



HONG LAI HUAT GROUP LIMITED

(Incorporated in the Republic of Singapore)

Reg. No. 199905292D

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INCORPORATION OF SUBSIDIARY TO CONSOLIDATE NATURAL RESOURCES BUSINESS



(Overview of the Group's existing marble mining site in Cambodia)

The Board of Directors (the “Board”) of Hong Lai Huat Group Limited (the “Company” and together with its subsidiaries, the “Group”) wishes to announce the incorporation of Hong Lai Huat Global Resources Company Limited, as part of the Group's ongoing strategy to consolidate and progressively develop its natural resources activities under a dedicated business division.

The incorporation of Hong Lai Huat Global Resources Company Limited marks the next stage in the Group's development of its natural resources business in Cambodia and provides a focused platform through which its existing operations and future opportunities within the sector may be managed.

Marble Mining Operations

As the first stage of this strategy, the Group's existing marble mining activities in Cambodia will form part of the natural resources division.

As announced by the Company on 8 April 2026, the Group secured a two year extension of its marble mining licence to FY2028 from the Ministry of Mines and Energy in Cambodia. The extension provides continuity for the Group's existing marble mining operations and supports the continued development of its marble extraction and supply activities.

The marble mining business forms the foundation of the Group's natural resources activities and has provided the Group with relevant operational experience and an established presence in Cambodia.

Hong Lai Huat Global Resources Company Limited will serve as the principal platform through which the Group intends to consolidate these activities and progressively evaluate opportunities that are complementary to its existing operations.



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Proposed Sea Sand Extraction and Supply Activities

As the next stage of this strategy, Hong Lai Huat Global Resources Company Limited is currently in the process of applying with the relevant ministry in Cambodia for the necessary licence and approvals to undertake the extraction and supply of sea sand.

Subject to the successful grant of the relevant licence and regulatory approvals, the sea sand extracted is intended to be supplied primarily for land reclamation and other infrastructure related applications.

The proposed sea sand activities represent a potential extension of the Group's existing presence in Cambodia's natural resources sector. The Group believes that establishing a dedicated platform will allow it to build upon the experience gained from its marble mining operations while progressively exploring other opportunities within the sector.

Cambodia recorded continued economic growth with a GDP of 5.3% in 2025, supported by activity across key sectors of its economy. Against this backdrop, the Group believes that the responsible development and supply of natural resources can continue play a supporting role in the country's longer term economic and infrastructure development.

Through Hong Lai Huat Global Resources Company Limited, the Group hopes to participate in this development by building upon its existing operations in Cambodia and exploring opportunities that may support infrastructure requirements and broader economic activity, where commercially viable and subject to the necessary regulatory approvals.

The Group remains mindful that the development of these activities will take place progressively and will depend on regulatory approvals, market conditions and the successful implementation of the relevant projects.

Regulatory Approvals

Shareholders should note that the proposed sea sand extraction and supply activities remain subject to the successful grant of the necessary licence and approvals by the relevant authorities in Cambodia. The application process is currently ongoing and there is no certainty that the required licence or approvals will be granted.

The Group has not commenced any sea sand extraction activities with any sub-contractors pursuant to the licence currently being applied for.

The Company will make a further announcement promptly upon receiving the outcome of the licence application and will continue to update shareholders on material developments as and when appropriate.

Financial Impact

The incorporation of Hong Lai Huat Global Resources Company Limited is not expected to have any material impact on the consolidated net tangible assets or earnings per share of the Group for the current financial year.



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Interests of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the incorporation of Hong Lai Huat Global Resources Company Limited, other than through their respective shareholdings, if any, in the Company.

BY ORDER OF THE BOARD

Dylan Ong Jia Jing
Chief Strategy Officer and Executive Director

5 October 2026