	Page reference and remarks
GRI 2: General Disclosure 2021	2-1	Organisational details ▪ AR: Corporate Profile
	2-2	Entities included in the organisation's sustainability reporting ▪ AR: Subsidiaries – Note 5 to the Financial Statements
	2-3	Reporting period, frequency and contact point ▪ SR: Scope of Sustainability Report
	2-4	Restatements of information ▪ SR: Scope of Sustainability Report
	2-5	External assurance ▪ No external assurance
	2-6	Activities, value chain and other business relationships ▪ SR: Economic, Economic contribution to society ▪ SR: Social, Supply chain and procurement practices
	2-7	Employees ▪ SR: Stakeholder Engagement
	2-8	Workers who are not employees ▪ Not applicable
	2-9	Governance structure and composition ▪ AR: Report on Corporate Governance
	2-10	Nomination and selection of the highest governance body ▪ AR: Report on Corporate Governance
	2-11	Chair of the highest governance body ▪ AR: Report on Corporate Governance
	2-12	Role of the highest governance body in overseeing the management of impacts ▪ SR: Sustainability Materiality
	2-13	Delegation of responsibility for managing impacts ▪ SR: Sustainability Materiality
	2-14	Role of the highest governance body in sustainability reporting ▪ SR: Sustainability Governance Structure
	2-15	Conflicts of interest ▪ AR: Report on Corporate Governance
	2-16	Communication of critical concerns ▪ SR: Sustainability Materiality
	2-17	Collective knowledge of the highest governance body ▪ AR: Report on Corporate Governance
	2-18	Evaluation of the performance of the highest governance body ▪ AR: Report on Corporate Governance
	2-19	Remuneration policies ▪ AR: Report on Corporate Governance
	2-20	Process to determine remuneration ▪ AR: Report on Corporate Governance
	2-21	Annual total compensation ratio ▪ AR: Report on Corporate Governance
	2-22	Statement on sustainable development strategy ▪ SR: Sustainability Materiality
	2-23	Policy commitments ▪ SR: Sustainability Materiality
	2-24	Embedding policy commitments ▪ SR: Sustainability Materiality
	2-25	Processes to remediate negative impacts ▪ SR: Sustainability Materiality
	2-26	Mechanisms for seeking advice and raising concerns ▪ SR: Sustainability Materiality
	2-27	Compliance with laws and regulations ▪ SR: Sustainability Materiality
	2-28	Membership associations ▪ SR: Sustainability Materiality
	2-29	Approach to stakeholder engagement ▪ SR: Stakeholder Engagement

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Disclosure number		Disclosure title	Page reference and remarks
GRI 3: Material Topics 2021	3-1	Process to determine material topics	▪ SR: Sustainability Materiality
	3-2	List of material topics	▪ SR: Sustainability Materiality
	3-3	Management of material topics	▪ SR: Sustainability Materiality
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	▪ AR: Financial Highlights
GRI 202: Market Presence	202-2	Proportion of senior management hired from the local community	▪ Our senior management is 90% hired from the local community
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	▪ Majority of our business expenditure in Singapore is on locally registered companies.
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	▪ AR: Report on Corporate Governance ▪ SR: Governance, Anti-corruption and anti-fraud
	205-2	Communication and training about anti-corruption policies and procedures	▪ AR: Report on Corporate Governance ▪ SR: Governance, Anti-corruption and anti-fraud
	205-3	Confirmed incidents of corruption and actions taken	▪ There is no incidents of corruption.
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behaviour, antitrust, and monopoly practices	▪ There are no legal actions for anti-competition.
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	▪ SR: Environment, Energy management
	302-4	Reduction of energy consumption	▪ SR: Environment, Energy management
GRI 303: Water and Effluents 2018	303-1	Water withdrawal by source	▪ SR: Environment, Water conservation
	303-3	Water recycled and reused	▪ SR: Environment, Water conservation
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	▪ SR: Environment, Climate change and emission
	305-2	Energy indirect (Scope 2) GHG emissions	▪ SR: Environment, Climate change and emission
GRI 306: Waste 2020	306-1	Water discharge by quality and destination	▪ SR: Environment, Water conservation
	306-2	Waste by type and disposal method	▪ SR: Environment, Waste management
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	▪ SR: Social, Diversity and equal opportunity
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	▪ SR: Social, Labour management relations

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APPENDIX B: GRI CONTENT INDEX

Disclosure number		Disclosure title	Page reference and remarks
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	▪ SR: Governance, Health and safety
	403-2	Hazard identification, risk assessment, and incident investigation	▪ SR: Governance, Health and safety
	403-4	Workers participation, consultation, and communication on occupational health and safety	▪ SR: Governance, Health and safety
	403-9	Work-related injuries	▪ SR: Governance, Health and safety
	403-10	Work-related ill health	▪ SR: Governance, Health and safety
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	▪ SR: Social, Training and staff development
	404-2	Programmes for upgrading employee skills and transition assistance programmes	▪ SR: Environment, Environmental impact assessment and mitigation ▪ SR: Social, Training and staff development
	404-3	Percentage of employees receiving regular performance and career development reviews	▪ SR: Social, Training and staff development
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	▪ SR: Social, Diversity and equal opportunity
	405-2	Ratio of basic salary and remuneration of women to men	▪ Workers' remuneration is ascertained based on work experience and academic qualifications. Individual work performance and not based on any gender consideration.
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	▪ There are no incidents of discrimination.
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	▪ Child labour is strictly prohibited.
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	▪ Forced and compulsory labour is strictly prohibited.
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	▪ SR: Governance, Legal compliance and corporate governance

SUSTAINABILITY REPORT

APPENDIX C: METHODOLOGIES AND DATA BOUNDARIES

This section outlines the fundamental definitions, methodologies, and data boundaries employed in the Ley Choon Group Holdings Limited Sustainability Report. This approach aims to enhance transparency and enable comparability of the disclosed data. The definitions and methodologies have been adapted in alignment with the GRI Standards Glossary 2021, Reporting Recommendations and Guidance set out in the respective GRI disclosures and various authoritative intergovernmental instruments.

Carbon Emissions

In the scope of this reporting, scope 1 emissions are emission are generated from the consumption of fuels for our operations. The emission factor used for calculating carbon emissions is obtained from the United Kingdom Department for Environment, Food & Rural Affairs (**UK DEFRA**). Carbon emissions are expressed in tonnes of carbon dioxide equivalent (**tCO₂e**).

The scope of this reporting, scope 2 emissions are emissions that result from the generation of purchased or acquired electricity by the Group. The Grid Emission Factor (**GEF**) used for calculating carbon emissions is obtained from the Energy Market Authority (**EMA**). Carbon emissions are expressed in tCO₂e.

In line with TCFD recommendations, the Company has enhanced the robustness of its emissions accounting for FY2026 by adopting updated and more refined emission factors, including revised factors for petrol and diesel. This update improves the accuracy and transparency of the reported GHG emissions profile. The effect of these revisions is not considered material in comparison to prior reporting periods; accordingly, previously disclosed emissions figures have not been restated.

Carbon Emissions Intensity

This is the ratio of carbon emissions relative to the revenue generated by the Group. Carbon emissions intensity is expressed in tonnes of carbon dioxide equivalent per million dollars (**tCO₂e/\$\$'mil**).

Energy Consumption

Energy consumed results from purchased electricity and diesel consumed by the operations of the Group. Energy consumed is expressed in megawatt-hours (**MWh**).

Energy Consumption Intensity

This is the ratio of energy consumed relative to the revenue generated by the Group. Energy consumption intensity is expressed in megawatt per million dollars (**MWh/\$\$'mil**).

Water Consumption

This is the volume of water consumed by the Group. The sources of water are supplied by local municipalities. The total amount of water withdrawn is assumed to be the amount consumed as reflected in utility bills received.

The volume of water consumed is expressed in cubic meters (**m³**).

Water Consumption Intensity

This is the ratio of water consumed relative to the revenue generated by the Group. Water consumption intensity is expressed in cubic meters per million dollars (**m³/\$\$'mil**).

Employee

Employees are defined as individuals who are in an employment relationship with the Group.

Total Employees by Nationality

Total employees by nationality refer to the number of employees of each nationality within the Group.

The total employees by nationality rate is the number of employees of each nationality in the financial year, relative to the total number of employees recorded at the financial year-end.

Total Employees by Job Position

Total employees by job position refer to the number of employees within each job category in the Group, including Senior Management, Managers and Professionals, Executives and Workers.

The total employees by job position rate is the number of employees in each job category in the financial year, relative to the total number of employees recorded at the financial year-end.

Total Employees by Years of Service

Total employees by years of service refer to the number of employees within each service category in the Group, including 5 years and below, 6 to 9 years, 10 to 20 years, and above 20 years.

The total employees by years of service rate is the number of employees in each service category in the financial year, relative to the total number of employees recorded at the financial year-end.

SUSTAINABILITY REPORT

APPENDIX C: METHODOLOGIES AND DATA BOUNDARIES

Total Employees by Geographical Region

Total employees by geographical region refer to the number of employees within each geographical category in the Group, including Indian, Singaporean, Bangladeshi, Malaysian, Sri Lankan, PRC and Other.

The total employees by geographical region rate is the number of employees in each category in the financial year, relative to the total number of employees in the Group recorded at the financial year-end.

New Hires and Turnover

New hires are defined as new employees who have joined the Group during the financial year.

Turnover is defined as all employees who have left the Group voluntarily, or due to dismissal, retirement or death in service during the financial year.

The new hires/turnover rate is the total number of new hires/employee turnovers in the financial year, relative to the total number of new hires/resignees recorded at financial year-end. The new hires/turnover rate by age group is the total number of new hires/employee turnovers for each age group in the financial year, relative to the total number of new hires/resignees recorded at financial year-end.

The new hires/turnover rate by gender is the total number of female/male new hires/employee turnovers for each gender in the financial year, relative to the total number of new hires/resignees recorded as at financial year-end.

Training Hours

Average training hours per employee is the total number of training hours provided to employees, relative to the total number of employees recorded as of the financial year-end.

Average training hours per female/male employee is the total number of training hours provided to female/male employees, relative to the total number of female/male employees recorded as of the financial year-end.

Local Supplier

Organisation or person that provides a product or service to the reporting organisation and that is based in the same geographic market as the reporting organisation.

Work-related Injuries

Work-related injuries are injuries or medical conditions arising from exposure to hazards in the course of work. These include both reportable and non-reportable injuries occurring at worksites or during work-related operations.

Recordable Workplace Injuries

Recordable workplace injuries refer to work-related injuries that result in death, days away from work, restricted work, transfer to another job, medical treatment beyond first aid, loss of consciousness, or significant injury diagnosed by a licensed healthcare professional, in accordance with applicable occupational health and safety reporting requirements.

Non-recordable Workplace Injuries

Non-recordable workplace injuries refer to minor work-related injuries that do not meet the criteria for recordable injuries under applicable occupational health and safety reporting requirements, and typically require only first aid treatment or minor medical attention.

Recordable Work-related Ill Health Cases

Recordable work-related ill health cases refer to diagnosed physical or mental health conditions arising from exposure to work-related hazards or activities, which are formally recognised and recorded in accordance with applicable occupational health and safety reporting requirements.

Regulatory Compliance Incidents

Regulatory compliance incidents refer to instances of non-compliance with applicable laws, regulations, permits, standards or regulatory requirements relevant to the Group's operations, including workplace safety, environmental and operational requirements.

Rework Cases

Rework cases refer to instances where completed work does not meet required quality standards or specifications and requires rectification, correction or re-execution to achieve compliance with project requirements.

Property Damage Incidents

Property damage incidents refer to cases where physical damage is caused to third-party or public property as a result of the Group's operational activities, including construction, excavation, or related works.

Accident Frequency Rate

AFR measures the frequency of reportable workplace accidents relative to the total hours worked during the reporting period. AFR is calculated as:
$$\text{AFR} = (\text{Number of reportable workplace accidents} \times 1,000,000) \div \text{Total man hours worked}$$

Accident Severity Rate

ASR measures the severity of workplace accidents based on the number of lost workdays resulting from reportable workplace accidents relative to the total hours worked during the reporting period. ASR is calculated as:
$$\text{ASR} = (\text{Number of lost workdays due to reportable workplace accidents} \times 1,000,000) \div \text{Total hours worked}$$

SUSTAINABILITY REPORT

APPENDIX D: TCFD RECOMMENDATIONS CONTENT INDEX

TCFD Recommendations Content Index

The TCFD Recommendation Content Index indicates our current implementation status for climate reporting.

TCFD Thematic Areas	Recommended Disclosures	Reference and Remarks
Governance		
Disclose the organisation's governance around climate-related risks and opportunities	Describe the board's oversight of climate-related risks and opportunities	SR: Sustainability governance structure SR: Environment, Environmental impact assessment and mitigation
	Describe management's role in assessing and managing climate-related risks and opportunities	SR: Sustainability governance structure SR: Environment, Environmental impact assessment and mitigation
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	SR: Environment, Environmental impact assessment and mitigation
	Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning	SR: Environment, Environmental impact assessment and mitigation
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	The Group currently does not employ scenario analysis in identifying climate-related risks and opportunities. However, we are exploring the integration of scenario analysis as part of our forward-looking approach to enhance the assessment of climate risks and opportunities.
Risk Management		
Disclose how the organisation identifies, assesses, and manages climate-related risks	Describe the organisation's processes for identifying and assessing climate-related risks	SR: Environment, Environmental impact assessment and mitigation
	Describe the organisation's processes for managing climate-related risks	SR: Environment, Environmental impact assessment and mitigation
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	SR: Environment, Environmental impact assessment and mitigation
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	SR: Environment, Climate change and emission SR: Environment, Energy management SR: Environment, Water conservation SR: Environment, Waste management SR: Environment, Environmental impact assessment and mitigation
	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 GHG emissions, and the related risks	SR: Environment, Climate change and emission The Group is currently assessing the relevance and materiality of Scope 3 emissions and exploring appropriate methodologies and data sources to support future disclosure. Scope 3 emissions are intended to be progressively incorporated into the Group's sustainability reporting framework as data availability and reporting processes mature.
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	SR: Environment, Environmental impact assessment and mitigation

CORPORATE INFORMATION

BOARD OF DIRECTORS

TOH CHOO HUAT

*Executive Chairman and
Chief Executive Officer*

RAGAVENDRAN SRINIVASAN

*Executive Director, Chief Financial Officer
and Deputy Chief Executive Officer*

REANNE TOH TING XUAN

*Executive Director, Head
(Tender, Contracts & Sales)*

WILLIAM TAN KWANG HWEЕ

Lead Independent Director

BUHDY BOK SIN SWEE

Independent Director

CHUA HOCK THAK

Independent Director

TEO HO BENG

Non-Executive Director

AUDIT COMMITTEE

William Tan Kwang Hwee (*Chairman*)
Buhdy Bok Sin Swee
Chua Hock Thak
Teo Ho Beng

REMUNERATION COMMITTEE

Buhdy Bok Sin Swee (*Chairman*)
William Tan Kwang Hwee
Chua Hock Thak
Teo Ho Beng

NOMINATING COMMITTEE

Chua Hock Thak (*Chairman*)
William Tan Kwang Hwee
Buhdy Bok Sin Swee
Teo Ho Beng

COMPANY SECRETARIES

Ong Beng Hong
Tan Swee Gek

REGISTERED OFFICE

No. 3 Sungei Kadut Drive
Singapore 729556
Tel: (65) 6757 0900
Fax: (65) 6757 0100
Website: www.leychoon.com

SHARE REGISTRAR IN.CORP CORPORATE SERVICES PTE. LTD.

36 Robinson Road
#20-01 City House
Singapore 068877

INDEPENDENT AUDITORS

FOO KON TAN LLP

PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS

1 Raffles Place #04-61/62
One Raffles Place, Tower 2
Singapore 048616
Partner-in-charge: Cheong Wenjie
(with effect from the financial year ended
31 March 2022)

PRINCIPAL BANKERS HL BANK

1 Wallich Street
#29-01 Guoco Tower
Singapore 078881

STANDARD CHARTERED BANK

Marina Bay Financial Centre (Tower 1)
8 Marina Boulevard
Singapore 018981

MAYBANK

2 Battery Road Maybank Tower
Singapore 049907

SUSTAINABILITY

For enquiries, please contact
Tel: (65) 6757 0900
Email: ir@leychoon.com

RISK ASSESSMENT AND MANAGEMENT

The Group has identified and listed below certain key business risks that could adversely affect the Group. The possible measures to mitigate such risks are also briefly described. Risks are inherent in all business enterprises and therefore our Group monitors and manages our exposure to risks relating to its business and industry.

1. POTENTIAL SHORTAGE OF LABOUR AND INCREASE IN LABOUR COST

Ley Choon, like many construction companies in Singapore, relies heavily on foreign labour. Our foreign workers mostly come from India, China, Malaysia, Thailand, Myanmar and Bangladesh. The employment of foreign workers is subject to foreign workers' levy. We are therefore vulnerable to any shortage in the supply of foreign workers or any increase in the cost of foreign labour. Any changes in the policies and regulations imposed by the authorities may potentially affect the supply and cost of labour for Ley Choon.

Ley Choon constantly seeks ways to automate processes to increase productivity. We have devised the Intelligent Stop & Go signalling, off-site CCTV monitoring, and deployed the suction excavation machine, amongst others, to minimise the use of labour.

2. DOWNGRADE OR LOSS OF THE BUILDING CONSTRUCTION AUTHORITY ("BCA") GRADES OR BUILDER'S LICENCES

We are required to register ourselves as licensed contractors and/or builders with the BCA for our business. Based on the grades conferred to us as registered contractors, Ley Choon is allowed to tender for public sector projects, subject to the stipulated limit. To maintain the existing contractor grades for our subsidiaries, there are certain requirements stipulated by the BCA, including but not limited to the following:

- a) each registered company must meet the stipulated requirements with regards to the value of contracts undertaken by that company in the past three financial years;
- b) each registered company must meet the minimum paid-up share capital and the minimum net worth requirement; and
- c) each registered company must employ the required number of professionals or technical personnel, and these professionals or technical personnel must have the minimum professional qualifications stipulated by BCA, being a recognised degree in Architecture, Building, Civil/Structural Engineering or the equivalent qualifications approved by the BCA and have the stipulated number of years of relevant experience.

If these requirements are not complied with, it is possible that Ley Choon will lose its BCA grades and/or builder's licences. If this happens, our ability to tender for projects, and thus our business operations, will be adversely affected.

To ensure business sustainability, we are diligent in ensuring that our subsidiaries comply with all BCA requirements and that our BCA grades and builder's licences are upheld.

3. DEPENDENCY ON PUBLIC SECTOR DEMAND IN SINGAPORE

As Ley Choon is mainly engaged in (i) underground utilities infrastructure construction and maintenance; (ii) sewer pipeline rehabilitation; and (iii) road and airfield construction and maintenance in Singapore, our business is vulnerable to the cyclical fluctuations of the construction industry in Singapore and is dependent on the general health of the Singapore economy as well as the availability of the government's civil engineering projects in Singapore.

To ensure business sustainability, we have diversified our revenue sources. We are also engaged in the business of asphalt premix recycling and production and have taken on overseas projects.

RISK ASSESSMENT AND MANAGEMENT

4. DEPENDENCY ON PROJECT TENDER SUCCESS

All our businesses, except asphalt premix production and construction waste recycling, are mostly undertaken on a project basis and are non-recurring. Our income is therefore subject to the number, value and duration of projects successfully tendered.

We must therefore tender competitively to ensure a steady stream of projects coming on board while at the same time remaining mindful of maintaining healthy margins for each project.

5. INABILITY TO ATTRACT AND RETAIN KEY PERSONNEL

Ley Choon's success depends to a significant extent upon a number of key employees and senior management. Our continued success and growth are therefore dependent on the retention of our key personnel as well as our ability to continue to attract, retain and motivate other qualified personnel. Consequently, the loss of the services of one or more of these individuals without suitable and timely replacement, or the inability to attract new qualified personnel, could have an adverse impact on our operations.

To attract and retain talent, Ley Choon has in place a talent development initiative aimed at improving employee loyalty and staff cohesiveness.

6. SUBJECT TO REGULATIONS AND GUIDELINES IMPOSED BY VARIOUS GOVERNMENT AND REGULATORY AUTHORITIES

We are subject to regulations and guidelines, including safety regulations, imposed by various government and regulatory authorities in Singapore.

In the event of an inadvertent breach of certain regulatory guidelines and regulations imposed by regulatory authorities such as the NEA, PUB and LTA, we may be subject to administrative proceedings and unfavourable decrees that result in pecuniary liabilities and cause delays to our projects. In such instances, our financial performance might be affected. In addition, judgements and decrees awarded that are unfavourable to us would have a negative effect on our reputation.

Regulations and regulatory guidelines are subject to amendments from time to time. Any changes in government legislation, regulations or policies affecting our industry could adversely affect our business operations and/or have a negative effect on the demand for our services. There is also no assurance that we will be able to comply with any changes. There is also a possibility that such amendments to regulations could increase our operating costs.

Ley Choon adopts a prudent approach and strives to adapt proactively to changes in the operating environment to remain relevant.

RISK ASSESSMENT AND MANAGEMENT

7. POSSIBILITY OF COST OVERRUNS

Our quotes are determined after careful evaluation of all related costs pertaining to subcontractors, labour, materials and other overheads. However, unforeseen circumstances such as adverse weather conditions, unanticipated construction constraints at the worksites, or other disruptive events may arise during the course of a project, resulting in increases in the costs of labour, raw materials, equipment, rental and sub-contracting services, or other costs not previously anticipated, and thus leading to cost overruns.

Ley Choon has undergone extensive organisational restructuring in the areas of human resource management, strengthening accountability, optimising asset utilisation, and enhancing management oversight and monitoring of project progress through regular and systematic project review and control using digital platforms. All these measures serve to support senior management in mitigating the above risks.

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REPORT ON CORPORATE GOVERNANCE

The Board of Directors (the “**Board**”) of Ley Choon Group Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”), is committed to high standards of corporate governance and adopting the corporate governance practices contained in the Code of Corporate Governance issued on 6 August 2018 (the “**Code**”) by the Corporate Governance Committee, so as to ensure greater transparency and protection of shareholders’ interests. The Board recognises the need for accountability, creating and preserving shareholder value and achieving its corporate vision for the Group. This report describes the Group’s corporate governance practices and activities, with specific reference to the Code, during the financial year ended 31 March 2026 (“**FY2026**”), and is presented in a tabular form, stipulating each principle and provision, and explaining any variation from any provisions of the Code (together with an explanation on how the practices it had adopted are consistent with the intent of the relevant principle). The Company has also adopted, where appropriate, best practices set out in the Practice Guidance issued on 14 December 2023 (the “**Practice Guidance**”), which complements the Code by providing guidance on the application of the principles and provisions of the Code and setting out best practices for companies.

As the Company has completed the transfer of its listing from Catalist to the Mainboard of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 23 March 2026, the Company is now subject to the requirements of the Listing Manual of the SGX-ST (the “**Listing Manual**”). Accordingly, where relevant and applicable, the disclosures set out in this report have been updated for compliance with the Listing Manual.

(A) BOARD MATTERS

The Board’s Conduct of 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.

As at the date of this Annual Report, the Board comprises three (3) Executive Directors, three (3) Independent Directors and one (1) Non-Executive Director. The contribution, experience and competency of each Director helps in the overall effective management of the Company and the Group.

The Board’s principal duties include the following:

Provision 1.1 of the Code: The Board’s role

- (i) protecting and enhancing long-term value and return to the Company’s shareholders (“**Shareholders**”);
- (ii) establishing, reviewing and approving the annual budget, corporate policies, strategies and objectives for the Group;
- (iii) ensuring the effectiveness and integrity of the Management;
- (iv) chartering the corporate strategy and direction of the Group and setting goals for the Management;
- (v) supervising and monitoring the Management’s achievement of these goals;
- (vi) conducting periodic reviews of the Group’s financial performance, internal controls and reporting compliance;
- (vii) approving nominations to the Board and the appointment of key personnel;
- (viii) ensuring the Group’s compliance with all relevant and applicable laws and regulations;

REPORT ON CORPORATE GOVERNANCE

- (ix) assuming responsibility for the corporate governance of the Group;
- (x) setting the values and standards for the Group (including ethical standards), and ensuring that obligations to Shareholders and other stakeholders are understood and met; and
- (xi) establishing a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of Shareholders' interests and the Company's assets.

All Directors are expected to objectively discharge their duties and responsibilities at all times as fiduciaries in the best interests of the Company and hold Management accountable for performance.

Provision 1.1 of the Code: Directors to act in the interests of the Company

To assist in the execution of its responsibilities, the Board has established an Audit Committee, a Nominating Committee and a Remuneration Committee (collectively referred herein as "**Board Committees**"). The Board Committees function within clearly defined terms of reference and operating procedures, which are reviewed on a regular basis. The effectiveness of each Board Committee is also monitored.

Provision 1.4 of the Code: Disclosure on delegation of authority by Board to board committees

Board meetings are conducted regularly at least once every half-year to review the business affairs of the Group and approve the announcement of the half-yearly financial results. When necessary, additional Board meetings will be held to deliberate on other substantive matters. Teleconferencing at meetings of the Board is allowed under the Company's Constitution. In addition to holding meetings, significant matters concerning the Group are also put to the Board for its decision by way of written resolutions.

Provision 1.5 of the Code: Board to meet regularly

In the financial year under review⁽¹⁾, the attendance of the Directors at the scheduled meetings of the Board and Board Committees and general meetings held during FY2026 were as follows:

	BOARD OF DIRECTORS	AUDIT COMMITTEE	REMUNERATION COMMITTEE	NOMINATING COMMITTEE	GENERAL MEETINGS
No. of Meetings	3	3	1	1	2
Director					
Toh Choo Huat	3/3	3/3	1/1	1/1	2/2
Ragavendran Srinivasan	3/3	3/3	1/1	1/1	2/2
Reanne Toh Ting Xuan	3/3	3/3	1/1	1/1	2/2
William Tan Kwang Hwee	3/3	3/3	1/1	1/1	2/2
Buhdy Bok Sin Swee	3/3	3/3	1/1	1/1	2/2
Chua Hock Thak	3/3	3/3	1/1	1/1	2/2
Teo Ho Beng	3/3	3/3	1/1	1/1	2/2

Note:

- (1) The attendance of the Directors, including those also acting as the members of the respective Board Committees, at the meetings of the Board and the Board Committees was recorded in the relevant attendance lists prepared and circulated by the Company Secretaries prior to the commencement of such meetings and these attendance lists are kept in the statutory records of the Company. The attendance of the Directors refers to the number of meetings held/attended while each Director was in office as a Director of the Company.

REPORT ON CORPORATE GOVERNANCE

The Executive Directors supervise the management of the business and affairs of the Group. However, meetings of the Board are still held and/or resolutions in writing of the Board are circulated for matters which require the Board's approval, including the following, but are not limited to:

Provision 1.3 of the Code: Matters requiring Board approval

- (i) review of the annual budget and the performance of the Group;
- (ii) review of the key activities and business strategies;
- (iii) approval of the corporate strategy and direction of the Group;
- (iv) approval of transactions involving a conflict of interest for a substantial shareholder or a Director or interested person transactions;
- (v) material acquisitions and disposals;
- (vi) corporate or financial restructuring and share issuances;
- (vii) declaration of dividends and other returns to Shareholders; and
- (viii) appointments of new Directors or key personnel.

A formal document setting out the following guidelines has been adopted by the Board:

- (i) the matters reserved for the Board's decision; and
- (ii) clear directions to Management on matters that must be approved by the Board.

The Company has adopted internal guidelines setting forth matters that require the Board's approval. The types of material transactions that require the Board's approval under such guidelines are listed below:

- (i) major capital expenditure;
- (ii) capital management;
- (iii) banking facilities;
- (iv) acquisition and disposal of entities/business;
- (v) diversifying into new business; and
- (vi) any other significant material transaction.

In the event that a Director is involved in an interested person transaction with the Group, he shall inform the Board accordingly and abstain from making any recommendation or decision with regards to the transaction.

Provision 1.1 of the Code: Directors facing conflicts of interest

REPORT ON CORPORATE GOVERNANCE

The Company has a formal training programme for new Directors. The Board ensures that all the newly appointed Directors will be given a detailed introduction on the Company's history and development and an orientation on the operational procedures of the Company to familiarise them with the Group's business and governance practices. When necessary, the Company will provide training for first-time directors in areas such as accounting, legal and industry-specific knowledge as appropriate. Any Director who has had no prior experience as a director of a listed company will be required to undergo training in the roles and responsibilities of a listed company director as prescribed by the SGX-ST. The new directors appointed to the Board on 2 September 2024 have attended training on the responsibilities of a director of a listed issuer as prescribed by the SGX-ST.

Provision 1.2 of the Code: Directors to receive appropriate training

The Directors are updated, from time to time, when new laws or regulations affecting the Group are introduced. The Directors are encouraged to attend seminars and training courses at the Company's expense that will assist them in executing their obligations and responsibilities as directors to the Company. As of the date of this Annual Report, the Directors have participated in various seminars and other such external programmes. Some of the programmes and seminars include the ISSB Virtual Technical Training Workshop, and various courses organised by the Institute of Singapore Chartered Accountants, including The Relevance of Ethics in Business, EP 100 Updates: Revisions Addressing Tax Planning and Related Services, Code of Ethics for Professional Accountants, Thought Leadership Keynote Panel with Ho Kwon Ping, The 2026 HR Landscape: Trends, Challenges and Opportunities, Personal Finance Series (Part 1): Optimising CPF, Tariffs, International Taxation and Transfer Pricing Strategies: A Singapore Perspective, and Leveraging Your Personal Brand for Success.

Access to Information

To ensure that the Directors are able to effectively discharge their duties and are fully aware of the decisions and actions of the Management, the Directors are given detailed information concerning the Group's business operations every month. In particular, financial statements of the Group are prepared on a half-yearly basis and circulated to all Directors for their review, allowing the Directors to have timely access to the Group's financial position. When required, board papers are also prepared for meetings of the Board to provide information on financial, business and any other corporate issues to the Board.

Provision 1.6 of the Code: Management provides directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.

REPORT ON CORPORATE GOVERNANCE

In addition, the Directors have, at all times:

- (i) unrestricted access to the Company's records and information; and
- (ii) separate and independent unlimited access to the Management, the Company Secretaries and external advisers (where necessary).

Provision 1.7 of the Code: Directors should have separate and independent access to the Management, the Company Secretaries and external advisers (where necessary)

The Board supports the taking of independent professional advice, at the Company's expense, if necessary in order for it or an individual Director to effectively discharge his duties and responsibilities.

At least one (1) of the Company Secretaries and/or her representatives attends all of the formal meetings held by the Board and/or the Board Committees and her responsibilities include ensuring that procedures for these meetings (including those stipulated in the Constitution) are followed and that applicable rules and regulations, including the requirements of the Singapore Companies Act 1967 (the "**Companies Act**") and the SGX-ST, are complied with.

The decision for the appointment and the removal of the Company Secretaries rests with the Board as a whole.

Provision 1.7 of the Code: Appointment and removal of Company Secretary

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.

The Board comprises seven (7) Directors, of which three (3) are Independent Directors. As at the date of this Annual Report, the composition of the Board is as follows:

Executive Directors

Toh Choo Huat (Executive Chairman and Chief Executive Officer)
Ragavendran Srinivasan (Executive Director, Chief Financial Officer and Deputy Chief Executive Officer)
Reanne Toh Ting Xuan (Executive Director and Department Head (Tender, Contract and Sales Department))

Independent Directors

William Tan Kwang Hwee (Lead Independent Director)
Chua Hock Thak (Independent Director)
Buhdy Bok Sin Swee (Independent Director)

Non-Executive Director

Teo Ho Beng (Non-Executive Director)

REPORT ON CORPORATE GOVERNANCE

The Board considers a director's independence in accordance with the guidance set out in the Code as well as Rule 210(5)(d) of the Listing Manual. An Independent Director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its Shareholders who have an interest or interests in not less than 5% of the total votes attached to all the voting shares in the Company or the officers that could interfere, or be reasonably perceived to interfere, with the exercise of that director's independent business judgement in the best interests of the Company. Under the Listing Manual, a Director will not be deemed independent if he is employed by the Company or its related corporations for the current or any of the past three (3) financial years, or if he has an immediate family member who is employed or has been employed by the Company or its related corporations for the past three (3) financial years, and whose remuneration is determined by the Company's Remuneration Committee. A Director would also not be independent if he has been a director for an aggregate period of more than nine (9) years (whether before or after listing). As at the date of this Annual Report, there are no Independent Directors who have served on the Board beyond nine (9) years from the date of his first appointment.

Provision 2.2 of the Code requires that independent directors make up a majority of the Board where the Chairman is not independent. The Chairman is not independent when (i) he or she is not an independent director, (ii) he or she is also the CEO, (iii) he or she and the CEO are immediate family members as defined in Listing Manual (i.e. the person's spouse, child, adopted child, step-child, brother, sister and parent), (iv) he or she and the CEO have close family ties with each other (i.e. a familial relationship between two parties which extends beyond immediate family members and could influence the impartiality of the Chairman) as determined by the Nominating Committee, or (v) he or she is part of the Management team.

While the present Board composition, which is chaired by a non-independent Chairman, does not comprise a majority of Independent Directors, the Board is of the view that the Board continues to abide by Principle 2 of the Code, which requires the Board to have 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. In coming to the above conclusion, the Board, through the Nominating Committee, has considered the following:

- (a) three (3) out of seven (7) directors are Independent Directors, and in compliance with Provision 2.3 of the Code, Non-Executive Directors (which include the Independent Directors) make up a majority of the Board. As the Board is made up of a majority of Non-Executive Directors, this serves to reinforce management accountability and which is adequate to ensure that there is an appropriate balance or power within the Board even though Independent Directors do not make up a majority;
- (b) although the Chairman and CEO roles are held by the same individual, a distinct separation of duties has been maintained between the roles of the Chairman and the CEO, as well as between the Chairman, the CEO and the Executive Directors, in order to ensure an appropriate balance of power, enhance accountability, and strengthen the Board's ability to make independent decisions;
- (c) appointment of a Lead Independent Director, William Tan Kwang Hwee, who has been appointed to provide leadership to the Independent Directors and Non-Executive Director; and

Provision 2.1 of the Code: Disclosure of directors considered to be independent

Rule 210(5)(d)(iv) of the Listing Manual: a director will not be independent if he has been a director of the issuer for an aggregate period of more than 9 years (whether before or after listing)

Provisions 2.2 and 2.3 of the Code: Independent directors make up a majority of the Board where the Chairman is not independent; non-executive directors make up a majority of the Board

REPORT ON CORPORATE GOVERNANCE

- (d) Independent and Non-Executive Directors are provided with full access to the Management and external advisers, as required, to support their oversight roles.

The Group's size is relatively modest and its business and operations are not unduly complex. The Board, through the Nominating Committee, has examined its size and composition and is of the view that the present composition of the Board demonstrates independence and is appropriate for effective decision making. To address the issue of independence, the Board has put in place a Lead Independent Director, who is available to shareholders where they have concerns. The Board is of the view that the Independent Directors demonstrate a strong level of independence and judgement in discharging their duties and responsibilities in the best interest of the Company and the shareholders. They have expressed individual and independent viewpoints, debated issues, and objectively scrutinised the Management. All major decisions made at the Board are unanimous and the Independent Directors have not been out-voted.

Pursuant to Rule 710A of the Listing Manual, the Board has formulated and implemented a board diversity policy (the **"Board Diversity Policy"**) that addresses gender, skills and experience and other relevant aspects of diversity. Under the Board Diversity Policy, the Board considers whether there is an appropriate mix of members taking into account factors including but not limited to an appropriate balance and mix of age, gender, length of service, relevant skills, experience, and core competencies (including accounting / finance, legal / corporate governance / sustainability, investment, risk management, business and management experience), relevant industry knowledge, background and other relevant qualities considered essential for the effective governance of the Company.

Rule 710A of the Listing Manual: An issuer must maintain a board diversity policy that addresses gender, skills and experience, and any other relevant aspects of diversity and describe in its annual report its board diversity policy.

In reviewing the appointments of new directors, the Board together with the Nominating Committee ensures that it sets relevant objectives to promote and achieve diversity on the Board, and appointments are based on merit and after due consideration of the collective skills needed to strengthen the overall board governance role.

The Board composition reflects the Company's commitment to Board diversity in terms of gender, skills and experience. The table below sets out the Company's diversity targets, timelines for achieving the targets as well as its progress towards achieving the targets:

Target	Progress and plans towards achieving target
Gender Representation To enhance gender diversity by appointing at least one (1) female director within the next three (3) years.	Achieved. Reanne Toh Ting Xuan was appointed as Director of the Company on 2 September 2024. The Company will continue to work towards having female directors on the Board, whenever practicable. The Company shall in any case endeavour, where appropriate and practicable, that female candidates are included for consideration when identifying candidates to be appointed as new directors, and if external search consultants are engaged to identify candidates for appointment to the Board, the consultants will be asked to present female candidates for consideration.

REPORT ON CORPORATE GOVERNANCE

Target	Progress and plans towards achieving target										
Skills and Experience To ensure skillset of directors on the Board with relevant skills and experience. The Board has identified the following core competencies as important: (i) Accounting/finance (ii) Legal/corporate governance/sustainability (iii) Investment, risk management, business and management experience (iv) Relevant industry knowledge	Currently the proportion of the Board with the identified core competencies is as follows: <table border="1"> <thead> <tr> <th>Core competencies</th><th>Number of Directors</th></tr> </thead> <tbody> <tr> <td>Accounting/finance</td><td>3</td></tr> <tr> <td>Legal/corporate governance/sustainability</td><td>3</td></tr> <tr> <td>Investment, risk management, business and management experience</td><td>7</td></tr> <tr> <td>Relevant industry knowledge</td><td>4</td></tr> </tbody> </table> When identifying new director(s) for appointment to the Board, the Company strives to ensure that candidates who have the relevant skills, expertise and/or experience in the abovementioned core competencies are included for consideration by the Nominating Committee.	Core competencies	Number of Directors	Accounting/finance	3	Legal/corporate governance/sustainability	3	Investment, risk management, business and management experience	7	Relevant industry knowledge	4
Core competencies	Number of Directors										
Accounting/finance	3										
Legal/corporate governance/sustainability	3										
Investment, risk management, business and management experience	7										
Relevant industry knowledge	4										
Board Independence To have more than 50% Independent Director representation on the Board where the Chairman of the Board is not independent within the medium term.	In progress. While the present Board composition does not comprise a majority of Independent Directors, the Board is of the view that the Board continues to abide by Principle 2 of the Code as explained on pages 82 to 83. The Nominating Committee and the Board will continue to assess the Board's independence, composition and diversity. While the Company is working towards adjusting its Board composition with a view to complying with Provision 2.2 of the Code, it is cognisant that it is also in the interest of the Group to preserve the balance and mix of skills, experience and knowledge offered by the current Board, which is appropriate for the nature and scope of the Group's current operations.										

The Board has considered the present Board size and each Board Committee's size, and is satisfied that the current size facilitates effective decision-making and is appropriate for the nature and scope of the Group's operations.

To maintain or enhance the Board's balance and diversity, consistent with the intent of Principle 2 of the Code, the Nominating Committee conducts an annual assessment of the existing attributes and core competencies of the Board to ensure that the Board has the appropriate mix of diversity, expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making, taking into account the nature and scope of the Group's operations. The Nominating Committee is of the view that the Board has a good balance of Directors who come from diverse backgrounds and have extensive business, financial, accounting and management experience. Their combined wealth and diversity of experience enable them to contribute effectively to the strategic growth and governance of the Group and provide for effective direction of the Group. Details on the experiences, professional qualifications and responsibilities of the Directors are set out in pages 8 to 9 of this Annual Report.

Provision 2.4 of the Code: Board and board committees are of an appropriate size and Board to comprise directors with appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity

REPORT ON CORPORATE GOVERNANCE

The Non-Executive Directors (including the Independent Directors) will constructively challenge and assist in the development of proposals on strategy, assist the Board in reviewing the performance of the Management in meeting agreed goals and objectives, and monitor the reporting of performance. The Non-Executive Directors have engaged in regular discussions amongst themselves without the presence of the Management and the Executive Directors throughout the year.

Provision 2.5 of the Code: Regular meetings of non-executive directors and/or independent directors without the presence of Management

The Independent Directors and Non-Executive Director meet at least annually in the absence of key management personnel and the Lead Independent Director provided feedback to the Executive Chairman after such meetings.

Executive Chairman and Chief Executive Officer

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 Executive Chairman and Chief Executive Officer, Toh Choo Huat, sets the tone for the conduct of the Board and leads the Board to ensure the effectiveness of the Board. He also ensures the Group's adherence to the best corporate governance practices prescribed by the Code.

As Executive Chairman, Toh Choo Huat is also responsible for, amongst other things, the proper functioning of the Board. He ensures that the Board holds regular meetings and oversees the proper dissemination of corporate information to the relevant parties (including but not limited to the Directors and Shareholders). He sets the agenda for each meeting and ensures that adequate time is available for discussion and debate of all agenda items, and in particular, strategic issues. He also encourages constructive relations between the Board and the Management, facilitates the effective contribution of Independent Directors, and encourages constructive discussion and debate amongst the Directors, hence promoting high standards of corporate governance.

Provision 3.2 of the Code: Chairman and CEO's role

All major decisions made by the Executive Chairman and the Chief Executive Officer are under the purview of review by the Audit Committee. His performance and appointment to the Board are also reviewed periodically by the Nominating Committee while his remuneration package is reviewed periodically by the Remuneration Committee. As such, whilst the Executive Chairman and the Chief Executive Officer are the same person, the Board believes that there are adequate safeguards in place against an uneven concentration of power and authority in a single individual.

Provision 3.1 of the Code: Chairman and CEO should in principle be separate persons

The Board is of the view that power is not unduly concentrated in the hands of one (1) individual nor is there any compromised accountability and independent decision-making as all major decisions and policy changes are conducted through the respective Board Committees, all of which are chaired by Independent Directors.

In addition, the Board also believes that notwithstanding the Executive Chairman and the Chief Executive Officer being the same person, the Group's interest is well served by:

- (i) the benefit of an Executive Chairman and Chief Executive Officer who is very experienced and knowledgeable about the Group's businesses, thereby ensuring the smooth and efficient implementation of decisions on policy issues;
- (ii) the good balance of power and authority on the Board as all the Board Committees of the Board are chaired by the Independent Directors;

REPORT ON CORPORATE GOVERNANCE

- (iii) independent review of the Management's performance by the Independent Directors; and
- (iv) the benefit of the objective and independent views that the Group receives from the Independent Directors and the contributions of the Non-Executive Director.

In view that the Executive Chairman and the Chief Executive Officer are the same person, the Company had appointed William Tan Kwang Hwee as the Lead Independent Director to adhere to the principles set out in the Code and to provide leadership in situations where the Executive Chairman is conflicted. As the Lead Independent Director, William Tan Kwang Hwee acts as the contact person for the Shareholders in the event that the Shareholders have concerns or issues for which communication with the Executive Chairman and Chief Executive Officer or the Chief Financial Officer is inappropriate, inadequate or where such communication has failed to resolve the concerns or issues raised.

Provision 3.3 of the Code: Appointment of lead independent director

Board Membership

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

As at the date of this Annual Report, the Nominating Committee comprises the Company's three (3) Independent Directors, namely Chua Hock Thak (Chairman of the Nominating Committee), William Tan Kwang Hwee (Member of the Nominating Committee), Buhdy Bok Sin Swee (Member of the Nominating Committee) and one (1) Non-Executive Director, Teo Ho Beng (Member of the Nominating Committee). The Nominating Committee meets at least once annually. The Lead Independent Director is a member of the Nominating Committee.

Provision 4.2 of the Code: Nominating Committee comprises at least three directors, the majority of whom, including the Chairman, are independent

The Nominating Committee is responsible for:

- (i) re-nominating the Directors, having regard to the Directors' contribution and performance;
- (ii) determining annually whether or not an Independent Director is independent; and
- (iii) deciding whether or not a Director is able to and has been adequately carrying out his duties as a director, taking into consideration the Director's number of listed company board representations and other principal commitments.

The Nominating Committee also makes recommendations to the Board relating to:

- (i) the review of board succession plans for the Directors, in particular, the Executive Chairman, the Chief Executive Officer and key management personnel;
- (ii) the development of a process for evaluation of the performance of the Board, its Board Committees and the Directors;
- (iii) the review of the training and professional development programmes for the Board and the Directors;
- (iv) the appointment and re-appointment of the Directors (including alternate directors, if applicable); and

Provision 4.1 of the Code: Nominating Committee to make recommendations to the Board on certain relevant matters

REPORT ON CORPORATE GOVERNANCE

- (v) the appointment and re-appointment of the Chief Executive Officer, the Chief Financial Officer or any other person who holds a similar position to the Chief Executive Officer or the Chief Financial Officer by any name.

The Nominating Committee will decide how the Board's performance is to be evaluated and propose objective performance criteria, subject to the approval of the Board, which addresses how the Board is to enhance long-term Shareholders' value. As part of its review, the Nominating Committee will recommend to the Board a process to assess the effectiveness of the Board as a whole and for assessing the contribution by each individual Director to the effectiveness of the Board.

Each member of the Nominating Committee abstains from voting on any resolutions and making recommendations and/or participating in any deliberations in respect of the assessment of his own performance or re-nomination as a director.

Further to the above, the Nominating Committee reviews the independence of each of the Independent Directors annually, having considered the circumstances set out in Provision 2 of the Code and Rule 210(5)(d) of the Listing Manual. As part of their review process, the Nominating Committee requires the Independent Directors to complete and execute declaration forms in relation to their independence. These declaration forms are drawn up based on the requirements in the Code and the Listing Manual. The Nominating Committee reviews declaration forms executed by the Independent Directors as well as any declaration which they may make to determine their respective independence (including their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any). Pursuant to its review, the Nominating Committee is of the view that William Tan Kwang Hwee, Buhdy Bok Sin Swee and Chua Hock Thak do not have any relationships with the Company, its related corporations, its substantial shareholders or its officers which may affect their independence and accordingly are independent of the Group and the Management.

Provision 4.4 of the Code: Nominating Committee to determine directors' independence annually

The Nominating Committee also reviews the performance of the Directors as well as their contribution to the Board.

The Nominating Committee has adopted internal guidelines addressing competing time commitments that are faced when Directors serve on multiple boards and have other principal commitments. The Board, with the concurrence of the Nominating Committee, has agreed that the Company shall not impose a maximum number of listed board representations on the Directors as the Board is of the opinion that setting a fixed number would not adequately take into account the varied circumstances of each Director and the Nominating Committee will instead focus on whether a Director has sufficient time to adequately discharge his duties to the Company.

Provision 4.5 of the Code: Nominating Committee to decide if a director is able to and has been adequately carrying out his or her duties

REPORT ON CORPORATE GOVERNANCE

The present and past directorships (held in the last three (3) years) of the Directors with other public listed companies and their other present principal commitments are set out in the following tables:

TOH CHOO HUAT

Other existing directorships with public listed companies:

Company	Position
Nil	–

Other past directorships with public listed companies (held in the last three (3) years):

Company	Position
Nil	–

Other present principal commitments:

Company / Organisation	Position
LC International Trading Co Pte. Ltd.	Director
Ley Choon Constructions and Engineering Pte Ltd	Director
Li Chun Dragon Fish Industry Pte. Ltd.	Director
Zheng Choon Holding Pte. Ltd.	Director
Ley Choon (M) Sdn Bhd	Director
Teacly (S) Pte. Ltd.	Director

RAGAVENDRAN SRINIVASAN

Other existing directorships with public listed companies:

Company	Position
Nil	–

Other past directorships with public listed companies (held in the last three (3) years):

Company	Position
Nil	–

Other present principal commitments:

Company / Organisation	Position
Nil	–

REPORT ON CORPORATE GOVERNANCE

REANNE TOH TING XUAN

Other existing directorships with public listed companies:

Company	Position
Nil	–

Other past directorships with public listed companies (held in the last three (3) years):

Company	Position
Nil	–

Other present principal commitments:

Company / Organisation	Position
LC International Trading Co Pte. Ltd.	Director
Multiform Developments & Construction Pte. Ltd.	Director
Chin Kuan Engineering and Contractors Pte. Ltd.	Director

WILLIAM TAN KWANG HWEE

Other existing directorships with public listed companies:

Company	Position
Nil	–

Other past directorships with public listed companies (held in the last three (3) years):

Company	Position
Nil	–

Other present principal commitments:

Company / Organisation	Position
Tiong Woon Corporation Holding Ltd.	Group Chief Financial Officer
Tiong Woon (Huizhou) Industrial Services Co., Ltd.	Director

REPORT ON CORPORATE GOVERNANCE

BUHDY BOK SIN SWEE

Other existing directorships with public listed companies:

Company	Position
Nil	–

Other past directorships with public listed companies (held in the last three (3) years):

Company	Position
Nil	–

Other present principal commitments:

Company / Organisation	Position
Mount Faber Leisure Group Pte Ltd	Managing Director
Mr Barber Pte Ltd	Director
E-Way Plastic Pte. Ltd.	Director

CHUA HOCK THAK

Other existing directorships with public listed companies:

Company	Position
Nil	–

Other past directorships with public listed companies (held in the last three (3) years):

Company	Position
Nil	–

Other present principal commitments:

Company / Organisation	Position
Nil	–

REPORT ON CORPORATE GOVERNANCE

TEO HO BENG

Other existing directorships with public listed companies:

Company	Position
Hiap Hoe Limited	Director & Executive Chairman

Other past directorships with public listed companies (held in the last three (3) years):

Company	Position
Nil	–

Other present principal commitments:

Company/ Organisation	Position
Cavenagh Properties Pte. Ltd.	Director
Golden Bay Realty (Private) Limited	Director
HH Capital Pte. Ltd.	Director
HH Land Pte. Ltd.	Director
HH Properties Pte. Ltd.	Director
HH Residences Pte. Ltd.	Director
Hiap Hoe & Co. Pte. Ltd.	Director
Hiap Hoe Asset Management Pte. Ltd.	Director
Hiap Hoe Capital Pte. Ltd.	Director
Hiap Hoe Holdings Pte Ltd	Director
Hiap Hoe Investment Pte. Ltd.	Director
Hiap Hoe Realty (Pte.) Ltd.	Director
Hiap Hoe Strategic Pte. Ltd.	Director
Hiap Hoe SuperBowl JV Pte. Ltd.	Director
Hiap Hoe Treasure Pte. Ltd.	Director
Hougang Point Ltd	Director
Keng Heng Investment Pte Ltd	Director
KHI Properties Pte. Ltd.	Director
Meteorite Assets Pte. Ltd.	Director
Meteorite Group Pte. Ltd.	Director
Prime Properties (Pte) Ltd	Director
Super Funworld Pte Ltd	Director
SuperBowl Development Pte Ltd	Director
SuperBowl Holdings Limited	Director
SuperBowl Jurong Pte Ltd	Director
WestBuild Construction Pte. Ltd.	Director
Meteorite Land (Rowe Avenue) Pty Ltd	Director
Meteorite Land Pty Ltd	Director
Meteorite Land (Pearl River) Pty Ltd	Director
Meteorite Property (Stirling Street) Pty Ltd	Director
Meteorite Assets Limited	Director
Meteorite Manchester Limited	Director
Trafford City Hotel Limited	Director
Meteorite Land (Great Eastern) Pty Ltd	Director

REPORT ON CORPORATE GOVERNANCE

After conducting its reviews, the Nominating Committee is satisfied that the Directors have been able to devote adequate time and attention to the affairs of the Company and they are able to fulfil their duties as Directors of the Company. The Company does not have any alternate Directors. The Board will generally avoid approving the appointment of alternate Directors unless alternate directors are appointed for limited periods in exceptional cases such as when a director has a medical emergency.

For appointment of new Directors to the Board, the Nominating Committee would, in consultation with the Board, evaluate and determine the selection criteria with due consideration to the mix of skills, knowledge, experience and diversity of the then existing Board. The Nominating Committee receives recommendations from existing Directors and the Company’s professional advisors and endeavors to ensure that female candidates with the relevant skillsets are included for consideration when identifying candidates to be appointed as new directors. The Nominating Committee may, if necessary, interview potential candidates and make recommendations to the Board for approval. The Board will then consider the potential candidates and Directors newly appointed by the Board are appointed by way of board resolution, following which they are subject to election by Shareholders at the next annual general meeting immediately following their appointment and thereafter, they are subject to the one-third rotation rule as prescribed by the Company’s Constitution. For re-appointment of existing Directors to the Board, the Nominating Committee makes its decision based on its annual review of the performance of the relevant Directors as well as their contribution to the Board.

All Directors are appointed to the Board by way of a formal letter of appointment or service agreement setting out the scope of their duties and obligations.

Provision 4.3 of the Code: Disclosure of process for selection, appointment and re-appointment of directors

Provision 4.5 of the Code: New directors are aware of their duties and obligations

The dates of initial appointment of each Director are set out as follows:

Name of Directors	Date of initial appointment	Date of last re-election
Toh Choo Huat	25 July 2012	30 July 2024
Ragavendran Srinivasan	2 September 2024	30 July 2025
Reanne Toh Ting Xuan	2 September 2024	30 July 2025
William Tan Kwang Hwee	2 September 2024	30 July 2025
Buhdy Bok Sin Swee	2 September 2024	30 July 2025
Chua Hock Thak	29 March 2018	30 July 2024
Teo Ho Beng	28 September 2015	30 July 2025

Under Regulation 107 of the Company’s Constitution, at least one-third of the Directors (or if their number is not three (3) or a multiple of three (3), then the number nearest to but not less than one-third) is required to retire from the office of Director and stand for re-election at the Company’s Annual General Meeting. Generally, the retiring Directors are Directors who have been the longest in office since their last election (unless otherwise nominated by the Nominating Committee). Accordingly, pursuant to Regulation 107 of the Constitution, Toh Choo Huat, Ragavendran Srinivasan, and Chua Hock Thak will be due for retirement and re-election at the forthcoming Annual General Meeting.

REPORT ON CORPORATE GOVERNANCE

Under Regulation 117 of the Constitution, any newly appointed Director shall hold office only until the next Annual General Meeting of the Company, and shall be eligible for re-election.

Details on the experiences, professional qualifications and responsibilities of the Directors are set out in pages 8 to 9 of this Annual Report. In addition, information on shareholdings in the Company and its related companies held by each Director is set out in the "Directors' Statement" section of this Annual Report. Pursuant to Rule 720(6) of the Listing Manual, the information as set out in Appendix 7.4.1 of the Listing Manual relating to Toh Choo Huat, Ragavendran Srinivasan, and Chua Hock Thak, who are the Directors seeking re-election at the forthcoming Annual General Meeting, is set out in pages 115 to 124 of this Annual Report.

Further to the above, it should also be noted that the Nominating Committee also reviews the appointment of any manager of the Company or any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or substantial shareholder. Pursuant to Rule 704(9) of the Listing Manual, the Company confirms that, as far as the Company is aware and save as set out below, there are no other persons occupying managerial positions in the Company or any of its principal subsidiaries who are related to a director or chief executive officer or substantial shareholder of the Company or its principal subsidiaries:

	Name	Current Position in the Company	Family Relationship with any Directors and/or Substantial Shareholders of the Company
1.	Toh Chew Leong ("TCL")	Advisor	Brother of Toh Choo Huat ("TCH") who is the Executive Chairman and Chief Executive Officer and a substantial shareholder, uncle of Reanne Toh Ting Xuan ("RT") who is an Executive Director, and brother of Toh Swee Kim ("TSK") and Toh Chew Chai ("TCC") who are substantial shareholders.
2.	Toh Swee Kim	Advisor	Brother of TCH, TCL, TCC and uncle of RT
3.	Toh Chew Chai	Advisor	Brother of TCH, TCL, TSK and uncle of RT
4.	Toh Chiew Boon	Operations Advisor	Brother of TCH, TCL, TSK and TCC and uncle of RT
5.	Toh Kai Sheng	Director, Operations & HR	Son of TCC and nephew of TCH, TCL and TSK and cousin of RT
6.	Toh Kai Hock	Information Technology ("IT") Director & Head of Fleet Department	Son of TCC and nephew of TCH, TCL and TSK and cousin of RT
7.	Toh Wei Jie	Deputy Director	Son of TCL and nephew of TCH, TSK and TCC and cousin of RT
8.	Toh Qiu Ling	Group Senior Manager (Business Development)	Daughter of TSK and niece of TCH, TCL and TCC and cousin of RT
9.	Toh Wannii	Procurement cum BI Manager	Daughter of TCH, sister of RT and niece of TCL, TSK and TCC
10.	Toh Wei Dong	Plant Manager	Son of TSK and nephew of TCH, TCL and TCC and cousin of RT

REPORT ON CORPORATE GOVERNANCE

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 Nominating Committee has established a process for assessing the effectiveness of the Board as a whole and each of its Board Committees and for assessing the contribution of each individual Director to the effectiveness of the Board. This assessment is conducted by the Nominating Committee at least once a year. The Nominating Committee assesses the Board's effectiveness as a whole and the effectiveness of each of its Board Committees through the completion of a questionnaire by each member of the Nominating Committee which includes questions covering the above-mentioned areas of assessment. The Nominating Committee collates the results of these questionnaires and discusses the results collectively with other Board members to address any areas for improvement.

Provisions 5.1 and 5.2 of the Code: Board to implement criteria and process for evaluation of the Board's performance and disclose the process in Annual Report

Each member of the Nominating Committee abstains from voting on any resolutions in respect of the assessment of his own performance or re-nomination as a Director.

To assess the effectiveness of the Board as a whole, the factors evaluated by the Nominating Committee include but are not limited to:

- (i) the size and composition of the Board;
- (ii) the discussion and decision-making processes of the Board (including the conduct of meetings by the Board);
- (iii) the Board's access to information;
- (iv) the accountability of the Board to the Shareholders;
- (v) the observation of risk management and internal control policies by the Board; and
- (vi) the performance of the Board (including the Board's performance in relation to the discharge of its principal responsibilities in terms of the financial indicators set out in the Code).

To assess the effectiveness of each Board Committee, the factors evaluated by the Nominating Committee include but are not limited to:

- (i) the size and composition of the relevant Board Committee; and
- (ii) the performance of the relevant Board Committee in relation to the discharge of its duties set out in its terms of reference.

REPORT ON CORPORATE GOVERNANCE

To assess the contribution of each individual Director, the factors evaluated by the Nominating Committee include but are not limited to:

- (i) his participation at the meetings of the Board;
- (ii) his ability to contribute to the discussion conducted by the Board;
- (iii) his ability to evaluate the Company's strengths and weaknesses and make informed business decisions;
- (iv) his ability to interpret the Company's financial reports and contribute to the formulation of strategies, budgets and business plans that are compatible with the Group's vision and existing business strategy;
- (v) his compliance with the policies and procedures of the Group;
- (vi) his performance of specific tasks delegated to him;
- (vii) his disclosure of any related person transactions or conflicts of interest; and
- (viii) for Independent Directors, his independence from the Group and the Management.

The performance criteria include financial targets, contributions by the Board members as well as expertise, sense of independence and industry knowledge. This encourages feedback from the Board members and leads to an enhancement of the Board's performance over time. The performance criteria are not usually changed from year to year. However, where circumstances deem it necessary for any of the criteria to be changed, the onus will be on the Board to justify this decision.

The Chairman of the Nominating Committee will act on the results of the performance evaluation, and in consultation with the Nominating Committee, propose, where appropriate, that new members be appointed to the Board or seek the resignation of Directors.

The Board and the Nominating Committee have ensured that the Directors possess the experience, knowledge and expertise critical to the Group's business.

Based on the Nominating Committee's review, the Nominating Committee considered the performance and effectiveness of each individual current Director, the Board as a whole and each Board Committee, to be satisfactory and is of the view that the Board and the various Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board.

No external facilitators were used in the assessment of the Board, its Board Committees and the individual directors for FY2026.

REPORT ON CORPORATE GOVERNANCE

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

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.

As at the date of this Annual Report, the Remuneration Committee comprises the Company's three (3) Independent Directors, namely Buhdy Bok Sin Swee (Chairman of the Remuneration Committee), William Tan Kwang Hwee (Member of the Remuneration Committee), Chua Hock Thak (Member of the Remuneration Committee) and one (1) Non-Executive Director, Teo Ho Beng (Member of the Remuneration Committee). The Remuneration Committee meets at least once annually.

Provision 6.2 of the Code: Remuneration Committee ("RC") comprises at least three directors, all of whom are non-executive and the majority of whom, including the Chairman, are independent

The Remuneration Committee is principally responsible for:

- (i) overseeing the general compensation of employees of the Group with a goal to motivate, recruit and retain our employees and the Board through competitive compensation and progressive policies;
- (ii) reviewing all aspects of remuneration including the Board's and Executive Officers' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits in kind as well as the remuneration of persons related to the Company's Board and Substantial Shareholders;
- (iii) implementing and administering any share option scheme, share performance scheme and other performance bonus scheme(s) that the Group may set up in the future; and
- (iv) reviewing the Group's obligations arising in the event of the termination of the Executive Director(s) and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

Provision 6.1 of the Code: RC to make recommendations to the Board on certain relevant matters

Pursuant to its review, the Remuneration Committee will submit its recommendations to the entire Board for endorsement.

Each member of the Remuneration Committee abstains from the decision-making process and from voting on any resolutions in respect to his remuneration package.

The Remuneration Committee will be provided with access to expert professional advice on remuneration matters, as and when necessary. The expenses of such services shall be borne by the Company. If so required, it may seek expert advice in the field of executive compensation outside the Company upon approval by the Board. The Remuneration Committee ensures that in the event of such advice being sought, existing relationships if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. The Company has not appointed any remuneration consultants for FY2026.

Provision 6.4 of the Code: Disclosure of engagement of any remuneration consultants and their independence

REPORT ON CORPORATE GOVERNANCE

The Remuneration Committee reviews all aspects of remuneration to ensure they are fair. In particular, the Remuneration Committee reviews the fairness and reasonableness of the termination clauses of the service agreements of the Executive Chairman and Chief Executive Officer and key management executives to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance.

Provision 6.3 of the Code: RC to consider all aspects of remuneration, including termination terms, to ensure they are fair

Level and Mix of Remuneration

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.

The Remuneration Committee carries out annual reviews of the remuneration packages of the Directors and the Management, having due regard to their contributions as well as the financial and commercial needs of the Group. The Remuneration Committee takes into account the industry norms/standards by considering, *inter alia*, the remuneration packages and employment conditions within the industry, the Group's performance as well as the contribution and performance of each Director when determining the remuneration packages of the Directors. The Directors' fees are compared against industry standards to ensure that they are in line with industry norms.

Provision 8.1 of the Code: Disclosure of the policy and criteria for setting remuneration

The remuneration for the Executive Directors and the Management comprise a basic salary component and a variable component, namely, the annual bonus. The latter is based on the performance of the Group as a whole, giving due regard to the profitability of the Group, its financial performance as well as general economic conditions under which the Group operates and their individual performance.

Provision 7.1 of the Code: A significant and appropriate proportion of remuneration is structured so as to link rewards to corporate and individual performance

The Remuneration Committee also considers whether remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.

Provision 7.3 of the Code: Remuneration is appropriate to attract, retain and motivate the directors and key management personnel

The Remuneration Committee administers the Company's performance share plan (the "**Ley Choon Performance Share Plan 2018**"), which was approved by the Shareholders at the Annual General Meeting held on 30 July 2018 and modified at the Extraordinary General Meeting held on 18 March 2026. Please refer to pages 101 to 102 of this Annual Report for more details.

Save for the Ley Choon Performance Share Plan 2018, the Company currently does not have any long-term incentive scheme.

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The Independent Directors and Non-Executive Director receive directors' fees in accordance with their contributions, taking into account factors such as effort and/or time spent, the responsibilities of the Independent Directors and Non-Executive Director and the need to pay competitive fees to attract, retain and motivate the Independent Directors and Non-Executive Director. The Independent Directors and Non-Executive Director are not over-compensated to the extent where their independence may be compromised. The Directors' fees are recommended by the Remuneration Committee and endorsed by the Board for approval by the Shareholders of the Company at annual general meetings.

Provision 7.2 of the Code: Remuneration of non-executive directors is appropriate to the level of contribution

The Company had entered into a service agreement with Toh Choo Huat which sets out the framework of his remuneration. This service agreement provides, *inter alia*, that he or the Company may terminate the service agreement upon giving written notice of not less than six (6) months.

In addition, the Board is of the view that there is no need to institute contractual provisions to allow the Company to reclaim incentive components of the Executive Directors' remuneration paid in prior years in exceptional circumstances of misstatement of financial results or of misconduct resulting in financial loss, as he / she owes fiduciary duties to the Company and the Company should be able to avail itself of remedies against the Executive Directors in the event of such a breach of fiduciary duties.

Disclosure on Remuneration

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

In addition to its strict policies on bribery and money-laundering, the Group also maintains, under its code of ethics, strict policies on gifts and entertainment which apply to all employees (including Directors). In the event that gifts, entertainment or other benefits are offered to employees, they must be properly declined if there is a risk of there being an appearance of impropriety. Similarly, all employees must also not offer any gifts, entertainment or other benefits to others if it creates an appearance of impropriety.

REPORT ON CORPORATE GOVERNANCE

The breakdown of remuneration (in percentage terms) of the Directors of the Company paid and payable for FY2026 is set out below:

Remuneration Band and Name of Directors	Fees (%)	Salary (%)	AWS (%)	Bonus (%)	Employer CPF + SDL (%)	Allowances/ Incentive (%)	Total (S\$)
William Tan Kwang Hwee	100	-	-	-	-	-	65,000
Buhdy Bok Sin Swee	100	-	-	-	-	-	55,000
Chua Hock Thak	100	-	-	-	-	-	55,000
Teo Ho Beng	100	-	-	-	-	-	55,000
Toh Choo Huat	-	50	5	44	1	-	1,657,801
Ragavendran Srinivasan	-	66	-	23	5	6	386,997
Reanne Toh Ting Xuan	-	60	-	21	11	8	280,601

Provisions 8.1 and 8.3 of the Code: Remuneration of directors, CEO and top five key management personnel; details of employee share schemes

The breakdown of remuneration of the top seven (7) Key Management (Executive Officers) for FY2026 is set out below:

Remuneration Band and Name of Executive Officer	Salary (%)	AWS (%)	Bonus (%)	Employer CPF + SDL (%)	Allowances/ Incentive (%)	Total (%)
Executive Officers who received S\$0 to S\$250,000						
-	-	-	-	-	-	-
Executive Officers who received S\$250,001 to S\$500,000						
Ou Zhiyong	61	-	21	9	9	100
Zhang Weiqiang	68	-	24	-	8	100
Toh Kai Sheng	62	-	22	8	8	100
Toh Kai Hock	67	-	23	8	2	100
Toh Chew Chai	59	-	31	4	6	100
Executive Officers who received S\$500,001 to S\$750,000						
Toh Swee Kim	52	5	34	3	6	100
Toh Chew Leong	54	5	38	2	1	100

In aggregate, the total remuneration paid to the top five (5) key management personnel (who are not Directors or the Chief Executive Officer) in FY2026 is approximately S\$2.2 million.

The Board is of the view that given the sensitive, private and confidential nature of the employees' remuneration, detailed disclosure on the remuneration of the key management personnel is not in the best interests of the Company and the Group. Such disclosure would disadvantage the Group in relation to its competitors and may adversely affect the cohesion and spirit of team work prevailing among the employees of the Group. The Board is also of the view that it is not necessary to present detailed disclosure on the Company's remuneration policy as the remuneration policy for executives is a management decision that the Board is generally entitled to make.

Provisions 8.1 and 8.3 of the Code: Remuneration of directors, CEO and top five key management personnel; details of employee share schemes

REPORT ON CORPORATE GOVERNANCE

In view of the aforementioned reasons, the Company believes that its current disclosure is consistent with the intent of Principle 8 of the Code as Shareholders are still given information on the level and mix of remuneration in percentage terms and that the interests of Shareholders will not be prejudiced as a result of such non-disclosure of the total remuneration in dollar terms for key management personnel.

There are no termination, retirement and post-employment benefits granted to Directors or the key management personnel.

Pursuant to Rule 704(13) of the Listing Manual, the Company has disclosed in its full year results announcement released via SGXNET on 29 May 2026, a list of persons occupying managerial positions who are related to a Director, Chief Executive Officer or Substantial Shareholder of the Group ("**Related Employees**"). The breakdown of Related Employees for FY2026 is set out below:

Remuneration Band and Name of Relative	Family Relationship with any Directors	Salary (%)	AWS (%)	Bonus (%)	Employer CPF + SDL + PMBS (%)	Allowances/ Incentives (%)	Total (%)
S\$0 to S\$100,000							
Toh Chiew Boon	Brother of Toh Choo Huat (" TCH ") (the Executive Chairman, Chief Executive Officer and substantial shareholder of the Company), uncle of Reanne Toh Ting Xuan (" RT ") (Executive Director of the Company) and brother of Toh Chew Leong (" TCL "), Toh Swee Kim (" TSK "), Toh Chew Chai (" TCC ") (substantial shareholders of the Company)	65	–	7	12	16	100
S\$100,001 to S\$200,000							
Toh Wei Dong	Son of TSK, nephew of TCH, TCL and TCC and cousin of RT	64	–	7	15	14	100
Toh Wanní	Daughter of TCH, sister of RT and niece of TCL, TSK & TCC	56	–	20	15	9	100
Toh Qiu Ling	Daughter of TSK, niece of TCH, TCL & TCC and cousin of RT	64	–	11	15	10	100

Provision 8.2 of the Code: Disclosure of remuneration of employees who are substantial shareholders or family members of directors, CEO or substantial shareholder and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.

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Remuneration Band and Name of Relative	Family Relationship with any Directors	Salary (%)	AWS (%)	Bonus (%)	Employer CPF + SDL + PMBS (%)	Allowances/ Incentives (%)	Total (%)
S\$200,001 to S\$300,000							
Toh Wei Jie	Son of TCL, nephew of TCH, TSK & TCC and cousin of RT	55	–	20	10	15	100
Toh Kai Sheng	Son of TCC and nephew of TCH, TCL & TSK and cousin of RT	62	–	22	8	8	100
S\$300,001 to S\$400,000							
Toh Kai Hock	Son of TCC and nephew of TCH, TCL & TSK and cousin of RT	67	–	23	8	2	100
S\$400,001 to S\$500,000							
Toh Chew Chai	Substantial shareholder and brother of TCH, TCL & TSK and uncle of RT	59	–	31	4	6	100
S\$500,001 to S\$600,000							
–	–	–	–	–	–	–	–
S\$600,001 to S\$700,000							
Toh Swee Kim	Substantial shareholder and brother of TCH, TCL & TCC and uncle of RT	52	5	34	3	6	100
Toh Chew Leong	Substantial shareholder and brother of TCH, TSK & TCC and uncle of RT	54	5	38	2	1	100

The Ley Choon Performance Share Plan 2018 was approved by the Shareholders at the Annual General Meeting held on 30 July 2018 and modified at the Extraordinary General Meeting held on 18 March 2026.

Provision 8.3 of the Code: Details of employee share schemes

The objectives of the Ley Choon Performance Share Plan 2018 are as follows:

- to give the Company the option and flexibility to pay eligible employees' bonuses in the form of cash, shares or a combination of cash and shares, resulting in a better and more flexible salary and cash-flow management for the Company;
- to give the Company the flexibility to impose specific or medium-term performance targets or to impose time-based service conditions, or a combination of both, as a means to reward and steer its executives to better performance and to retain employees with suitable skill sets and talents to drive the growth of the Group;

REPORT ON CORPORATE GOVERNANCE

- (c) to incentivise participants of the Ley Choon Performance Share Plan 2018 to excel in their performance and encourage greater dedication and loyalty to the Company;
- (d) to recognise and reward past contributions and services and motivate participants of the Ley Choon Performance Share Plan 2018 to continue to strive for the Company's long-term prosperity;
- (e) to further strengthen and enhance the Company's competitiveness in attracting and retaining employees with suitable talents; and
- (f) to foster an ownership culture within the Company, and align the interests of participants of the Ley Choon Performance Share Plan 2018 with the interests of the Shareholders.

The Ley Choon Performance Share Plan 2018 shall be administered by the Remuneration Committee with such discretion, powers and duties as are conferred on it by the Board of Directors. A member of the Remuneration Committee shall not be involved in the deliberations or decisions of the Committee in respect of the grant of Awards to him or his associate. Shareholders who are eligible to participate in the Ley Choon Performance Share Plan 2018 shall abstain from voting on any resolution relating to the Ley Choon Performance Share Plan 2018.

The Ley Choon Performance Share Plan 2018 shall continue to be in force at the discretion of the Remuneration Committee, subject to a maximum period of ten (10) years from the date on which the Ley Choon Performance Share Plan 2018 was adopted by Shareholders, provided always that the Ley Choon Performance Share Plan 2018 may continue beyond the above stipulated period with the approval of the Company's Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

No performance shares have been allotted and issued to any employees or Directors of the Company since the Ley Choon Performance Share Plan 2018's commencement.

Save for the Ley Choon Performance Share Plan 2018, the Company currently does not have any long-term incentive scheme for its Directors and key management personnel.

(C) ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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.

In line with the Singapore Standards on Auditing and the Committee of Sponsoring Organisations of the Treadway Commission Internal Controls-Integrated Framework, "internal controls" is broadly defined as "a process effected by an entity's board of directors and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- (i) effectiveness and efficiency of operations;
- (ii) reliability of financial reporting; and
- (iii) compliance with applicable laws and regulations."

Provision 9.1 of the Code: Board to determine nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation

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The first category addresses an entity's basic business objectives, including performance and profitability goals and safeguarding of assets. The second category relates to the preparation of reliable published financial statements, including interim and condensed financial statements and selected financial data derived from such statements, such as earnings releases, reported publicly. The third category deals with complying with those laws and regulations to which the entity is subject.

The Audit Committee, as well as the Board, conducts regular reviews of the effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management systems.

During FY2026, Acclime Risk Advisory Pte. Ltd. (the "**Internal Auditors**") conducted an independent review of the effectiveness and adequacy of the Group's internal controls and risk management policies and processes. Subsequent to the internal audit fieldwork and the detailed review of internal controls in specific identified areas with respect to FY2026, the Internal Auditors submitted a report to the Audit Committee covering their findings and recommendations to improve the internal controls in the respective identified areas. The Internal Auditors' recommendations were accepted and implementation of the recommendations is in progress. The Audit Committee and the Board monitor the Management's implementation of such recommendations.

Based on the internal controls established and maintained by the Group, work performed by Messrs Foo Kon Tan LLP (the "**External Auditors**") and Internal Auditors and reviews performed by Management, the Board, with the concurrence of the Audit Committee, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective as at 31 March 2026.

Adequacy of Internal Controls (Rule 1207(10))

The Board has received assurance from the Chief Executive Officer and the Chief Financial Officer:

- (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (b) regarding the adequacy and the effectiveness of the Company's risk management and internal control systems.

Provision 9.2 of the Code: Board to receive assurance on financial records, financial statements and management and internal control systems

The Board acknowledges that it is responsible for the overall internal control and risk management framework, but recognises that all internal control and risk management systems contain inherent limitations and that no internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives. The Board notes that all internal control systems can provide only reasonable and not absolute assurance against the occurrence of material misstatement or loss, poor judgement in decision making, human error, fraud or other irregularities.

The Board of Directors oversees the Group's financial risk management policies. Where there are significant risks in respect of the Group's operations, risk management practices will be put in place to address these risks. The Management regularly reviews the Company's business and operational activities to identify areas of significant business risks as well as appropriate measures to manage and mitigate these risks. The Management reviews all the significant control policies and procedures and highlights all significant findings to the Directors and the Audit Committee.

Risk Management (Rule 1207(4)(b) (iv))

REPORT ON CORPORATE GOVERNANCE

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

As at the date of this Annual Report, the Audit Committee comprises the Company's three (3) Independent Directors, namely, William Tan Kwang Hwee (Chairman of the Audit Committee), Buhdy Bok Sin Swee (Member of the Audit Committee), Chua Hock Thak (Member of the Audit Committee) and one (1) Non-Executive Director, Teo Ho Beng (Member of the Audit Committee), who collectively bring with them invaluable managerial and professional expertise in the financial, accounting and business management spheres. The Board ensures that the Audit Committee's members have the appropriate qualifications to provide independent, objective and effective supervision. At least two (2) members, including the Chairman of the Audit Committee, have recent and relevant accounting or related financial management expertise or experience.

Provision 10.2 of the Code: Audit Committee ("AC") comprises at least three directors, all of whom are non-executive and the majority of whom, including the Chairman, are independent; Board to ensure AC members are qualified

The Company has appointed William Tan Kwang Hwee as the Chairman of the Audit Committee as he has extensive finance and accounting experience, being a chartered accountant and having held chief financial officer positions in a number of listed and unlisted companies. William Tan Kwang Hwee possesses strong working knowledge of the Listing Manual and the Code, having served as Chief Financial Officer ("CFO") in four (4) SGX-listed groups spanning multiple industries. Beginning his career in Liang Huat Aluminium (erstwhile SGX: 1C5), his previous roles include CFO of EnGro Corporation (SGX: S44), Assistant Vice President, Finance - Casino Accounting & Credit of Resorts World Sentosa (SGX: G13), CFO of Ley Choon Group Holdings (SGX: Q0X), CFO of Metal Component Engineering (SGX: 5DX) and auditor with KPMG. William is presently Group CFO of SGX Mainboard-listed Tiong Woon Corporation Holding (SGX: BQM) and serves as member of the ACCA Singapore Members Network Panel. An MBA, qualified accountant and engineer by training, he was named Executive of the Year – Construction & Materials at the Singapore Business Review Management Excellence Awards 2016.

The Audit Committee does not comprise any former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two (2) years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

Provision 10.3 of the Code: Former partners or directors of Company's existing auditing firm should not act as member of the AC

The Audit Committee meets at least once every half-year to review the accounting, auditing and financial reporting matters so as to ensure that an effective system of control is maintained within the Group.

REPORT ON CORPORATE GOVERNANCE

The Audit Committee's duties include, amongst others, the review of:

*Provision 10.1 of the
Code: Duties of AC*

- (i) the financial and operating results and accounting policies of the Group;
- (ii) the co-operation given by the Group's officers to the External Auditors;
- (iii) the half-yearly and annual financial statements of the Group and the results announcements before the 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, compliance with accounting standards and compliance with the Listing Manual and any other relevant statutory or regulatory requirements;
- (iv) the Group's administrative, operating and internal accounting and financial control procedures;
- (v) the nomination of External Auditors and Internal Auditors for appointment or re-appointment and matters relating to the resignation or dismissal of the External Auditors and Internal Auditors before making recommendations to the Board;
- (vi) interested person transactions falling within Chapter 9 of the Listing Manual, if any;
- (vii) any suspected fraud, irregularity or 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 Group's management's response;
- (viii) any potential conflicts of interest;
- (ix) the Group's key financial risk areas, with a view to providing independent oversight on the Group's financial reporting. The outcome of such review will be disclosed in the annual reports or if the findings are material, immediately announced via SGXNET;
- (x) the Group's significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- (xi) hedging policies and instruments, if any, to be implemented by the Group before recommending the same to the Board;
- (xii) review the proposals to the Shareholders on the appointment, re-appointment and removal of the External Auditors, and approval of the remuneration and terms of engagement of the External Auditors;
- (xiii) the adequacy, effectiveness, independence, scope and results of the Group's internal audit function;
- (xiv) the adequacy, effectiveness, independence scope and results of the Group's External Auditors;
- (xv) the policy and arrangements by which staff of the Company and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters; and

REPORT ON CORPORATE GOVERNANCE

(xvi) the suitability of the Group's Chief Financial Officer/Financial Controller.

As part of its review, the Audit Committee shall also:

- (i) commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or 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;
- (ii) ensure that all future transactions with related parties shall comply with the requirements of the Listing Manual;
- (iii) evaluate and report to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems, ensure co-ordination between the External Auditors, the Internal Auditors and the Group's management, review the assistance given by the Group's management to the auditors, and discuss problems and concerns, if any, arising from audits, and any matters which the auditors may wish to discuss (in the absence of the Group's management, where necessary); and
- (iv) review the assurance from the Chief Executive Officer and the Chief Financial Officer on the financial records and financial statements.

Under its terms of reference, the Audit Committee is entitled to obtain independent professional advice to execute its duties.

For FY2026, the Audit Committee has reviewed the Company's financial reporting function, internal controls and processes and is satisfied with the effectiveness and adequacy of the same.

In the event that a member of the Audit Committee is interested in any matter being considered by the Audit Committee, he will abstain from reviewing that particular transaction or voting on that particular resolution.

The Audit Committee reviewed the adequacy of the audit plans, with particular emphasis on the observations of the External Auditors, the scope and the results of their audits and the independence and objectivity of the External Auditors.

The Audit Committee has also reviewed the scope and quality of the External Auditors' work before recommending the External Auditors to the Board for re-appointment. The Company's External Auditors are Messrs Foo Kon Tan LLP. After taking into account the resources and experience of Messrs Foo Kon Tan LLP and the audit engagement partner assigned to the audit, Messrs Foo Kon Tan LLP's other audit engagements, any non-audit services provided by Messrs Foo Kon Tan LLP to the Group, the size and complexity of the audit for the Group as well as the number and experience of the staff assigned by Messrs Foo Kon Tan LLP for the audit, the Audit Committee is of the opinion that Messrs Foo Kon Tan LLP's independence has not been compromised and is able to meet its audit obligations. Together with the Board, the Audit Committee recommends the re-appointment of Messrs Foo Kon Tan LLP at the forthcoming Annual General Meeting. None of the members of the Audit Committee is a partner or director of Foo Kon Tan LLP.

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Messrs Foo Kon Tan LLP is an audit firm registered with the Singapore Accounting & Corporate Regulatory Authority and was appointed on 22 January 2016. Messrs Foo Kon Tan LLP was also re-appointed to audit the accounts of the Company and its Singapore incorporated subsidiaries for FY2026. The fees paid/payable to the External Auditors for their audit and non-audit (taxation) services in FY2026 are S\$240,000 (FY2025: S\$240,000) and S\$49,000 (FY2025: S\$50,000), respectively. The Company is in compliance with Rule 712 and Rule 715 of the Listing Manual.

The Audit Committee has reviewed the arrangements by which the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters within the Group, with the objectives of ensuring that arrangements are in place for independent investigations of such matters and for appropriate follow-up action as and when the need arises. As at the date of this Annual Report, the Company has put in place a whistle-blowing policy for this purpose. Under the Company's whistle-blowing policy, employees may submit a complaint (which may be on an anonymous basis) to the Independent Directors and Non-Executive Director, who also form the Audit Committee. The Audit Committee is obliged to review all reports received and take or approve the appropriate actions. There were no whistle blowing reports received during FY2026 and until the date of this report.

The Audit Committee is also briefed by the External Auditors on any change in the accounting standards which has a direct impact on the Company's financial statements.

The Audit Committee and External Auditors have, at all times, unrestricted access to each other. The Audit Committee also meets annually with the External Auditors and the Internal Auditors, without the presence of the Management and is authorised to have full and unrestricted access to the Management and all personnel, records, operations, properties and other informational sources of the Company as required or desirable to properly discharge its responsibilities.

Provision 10.5 of the Code: AC to meet external and internal auditors without the presence of management, annually

The Audit Committee has reviewed and discussed the following significant matters affecting the financial statements with the Management and the External Auditors:

Significant Matters	Action
Revenue recognition over time	The Audit Committee, with the assistance of the internal audit function, considered the internal controls established and maintained by the Management over project management, costing and revenue recognition. The Audit Committee noted the periodic reviews conducted by the Management in respect of long-term projects where the Group satisfies its performance obligations over time, which include the assessment of reasonableness of the estimated total budgeted costs of each project, and whether any provision for onerous contracts is required. Revenue recognition over time was also an area of focus for the External Auditors. The External Auditors had included this item as a key audit matter in their report for FY2026. Please refer to page 131 of this Annual Report.

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Internal Audit

The Internal Auditors have unfettered access to all the Company's documents, records, properties and personnel, including access to the Audit Committee, and has appropriate standing within the Company. The Internal Auditors report directly to the Audit Committee and provide reports to the Audit Committee on a timely basis. The Audit Committee decides on the appointment, termination and remuneration of the Internal Auditors.

Provision 10.4 of the Code: Primary reporting line of the internal audit function is to the AC; internal audit function has unfettered access to documents, records, properties and personnel, and has appropriate standing

The Board acknowledges that it is responsible for maintaining an internal audit function independent of the activities it audits. The effectiveness of the internal control systems and procedures are monitored by the Management and also by the internal audit function. During FY2026, the Company had in place an internal audit function, whereby the Company's finance team supports the Audit Committee in ensuring that the Company maintains a sound system of internal controls by monitoring and assessing the adequacy and the effectiveness of the key controls and procedures.

As part of the Company's efforts to enhance the risk management process and internal control systems, the Audit Committee has appointed Acclime Risk Advisory Pte. Ltd., a suitably appointed qualified firm of accountants which meets the standards set by internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors ("IIA"), for the enterprise risk management and internal audit functions of the Group and to perform internal audit review on the operations of the Group. The internal audit methodology of Acclime Risk Advisory Pte. Ltd. has been mapped to the IIA's International Professional Practice Framework.

The Audit Committee meets at least once annually to ensure the adequacy of the internal audit functions. The Audit Committee reviewed the independence, adequacy and effectiveness of the Internal Auditors as required under Rule 1207(10C) of the Listing Manual and determined that the Internal Auditors are independent, effective and adequately resourced. The Audit Committee also believes that the system of internal controls and risk management maintained by the Company is adequate to safeguard the Shareholders' investment and the Company's assets.

Internal audit function is independent, effective and adequately resourced (Rule 1207(10C))

The findings from the reviews and checks on the adequacy of the internal control and risk management are rated and reported to the Audit Committee. In particular, high risk matters are highlighted to the Audit Committee and the Management to ensure that proper follow-up actions are undertaken to ensure proper internal control and risk management.

REPORT ON CORPORATE GOVERNANCE

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT AND MANAGING STAKEHOLDERS RELATIONSHIPS

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.

The Shareholders are treated fairly and equitably to facilitate the exercise of their ownership rights. Written policies and procedures are implemented to ensure that there is adequate disclosure of developments in the Group in accordance with the Listing Manual.

The Board supports the Code's principle to encourage shareholder participation at the general meetings. Any notice of a general meeting of Shareholders is issued at least 14 clear days before the scheduled date of such meeting, and Shareholders are informed of the rules governing general meetings. The Board regards the Annual General Meeting as an opportunity to communicate directly with the Shareholders and encourages attendance and participative dialogue during the Annual General Meeting. The notice of the Annual General Meeting is dispatched to the Shareholders with the Annual Report (together with explanatory notes or a circular/letter to Shareholders on items of special business, if applicable) at least 14 clear days before the Annual General Meeting if only ordinary resolutions are to be tabled at the meeting or at least 21 clear days before the meeting if any special resolutions are to be tabled at the meeting.

Provision 11.1 of the Code: Company to provide shareholders with the opportunity to participate effectively in and vote at general meetings and inform them of the rules governing general meetings

The Board notes that there should be separate resolutions at general meetings on each substantially separate issue and supports the Code's principle regarding "bundling" of resolutions. In the event that there are resolutions which are interlinked, the Board will explain the reasons and material implications.

Provision 11.2 of the Code: Company should avoid "bundling" resolutions

The Directors, Senior Management and the Company Secretary will be available to answer questions from the Shareholders present. The Chairmen of the Audit Committee, Remuneration Committee and Nominating Committee are normally available at the Annual General Meeting as well to answer questions relating to the work of the Board Committees. The External Auditors are also invited to attend the Annual General Meeting and will assist the Directors in addressing relevant queries by the Shareholders relating to the conduct of the audit and the preparation and content of the External Auditors' report. All Directors attended the last Annual General Meeting held on 30 July 2025 and the Extraordinary General Meeting held on 18 March 2026.

Provision 11.3 of the Code: All directors and external auditors to be present at AGM

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The Company's Constitution allows a Shareholder to appoint one (1) or two (2) proxies to attend general meetings and vote in place of that Shareholder. A member of the Company who is a relevant intermediary may appoint more than two (2) proxies to attend and vote at general meetings, but such proxies must be appointed to exercise the rights attached to a specified number of shares. The term "relevant intermediary" for this purpose is defined under the Companies Act and includes the Central Provident Fund Board as well as banks and capital market services licence holders which provide custodial services. Allowing multiple proxies for such members will facilitate indirect investors attending and voting at shareholder meetings and encourages more active shareholder participation. The Board is of the view that voting in absentia can only be possible if there is absolute certainty that integrity of the information and authentication of the identity of such Shareholder are not compromised.

Provision 11.4 of the Code: Company's Constitution allows for absentia voting at general meetings

The Company also encourages all the Shareholders to attend the Annual General Meeting to grasp a better understanding of the Group's business and be informed of the strategic goals and objectives. The Board and Management are committed to an open dialogue with the Shareholders at the Annual General Meeting to address the Shareholders' issues, views and concerns.

The Company Secretary and/or representatives from the Company Secretary's office prepares the 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. The minutes of such meetings are then circulated to the Board for approval. Thereafter, the Company publishes the minutes on its corporate website as soon as practicable and on the SGX-ST within one (1) month after the annual general meeting.

Provision 11.5 of the Code: Minutes to be available to shareholders

In compliance with Rule 730A(2) of the Listing Manual, resolutions tabled at general meetings of Shareholders will be put to vote by poll, via electronic polling, the procedures of which will be explained by the appointed scrutineer(s) at the general meetings of Shareholders. The results of the Annual General Meeting will be released as an announcement via SGXNET.

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirements, cash flow, general business condition, development plans and other factors as the Directors may deem appropriate. The Board is pleased to recommend a dividend of 0.15 Singapore cents per ordinary share for FY2026 for approval by shareholders at the forthcoming Annual General Meeting.

Provision 11.6 of the Code: Company to have a dividend policy and communicate it to shareholders

One of the Board's principal duties is to protect and enhance the long-term value and returns to the Shareholders. This accountability to the Shareholders is demonstrated through the presentation of its periodic financial statements as well as the timely announcements and press releases of significant corporate developments and activities so that the Shareholders can have a detailed explanation and balanced assessment of the Group's financial position and prospects.

For further accountability, the announcements containing the half-yearly interim financial statements in the course of FY2026 were signed jointly by the Executive Chairman and Chief Executive Officer, Toh Choo Huat and the Lead Independent Director, William Tan Kwang Hwee, for and on behalf of the Board, to confirm that it is to the best of the Board's knowledge, nothing has come to the attention of the Board which may render the unaudited interim financial results contained in the announcement to be false or misleading in any material aspects.

REPORT ON CORPORATE GOVERNANCE

The Directors' Statement to the audited financial statements of the Company is also signed by the Executive Chairman and Chief Executive Officer, Toh Choo Huat and the Lead Independent Director, William Tan Kwang Hwee.

The Company also completes and submits compliance checklists to SGX (if applicable and when required) to ensure that all announcements, circulars or letters to our Shareholders comply with the disclosure requirements set out in the Listing Manual. For its annual reports, the Company also reviews the documents against the Governance and Transparency Index launched by The Business Times and the Singapore Corporate Governance & Financial Reporting Centre.

Engagement with Shareholders and Stakeholders

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.

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.

The Company endeavours to maintain constant and effective communication with Shareholders through timely and comprehensive announcements. Price-sensitive information is released to all parties such as Shareholders, stakeholders and the public simultaneously to ensure a level playing field. Any material information or respective half-yearly and full year results (all issued within the mandatory period) is disseminated through SGXNET.

Provision 12.1 of the Code: Company provides avenues for communication between the Board and all shareholders, and discloses the steps taken to solicit and understand the views of shareholders.

The Company communicates regularly through the following channels:

- (i) SGXNET;
- (ii) news and press releases; and
- (iii) the annual report.

The Group's material development and information shall also be disclosed in:

- (i) the Company's announcement of periodic financial results on SGXNET;
- (ii) notices of and explanatory memoranda for Annual General Meetings and Extraordinary General Meetings;
- (iii) press releases for the Group's half-yearly and full-year results as well as other briefings, as appropriate;
- (iv) press releases on major developments and corporate affairs of the Group (which the Company also releases as announcements via SGXNET and any supporting materials to these press releases such as PowerPoint slides are also attached to these announcements); and
- (v) circulars or letters to shareholders to provide the Shareholders with more information on its major transactions.

REPORT ON CORPORATE GOVERNANCE

In addition to the above, Shareholders and other stakeholders can access the Company's corporate website (<https://www.leychoon.com>) at their convenience to receive updates. The Company's corporate website also provides information about the Company, its products and its directors. In the investor relations section of the corporate website, the Company maintains announcements released on SGXNET, including its latest financial results and annual reports.

Provision 13.3 of the Code: Company maintains a current corporate website to communicate and engage with stakeholders

The Company has adopted an investor relations policy, which describes the principles and practices that the Company applies in order to provide current and prospective investors with information necessary to make well-informed investment decisions and to ensure a level playing field, and sets out the mechanism through which Shareholders may contact the Company with questions and through which the Company may respond to such questions. The Company also considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to Shareholders.

Provisions 12.2 and 12.3 of the Code: Company has in place an investor relations policy

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. The Company's strategy and key areas of focus in relation to the management of stakeholder relationships during FY2026 can be found on page 20 of this Annual Report in the Sustainability Report.

Provisions 13.1 and 13.2 of the Code: Management of stakeholder relationships

(E) DEALING IN SECURITIES

The Group has adopted and implemented the best practices guidelines advised by SGX-ST in relation to the dealing of shares of the Company through an internal compliance code to provide guidance to its officers with regard to dealing by the Company and its officers in its securities. The Group has in place procedures prohibiting the Directors and employees of the Group from dealing in the Company's shares one (1) month before the announcement of the Group's half year and full year financial results and ending on the date of the announcement of the results; or if they are in possession of unpublished material price-sensitive information of the Group.

The Directors and employees are also expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period. In addition, the Directors and employees are expected not to deal in the Company's securities on short term considerations.

The Board confirms that as at the date of this Annual Report, the Company has complied with Rule 1207(19) of the Listing Manual.

REPORT ON CORPORATE GOVERNANCE

(F) INTERESTED PERSON TRANSACTIONS

To ensure compliance with the relevant rules under Chapter 9 of the Listing Manual on interested person transactions, the Board and Audit Committee regularly reviews if the Company enters into any interested person transaction and if it does, to ensure that the Company complies with the requisite rules under Chapter 9.

The Company has implemented, *inter alia*, the following procedures to ensure that all Interested/Related Person Transactions are undertaken on normal commercial terms:

- (a) in the case of a purchase from or procurement of services from an Interested Person or a Related Person, the Group shall require that quotations be obtained from such Interested Person or Related Person and at least two (2) other quotations from unrelated third parties; and
- (b) in the case of a sale to or provision of services to an Interested Person or a Related Person, comparison will be made with reference to (i) at least two (2) latest similar transactions between the Group and unrelated third parties or (ii) if relevant market rates from independent sources are available, such market rates.

If the Company does enter into an Interested/Related Party Transaction, and a potential conflict of interest arises, the Director concerned will abstain from any discussions and decisions involving the issues of conflict and will also refrain from exercising any influence over other members of the Board. In addition, the Audit Committee will carry out half-yearly reviews to ensure that the established guidelines and procedures for Interested/Related Party Transaction have been complied with and the relevant approvals are obtained.

Provision 1.1 of the Code: Directors facing conflicts of interest

No interested person transactions were entered into during FY2026.

(G) MATERIAL CONTRACTS

Save for the service agreement entered into between the Company and the Executive Chairman and Chief Executive Officer, there were no material contracts of the Company or its subsidiaries involving the interests of the Executive Chairman, Chief Executive Officer, any Director or Controlling Shareholder subsisting at the end of FY2026, or if not then subsisting, entered into since the end of the previous financial period.

REPORT ON CORPORATE GOVERNANCE

(H) NON-SPONSOR FEES

The Company was, until its transfer to the Mainboard which took effect on 23 March 2026, under the SGX-ST Catalist sponsor-supervised regime. RHT Capital Pte. Ltd. ("**RHT Capital**") was appointed as the Company's Continuing Sponsor with effect from 22 February 2017 and ceased as the Company's Continuing Sponsor after transfer of listing on 23 March 2026. No non-sponsor fees were paid to RHT Capital by the Company for FY2026.

(I) PROCEDURES FOR REPORTING IMPROPRIETIES (WHISTLE-BLOWING POLICY)

The Company has in place a whistle-blowing policy which sets out the procedures for a whistleblower to make a report to the Company on misconduct or wrongdoing relating to the Company and its officers. The policy is endorsed and overseen by the Audit Committee, pursuant to which employees of the Group have direct access to the Independent Directors of the Company, who also form the Audit Committee, to raise concerns about possible corporate improprieties in matters of financial reporting or other matters. The objective of such arrangements is to ensure both independent investigation of such matters and appropriate follow-up action are taken, and that employees making any reports in good faith will be able to do so with the confidence that they will be treated fairly and protected from reprisal, victimisation, or detrimental or unfair treatment. The Audit Committee is responsible for the oversight and monitoring of whistleblowing matters. The Company will ensure the confidentiality of any whistle-blower as far as reasonably practicable and allow disclosures to be made anonymously where requested by the complainant.

Provision 10.1(f) of the Code: The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns

There were no whistle-blowing reports received during FY2026 and as of the date of this Annual Report.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Toh Choo Huat, Mr Ragavendran Srinivasan, and Mr Chua Hock Thak are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 30 July 2026 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST (the "**Listing Manual**"), the information relating to the Retiring Directors as set out in Appendix 7.4.1 of the Listing Manual is set out below:

	TOH CHOO HUAT	RAGAVENDRAN SRINIVASAN
Date of Appointment	25 July 2012	2 September 2024
Date of last re-appointment	30 July 2024	30 July 2025
Age	69	61
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Toh Choo Huat for re-appointment as an Executive Director of the Company. The Board has reviewed and concluded that Mr Toh Choo Huat possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Ragavendran Srinivasan for re-appointment as an Executive Director of the Company. The Board has reviewed and concluded that Mr Ragavendran Srinivasan possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive	Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman and Chief Executive Officer	Executive Director, Chief Financial Officer and Deputy Chief Executive Officer
Professional qualifications and working experience and occupation(s) during the past 10 years	Mr Toh Choo Huat is the Executive Chairman and Chief Executive Officer of Ley Choon Group Holdings Limited. As one of the Group's founders, Mr Toh has played a pivotal role in the growth and development of the Group. He is responsible for the overall business development and general management of the Group. He also oversees the overall strategic direction and expansion plans for the growth and development of the Group. Mr Toh has more than 30 years of experience in the business of underground utilities infrastructure construction and maintenance, sewer	Mr Srinivasan is the Executive Director, Chief Financial Officer (CFO), and Deputy Chief Executive Officer (DCEO) of the Group. He was appointed CFO in January 2021, promoted to DCEO in April 2024, and subsequently appointed to the Board on 2 September 2024. In his current roles, Mr Srinivasan leads the Group's financial strategy and business management, supporting the CEO in steering the Group's overall direction and performance. His responsibilities encompass financial reporting, treasury, management accounting, taxation, corporate compliance, and strategic oversight of the Group's financial and corporate functions. Mr Srinivasan joined

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	TOH CHOO HUAT	RAGAVENDRAN SRINIVASAN
	pipeline rehabilitation, road and airfield construction and maintenance. Prior to the establishment of Ley Choon, Mr Toh worked as a maintenance technician in Fairchild Semiconductor Pte Ltd. In 1990, Mr Toh and his brothers incorporated Ley Choon Constructions and Engineering Pte Ltd. Mr Toh holds a Diploma in Electrical & Electronic Engineering from Ngee Ann Technical College (in association with Central Polytechnic London).	the Group in 2012 as Senior Assistant Financial Controller and was promoted to Group Financial Controller in 2016. Before joining the Group, he served as Group Finance Manager of Ultro Technologies Ltd from 1997. With over 25 years of extensive experience in accounting and finance, Mr Srinivasan has held leadership roles for more than 15 years in financial reporting, management accounting, tax planning, and corporate compliance across various industries including electronics components distribution, manufacturing, coal mining, and construction. Mr Srinivasan holds a Bachelor of Commerce degree and is a Chartered Accountant of Singapore with the Institute of Singapore Chartered Accountants. He is also a Fellow of the Association of Chartered Certified Accountants (ACCA), UK.
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 794,000 ordinary shares in the Company Deemed interest: 902,272,580 ordinary shares in the Company	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Yes. Mr Toh Choo Huat is the brother of Mr Toh Chew Leong (Advisor, a substantial shareholder of the Company, and a director of the Company's subsidiary, Ley Choon Constructions and Engineering Pte Ltd), Mr Toh Swee Kim (Advisor, a substantial shareholder of the Company, and a director of the Company's subsidiary, Chin Kuan Engineering and Contractors Pte Ltd), Mr Toh Chew Chai (Advisor, a substantial shareholder of the Company, and a director of the Company's subsidiary, Chin Kuan Engineering and Contractors Pte Ltd) and Mr Toh Chiew Boon (Operations Advisor of the Company). Mr Toh Choo Huat is the father of Ms Reanne Toh Ting Xuan (Executive Director, a director of the Company's subsidiaries, Multiform Developments & Construction Pte Ltd,	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	TOH CHOO HUAT	RAGAVENDRAN SRINIVASAN
	LC International Trading Co Pte. Ltd., Chin Kuan Engineering and Contractors Pte Ltd, and Department Head for Tender, Contract and Sales Department of the Group) and Ms Toh Wannii (Procurement cum BI Manager); and the uncle of Mr Toh Kai Sheng Adam (a director of the Company's subsidiaries, Ley Choon Constructions and Engineering Pte Ltd and Pan Alliance Technology International Pte. Ltd. and Director of Operations & HR of the Group), Mr Toh Kai Hock (IT Director and Head of Fleet Department of the Group), Ms Toh Qiu Ling (a director of the Company's subsidiaries, Pan Alliance Technology International Pte. Ltd. and Multifarm Developments & Construction Pte Ltd, and Group Senior Manager (Business Development)), Mr Toh Wei Jie (a director of the Company's subsidiary, Teacly (S) Pte. Ltd. and Deputy Director of the Group) and Mr Toh Wei Dong (Plant Manager).	
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships#	<u>Past (for the last 5 years):</u> Nil <u>Present:</u> Director, LC International Trading Co Pte. Ltd. Director, Ley Choon Constructions and Engineering Pte Ltd Director, Li Chun Dragon Fish Industry Pte. Ltd. Director, Zheng Choon Holding Pte. Ltd. Director, Ley Choon (M) Sdn Bhd Director, Teacly (S) Pte. Ltd.	<u>Past (for the last 5 years):</u> Director, Unisem Electronics Pte Ltd <u>Present:</u> Nil
* "Principal Commitments" has the same meaning as defined in the Code.		
# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)		

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	TOH CHOO HUAT	RAGAVENDRAN SRINIVASAN
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	TOH CHOO HUAT	RAGAVENDRAN SRINIVASAN
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	TOH CHOO HUAT	RAGAVENDRAN SRINIVASAN
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	TOH CHOO HUAT	RAGAVENDRAN SRINIVASAN
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Any prior experience as a director of a listed company?	N.A. This is a re-election of a director.	N.A. This is a re-election of a director.
If yes, please provide details of prior experience.		
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).		

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

CHUA HOCK THAK

Date of Appointment	29 March 2018
Date of last re-appointment	30 July 2024
Age	72
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Chua Hock Thak for re-appointment as an Independent Director of the Company. The Board has reviewed and concluded that Mr Chua Hock Thak possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Chairman of the Nominating Committee and member of the Audit Committee and Remuneration Committee
Professional qualifications and working experience and occupation(s) during the past 10 years	Mr Chua has some 40 years of experience in the development of water infrastructure projects. He was with PUB, Singapore's National Water Agency, for 34 years holding various positions and was involved in the development of water infrastructures such as water and NEWater treatment works, water transmission and distribution pipelines, raw water and treated water reservoirs and barrage structures for raw water intakes. Prior to that, he was with JKR Kelantan for two (2) years and worked as a contractor for four (4) years, during which he was involved in the development of rural water supply scheme in Kelantan.
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships#	<u>Past (for the last 5 years):</u>
* "Principal Commitments" has the same meaning as defined in the Code.	Nil
# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)	<u>Present:</u>
	Nil

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

CHUA HOCK THAK

- | | | |
|-----|---|----|
| (a) | Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner? | No |
| (b) | Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency? | No |
| (c) | Whether there is any unsatisfied judgment against him? | No |
| (d) | Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose? | No |
| (e) | Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach? | No |
| (f) | Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part? | No |
| (g) | Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust? | No |
| (h) | Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust? | No |

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

CHUA HOCK THAK

(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity? No

(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-

(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or No

(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or No

(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or No

(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, No

in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?

(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere? No

Any prior experience as a director of a listed company?

N.A.

This is a re-election of a director.

If yes, please provide details of prior experience.

If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).

DIRECTORS' STATEMENT

for the financial year ended 31 March 2026

We submit this annual report to the members together with the audited consolidated financial statements of Ley Choon Group Holdings Limited (the "Company") and its subsidiaries (the "Group") and statement of financial position of the Company for the financial year ended 31 March 2026.

In our opinion:

- (a) the accompanying statements of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows, together with the notes thereon, 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 31 March 2026 and of the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 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.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

NAMES OF DIRECTORS

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

Toh Choo Huat (Executive Chairman, Executive Director and Chief Executive Officer)
Ragavendran Srinivasan (Executive Director)
Reanne Toh Ting Xuan (Executive Director)
William Tan Kwang Hwee (Lead Independent Director)
Chua Hock Thak (Independent Director)
Buhdy Bok Sin Swee (Independent Director)
Teo Ho Beng (Non-Executive Director)

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

During and at the end of the financial year, neither the Company nor any of its subsidiaries was a party to any arrangement of which the object was to enable the directors to acquire benefits through the acquisition of shares or debentures of the Company or any other corporate body, other than as disclosed in this statement.

DIRECTORS' STATEMENT

for the financial year ended 31 March 2026

DIRECTORS' INTEREST IN SHARES OR DEBENTURES

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act 1967, none of the directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	HOLDINGS REGISTERED IN THE NAME OF DIRECTOR		HOLDINGS IN WHICH DIRECTOR IS DEEMED TO HAVE AN INTEREST	
	AS AT 1.4.2025	AS AT 31.3.2026 AND 21.4.2026 #	AS AT 1.4.2025	AS AT 31.3.2026 AND 21.4.2026 #
The Company -				
<u>Ley Choon Group Holdings Limited</u>			<u>Number of ordinary shares</u>	
Toh Choo Huat	794,000	794,000	902,272,580	902,272,580
Reanne Toh Ting Xuan	1,400,000	1,400,000	-	-
Buhdy Bok Sin Swee	10,060,000	10,060,000	-	-
Holding company -				
<u>Zheng Choon Holding Pte. Ltd.</u>			<u>Number of ordinary shares</u>	
Toh Choo Huat	24,391,371	24,391,371	-	-

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 April 2026.

Toh Choo Huat, by virtue of the provisions of Section 7 of the Companies Act 1967, is deemed to have an interest in all shares of the subsidiaries of the Company.

SHARE OPTIONS

No options were granted during the financial year to take up issued shares of the Company or its subsidiaries.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

DIRECTORS' STATEMENT

for the financial year ended 31 March 2026

PERFORMANCE SHARE PLAN

The Ley Choon Performance Share Plan 2018 was approved by the shareholders at the Annual General Meeting held on 30 July 2018 and modified at the Extraordinary General Meeting held on 18 March 2026.

The objectives of the Ley Choon Performance Share Plan 2018 are as follows:

- (a) to give the Company the option and flexibility to pay eligible employees' bonuses in the form of cash, shares or a combination of cash and shares, resulting in a better and more flexible salary and cash-flow management for the Company;
- (b) to give the Company the flexibility to impose specific or medium-term performance targets or to impose time-based service conditions, or a combination of both, as a means to reward and steer its executives to better performance and to retain employees with suitable skill sets and talents to drive the growth of the Group;
- (c) to incentivise participants of the Ley Choon Performance Share Plan 2018 to excel in their performance and encourage greater dedication and loyalty to the Company;
- (d) to recognise and reward past contributions and services and motivate participants of the Ley Choon Performance Share Plan 2018 to continue to strive for the Company's long-term prosperity;
- (e) to further strengthen and enhance the Company's competitiveness in attracting and retaining employees with suitable talents; and
- (f) to foster an ownership culture within the Company and align the interests of participants of the Ley Choon Performance Share Plan 2018 with the interests of the shareholders.

The Ley Choon Performance Share Plan 2018 shall continue to be in force at the discretion of the Remuneration Committee, subject to a maximum period of ten years from the date on which the Ley Choon Performance Share Plan 2018 is adopted by shareholders, provided always that the Ley Choon Performance Share Plan 2018 may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

No performance shares have been allotted and issued to any employees or directors of the Company since the commencement of Ley Choon Performance Share Plan 2018.

DIRECTORS' STATEMENT

for the financial year ended 31 March 2026

AUDIT COMMITTEE

The Audit Committee at the date of this statement comprises the following members:

William Tan Kwang Hwee (Chairman)
Chua Hock Thak
Buhdy Bok Sin Swee
Teo Ho Beng

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Companies Act 1967, including the following:

- (i) reviewed the overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It also met with the Company's internal auditor to discuss the results of their examination and evaluation of the Group's system of internal accounting controls;
- (ii) reviewed the audit plan of the Company's external auditor and any recommendations on the Group's internal accounting controls arising from the statutory audit;
- (iii) reviewed the half-yearly financial information, the statement of financial position of the Company as at 31 March 2026 and the consolidated financial statements of the Group for the financial year ended 31 March 2026, as well as the auditor's report thereon;
- (iv) reviewed and discussed with management and the external auditor the key audit matters communicated in the auditor's report;
- (v) reviewed the effectiveness of the Company's material internal controls, including financial, operational and compliance controls and information technology controls and risk management systems via reviews carried out by the internal auditor;
- (vi) met with the auditors, other committees and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the Audit Committee;
- (vii) reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- (viii) reviewed the cost effectiveness and the independence and objectivity of the external auditor;
- (ix) reviewed the nature and extent of non-audit services provided by the external auditor;
- (x) recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- (xi) reported actions and minutes of the Audit Committee to the Board of Directors with such recommendations as the Audit Committee considered appropriate; and
- (xii) reviewed interested person transactions in accordance with the requirements of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

DIRECTORS' STATEMENT

for the financial year ended 31 March 2026

AUDIT COMMITTEE (CONT'D)

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditor and reviews the level of audit and non-audit fees.

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

Full details regarding the Audit Committee are provided in the Report on Corporate Governance.

In appointing the auditors for the Company and its subsidiaries, the Company has complied with Rules 712 and 715 of the SGX-ST.

INDEPENDENT AUDITOR

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

.....
TOH CHOO HUAT

.....
WILLIAM TAN KWANG HWEE

Dated: 10 July 2026

INDEPENDENT AUDITOR'S REPORT

to the members of Ley Choon Group Holdings Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ley Choon Group 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 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, 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 consolidated financial position of the Group and the financial position of the Company as at 31 March 2026 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's 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* ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Singapore, and we have 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 for our opinion.

INDEPENDENT AUDITOR'S REPORT

to the members of Ley Choon Group Holdings Limited

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 period. 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.

KEY AUDIT MATTER

OUR RESPONSES AND WORK PERFORMED

Revenue recognition over time (refer to Notes 2(a), 2(d) and 18 to the financial statements)

For the long-term projects where the Group satisfies its performance obligations over time, the Group has determined that a cost-based input method provides a faithful depiction of the Group's performance in transferring control to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred on the projects. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the projects. Where the Group has a contract that is onerous, of which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, the present obligation under the contract is recognised and measured as a provision.

The level of total expected costs to be incurred on each contract is estimated by the Group and includes certain judgements as contracts may run over a number of accounting periods and include variations in contract work, claims and incentive payments, and forecasts in relation to future costs including labour and materials which are not yet contractually agreed. Actual costs could differ from the estimates. The nature of these judgements increases the risk of them being susceptible to management override. As such, we have determined that this is a key audit matter.

Our audit procedures included testing the Group's key internal controls over revenue. We assessed whether the revenue recognition policies adopted complied with SFRS(I) 15 *Revenue from Contracts with Customers* as detailed in Note 2(d) to the financial statements. We inspected the terms of significant sales contracts to assess whether they were consistent with the detailed calculations being considered. We agreed amounts recognised to contract sums and variation orders. Our testing also included evaluating customer acceptance of the work performed. When assessing the stage of completion on contracts, we agreed amounts recognised to documentary evidence on a sample basis. This included the agreement of actual costs incurred to invoices and other supporting documents, and the assessment of any judgements applied in the projection of total contract costs through consideration of the Group's historical experience of costs on similar contracts. Our audit procedures also included reviewing for variation orders and inquiring of key personnel regarding adjustments for job costing and expected losses from onerous contracts. We also considered the adequacy of disclosures in the financial statements, including management's sensitivity analysis to assess the impact from reasonably possible changes to estimates of expected costs of uncompleted contracts and revenue.

INDEPENDENT AUDITOR'S REPORT

to the members of Ley Choon Group Holdings Limited

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 a 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.

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.

Auditor's 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 auditor's 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.

INDEPENDENT AUDITOR'S REPORT

to the members of Ley Choon Group Holdings Limited

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

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 auditor's 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 auditor's 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 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, actions taken to eliminate threats or safeguards applied.

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 period and are therefore the key audit matters. We describe these matters in our auditor's 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 AUDITOR'S REPORT

to the members of Ley Choon Group Holdings Limited

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Cheong Wenjie.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants
Singapore

10 July 2026

STATEMENTS OF FINANCIAL POSITION

as at 31 March 2026

		THE GROUP		THE COMPANY	
		2026	2025	2026	2025
	NOTE	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	3	12,026	12,819	–	–
Right-of-use assets	4	15,753	7,199	–	–
Subsidiaries	5	–	–	160,100	160,100
Deferred tax assets	6	499	734	–	–
Club membership		270	229	–	–
		28,548	20,981	160,100	160,100
Current Assets					
Inventories	7	7,318	6,465	–	–
Contract assets	8	54,458	27,954	–	–
Trade and other receivables	9	12,637	22,488	5,197	5,701
Prepayments	10	5,550	4,539	23	21
Other investments	11	21	20	–	–
Cash and bank deposits	12	10,820	15,149	17	1,144
		90,804	76,615	5,237	6,866
Total assets		119,352	97,596	165,337	166,966
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	13	97,889	97,889	164,108	164,108
Accumulated losses		(20,264)	(25,744)	(27,993)	(26,204)
Other reserves	14	(1,377)	(1,422)	28,774	28,774
Equity attributable to owners of the Company		76,248	70,723	164,889	166,678
Non-controlling interest		4	1	–	–
Total equity		76,252	70,724	164,889	166,678
Non-Current Liabilities					
Deferred tax liabilities	6	1,307	27	–	–
Lease liabilities	15	7,026	3,129	–	–
		8,333	3,156	–	–
Current Liabilities					
Lease liabilities	15	5,081	2,356	–	–
Borrowings	16	–	1,226	–	–
Trade and other payables	17	28,066	18,906	448	288
Current tax payable		1,620	1,228	–	–
		34,767	23,716	448	288
Total liabilities		43,100	26,872	448	288
Total equity and liabilities		119,352	97,596	165,337	166,966

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 31 March 2026

	NOTE	2026 S\$'000	2025 S\$'000
Revenue	18	143,952	130,500
Cost of sales		(119,205)	(103,499)
Gross profit		24,747	27,001
Other income	19	2,517	2,522
Selling and distribution expenses		(137)	(160)
Administrative expenses		(13,452)	(13,036)
Impairment losses on trade receivables reversed/(recognised)	9	182	(327)
Other operating expenses	20	(123)	(30)
Finance costs	21	(494)	(357)
Profit before taxation		13,240	15,613
Taxation	22	(3,240)	(1,120)
Profit for the year	23	10,000	14,493
Other comprehensive income/(loss) after tax:			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences on consolidation		47	57
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligations		(2)	6
Other comprehensive income for the year, net of tax of nil		45	63
Total comprehensive income for the year		10,045	14,556
Profit/(Loss) attributable to:			
Owners of the Company		9,997	14,494
Non-controlling interest		3	(1)
Profit for the year		10,000	14,493
Total comprehensive income/(loss) attributable to:			
Owners of the Company		10,042	14,557
Non-controlling interest		3	(1)
Total comprehensive income for the year		10,045	14,556
Earnings per share attributable to owners of the Company (Singapore cent)			
- Basic and diluted	24	0.664	0.963

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 March 2026

	SHARE CAPITAL S\$'000	ACCUMULATED LOSSES S\$'000	FOREIGN CURRENCY TRANSLATION RESERVE S\$'000	OTHER RESERVE S\$'000	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY S\$'000	NON- CONTROLLING INTEREST S\$'000	TOTAL EQUITY S\$'000
Balance at 1 April 2024	97,889	(36,172)	(1,440)	(45)	60,232	2	60,234
Profit/(Loss) for the year	–	14,494	–	–	14,494	(1)	14,493
Other comprehensive income for the year							
- Foreign currency translation differences	–	–	57	–	57	–	57
- Remeasurement of post- employment benefit obligations	–	–	–	6	6	–	6
Other comprehensive income for the year	–	–	57	6	63	–	63
Total comprehensive income/ (loss) for the year	–	14,494	57	6	14,557	(1)	14,556
Contributions by and distributions to owners							
- Dividends (Note 32)	–	(4,066)	–	–	(4,066)	–	(4,066)
Transactions with owners in their capacity as owners	–	(4,066)	–	–	(4,066)	–	(4,066)
Balance at 31 March 2025	97,889	(25,744)	(1,383)	(39)	70,723	1	70,724
Balance at 1 April 2025	97,889	(25,744)	(1,383)	(39)	70,723	1	70,724
Profit for the year	–	9,997	–	–	9,997	3	10,000
Other comprehensive income/(loss) for the year							
- Foreign currency translation differences	–	–	47	–	47	–	47
- Remeasurement of post- employment benefit obligations	–	–	–	(2)	(2)	–	(2)
Other comprehensive income/(loss) for the year	–	–	47	(2)	45	–	45
Total comprehensive income/(loss) for the year	–	9,997	47	(2)	10,042	3	10,045
Contributions by and distributions to owners							
- Dividends (Note 32)	–	(4,517)	–	–	(4,517)	–	(4,517)
Transactions with owners in their capacity as owners	–	(4,517)	–	–	(4,517)	–	(4,517)
Balance at 31 March 2026	97,889	(20,264)	(1,336)	(41)	76,248	4	76,252

The annexed 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 31 March 2026

	NOTE	2026 S\$'000	2025 S\$'000
Cash Flows from Operating Activities			
Profit before taxation		13,240	15,613
Adjustments for:			
Depreciation of property, plant and equipment	3	4,116	5,553
Depreciation of right-of-use assets	4	2,996	1,856
Fair value (gain)/loss on other investments	19/20	(1)	1
Gain on disposal of property, plant and equipment	19	(130)	(244)
Impairment losses on trade receivables (reversed)/recognised	9	(182)	327
Interest expense	21	494	357
Interest income	19	(164)	(87)
Inventories written off	20	34	-
Provision for onerous contracts reversed	23	-	(257)
Write-down on inventories (reversed)/recognised	23	(9)	150
Operating profit before working capital changes		20,394	23,269
Changes in inventories		(878)	(200)
Changes in contract assets		(26,504)	526
Changes in trade and other receivables		10,052	(5,452)
Changes in prepayments		(1,011)	148
Changes in trade and other payables		9,199	(3,197)
Cash generated from operations		11,252	15,094
Interest received from other receivable		65	-
Income taxes paid		(1,333)	(575)
Net cash generated from operating activities		9,984	14,519
Cash Flows from Investing Activities			
Increase in fixed deposits with maturity of more than three months		(400)	(20)
Interest received from fixed deposits		99	87
Purchase of club membership		(41)	-
Purchase of property, plant and equipment and right-of-use assets	A	(4,066)	(1,865)
Proceeds from disposal of property, plant and equipment		304	318
Net cash used in investing activities		(4,104)	(1,480)
Cash Flows from Financing Activities			
Dividends paid	32	(4,517)	(4,066)
Interest paid		(494)	(357)
Repayment of bills payable		(1,226)	-
Repayment of lease liabilities		(4,363)	(2,859)
Net cash used in financing activities		(10,600)	(7,282)
Net (decrease)/increase in cash and cash equivalents		(4,720)	5,757
Cash and cash equivalents at beginning of year		15,129	9,371
Exchange differences on translation of cash and cash equivalents		(9)	1
Cash and cash equivalents at end of year	12	10,400	15,129

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

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

for the financial year ended 31 March 2026

NOTE A

During the financial year ended 31 March 2026, the Group made cash payments of S\$3,046,000 (2025: S\$1,678,000) and S\$1,020,000 (2025: S\$187,000) to acquire property, plant and equipment and right-of-use assets, respectively, amounting to S\$4,066,000 (2025: S\$1,865,000). There were non-cash additions to right-of-use assets of S\$10,987,000 (2025: S\$2,640,000).

NOTE B

Reconciliation of movements of liabilities to cash flows arising from financing activities

	LEASE LIABILITIES (NOTE 15) S\$'000	BORROWINGS (NOTE 16) S\$'000	TOTAL S\$'000
Balance at 1 April 2024	5,699	–	5,699
Changes from financing cash flows			
- Interest paid	(357)	–	(357)
- Repayment of lease liabilities	(2,859)	–	(2,859)
Total changes from financing cash flows	(3,216)	–	(3,216)
Other changes			
- Interest expense	357	–	357
- Invoice financing	–	1,226	1,226
- Derecognition of leases	(11)	–	(11)
- Lease modification	16	–	16
- New leases	2,640	–	2,640
Total liability-related other changes	3,002	1,226	4,228
Balance at 31 March 2025	5,485	1,226	6,711
Balance at 1 April 2025	5,485	1,226	6,711
Changes from financing cash flows			
- Interest paid	(490)	(4)	(494)
- Repayment of bills payable	–	(1,226)	(1,226)
- Repayment of lease liabilities	(4,363)	–	(4,363)
Total changes from financing cash flows	(4,853)	(1,230)	(6,083)
Effect of changes in foreign exchange rates	(1)	–	(1)
Other changes			
- Interest expense	490	4	494
- Lease modification	(1)	–	(1)
- New leases	10,987	–	10,987
Total liability-related other changes	11,476	4	11,480
Balance at 31 March 2026	12,107	–	12,107

The annexed 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 31 March 2026

1 GENERAL INFORMATION

The financial statements of Ley Choon Group Holdings Limited (the "Company") and its subsidiaries (the "Group") for the financial year ended 31 March 2026 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company is incorporated as a limited liability company and is domiciled in Singapore.

The Company was listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST"). On 23 March 2026, the Company transferred its listing from the Catalist to the Mainboard of the SGX-ST.

The registered office and principal place of business of the Company is located at No. 3 Sungei Kadut Drive, Singapore 729556.

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

The immediate and ultimate holding company is Zheng Choon Holding Pte. Ltd., a company incorporated in Singapore.

2(A) BASIS OF PREPARATION

The financial statements are prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s"). The financial statements have been prepared under the historical cost convention except as otherwise described in the notes below.

The financial statements are presented in Singapore dollar ("S\$") which is the Company's functional currency. All financial information is presented in Singapore dollar and rounded to the nearest thousand, unless otherwise stated.

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with SFRS(I)s requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

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

The significant accounting estimates and assumptions used and areas involving a high degree of judgement are described below.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(A) BASIS OF PREPARATION (CONT'D)

Significant judgements in applying accounting policies

Determination of functional currencies

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the respective entities in the Group, judgement is required to determine the currency that mainly influences sales prices of goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on the local management's assessment of the economic environment in which the entities operate and the respective entities' process of determining sales prices.

Control over a partnership

The Group determines if it has control, or not, over an investee based on whether the Group has power over the investee, exposure or rights to variable returns from its involvement with the investee, and ability to use its power over the investee to affect its returns. As disclosed in Note 5 to the financial statements, the Company's wholly-owned subsidiary, Ley Choon Constructions and Engineering Pte Ltd ("LCCE"), had entered into a limited liability partnership agreement with Gim Tian Civil Engineering Pte Ltd ("GTCE") to register a limited liability partnership, Ley Choon Gim Tian Joint Venture LLP ("LCGTLLP"), in Singapore on 30 December 2022. LCCE and GTCE are the partners of LCGTLLP and each holds 51% and 49% equity interest, respectively, in LCGTLLP. Under the limited liability partnership agreement, any matter or issue relating to LCGTLLP must be decided by resolution passed by a majority of the votes, and for this purpose, LCCE shall have 51 votes and GTCE shall have 49 votes. The Group has determined that it has control over LCGTLLP on the basis that it holds the majority voting rights and is able to direct the relevant activities of LCGTLLP to significantly affect its returns.

Income taxes

The Group has exposure to income taxes in various jurisdictions. Significant judgement and estimates are involved in determining group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will affect the current tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of the Group's deferred taxation at the end of the reporting period and the Group's income taxes for the year are disclosed in Note 6 and Note 22, respectively, to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(A) BASIS OF PREPARATION (CONT'D)

Significant assumptions used and accounting estimates in applying accounting policies

Depreciation of property, plant and equipment and right-of-use assets

The costs of property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over the estimated economic useful lives of the assets or based on the shorter period of lease term and useful life of the right-of-use asset. The Group's business is capital intensive and the annual depreciation of property, plant and equipment and right-of-use assets forms a significant component of total costs charged to profit or loss. Management estimates the useful lives of property, plant and equipment and right-of-use assets to be 1 to 20 years and 1 to 5 years, respectively. The carrying amounts of the Group's property, plant and equipment and right-of-use assets at the end of the reporting period are disclosed in Note 3 and Note 4, respectively, to the financial statements. The estimation of useful lives is based on assumptions about wear and tear, ageing, changes in demand and the Group's historical experience with similar assets. The Group performs annual reviews on whether the assumptions made on useful lives continue to be valid. As changes in the expected level of usage, maintenance programmes and technological developments could affect the economic useful lives and the residual values of these assets, future depreciation charges could be revised. If depreciation on the Group's property, plant and equipment and right-of-use assets increases/decreases by 10% from management's estimates, the Group's profit for the year will decrease/increase by S\$322,000 (2025: S\$555,000) and S\$300,000 (2025: S\$186,000), respectively.

Allowance for inventory obsolescence

The Group reviews the ageing analysis of inventories at the end of each reporting period and applies judgement and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for sale. The net realisable values for such inventories are estimated based primarily on the latest invoice prices and current market conditions. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 7 to the financial statements. If the net realisable values of the inventories decrease by 10% below cost from management's estimates, the Group's profit for the year will decrease by S\$732,000 (2025: S\$647,000).

Revenue recognition over time

For the long-term projects where the Group satisfies its performance obligations over time, management has determined that the cost-based input method provides a faithful depiction of the Group's performance in transferring control to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred on the projects. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the projects. Significant judgement is required in determining the estimated total contract costs, as well as the recoverability of the contract costs incurred.

The estimation of total contract costs is based on historical experience and contractual arrangements with contractors/suppliers. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Where the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. The estimated total costs for each project are reviewed on a regular basis by the Group in order to determine the costs to be recognised in profit or loss at the end of each reporting period and to assess whether any provision for onerous contracts is required. Actual costs could differ from the estimates.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(A) BASIS OF PREPARATION (CONT'D)

Significant assumptions used and accounting estimates in applying accounting policies (cont'd)

Revenue recognition over time (cont'd)

The carrying amount of the Group's contract assets at the end of the reporting period and the Group's contract revenue for the year are disclosed in Note 8 and Note 18, respectively, to the financial statements. If the contract costs of uncompleted contracts to be incurred had been higher/lower by 10% from management's estimates, the Group's profit for the year would have been lower/higher by S\$5,014,000 (2025: S\$4,646,000) and S\$5,373,000 (2025: S\$5,056,000), respectively.

Allowance for expected credit losses of trade and other receivables and contract assets

The Group uses a provision matrix to calculate expected credit losses ("ECLs") for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar risk characteristics, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group and the Company apply the 3-stage general approach to determine ECLs for other receivables. ECL is measured as an allowance equal to 12-month ECL for stage-1 assets, or lifetime ECL for stage-2 or stage-3 assets. An asset moves from stage-1 to stage-2 when its credit risk increases significantly and subsequently to stage-3 as it becomes credit-impaired. In assessing whether credit risk has significantly increased, the Group and the Company consider qualitative and quantitative reasonable and supportable forward-looking information. Lifetime ECL represents ECL that will result from all possible default events over the expected life of a financial instrument whereas 12-month ECL represents the portion of lifetime ECL expected to result from default events possible within 12 months after the reporting date.

The assessment of the correlation between historical observed default rates, forecast of economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information relating to ECLs on the Group's trade and other receivables and contract assets is disclosed in Note 29.1. If the loss rates on the respective ageing categories of trade receivables increase by 10% from management's estimates, the Group's allowance for impairment of trade receivables will increase by S\$826,000 (2025: S\$1,649,000).

2(B) ADOPTION OF NEW OR AMENDED SFRS(I)S EFFECTIVE IN 2026

On 1 April 2025, the Group adopted the following new or amended SFRS(I)s that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s.

REFERENCE

DESCRIPTION

Amendments to SFRS(I) 1-21

Lack of Exchangeability

The adoption of these new or amended SFRS(I)s did not result in substantial changes to the Group's accounting policies or have any significant impact on these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(C) NEW OR AMENDED SFRS(I)S NOT YET ADOPTED

The following are the new or amended SFRS(I)s issued that are not yet effective but may be early adopted for the current financial year. However, the Group has not early adopted the new or amended SFRS(I)s in preparing these financial statements:

REFERENCE	DESCRIPTION	EFFECTIVE DATE (ANNUAL PERIODS BEGINNING ON OR AFTER)
Amendments to SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be determined
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to SFRS(I) 9 and SFRS(I) 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 9 and SFRS(I) 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to SFRS(I) 1-21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Annual Improvements to SFRS(I)s – Volume 11		
- Amendments to SFRS(I) 1	Hedge Accounting by a First-Time Adopter	1 January 2026
- Amendments to SFRS(I) 7	Gain or Loss on Derecognition	1 January 2026
- Amendments to SFRS(I) 7	Disclosure of Deferred Difference between Fair Value and Transaction Price	1 January 2026
- Amendments to SFRS(I) 7	Introduction and Credit Risk Disclosures	1 January 2026
- Amendments to SFRS(I) 9	Derecognition of Lease Liabilities	1 January 2026
- Amendments to SFRS(I) 9	Transaction Price	1 January 2026
- Amendments to SFRS(I) 10	Determination of a 'De Facto Agent'	1 January 2026
- Amendments to SFRS(I) 1-7	Cost Method	1 January 2026

Management does not anticipate that the adoption of the above new or amended SFRS(I)s in future periods will have a material impact on the financial statements of the Group and the Company in the period of their initial adoption, except as described below.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(C) NEW OR AMENDED SFRS(I)S NOT YET ADOPTED (CONT'D)

SFRS(I) 18 *Presentation and Disclosure in Financial Statements*

SFRS(I) 18 which replaces SFRS(I) 1-1 *Presentation of Financial Statements*:

- introduces new categories and subtotals in the statement of profit or loss;
- requires disclosure of management-defined performance measures; and
- includes new requirements for the location, aggregation and disaggregation of financial information.

An entity will be required to:

- classify all income and expenses within its statement of profit or loss into five categories: operating, investing, financing, income taxes, and discontinued operations; and
- present subtotals for 'operating profit or loss' and 'profit or loss before financing and income taxes'

An entity will need to assess whether it has a 'main business activity' of investing in assets or providing financing to customers, as specific classification requirements will apply to such entities. Determining whether an entity has such a specified main business activity depends on the facts and circumstances and may require significant judgement. An entity may have more than one main business activity.

SFRS(I) 18 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity. Furthermore, SFRS(I) 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by SFRS(I) 18 or another standard.

SFRS(I) 18 differentiates between 'presenting' information in the primary financial statements and 'disclosing' it in the notes, and introduces a principle for determining the location of information based on identified 'roles' of the primary financial statements and the notes. SFRS(I) 18 requires aggregation and disaggregation of information to be performed with reference to similar and dissimilar characteristics. Guidance is also provided for determining meaningful descriptions, or labels, for items that are aggregated in the financial statements.

SFRS(I) 18 and consequential amendments to other standards are effective for reporting periods beginning on or after 1 January 2027 and will apply retrospectively. Early adoption is permitted and must be disclosed. The Group is currently assessing the impact of the amendments. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses and other comprehensive losses are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Group controls an investee if, and only if, the Group has all of the following:

- (i) power over the investee;
- (ii) exposure, or rights or variable returns from its involvement with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Non-controlling interest represents the equity in a subsidiary not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives, as follows:

Property on leasehold land	Over the lease term of 11 years
Plant and equipment	1 to 20 years
Office equipment, furniture and fittings	1 to 10 years
Motor vehicles	1 to 10 years

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Property, plant and equipment (cont'd)

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before the expenditure was made will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the period in which it is incurred.

For acquisitions and disposals during the period, depreciation is recognised in profit or loss from the month that the property, plant and equipment are installed and are available for use, and to the month of disposal, respectively. Fully depreciated property, plant and equipment are retained in the accounts until they are no longer in use.

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at the end of each reporting period as a change in estimates.

Subsidiaries

In the Company's separate statement of financial position, subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis.

Club membership

Club membership represents transferable membership in recreational club and is stated at cost. The club membership is assessed as having an indefinite useful life as it entitles the members to enjoy the club facilities for its lifetime, and there is no foreseeable limit to the period over which the membership is expected to be used by the Group. Since it is with an indefinite useful life, it is tested for impairment annually or more frequently if the events and circumstances indicate that its carrying amount may be impaired either individually or at the cash-generating unit level. The useful life of the club membership with an indefinite life is reviewed annually to determine whether the assessment of useful life continues to be supportable.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes party to the contractual provisions of the financial instruments. Financial assets are classified at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), and fair value through profit or loss ("FVTPL").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of financial asset not at FVTPL, transaction costs. Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party if the trade receivables do not contain a significant financing component at initial recognition. Refer to the accounting policy on "Revenue from contracts with customers".

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

The Group does not hold any financial assets at FVOCI.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial assets (cont'd)

Subsequent measurement (cont'd)

Financial assets at amortised cost (debt instruments)

Subsequent measurement of debt instruments depends on the Group's business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual cash terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

The Group's financial assets at amortised cost comprise trade and other receivables (excluding net input taxes) and cash and bank deposits.

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Financial assets at FVTPL

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. A gain or loss on a debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in the finance income.

Financial assets at FVTPL are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes listed equity investments which the Group had not irrevocably elected to classify at FVOCI. Dividends on listed equity instruments are also recognised as other income in profit or loss when the right of payment has been established.

Derecognition

A financial asset is derecognised when the contractual rights to receive cash flows from the asset expire. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial assets (cont'd)

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ("ECLs") associated with its debt instrument financial assets carried at amortised cost and contract assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (12-month ECLs). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECLs).

For trade receivables and contract assets, the Group measures the loss allowance at an amount equal to lifetime ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each reporting period. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other receivables, loss allowance is measured at an amount equal to 12-month ECLs. The 12-month ECLs are estimated by reference to the track record of the counterparties and their businesses and financial conditions.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

At the end of each reporting period, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

The Group's financial liabilities comprise lease liabilities, borrowings, and trade and other payables (excluding provision for retirement benefits and net output taxes).

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVTPL, such as interest-bearing borrowings, are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Borrowings

Borrowings due to be settled more than 12 months after the reporting period are included in non-current borrowings in the consolidated statement of financial position.

Borrowing costs are recognised in profit or loss using the effective interest method.

Financial guarantees

The Company had issued corporate guarantees to a bank for the borrowings of a subsidiary. A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantees are recognised initially as liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantees. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of the loss allowance determined in accordance with the impairment model under SFRS(I) 9 *Financial Instruments* and the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

Derecognition

A financial liability is derecognised when the obligation under the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from a customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liability is recognised as revenue when the Group performs under the contract.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on the normal level of activity.

Allowance is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and fixed deposits. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude fixed deposits which are pledged or have maturity of more than three months.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Dividends

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained earnings, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the articles of association of the Company grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Provision

Provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Present obligations arising from onerous contracts are recognised as provision.

Provision is reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, the provision is discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs.

Provision for onerous contracts

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. A provision for onerous contracts 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, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract

Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease (including extension option) unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Leases (cont'd)

The Group as a lessee (cont'd)

Lease liabilities (cont'd)

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liabilities are presented as a separate line item in the consolidated statement of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Leases (cont'd)

The Group as a lessee (cont'd)

Right-of-use assets

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. It is subsequently measured at cost less accumulated depreciation and any impairment loss.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Leasehold land	Lease term of 1 to 3 years
Plant and equipment	Lease term of 1 to 5 years
Motor vehicles	Lease term of 3 to 5 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the consolidated statement of financial position.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is a finance lease; if not, it is an operating lease. As part of this assessment, the Group considers certain indications such as whether the lease is for a major part of the economic life of the asset.

Operating lease

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. 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 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Leases (cont'd)

The Group as a lessor (cont'd)

Intermediate lessor in sublease

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies recognition exemption, it classifies the sublease as an operating lease.

Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting or taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are recognised on transactions that, on initial recognition, give rise to equal amounts of deductible and taxable temporary differences, arising from leases.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities provided they intend to settle current tax liabilities and assets on a net basis or the assets will be realised and the liabilities will be settled simultaneously.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

Deferred income tax is measured:

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

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Valued-added taxes

Revenues, expenses and assets are recognised net of the amount of value-added tax ("VAT"), except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authorities, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and except that trade receivables and trade payables are recorded with the amount of VAT included. The net amount of VAT recoverable from or payable to the taxation authorities is included as part of other receivables or other payables in the statements of financial position.

Employee benefits

Defined contribution plans

The Group participates in the defined contribution national pension schemes as provided by the laws of the countries in which it has operations. The Company and its Singapore-incorporated subsidiaries make contributions to the Central Provident Fund, a defined contribution pension scheme regulated and managed by the Government of Singapore.

A defined contribution national pension scheme is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. The contributions to national pension schemes are charged to profit or loss in the period to which the contributions relate.

Defined benefit plan

A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

The Group's branch office in Sri Lanka operates an unfunded defined benefit plan. The liability in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period together with adjustments for actuarial gains/losses and past service cost. The Group determines the present value of the defined benefit obligation with sufficient regularity such that the amounts recognised in the consolidated financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

The defined benefit obligation, calculated using the projected unit credit method, is determined by considering the estimated future cash outflows using market yields at the end of the reporting period of government securities which have currency and terms to maturity approximating the terms of the related liability.

Actuarial gains and losses arise from experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and changes in actuarial assumptions. The amount of net actuarial gains and losses is charged or credited to profit or loss over the average remaining service lives of the related employees participating in the defined benefit plan.

Remeasurements of the net defined benefit liability comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all expenses related to defined benefit plan in profit or loss.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Related parties

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 the 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 the 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.
 - (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.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. Directors and certain management executives are considered key management personnel.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal, and value in use, based on an internal discounted cash flow evaluation. Impairment loss recognised for a cash-generating unit is charged pro rata to the assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist or may have decreased.

Any impairment loss is charged to profit or loss.

An impairment loss is reversed if there is an indication that the impairment loss previously recognised for an asset may no longer exist or may have decreased, and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that an asset's or cash-generating unit's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

A reversal of an impairment loss is recognised as income in profit or loss.

Revenue from contracts with customers

Revenue from the sale of goods and rendering of services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Revenue from contracts with customers (cont'd)

The Group performs laying of pipes and roads on long-term contracts. The Group has assessed that these construction contracts qualify for recognition of revenue over time as (i) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; (ii) the Group's performance creates or enhances an asset (work in progress) that the customer controls as the asset is created or enhanced; and (iii) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. The stage of completion is assessed by reference to the contract costs incurred till date in proportion to the total estimated contract costs of each contract.

For such construction contracts, the customer is invoiced on a milestone payment schedule. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognised to date, the Group recognises a contract liability for the difference.

Revenue from short-term projects and maintenance services is recognised at a point in time when the services have been rendered.

Revenue from the sale of construction materials is recognised by the Group at a point in time when the goods are delivered to the customer, all criteria for acceptance have been satisfied, and the customer obtains control of the goods.

Rental income

Rental income receivable under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease.

Interest income

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Income from training services

Income from training services is recognised when the service has been rendered.

Government grants

Government grants are recognised as a receivable at their fair value where there is reasonable assurance that the grants will be received and all attaching conditions will be complied with.

Government grants received are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in Singapore dollar, which is also the functional currency of the Company.

Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss.

Foreign currency gains and losses are reported on a net basis as either other income or other expenses depending on whether foreign currency movements are in a net gain or net loss position.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transactions. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Group entities

The results and financial positions of all the entities (none of which has the currency of a hyperinflationary economy) within the Group that have a functional currency different from the presentation currency are translated into the presentation currency, as follows:

- (i) Assets and liabilities are translated at the closing exchange rates at the end of each reporting period;
- (ii) Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) are translated at exchange rates at the dates of the transactions; and
- (iii) All resulting currency translation differences are recognised as other comprehensive income in the foreign currency translation reserve in equity.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that is considered to form part of a net investment in a foreign operation are recognised in other comprehensive income, and are presented in the foreign currency translation reserve in equity.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

2(D) MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer ("CEO") to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. Additional disclosures on each of these segments are shown in Note 28 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment.

Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the period for the effects of any dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

3 PROPERTY, PLANT AND EQUIPMENT

THE GROUP	PROPERTY ON LEASEHOLD LAND S\$'000	PLANT AND EQUIPMENT S\$'000	OFFICE EQUIPMENT, FURNITURE AND FITTINGS S\$'000	MOTOR VEHICLES S\$'000	TOTAL S\$'000
<u>Cost</u>					
At 1 April 2024	24,353	52,252	725	12,268	89,598
Additions	–	943	36	699	1,678
Disposals	–	(1,870)	(250)	(976)	(3,096)
Transfer from right-of-use assets (Note 4)	–	824	–	2,151	2,975
Exchange difference on translation	–	10	–	–	10
At 31 March 2025	24,353	52,159	511	14,142	91,165
Additions	–	1,557	141	1,348	3,046
Disposals	–	(822)	–	(426)	(1,248)
Transfer from right-of-use assets (Note 4)	–	351	–	748	1,099
Exchange difference on translation	–	(120)	(5)	(1)	(126)
At 31 March 2026	24,353	53,125	647	15,811	93,936
<u>Accumulated depreciation</u>					
At 1 April 2024	21,322	41,763	555	10,863	74,503
Depreciation (Note 23)	2,138	2,799	89	527	5,553
Disposals	–	(1,851)	(246)	(925)	(3,022)
Transfer from right-of-use assets (Note 4)	–	168	–	1,134	1,302
Exchange difference on translation	–	10	–	–	10
At 31 March 2025	23,460	42,889	398	11,599	78,346
Depreciation (Note 23)	893	2,164	81	978	4,116
Disposals	–	(743)	–	(331)	(1,074)
Transfer from right-of-use assets (Note 4)	–	185	–	460	645
Exchange difference on translation	–	(117)	(5)	(1)	(123)
At 31 March 2026	24,353	44,378	474	12,705	81,910
<u>Carrying amount</u>					
At 31 March 2026	–	8,747	173	3,106	12,026
At 31 March 2025	893	9,270	113	2,543	12,819

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

4 RIGHT-OF-USE ASSETS

THE GROUP	LEASEHOLD LAND S\$'000	PLANT AND EQUIPMENT S\$'000	MOTOR VEHICLES S\$'000	TOTAL S\$'000
<u>Cost</u>				
At 1 April 2024	3,013	3,244	5,905	12,162
Additions	1,063	599	1,165	2,827
Derecognition	(1,022)	–	–	(1,022)
Lease modification	16	–	–	16
Transfer to property, plant and equipment (Note 3)	–	(824)	(2,151)	(2,975)
Exchange difference on translation	1	–	–	1
At 31 March 2025	3,071	3,019	4,919	11,009
Additions	555	3,786	7,666	12,007
Derecognition	(2,003)	–	–	(2,003)
Lease modification	(1)	–	–	(1)
Transfer to property, plant and equipment (Note 3)	–	(351)	(748)	(1,099)
Exchange difference on translation	(4)	–	–	(4)
At 31 March 2026	1,618	6,454	11,837	19,909
<u>Accumulated depreciation</u>				
At 1 April 2024	2,374	345	1,547	4,266
Depreciation (Note 23)	770	359	727	1,856
Derecognition	(1,011)	–	–	(1,011)
Transfer to property, plant and equipment (Note 3)	–	(168)	(1,134)	(1,302)
Exchange difference on translation	1	–	–	1
At 31 March 2025	2,134	536	1,140	3,810
Depreciation (Note 23)	843	1,219	934	2,996
Derecognition	(2,003)	–	–	(2,003)
Transfer to property, plant and equipment (Note 3)	–	(185)	(460)	(645)
Exchange difference on translation	(2)	–	–	(2)
At 31 March 2026	972	1,570	1,614	4,156
<u>Carrying amount</u>				
At 31 March 2026	646	4,884	10,223	15,753
At 31 March 2025	937	2,483	3,779	7,199

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

4 RIGHT-OF-USE ASSETS (CONT'D)

Leasehold land comprises 5 parcels (2025: 6 parcels) of land located in Singapore and Sri Lanka at which the Group's operational, office and storage premises are located. Details of the leasehold land are as follows:

LEASEHOLD LAND	GROSS LAND AREA (SQUARE METRE)	TENURE
2026		
Leasehold land I	9,370.0	Till 30 June 2027
Leasehold land II	4,006.1	Till 31 May 2027
Leasehold land III	5,437.9	Till 14 July 2027
Leasehold land IV	5,457.0	Till 30 June 2026
Leasehold land V	15,255.7	Till 30 December 2026
2025		
Leasehold land I	9,370.0	Till 31 May 2025
Leasehold land II	4,006.1	Till 31 May 2027
Leasehold land III	5,437.9	Till 14 July 2025
Leasehold land IV	5,457.0	Till 30 June 2026
Leasehold land VI	13,135.5	Till 8 September 2025
Leasehold land VII	4,161.1	Till 8 September 2025

5 SUBSIDIARIES

THE COMPANY	2026 S\$'000	2025 S\$'000
<u>Unquoted equity investments, at cost</u>		
At beginning and end of year	160,100	160,100

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

5 SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

NAME	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION/ PRINCIPAL PLACE OF BUSINESS	PERCENTAGE OF EQUITY INTEREST	
			2026	2025
			%	%
<u>Held by the Company</u>				
Ley Choon Constructions and Engineering Pte Ltd ⁽¹⁾	Non-building construction and manufacture of asphalt premix	Singapore	100	100
LC International Trading Co Pte. Ltd. ⁽¹⁾	Trading of building materials, consumable tools, machinery and equipment spare parts and accessories	Singapore	100	100
Ley Choon (M) Sdn. Bhd. ⁽³⁾	Dormant	Malaysia	100	100
<u>Held by Ley Choon Constructions and Engineering Pte Ltd</u>				
Multiform Developments & Construction Pte Ltd ⁽¹⁾	Road construction and mixed construction activities	Singapore	100	100
Chin Kuan Engineering and Contractors Pte Ltd ⁽¹⁾	Mixed construction activities and civil engineering	Singapore	100	100
Teacly (S) Pte. Ltd. ⁽²⁾	Non-building construction, building cleaning and maintenance services	Singapore	100	100
Ley Choon Gim Tian Joint Venture LLP ^{(4),(5)}	Tendering of road construction contracts	Singapore	51	51
<u>Held by Teacly (S) Pte. Ltd.</u>				
Pan Alliance Technology International Pte. Ltd. ⁽¹⁾	Water and gas pipe-line and sewer construction	Singapore	100	100

(1) Audited by Foo Kon Tan LLP, principal member firm of HLB International in Singapore.

(2) Audited by Foo Kon Tan LLP, with the branch office in Sri Lanka audited by Nihal Hettiarachchi & Company, a member firm of HLB International in Sri Lanka.

(3) Audited by other auditor.

(4) Audited for the purpose of the consolidated financial statements.

(5) Registered in Singapore on 30 December 2022, whereby Ley Choon Constructions and Engineering Pte Ltd ("LCCE") and Gim Tian Civil Engineering Pte Ltd ("GTCE") are the partners of Ley Choon Gim Tian Joint Venture LLP ("LCGTLLP") and each hold 51% and 49% equity interest, respectively, in LCGTLLP. Under the limited liability partnership agreement, any matter or issue relating to LCGTLLP must be decided by resolution passed by a majority of the votes, and for this purpose, LCCE shall have 51 votes and GTCE shall have 49 votes. The Group has determined that it has control over LCGTLLP on the basis that it holds the majority voting rights and is able to direct the relevant activities of LCGTLLP to significantly affect its returns. The activities of LCGTLLP are insignificant to the Group as at 31 March 2026 and 31 March 2025.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

6 DEFERRED TAXATION

	2026 S\$'000	2025 S\$'000
THE GROUP		
At beginning of year	707	181
Recognised in profit or loss (Note 22)	(1,515)	526
At end of year	(808)	707

Deferred taxation comprises the following:

	2026 S\$'000	2025 S\$'000
THE GROUP		
Deferred tax assets	499	734
Deferred tax liabilities	(1,307)	(27)
	(808)	707

Deferred tax assets/(liabilities) are attributable to the following:

	PROPERTY, PLANT AND EQUIPMENT S\$'000	RIGHT-OF- USE ASSETS S\$'000	LEASE LIABILITIES S\$'000	UNUSED TAX LOSSES S\$'000	TOTAL S\$'000
THE GROUP					
At 1 April 2024	169	(117)	129	–	181
Recognised in profit or loss	(1,082)	(46)	40	1,614	526
At 31 March 2025	(913)	(163)	169	1,614	707
Recognised in profit or loss	(922)	(129)	120	(584)	(1,515)
At 31 March 2026	(1,835)	(292)	289	1,030	(808)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

7 INVENTORIES

	2026	2025
THE GROUP	S\$'000	S\$'000
Construction materials, at cost	7,318	6,465

The cost of inventories recognised in cost of sales amounted to S\$18,770,000 (2025: S\$21,287,000) (Note 23) for the financial year ended 31 March 2026.

Write-down of inventories amounting to S\$150,000 (Note 23) was recognised in profit or loss under cost of sales due to the obsolescence of certain inventories for the financial year ended 31 March 2025.

Reversal of write-down of inventories amounting to S\$9,000 (Note 23) was recognised in profit or loss under cost of sales when the related inventories were sold above their carrying amounts for the financial year ended 31 March 2026.

Inventories amounting to S\$34,000 (2025: S\$nil) (Note 20) were written off for the financial year ended 31 March 2026.

8 CONTRACT ASSETS

	2026	2025
THE GROUP	S\$'000	S\$'000
Contract assets	54,458	27,954

As at 1 April 2024, the Group's gross contract assets balance amounted to S\$28,477,000.

The contract assets relate to the Group's rights to consideration for work completed but are not billed or are held by customers as retention at the end of the reporting period. The contract assets are transferred to trade receivables when the rights become unconditional. This occurs when the Group invoices the customers.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

8 CONTRACT ASSETS (CONT'D)

THE GROUP	2026 S\$'000	2025 S\$'000
Contract assets		
Contract assets recognised during the year	134,640	122,194
Contract assets recognised in trade receivables upon invoicing	(107,972)	(122,755)
Aggregate amount of transaction price allocated to contracts that are partially or fully unsatisfied as at the end of the financial year	346,325	342,517
Transaction price allocated to unsatisfied performance obligations as at the end of the financial year that may be recognised as revenue in the next reporting periods, as follows:		
- 2026	-	202,438
- 2027	156,105	127,999
- 2028	166,009	9,909
- 2029	13,737	2,171
- 2030	8,379	-
- 2031	2,095	-

Contract assets include S\$206,000 (2025: S\$370,000) of retention monies at the end of the reporting period.

Significant judgements are used to estimate total contract costs to complete. In making these estimates, the Group has relied on historical experience and contractual arrangements with contractors/suppliers. The estimated total contract costs are reviewed every reporting period and adjusted where necessary, with the corresponding adjustment to the total contract costs being recognised prospectively from the date of change.

9 TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Trade receivables from third parties	8,256	16,490	-	-
Less: Allowance for impairment losses	(70)	(372)	-	-
	8,186	16,118	-	-
Amount due from a subsidiary (non-trade)	-	-	1,573	69
Deposits	2,450	4,647	-	-
Dividend receivable	-	-	3,400	5,300
Staff loans	44	87	-	-
Other receivables	1,708	1,636	224	332
Financial assets at amortised cost	12,388	22,488	5,197	5,701
Net input taxes	249	-	-	-
Total trade and other receivables	12,637	22,488	5,197	5,701

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

9 TRADE AND OTHER RECEIVABLES (CONT'D)

As at 1 April 2024, the Group's gross trade receivables from contracts with customers due from third parties amounted to S\$11,204,000.

The Group generally extends credit period of 30 to 60 days (2025: 30 to 60 days) to customers, depending on the length of business relationship, payment history, background and financial strength of the customers. The Group actively reviews the trade receivable balances and follows up on outstanding debts with the customers.

The credit risk for net trade receivables based on the information provided to key management team is as follows:

THE GROUP	2026 S\$'000	2025 S\$'000
<u>By geographical area</u>		
Singapore	8,186	16,118

The ageing analysis of trade receivables is as follows:

	GROSS 2026 S\$'000	ALLOWANCE FOR IMPAIRMENT LOSSES 2026 S\$'000	GROSS 2025 S\$'000	ALLOWANCE FOR IMPAIRMENT LOSSES 2025 S\$'000
THE GROUP				
Not past due	5,111	-	1,029	-
Past due 1 to 30 days	1,855	-	14,543	(9)
Past due 31 to 60 days	254	-	383	(159)
Past due 61 to 90 days	84	-	60	-
Past due over 90 days	952	(70)	475	(204)
	8,256	(70)	16,490	(372)

The movement in allowance for impairment losses in respect of trade receivables is as follows:

THE GROUP	2026 S\$'000	2025 S\$'000
At beginning of year	372	170
Allowance (reversed)/made	(182)	327
Allowance utilised	(120)	(125)
At end of year	70	372

Trade receivables that have been determined to be impaired at the end of the reporting period relate to debtors that are in financial difficulties or have defaulted on payments. These trade receivables are not secured by any collateral or credit enhancements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

9 TRADE AND OTHER RECEIVABLES (CONT'D)

Based on historical default rates, the Group believes that no further impairment allowance is necessary in respect of trade receivables as they mainly arise from customers that have a good credit record with the Group.

The non-trade amount due from a subsidiary, which represents advances to and payments on behalf of the subsidiary, is unsecured, interest-free and repayable on demand.

Deposits mainly relate to deposits placed in respect of performance bonds for projects.

Other receivables mainly comprise a balance amount of S\$1,200,000 (2025: S\$1,300,000) relating to a payment made to a subcontractor to facilitate the performance of subcontracting works. Based on the agreement with the subcontractor, the amount bears interest at 5% (2025: 5%) per annum and is repayable in 13 (2025: 10) equal monthly instalments from March 2026 to March 2027 (2025: June 2025 to March 2026). The receivable is secured by a corporate guarantee from the subcontractor.

Trade and other receivables (excluding net input taxes) are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Singapore dollar	12,384	22,484	5,197	5,701
Sri Lankan rupee	4	4	–	–
	12,388	22,488	5,197	5,701

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group and the Company.

10 PREPAYMENTS

Prepayments mainly relate to payments made to suppliers in advance for goods and services which have not yet been received at the end of the reporting period, and payments made for insurance in relation to performance bonds and foreign worker immigration bonds.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

11 OTHER INVESTMENTS

THE GROUP	2026 S\$'000	2025 S\$'000
Financial assets at FVTPL:		
At beginning of year	20	21
Fair value gain/(loss) recognised in profit or loss (Note 19/20)	1	(1)
At end of year	21	20
Represented by:		
Quoted equity investments	21	20

The fair value of quoted equity investments is determined by reference to stock exchange quoted bid prices at the end of the reporting period.

The other investments are denominated in Singapore dollar.

12 CASH AND BANK DEPOSITS

	THE GROUP		THE COMPANY	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Cash on hand	114	112	–	–
Cash at banks	8,286	13,017	17	1,144
Fixed deposits	2,420	2,020	–	–
	10,820	15,149	17	1,144

Cash at banks is held in current accounts and is non-interest bearing.

The fixed deposits of the Group have maturity of 90 to 365 days (2025: 30 to 365 days) from the end of reporting period with a weighted average interest rate of 1.04% (2025: 2.04%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

12 CASH AND BANK DEPOSITS (CONT'D)

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

THE GROUP	2026 S\$'000	2025 S\$'000
Cash on hand	114	112
Cash at banks	8,286	13,017
Fixed deposits	2,420	2,020
	10,820	15,149
Less: Fixed deposits with maturity of more than three months	(420)	(20)
Cash and cash equivalents as per consolidated statement of cash flows	10,400	15,129

Cash and bank deposits are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Singapore dollar	10,776	15,009	17	1,144
Malaysian ringgit	16	17	-	-
Sri Lankan rupee	28	123	-	-
	10,820	15,149	17	1,144

13 SHARE CAPITAL

	THE GROUP		THE COMPANY	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
<u>Issued and fully paid, with no par value</u>				
At beginning and end of year	97,889	97,889	164,108	164,108

THE GROUP AND THE COMPANY	2026	2025
<u>Number of ordinary shares</u>		
At beginning and end of year	1,505,767,572	1,505,767,572

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

13 SHARE CAPITAL (CONT'D)

The Group's share capital differs from that of the Company as a result of the accounting on the reverse acquisition of Ley Choon Constructions and Engineering Pte Ltd and its subsidiaries (the "LCCE Group") on 25 July 2012 through the issuance of 3,928,571,429 new ordinary shares in the Company to the shareholders of the LCCE Group.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. All shares rank equally with regard to the Company's residual assets.

14 OTHER RESERVES

	THE GROUP		THE COMPANY	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Foreign currency translation reserve	(1,336)	(1,383)	–	–
Assets distributed to entitled shareholders	–	–	(1,127)	(1,127)
Capital reserve	–	–	29,901	29,901
Other reserve	(41)	(39)	–	–
	(1,377)	(1,422)	28,774	28,774

Foreign currency translation reserve

Foreign currency translation reserve arises from the translation of financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

Assets distributed to entitled shareholders

Entitled shareholders are shareholders of the Company as at 24 July 2012, prior to the completion of the reverse acquisition in 2012. Net assets distributed to entitled shareholders relate to trade and other receivables due to the Company prior to the completion of the reverse acquisition, which were collected and distributed to the entitled shareholders.

Capital reserve

Capital reserve relates to the waiver of non-trade amounts owing by the Company to its subsidiaries which is recorded directly in equity.

Other reserve

Other reserve relates to the remeasurements of net defined benefit obligations recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

15 LEASE LIABILITIES

THE GROUP	2026 S\$'000	2025 S\$'000
Undiscounted lease payments due:		
- Year 1	5,536	2,631
- Year 2	3,701	1,957
- Year 3	1,849	1,044
- Year 4	1,148	275
- Year 5	728	52
	12,962	5,959
Less: Future interest cost	(855)	(474)
	12,107	5,485
Represented by:		
- Non-current	7,026	3,129
- Current	5,081	2,356
	12,107	5,485

The lease liabilities relate to the Group's leasehold land for operational, office and storage premises, plant and equipment and motor vehicles, which are secured by the lessors' title to the leased assets.

Interest expense on lease liabilities of S\$490,000 (2025: S\$357,000) (Note 21) is recognised in profit or loss for the financial year ended 31 March 2026 under finance costs.

Total cash outflow for leases amounted to S\$7,126,000 (2025: S\$4,359,000), comprising lease liabilities, short-term leases and leases of low-value assets of S\$4,853,000 (2025: S\$3,216,000), S\$2,205,000 (2025: S\$1,114,000) and S\$68,000 (2025: S\$29,000), respectively, for the financial year ended 31 March 2026.

Lease payments not included in the measurement of lease liabilities but recognised within cost of sales in profit or loss are set out below:

THE GROUP	2026 S\$'000	2025 S\$'000
Short-term leases	2,205	1,114
Leases of low-value assets	68	29

At the end of the reporting period, the Group's short-term lease commitments are not substantially dissimilar to those giving rise to the Group's short-term lease expenses for the year.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

15 LEASE LIABILITIES (CONT'D)

Lease liabilities are denominated in the following currencies:

	2026 S\$'000	2025 S\$'000
THE GROUP		
Singapore dollar	12,092	5,478
Sri Lankan rupee	15	7
	12,107	5,485

16 BORROWINGS

	THE GROUP		THE COMPANY	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
THE GROUP				
Current				
Bills payable	–	1,226	–	–

As at 31 March 2025, bills payable bore interest at the bank's prevailing cost of funds plus 2.5% per annum, with a weighted average effective interest rate of 5.54% per annum at the end of the reporting period. The bills payable had a maturity period of 46 to 90 days from the end of the reporting period. The bills payable was secured by corporate guarantees from the Company.

The bills payable was fully settled by the Group during the financial year ended 31 March 2026.

The carrying amounts of borrowings approximate their fair values due to their short-term nature or repricing within three months of the end of reporting period, where the effect of discounting is immaterial.

As at 31 March 2025, borrowings were denominated in Singapore dollar.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

17 TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Trade payables to third parties	13,913	6,433	–	–
Accrued operating expenses	7,620	5,551	268	165
Accrued staff costs	5,438	4,356	–	–
Other payables	180	123	180	123
Financial liabilities at amortised cost	27,151	16,463	448	288
Provision for retirement benefits	6	4	–	–
Net output taxes	909	2,439	–	–
Total trade and other payables	28,066	18,906	448	288

The average credit period taken to settle trade payables is approximately 60 days (2025: 60 days).

Trade and other payables (excluding provision for retirement benefits and net output taxes) are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Singapore dollar	27,137	16,434	448	288
Malaysian ringgit	1	1	–	–
Sri Lankan rupee	13	28	–	–
	27,151	16,463	448	288

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

18 REVENUE

Significant categories of revenue, excluding intra-group transactions and applicable value-added taxes, are detailed as follows:

THE GROUP	2026 S\$'000	2025 S\$'000
Revenue from contracts with customers		
- Rendering of services	140,170	126,915
- Sale of construction materials	2,550	2,341
	142,720	129,256
Rental of motor vehicles and machinery	1,232	1,244
	143,952	130,500
Timing of transfer of goods and services in respect of revenue from contracts with customers		
- Over time	41,074	58,996
- At a point in time	101,646	70,260
	142,720	129,256

19 OTHER INCOME

THE GROUP	2026 S\$'000	2025 S\$'000
Fair value gain on other investments (Note 11)	1	-
Gain on disposal of property, plant and equipment	130	244
Government grants	175	148
Incentive income	-	100
Income from training services	781	697
Insurance compensation received	415	183
Interest income from fixed deposits	99	87
Interest income from other receivable	65	-
Sale of scrap materials	738	941
Sundry income	113	122
	2,517	2,522

Government grants mainly relate to Progressive Wage Credit Scheme from the Singapore Government to help employers to provide transitional wage support for employers to adjust to mandatory wage increases for lower-wage workers and voluntarily raise wages of lower-wage work.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

20 OTHER OPERATING EXPENSES

	2026	2025
THE GROUP	S\$'000	S\$'000
Fair value loss on other investments (Note 11)	–	1
Foreign exchange loss, net	87	29
Inventories written off (Note 7)	34	–
Miscellaneous expenses	2	–
	123	30

21 FINANCE COSTS

	2026	2025
THE GROUP	S\$'000	S\$'000
Interest expense on:		
- lease liabilities (Note 15)	490	357
- bills payable	4	–
	494	357

22 TAXATION

	2026	2025
THE GROUP	S\$'000	S\$'000
Current taxation		
- current year	1,620	1,228
- changes in estimates in respect of prior years	105	418
	1,725	1,646
Deferred taxation (Note 6)		
- origination and reversal of temporary differences	1,123	1,058
- recognition of previously unrecognised deferred tax assets	–	(1,614)
- changes in estimates in respect of prior years	392	30
	1,515	(526)
	3,240	1,120

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

22 TAXATION (CONT'D)

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the applicable rates of income tax on profit before taxation as a result of the following:

THE GROUP	2026 S\$'000	2025 S\$'000
Profit before taxation	13,240	15,613
Tax at statutory rates applicable to different jurisdictions	2,186	2,615
Tax effect on non-deductible expenses	645	641
Tax effect on non-taxable income	(18)	(20)
Tax exemptions	(70)	(35)
Utilisation of previously unrecognised deferred tax assets	–	(915)
Recognition of previously unrecognised deferred tax assets	–	(1,614)
Changes in estimates of current taxation in respect of prior years	105	418
Changes in estimates of deferred taxation in respect of prior years	392	30
	3,240	1,120

Non-deductible expenses mainly relate to depreciation of non-qualifying property, plant and equipment. Non-taxable income mainly relates to unrealised foreign exchange gain.

Singapore

The corporate income tax rate applicable to the Company and the Singapore-incorporated subsidiaries is 17% (2025: 17%) for the financial year ended 31 March 2026.

Sri Lanka

The corporate income tax rate applicable to Sri Lanka branch office of Teacly (S) Pte. Ltd. in respect of construction works is 30% (2025: 30%) for the financial year ended 31 March 2026.

Malaysia

The corporate income tax rate applicable to Ley Choon (M) Sdn. Bhd. is 24% (2025: 24%) for the financial year ended 31 March 2026.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

23 PROFIT FOR THE YEAR

THE GROUP	NOTE	2026 S\$'000	2025 S\$'000
Profit for the year has been arrived at after charging/(crediting):			
Cost of inventories recognised in cost of sales	7	18,770	21,287
Depreciation of property, plant and equipment	3	4,116	5,553
Depreciation of right-of-use assets	4	2,996	1,856
Leases of low-value assets	15	68	29
Provision for onerous contracts reversed		–	(257)
Short-term leases	15	2,205	1,114
Subcontracting costs		25,430	22,027
Write-down on inventories (reversed)/recognised	7	(9)	150
Audit fees paid/payable to:			
- auditor of the Company		240	240
- other auditors		2	2
Non-audit fees paid/payable to:			
- auditor of the Company		49	50
<u>Staff costs</u>			
Directors' fees		230	230
Directors' remuneration other than fees			
- salaries and other related costs		2,237	1,734
- contributions to defined contribution plans		56	59
		2,523	2,023
Key management personnel (other than directors)			
- salaries and other related costs		2,645	2,080
- contributions to defined contribution plans		111	110
		2,756	2,190
Total key management personnel compensation		5,279	4,213
Other than key management personnel			
- salaries and other related costs		45,956	38,718
- contributions to defined contribution plans		1,220	1,003
		47,176	39,721
Total staff costs		52,455	43,934

Depreciation of property, plant and equipment comprises S\$3,333,000 (2025: S\$3,929,000) and S\$783,000 (2025: S\$1,624,000) which is classified under cost of sales and administrative expenses, respectively.

Depreciation of right-of-use assets comprises S\$2,898,000 (2025: S\$1,570,000) and S\$98,000 (2025: S\$286,000) which is classified under cost of sales and administrative expenses, respectively.

Staff costs comprise S\$42,259,000 (2025: S\$35,207,000) and S\$10,196,000 (2025: S\$8,727,000) which are classified under cost of sales and administrative expenses, respectively.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

24 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the profit attributable to ordinary shareholders of S\$9,997,000 (2025: S\$14,494,000) and the weighted average number of ordinary shares outstanding of 1,505,768,000 (2025: 1,505,768,000).

The diluted earnings per share is the same as the basic earnings per share as the Group does not have any dilutive potential ordinary shares during the reporting period.

25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS

The Ley Choon Performance Share Plan 2018 was approved by the shareholders at the Annual General Meeting held on 30 July 2018 and modified at the Extraordinary General Meeting held on 18 March 2026.

The objectives of the Ley Choon Performance Share Plan 2018 are as follows:

- (a) to give the Company the option and flexibility to pay eligible employees' bonuses in the form of cash, shares or a combination of cash and shares, resulting in a better and more flexible salary and cash-flow management for the Company;
- (b) to give the Company the flexibility to impose specific or medium-term performance targets or to impose time-based service conditions, or a combination of both, as a means to reward and steer its executives to better performance and to retain employees with suitable skill sets and talents to drive the growth of the Group;
- (c) to incentivise participants of the Ley Choon Performance Share Plan 2018 to excel in their performance and encourage greater dedication and loyalty to the Company;
- (d) to recognise and reward past contributions and services and motivate participants of the Ley Choon Performance Share Plan 2018 to continue to strive for the Company's long-term prosperity;
- (e) to further strengthen and enhance the Company's competitiveness in attracting and retaining employees with suitable talents; and
- (f) to foster an ownership culture within the Company, and align the interests of participants of the Ley Choon Performance Share Plan 2018 with the interests of the shareholders.

The Ley Choon Performance Share Plan 2018 shall continue to be in force at the discretion of the Remuneration Committee, subject to a maximum period of ten years from the date on which the Ley Choon Performance Share Plan 2018 is adopted by shareholders, provided always that the Ley Choon Performance Share Plan 2018 may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

No performance shares have been allotted and issued to any employees or directors of the Company since the commencement of Ley Choon Performance Share Plan 2018.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

26 SIGNIFICANT RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in the financial statements, there were no other significant related party transactions during the financial years ended 31 March 2026 and 31 March 2025.

27 LEASES

Where the Group is the lessee,

The Group leases land space for operational, office and storage premises. The leases run for a period of 1 to 3 years, with option to renew the leases at the expiry of the lease periods. Lease payments are renegotiated every few years to reflect market rentals. There are no externally imposed covenants on the lease arrangements. In addition, the Group leases plant and equipment and motor vehicles under hire purchase arrangements.

Information about leases for which the Group is a lessee is presented in Note 4 and Note 15 to the financial statements.

Amounts recognised in profit or loss under SFRS(I) 16 *Leases* are as follows:

	2026 S\$'000	2025 S\$'000
THE GROUP		
Interest expense on lease liabilities (Note 21)	490	357

Where the Group is the lessor,

Operating leases, in which the Group is the lessor, relate to short-term leases of motor vehicles and machinery owned by the Group to contractors. The leases do not have option for lessee to purchase the motor vehicles and machinery at the expiry of the lease periods.

These leases are classified as operating lease because the risks and rewards incidental to ownership of the assets are not substantially transferred. The unguaranteed residual values do not represent a significant risk for the Group as the lease periods do not represent a significant portion of the useful lives of the assets.

The Group's revenue from rental of motor vehicles and machinery is disclosed in Note 18.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

28 OPERATING SEGMENTS

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different marketing strategies.

For each of the strategic business unit, the Group's CEO, who is the chief operating decision maker, monitors the operating results of its business units for the purpose of making decisions about resource allocation and performance assessment. The Group's CEO reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- (i) Pipes and roads segment which comprises underground utilities infrastructure construction and maintenance, sewer pipeline rehabilitation, and road and airfield construction and maintenance.
- (ii) Construction materials segment which comprises asphalt pre-mix production, and construction waste recycling.

There are no operating segments that have been aggregated to form the above reportable operating segments.

Other operations relate to general corporate activities.

Information regarding the results of each reportable segment is included in the following tables. Performance is measured based on segment profit before taxation and unallocated expenses, as included in the internal management reports that are reviewed by the Group's CEO, which in certain respects, as explained in the following tables, is different from profit in the consolidated financial statements. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Inter-segment pricing is determined on an arm's length basis.

The Group's income taxes are managed on a group basis and are not allocated to operating segments.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

28 OPERATING SEGMENTS (CONT'D)

THE GROUP	PIPES AND ROADS		CONSTRUCTION MATERIALS		OTHERS/ UNALLOCATED		TOTAL	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
External revenue	141,402	128,159	2,550	2,341	–	–	143,952	130,500
Inter-segment revenue	45,495	59,585	30,199	33,582	–	–	75,694	93,167
Total revenue	186,897	187,744	32,749	35,923	–	–	219,646	223,667
Depreciation of property, plant and equipment	(2,684)	(2,381)	(460)	(944)	(972)	(2,228)	(4,116)	(5,553)
Depreciation of right-of-use assets	(2,898)	(1,480)	–	(90)	(98)	(286)	(2,996)	(1,856)
Gain/(Loss) on disposal of property, plant and equipment	130	245	–	–	–	(1)	130	244
Impairment losses on trade receivables reversed/ (recognised)	182	(322)	–	(5)	–	–	182	(327)
Interest expense	(490)	(357)	–	–	(4)	–	(494)	(357)
Interest income	–	–	–	–	164	87	164	87
Provision for onerous contracts reversed	–	257	–	–	–	–	–	257
Reportable segment profit/ (loss) before taxation	23,435	25,760	544	356	(10,739)	(10,503)	13,240	15,613
Capital expenditure	14,895	4,063	16	405	142	37	15,053	4,505
Reportable segment assets	90,905	63,334	6,966	6,144	21,481	28,118	119,352	97,596
Reportable segment liabilities	30,409	16,198	3,324	1,189	9,367	9,485	43,100	26,872

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

28 OPERATING SEGMENTS (CONT'D)

Reconciliations of segment amounts to consolidated financial statements

	2026 S\$'000	2025 S\$'000
Revenue		
Total revenue for reportable segments	219,646	223,667
Less: inter-segment revenue	(75,694)	(93,167)
Consolidated revenue	143,952	130,500
Profit or loss before taxation		
Total profit before taxation for reportable segments	23,979	26,116
Other corporate expenses	(10,739)	(10,503)
Consolidated profit before taxation	13,240	15,613
Assets		
Total assets for reportable segments	97,871	69,478
Unallocated property, plant and equipment	144	1,077
Other unallocated assets	21,337	27,041
Consolidated total assets	119,352	97,596
Liabilities		
Total liabilities for reportable segments	33,733	17,387
Unallocated borrowings	–	1,226
Other unallocated liabilities	9,367	8,259
Consolidated total liabilities	43,100	26,872

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

28 OPERATING SEGMENTS (CONT'D)

Geographical information

The Group operates principally in Singapore and Sri Lanka.

In presenting information on the basis of geographical areas of operations, segment revenue is based on the geographical locations of customers, and segment assets are based on the geographical locations of the assets.

	2026 S\$'000	2025 S\$'000
Revenue		
Singapore	143,944	130,493
Sri Lanka	8	7
Consolidated revenue	143,952	130,500
Non-current assets *		
Singapore	28,026	20,200
Sri Lanka	23	47
Consolidated non-current assets	28,049	20,247

* Non-current assets comprise property, plant and equipment, right-of-use assets and club membership, and exclude deferred tax assets.

Major customers

During the financial year ended 31 March 2026, revenue from three customers (2025: four customers) in respect of the Group's pipes and roads segment amounted to S\$114,927,000 (2025: S\$130,357,000). The details of these customers which individually contributed ten percent or more of the Group's revenue are as follows:

	2026 S\$'000	2026 %	2025 S\$'000	2025 %
Customer A	46,566	32	57,305	44
Customer B	37,453	26	30,963	23
Customer C	30,908	21	22,136	17
Customer D	*	*	19,953	15
Total	114,927	79	130,357	99

* Less than ten percent

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has documented financial risk management policies. These policies set out the Group's overall business strategies and its risk management philosophy. The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks. Market risk exposures are measured using sensitivity analysis for interest rate risk (Note 29.3) and foreign currency risk (Note 29.4).

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

29.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's exposure to credit risk arises primarily from trade and other receivables and contract assets. For trade receivables, the Group adopts the practice of dealing only with those customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

The Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

The Group has established a credit policy under which the creditworthiness of each new customer is evaluated individually before the Group grants credit to the customer. Credit limits are established for each customer, which represents the maximum open amount without requiring approval from the directors. Payments will be required to be made upfront by customers which do not meet the Group's credit requirements.

Amounts due from customers are closely monitored and reviewed on a regular basis to identify any non-payment or delay in payment, and to understand the reasons, so that appropriate actions can be taken promptly. Through on-going credit monitoring and existing collection procedures in place, credit risk is mitigated substantially.

Amount not paid after the credit period granted will be considered past due. The credit terms granted to customers are based on the Group's assessment of their creditworthiness and in accordance with the Group's policy.

The Group's trade receivables comprise six major debtors (2025: four major debtors) that represented 78% (2025: 85%) of net trade receivables.

The Group and the Company have contract assets, trade and other receivables and cash and bank deposits that are subject to the expected credit loss ("ECL") model. While contract assets, other receivables and cash and bank deposits are subject to the impairment requirements of SFRS(I) 9, the identified impairment loss is insignificant.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

29.1 Credit risk (cont'd)

Trade receivables

The Group applies the SFRS(I) 9 simplified approach to measuring ECLs which uses a lifetime ECL allowance for all trade receivables.

To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade receivables. The Group has identified the gross domestic product of the countries in which it operates to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, below is the information about the credit risk exposure on the Group's trade receivables using provision matrix:

	CURRENT	PAST DUE 1 TO 30 DAYS	PAST DUE 31 TO 60 DAYS	PAST DUE 61 TO 90 DAYS	PAST DUE MORE THAN 90 DAYS	TOTAL
THE GROUP	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2026						
Gross carrying amount	5,111	1,855	254	84	952	8,256
ECL rate (%)	–	–	–	–	7.35	
Loss allowance	–	–	–	–	70	70
2025						
Gross carrying amount	1,029	14,543	383	60	475	16,490
ECL rate (%)	–	0.06	41.51	–	42.95	
Loss allowance	–	9	159	–	204	372

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the Group.

Contract assets

Loss allowance for contract assets is measured at an amount equal to lifetime ECLs which is consistent with the approach adopted for trade receivables. The contract assets relate mainly to contracts where the revenue has been accrued ahead of billings to customers, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. At the end of the reporting period, no loss allowance for contract assets is required.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

29.1 Credit risk (cont'd)

Other receivables

Loss allowance for other receivables is measured at an amount equal to 12-month ECLs (stage 1 of the general approach). The ECLs on other receivables are estimated by reference to the track record of the counterparties, their businesses and financial conditions where information is available, and knowledge of any events or circumstances impeding recovery of the amounts. At the end of the reporting period, no loss allowance for other receivables is required.

Amount due from a subsidiary (non-trade)

The non-trade amount due from a subsidiary is considered to have low credit risk as the Company has control over the operating, investing and financing activities of its subsidiaries. The use of advances to assist with the subsidiaries' cash flow management is in line with the Group's capital management. In determining the ECL, management has taken into account the financial position of the subsidiary and a forward-looking analysis of the financial performance of operations of the subsidiary. In respect of the non-trade amount due from the subsidiary which is repayable on demand, management has considered the availability of accessible and highly liquid assets of the subsidiary for repayment if it is demanded at the end of the reporting period. Management has assessed that the Company is not exposed to significant credit loss in respect of the non-trade amount due from the subsidiary. At the end of the reporting period, no loss allowance is required for the Company's non-trade amount due from the subsidiary.

Cash and bank deposits

Bank deposits are held with banks which are regulated. Loss allowance on cash and bank deposits is measured at an amount equal to 12-month ECLs and reflects the short maturities of the exposures. The Group considers that its bank deposits have low credit risk based on the external credit ratings of the counterparties. The amount of loss allowance on cash and bank deposits is negligible.

Exposure to credit risk

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 for corporate guarantees issued by the Company on behalf of a subsidiary as at 31 March 2025.

As at 31 March 2025, the Company had issued corporate guarantees to a bank for the borrowings undertaken by a subsidiary (Note 16). These borrowings amounted to S\$1,226,000 as at 31 March 2025. The credit risk, being the principal risk to which the Company was exposed, represented the loss that would be recognised upon a default by the subsidiary.

The current interest rates charged by the lender on the borrowings of the subsidiary were at market rates and were consistent with the borrowing costs of the subsidiary without any corporate guarantees.

As at 31 March 2025, the Company did not consider it probable that a claim will be made against it under the corporate guarantees.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

29.1 Credit risk (cont'd)

Exposure to credit risk (cont'd)

To mitigate credit risk arising from corporate guarantees, management continually monitors the risk and has established processes including performing credit evaluations of the parties for which the Group provides corporate guarantees. Corporate guarantees are only for intra-group financing purposes and given by the Company on behalf of its subsidiaries.

The Group's and the Company's major classes of financial assets are trade and other receivables and cash and bank deposits. Bank deposits are held with established financial institutions. Further details of credit risks on trade and other receivables are disclosed in Note 9.

29.2 Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

29.2 Liquidity risk (cont'd)

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows:

	CARRYING AMOUNT S\$'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS S\$'000	LESS THAN 1 YEAR S\$'000	BETWEEN 2 AND 5 YEARS S\$'000
THE GROUP				
2026				
<u>Non-derivative financial liabilities</u>				
Lease liabilities (Note 15)	12,107	12,962	5,536	7,426
Trade and other payables * (Note 17)	27,151	27,151	27,151	–
	39,258	40,113	32,687	7,426
2025				
<u>Non-derivative financial liabilities</u>				
Lease liabilities (Note 15)	5,485	5,959	2,631	3,328
Borrowings (Note 16)	1,226	1,230	1,230	–
Trade and other payables * (Note 17)	16,463	16,463	16,463	–
	23,174	23,652	20,324	3,328
THE COMPANY				
2026				
<u>Non-derivative financial liabilities</u>				
Trade and other payables (Note 17)	448	448	448	–
2025				
<u>Non-derivative financial liabilities</u>				
Trade and other payables (Note 17)	288	288	288	–
Intra-group financial guarantees	1,226	1,230	1,230	–

* Excluding provision for retirement benefits and net output taxes

Except for the Company's cash flows arising from its intra-group corporate guarantees (Note 29.1), it is not expected that the cash flows included in the maturity analysis of the Group and the Company could occur significantly earlier, or at significantly different amounts.

As at 31 March 2025, the Company did not consider it probable that a claim will be made against it under the intra-group financial guarantees.

There were no terms and conditions attached to the guarantee contracts that would have a material effect on the amount, timing and uncertainty of the Company's future cash flows.

The Group and the Company ensure that there are adequate funds to meet all their obligations in a timely and cost-effective manner. The Group and the Company maintain sufficient level of cash and bank deposits to meet their working capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

29.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from the Group's bills payable at floating rates. Fixed deposits and lease liabilities bear interest at fixed rates. All other financial assets and liabilities are interest-free.

At the end of the reporting period, the carrying amount of the interest-bearing financial instruments is as follows:

THE GROUP	2026 S\$'000	2025 S\$'000
Fixed rate instruments		
Financial assets		
- fixed deposits (Note 12)	2,420	2,020
Financial liabilities		
- lease liabilities (Note 15)	(12,107)	(5,485)
	(9,687)	(3,465)
Variable rate instruments		
Financial liabilities		
- bills payable (Note 16)	-	(1,226)

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets or liabilities at FVTPL. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

At the end of the reporting period, if interest rates had been 100 (2025: 100) basis points higher/lower with all other variables held constant, the Group's profit before taxation and equity would have been S\$nil (2025: S\$12,000) lower/higher, arising as a result of higher/lower interest expenses on floating rate bills payable.

The magnitude represents management's assessment of the likely movement in interest rates under normal economic conditions. This analysis has not taken into account the associated tax effects and assumes that all other variables, in particular, foreign currency rates, remain constant.

The Group's and the Company's policy is to obtain the most favourable interest rates available without increasing its interest rate exposure.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

29.4 Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arises when transactions are denominated in foreign currencies.

The Company has no significant transactions that are denominated in a currency other than the functional currency of the Company, Singapore dollar. Hence, the Company is not exposed to any significant foreign currency risk.

The Group has transactional currency exposures arising from transactions that are denominated in a currency other than the respective functional currencies of group entities, namely Singapore dollar for the Company and its Singapore-incorporated subsidiaries, and Sri Lankan rupee and Malaysian ringgit for the branch office in Sri Lanka and subsidiary in Malaysia, respectively. The foreign currency in which these transactions are denominated is primarily Singapore dollar for the branch office in Sri Lanka. Consequently, the Group is exposed to movements in foreign currency exchange rates.

The Group's exposures in financial instruments (including intra-group balances) to Singapore dollar (other than the respective functional currencies of group entities) are mainly as follows:

	2026 S\$'000	2025 S\$'000
THE GROUP		
Cash and bank deposits	5	5
Net exposure	5	5

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the Singapore dollar ("SGD") exchange rate, with all other variables held constant, of the Group's profit net of tax and equity.

	2026 S\$'000	2025 S\$'000
THE GROUP		
SGD - strengthened 10% (2025: 10%)	1	1
- weakened 10% (2025: 10%)	(1)	(1)

29.5 Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices.

The Group is exposed to market price risks arising from its investment in equity securities listed on the SGX-ST. Such investments are measured at FVTPL. The Group does not actively trade the investments.

Market price sensitivity

At the end of the reporting period, if the Straits Times Index had been 10% (2025: 10%) higher/lower with all other variables held constant, the Group's profit before taxation would have been S\$2,000 (2025: S\$2,000) higher/lower, arising as a result of an increase/decrease in the fair value of the quoted equity securities.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

30 FINANCIAL INSTRUMENTS

Accounting classifications of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

THE GROUP	FINANCIAL ASSETS AT AMORTISED COST S\$'000	FINANCIAL ASSETS AT FVTPL S\$'000	FINANCIAL LIABILITIES AT AMORTISED COST S\$'000	TOTAL S\$'000
2026				
<u>Financial assets</u>				
Trade and other receivables * (Note 9)	12,388	–	–	12,388
Other investments (Note 11)	–	21	–	21
Cash and bank deposits (Note 12)	10,820	–	–	10,820
	<u>23,208</u>	<u>21</u>	<u>–</u>	<u>23,229</u>
<u>Financial liabilities</u>				
Lease liabilities (Note 15)	–	–	12,107	12,107
Trade and other payables # (Note 17)	–	–	27,151	27,151
	<u>–</u>	<u>–</u>	<u>39,258</u>	<u>39,258</u>
2025				
<u>Financial assets</u>				
Trade and other receivables (Note 9)	22,488	–	–	22,488
Other investments (Note 11)	–	20	–	20
Cash and bank deposits (Note 12)	15,149	–	–	15,149
	<u>37,637</u>	<u>20</u>	<u>–</u>	<u>37,657</u>
<u>Financial liabilities</u>				
Lease liabilities (Note 15)	–	–	5,485	5,485
Borrowings (Note 16)	–	–	1,226	1,226
Trade and other payables # (Note 17)	–	–	16,463	16,463
	<u>–</u>	<u>–</u>	<u>23,174</u>	<u>23,174</u>
THE COMPANY				
2026				
<u>Financial assets</u>				
Trade and other receivables (Note 9)	5,197	–	–	5,197
Cash and bank deposits (Note 12)	17	–	–	17
	<u>5,214</u>	<u>–</u>	<u>–</u>	<u>5,214</u>
<u>Financial liabilities</u>				
Trade and other payables (Note 17)	–	–	448	448
2025				
<u>Financial assets</u>				
Trade and other receivables (Note 9)	5,701	–	–	5,701
Cash and bank deposits (Note 12)	1,144	–	–	1,144
	<u>6,845</u>	<u>–</u>	<u>–</u>	<u>6,845</u>
<u>Financial liabilities</u>				
Trade and other payables (Note 17)	–	–	288	288

* Excluding net input taxes

Excluding provision for retirement benefits and net output taxes

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

30 FINANCIAL INSTRUMENTS (CONT'D)

Fair values

The face value less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year, comprising trade and other receivables (excluding net input taxes), cash and bank deposits, borrowings (which are short-term or repayable on demand), and trade and other payables (excluding provision for retirement benefits and net output taxes), are assumed to approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group and the Company for similar financial instruments.

The fair value disclosure of lease liabilities is not required.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Financial assets measured at fair value

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
THE GROUP	S\$'000	S\$'000	S\$'000	S\$'000
2026				
Quoted equity investments at FVTPL (Note 11)	21	–	–	21
2025				
Quoted equity investments at FVTPL (Note 11)	20	–	–	20

The fair value of financial instruments traded in active markets (quoted equity investments) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

31 CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital are:

- (a) To safeguard the Group's and the Company's ability to continue as going concern;
- (b) To support the Group's and the Company's stability and growth;
- (c) To provide capital for the purpose of strengthening the Group's and the Company's risk management capability; and
- (d) To provide an adequate return to shareholders.

The Group and the Company actively and regularly review and manage their capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and the Company, and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group and the Company currently do not adopt any formal dividend policy.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

The Group and the Company are not subject to externally imposed capital requirements.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises lease liabilities, borrowings and trade and other payables, less cash and bank deposits. Total capital represents equity attributable to owners of the Company.

	THE GROUP		THE COMPANY	
	2026 S\$'000	2025 S\$'000	2026 S\$'000	2025 S\$'000
Lease liabilities (Note 15)	12,107	5,485	–	–
Borrowings (Note 16)	–	1,226	–	–
Trade and other payables (Note 17)	28,066	18,906	448	288
Total debt	40,173	25,617	448	288
Less: Cash and bank deposits (Note 12)	(10,820)	(15,149)	(17)	(1,144)
Net debt/(cash)	29,353	10,468	431	(856)
Equity attributable to owners of the Company	76,248	70,723	164,889	166,678
Total capital	76,248	70,723	164,889	166,678
Total capital and net debt	105,601	81,191	165,320	165,822
Gearing ratio	28%	13%	0%	N.M.

N.M.: Not meaningful due to net cash position

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2026

32 DIVIDENDS

	2026	2025
THE GROUP AND THE COMPANY	S\$'000	S\$'000
Final tax-exempt (one-tier) dividend of S\$0.0030 (2025: \$0.0027) per share in respect of the previous financial year	4,517	4,066

33 EVENTS AFTER THE REPORTING PERIOD

The Company's Board of Directors recommended a final dividend of S\$0.0015 per ordinary share amounting to S\$2,258,651 in respect of the financial year ended 31 March 2026 to be approved by shareholders at the Annual General Meeting to be held on 30 July 2026.

On 8 June 2026, the Group, through a wholly-owned subsidiary, Ley Choon Constructions and Engineering Pte Ltd ("LCCE"), entered into a joint venture agreement with The Tunnel Company (Aust) Pty Ltd to incorporate Ley Choon TTC (Aust) Tunnelling International Pte. Ltd. with a share capital comprising 1,000 ordinary shares of S\$1 each, in which LCCE holds 51% equity interest.

SHAREHOLDINGS STATISTICS

As at 24 June 2026

No of Issued Shares : 1,505,767,572
Class of Shares : Ordinary shares
Voting Rights : 1 vote for each ordinary share (excluding treasury shares and subsidiary holdings)

There are no treasury shares held by the Company or subsidiary holdings as at 24 June 2026.

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	50	1.68	569	0.00
100 - 1,000	1,288	43.21	658,032	0.04
1,001 - 10,000	677	22.71	2,777,946	0.18
10,001 - 1,000,000	910	30.52	128,530,206	8.54
1,000,001 AND ABOVE	56	1.88	1,373,800,819	91.24
TOTAL	2,981	100.00	1,505,767,572	100.00

SHAREHOLDINGS HELD IN THE HAND OF PUBLIC SHAREHOLDERS

As at 24 June 2026, approximately 27% of the shareholdings are held in the hands of the public. At least 10% of the Company's issued ordinary shares are held in the hands of the public at all times and the Company is in compliance with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	SHARES	%
1	ZHENG CHOON HOLDING PTE. LTD.	902,272,580	59.92
2	RAFFLES NOMINEES (PTE.) LIMITED	201,723,600	13.40
3	DBS NOMINEES (PRIVATE) LTD	42,011,101	2.79
4	CITIBANK NOMINEES SINGAPORE PTE LTD	22,078,200	1.47
5	WEE KIAN TIONG	19,546,600	1.30
6	PEH HOCK SIONG	16,000,000	1.06
7	PHILLIP SECURITIES PTE LTD	10,885,903	0.72
8	BUHDY BOK SIN SWEE	10,060,000	0.67
9	IFAST FINANCIAL PTE. LTD.	9,944,530	0.66
10	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	7,544,100	0.50
11	PEH KOK WAH @ PEH WAH CHYE	7,100,000	0.47
12	LEW WING KIT	6,608,400	0.44
13	LYE MENG LEONG	6,400,000	0.43
14	TAN TECK WEI	6,391,935	0.42
15	MAHBOB BIN ABDULLAH	6,000,000	0.40
16	NG TIAN SOO	5,577,900	0.37
17	MAYBANK SECURITIES PTE. LTD.	5,113,800	0.34
18	OCBC SECURITIES PRIVATE LIMITED	4,745,442	0.32
19	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	4,449,350	0.30
20	CHENG HENG SENG	4,430,000	0.29
TOTAL		1,298,883,441	86.27

SHAREHOLDINGS STATISTICS

As at 24 June 2026

SUBSTANTIAL SHAREHOLDERS

NAME	NUMBER OF SHARES HELD			
	DIRECT INTEREST	%	DEEMED INTEREST	%
Zheng Choon Holding Pte. Ltd.	902,272,580	59.92%	–	–
Toh Choo Huat ⁽¹⁾	794,000	0.05%	902,272,580	59.92%
Toh Swee Kim ⁽²⁾	220,000	0.01%	902,272,580	59.92%
Toh Chew Leong ⁽³⁾	–	–	902,272,580	59.92%
Toh Chew Chai ⁽⁴⁾	–	–	902,272,580	59.92%
Hiap Hoe Investment Pte. Ltd. ⁽⁵⁾	176,536,000	11.72%	–	–
Hiap Hoe Limited ⁽⁶⁾	–	–	176,536,000	11.72%

Notes:

- (1) Mr Toh Choo Huat holds 27.2% of the shareholding in Zheng Choon Holding Pte. Ltd. As such, Mr Toh Choo Huat is deemed to be interested in the Shares held by Zheng Choon Holding Pte. Ltd.
- (2) Mr Toh Swee Kim holds 23.7% of the shareholding in Zheng Choon Holding Pte. Ltd. As such, Mr Toh Swee Kim is deemed to be interested in the Shares held by Zheng Choon Holding Pte. Ltd.
- (3) Mr Toh Chew Leong holds 25.4% of the shareholding in Zheng Choon Holding Pte. Ltd. As such, Mr Toh Chew Leong is deemed to be interested in the Shares held by Zheng Choon Holding Pte. Ltd.
- (4) Mr Toh Chew Chai holds 23.7% of the shareholding in Zheng Choon Holding Pte. Ltd. As such, Mr Toh Chew Chai is deemed to be interested in the Shares held by Zheng Choon Holding Pte. Ltd.
- (5) 176,536,000 Shares are held through nominee(s).
- (6) Hiap Hoe Investment Pte. Ltd. is 100% owned by Hiap Hoe Limited. As such, Hiap Hoe Limited is deemed to be interested in the Shares held by Hiap Hoe Investment Pte. Ltd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at No. 3 Sungei Kadut Drive, Kranji Industrial Estate, Singapore 729556 on Thursday, 30 July 2026 at 10.00 a.m. to transact the following businesses as set out below.

This Notice has been made available on SGXNet and the Company's website at the URL <https://www.leychoon.com>.

ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2026 together with the Directors' Statement and the Auditors' Report of the Company. (Resolution 1)
2. To declare a final tax exempt (one-tier) dividend of 0.15 Singapore cents per ordinary share for the financial year ended 31 March 2026. (Resolution 2)
3. To re-elect as a Director, Mr Toh Choo Huat who is retiring under Regulation 107 of the Company's Constitution.

Mr Toh Choo Huat will, upon re-election as a Director of the Company, remain an Executive Director of the Company.

[See Explanatory Note (I)] (Resolution 3)
4. To re-elect as a Director, Mr Ragavendran Srinivasan who is retiring under Regulation 107 of the Company's Constitution.

Mr Ragavendran Srinivasan will, upon re-election as a Director of the Company, remain an Executive Director of the Company.

[See Explanatory Note (I)] (Resolution 4)
5. To re-elect as a Director, Mr Chua Hock Thak who is retiring under Regulation 107 of the Company's Constitution.

Mr Chua Hock Thak will, upon re-election as a Director of the Company, remain an Independent Director of the Company.

[See Explanatory Note (I)] (Resolution 5)
6. To approve the payment of Directors' fees of S\$230,000 for the financial year ending 31 March 2027, to be paid quarterly in arrears. (Resolution 6)
7. To re-appoint Messrs Foo Kon Tan LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. (Resolution 7)
8. To transact any other business that may be transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

9. To consider and, if thought fit, pass the following Ordinary Resolution with or without any modifications:

"That pursuant to Section 161 of the Companies Act 1967 ("**Act**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Listing Manual**"), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or
 - (ii) 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 or issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,
- at any time and upon such terms and conditions, for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuant to any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided always that:

- (I) the aggregate number of shares (including shares to be issued in pursuant of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (II) below), of which the aggregate number of shares to be issued other than on a pro rata basis to the Shareholders of the Company shall not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (II) below);
- (II) (subject to such 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 (I) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the Company at the time of the passing of this Resolution, after adjusting for:
 - (aa) new shares arising from the conversion or exercise of any convertible securities;
 - (bb) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual; and
 - (cc) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance to sub-paragraphs (I) and (II) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate;

NOTICE OF ANNUAL GENERAL MEETING

(III) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

(IV) unless revoked or varied by the Company in a general meeting, such authority shall continue 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 (II)]

(Resolution 8)

10. To consider and, if thought fit, pass the following Ordinary Resolution with or without any modifications:

"Resolved that the Board of Directors of the Company be and is hereby authorised to offer and grant awards ("**Awards**") in accordance with the provisions of the Ley Choon Performance Share Plan 2018 (the "**PSP**") and pursuant to Section 161 of the Companies Act 1967, to allot and issue from time to time such number of fully paid-up shares in the capital of the Company as may be required to be issued pursuant to the vesting of Awards under the PSP, provided always that the total number of new shares to be allotted and issued pursuant to an Award granted under the PSP, when added to the number of shares issued and issuable in respect of all Awards granted under the PSP and any other share scheme, shall not exceed 15% of the issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) on the day preceding the date of the Award."

[See Explanatory Note (III)]

(Resolution 9)

By Order of the Board

Ong Beng Hong/Tan Swee Gek
Joint Company Secretaries
15 July 2026

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- I. For details of Mr Toh Choo Huat's, Mr Ragavendran Srinivasan's, and Mr Chua Hock Thak's disclosures pursuant to Rule 720(6) of the Listing Manual, please refer to pages 115 to 124 of the Company's Annual Report for the financial year ended 31 March 2026.
- II. The Ordinary Resolution 8 in item 9 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting ("**AGM**") of the Company, or the date by which the next AGM 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 issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual, and any subsequent bonus issue, consolidation or subdivision of shares.

- III. The Ordinary Resolution 9 in item 10 above, if passed, will empower the Directors of the Company, to allot and issue shares in the Company pursuant to the vesting of awards granted under the PSP of up to a number which when added to the number of new shares issued and issuable in respect of all awards granted under the PSP or any other share scheme shall not exceed in total 15% of the issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) from time to time. The PSP was first approved by the shareholders of the Company at the AGM held on 30 July 2018 and modified at the Extraordinary General Meeting held on 18 March 2026. Please refer to the Company's Letter to Shareholders dated 13 July 2018 and the Circular dated 24 February 2026 for further details.

Notes:

- (1) The AGM is being convened and will be held physically at No. 3 Sungei Kadut Drive, Kranji Industrial Estate, Singapore 729556. There will be no option for members to participate virtually.
- (2) Live voting will be conducted during the AGM for members and proxies attending the AGM. It is important for members and proxies to bring their own web-browser enabled mobile smartphone capable of scanning QR codes for voting at the AGM. An instructional video on the voting process will be played to shareholders during the AGM.

An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investors**") (as may be applicable) may attend and cast his vote(s) at the AGM in person. CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the AGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.

- (3) Save for a member who is a relevant intermediary as defined in Note 4, a member entitled to attend and vote at the AGM is entitled to appoint a proxy or proxies (not more than two) to attend and vote on his/her behalf. A proxy need not be a member of the Company.
- (4) A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

NOTICE OF ANNUAL GENERAL MEETING

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
- (5) The instrument appointing a proxy(ies), together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must:
- (a) if sent personally or by post, be deposited at the registered office of the Company at No. 3 Sungei Kadut Drive, Kranji Industrial Estate, Singapore 729556; or
 - (b) if submitted by email, be received by the Company at leychoonagm@leychoon.com.

in either case, by no later than 10.00 a.m. on 27 July 2026, being not less than 72 hours before the time for holding the AGM in order to be entitled to attend and to vote at the AGM, and in default the instrument of proxy shall not be treated as valid.

- (6) The sending of a Proxy Form by a member does not preclude him from attending and voting in person if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.
- (7) A Depositor's name must appear on the Depository Register maintained by CDP as at 72 hours before the time fixed for holding the AGM in order to be entitled to attend and vote at the AGM.
- (8) If sent personally or by post, the instrument appointing the proxy(ies) of an individual must be under the hand of the appointor or of his attorney duly authorised in writing and the instrument appointing the proxy(ies) of a corporation must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

Where an instrument appointing a proxy(ies) is submitted by email, it must be authorised in the following manner:

- (a) by way of the affixation of an electronic signature by the appointor or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
- (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

NOTICE OF ANNUAL GENERAL MEETING

- (9) A member may also submit questions related to the resolutions to be tabled for approval at the AGM either (i) in person at the AGM during the live Q&A session; or (ii) prior to the AGM.

All questions submitted prior to the AGM must be submitted by 10.00 a.m. on 22 July 2026:

- (a) in hard copy by sending personally or by post and lodging the same at the registered office of the Company at No. 3 Sungei Kadut Drive, Kranji Industrial Estate, Singapore 729556; or
- (b) by email to leychoonagm@leychoon.com.

Members will need to identify themselves when posing questions by email or by mail by providing the following details:

- (a) the member's full name as it appears on his/her/its CDP/CPF/SRS share records;
- (b) the member's NRIC/Passport/UEN number;
- (c) the member's contact number and email address; and
- (d) the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will address substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM as received from members by the cut-off date and time of 10.00 a.m. on 22 July 2026. The Company will publish its responses to such queries on SGXNet by 10.00 a.m. on 25 July 2026. The Company will address those substantial and relevant questions which have not already been addressed prior to the AGM, as well as those received "live" at the AGM itself, during the AGM.

- (10) By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation, compilation and publication 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) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, 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 AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company and/or its proxy(ies) or representative(s) (such as his/her name, his/her presence at the AGM and any questions he/she may raise or motions he/she proposes/seconds) may be recorded by the Company for such purpose.
- (11) The Annual Report for the financial year ended 31 March 2026, Notice of AGM and proxy form may be accessed at the Company's website at the URL <https://www.leychoon.com> at the menu "**Investor Relations**" (https://www.leychoon.com/?page_id=2391). The Annual Report, Notice of AGM and proxy form have also been made available on SGXNet. In line with the Group's sustainability efforts, the Company has discontinued the practice of mailing the Annual Report to shareholders. However, shareholders who still wish to receive printed copies of the Annual Report may complete the relevant Request Form, which has been sent to the shareholders by post and is also available on SGXNet, and return it to the Company by post or email no later than 22 July 2026.

PROXY FORM

LEY CHOON GROUP
HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 198700318G)

This form of proxy has been made available on SGXNet and the Company's website at the URL <https://www.leychoon.com>.

IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.

2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We _____ (Name) _____ (RegistrationNo./NRIC/PassportNo.)
of _____ (Address)
being a member/members of Ley Choon Group Holdings Limited (the "Company") hereby appoint:

NAME	ADDRESS	NRIC/PASSPORT NUMBER	PROPORTION OF SHAREHOLDINGS	
			NO. OF SHARES	%
and/or *				

and/or such other persons as furnished by us in accordance with Note 3 of this proxy form, or failing which, the Chairman of the Annual General Meeting ("AGM"), as my/our proxy/proxies to vote for me/us on my/our behalf at the AGM of the Company, to be held at No. 3 Sungei Kadut Drive, Kranji Industrial Estate, Singapore 729556 on 30 July 2026 at 10.00 a.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for, against or abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder.

If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/their discretion.

NO.	RESOLUTIONS RELATING TO:	FOR	AGAINST	ABSTAIN
	ORDINARY BUSINESS			
1.	Adoption of the Audited Financial Statements for the financial year ended 31 March 2026 together with the Directors' Statement and Auditors' Report of the Company			
2.	Declaration of a final tax exempt (one-tier) dividend of 0.15 Singapore cents per ordinary share for the financial year ended 31 March 2026			
3.	Re-election of Mr Toh Choo Huat as a Director of the Company			
4.	Re-election of Mr Ragavendran Srinivasan as a Director of the Company			
5.	Re-election of Mr Chua Hock Thak as a Director of the Company			
6.	Approval of Directors' fees of S\$230,000 for the financial year ending 31 March 2027, to be paid quarterly in arrears			
7.	Re-appointment of Messrs Foo Kon Tan LLP as the Company's Auditors and to authorise the Directors to fix their remuneration			
	SPECIAL BUSINESS			
8.	Authority to allot and issue new shares			
9.	Authority to allot and issue shares under the Ley Choon Performance Share Plan 2018			

(Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against", or "Abstain" from voting on, the relevant Resolution, please mark a "X" within the relevant box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the "Abstain" box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a poll and your votes will not be counted in computing the required majority on a poll.)

Dated this _____ day of _____, 2026.

Signature of Shareholder(s) and/or Common Seal

TOTAL NUMBER OF SHARES HELD:

Important: Please read notes overleaf
*delete as appropriate



Notes:

1. Please insert the total number of shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares registered in your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. Save for a member who is a relevant intermediary as defined in Note 3, a member entitled to attend and vote at the AGM is entitled to appoint one or two proxies to attend and vote in his stead.
3. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
 5. A proxy need not be a member of the Company.
 6. The instrument appointing a proxy(ies), together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must:
 - (a) if sent personally or by post, be deposited at the Company's Registered Office at No. 3 Sungei Kadut Drive, Kranji Industrial Estate, Singapore 729556; or
 - (b) if submitted by email, be received by the Company at leychoonagm@leychoon.com;

in either case, **by no later than 10.00 a.m. on 27 July 2026, being not less than 72 hours before the time for holding the AGM in order to be entitled to attend and to vote at the AGM**, and in default the instrument of proxy shall not be treated as valid.

7. If sent personally or by post, the instrument appointing a proxy(ies) of an individual must be under the hand of the appointor or of his attorney duly authorised in writing and the instrument appointing a proxy(ies) of a corporation must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

Where an instrument appointing a proxy(ies) is submitted by email, it must be authorised in the following manner:

- (a) by way of the affixation of an electronic signature by the appointor or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
 - (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.
8. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter of power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy; failing which the instrument may be treated as invalid.
 9. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the AGM in person. CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the AGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.
 10. 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 of Singapore.
 11. The submission of an instrument or form appointing a proxy by a member of the Company does not preclude him from attending and voting in person at the AGM if he is able to do so.
 12. The Company shall be entitled to reject a Proxy Form which 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 Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
 13. A Depositor's name must appear in the Depository Register maintained by the Central Depository (Pte) Limited as at 72 hours before the time appointed for the holding of the AGM in order for him to be entitled to vote at the AGM.
 14. By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM.



LEY CHOON GROUP HOLDINGS LIMITED

(Company Registration No. 198700318G)

No 3 Sungei Kadut Drive Singapore 729556

Tel: (65) 6757 0900

Fax: (65) 6757 0100

Email: www.leychoon.com