



Building Cities Building Dreams

KOH BROTHERS GROUP LIMITED



SCALE TO GREATER HEIGHTS

ANNUAL REPORT **2025**

OUR PROMISE

At Koh Brothers, customer satisfaction is our priority.

To achieve this, we are committed to deliver quality products, services and solutions. With strong support from our business partners and dedicated staff, we strive to add value by adopting an innovative work approach. With these strengths, we are confident to excel and grow our organisation to achieve shareholder satisfaction.

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CORPORATE PROFILE

From humble beginnings in 1966, Koh Brothers Group Limited has grown from strength to strength. Besides being a provider of engineering, procurement and construction (“EPC”) services for infrastructure projects, the Group has expanded into real estate, building materials and providing EPC services for building, water and wastewater treatment including mechanical, electrical and instrumentation control and automation (“MEICA”), hydro-engineering, bio-refinery and renewable energy projects. With the expansion into synergistic business segments, the Group has created multiple revenue streams, with operating synergies arising from these core areas.

BUILDING CITIES

BUILDING DREAMS



OUR BUSINESS

CONSTRUCTION AND BUILDING MATERIALS

ENGINEERING AND CONSTRUCTION

Our Engineering and Construction services are provided through our Catalist-listed subsidiary, Koh Brothers Eco Engineering Ltd ("KBE"). Through its principal subsidiary, Koh Brothers Building & Civil Engineering Contractor (Pte) Ltd ("KBCE"), the Group provides a complete and diverse range of engineering, procurement, designing for infrastructure, building, water and wastewater treatment projects within the construction industry.

Since 1983, KBCE has completed many major construction projects such as the Marina Barrage, Marina East Desalination Plant, Singapore Changi Airport Runway 3, Deep Tunnel Sewerage System Phase 2, Changi Water Treatment Plants, Downtown Line 1 Bugis MRT Station, Common Services Tunnel at Marina South, HDB Projects at Jurong West, Choa Chu Kang, Yishun and many drainage projects such as Punggol Waterway, Bukit Timah First Diversion Canal, Improvement to Kallang River and Geylang River Makeover.

KBCE has received numerous accolades in recognition of its commitment to quality, safety and excellence. These include the WSH Performance (Silver) Award 2025, the bizSAFE Partner Award 2025 and the SHARP Award 2025 for LTA C886 Project.

KBCE has also been honoured internationally with the prestigious Superior Achievement Award at the American Academy of Environmental Engineers Annual Awards for its work on the Marina Barrage. In addition, KBCE received the International Safety Award Winner 2021 (Best in Country Award) and the PUB Project Safety Recognition Award 2022 for the Deep Tunnel Sewerage System Phase 2 Project, Workplace Safety and Health Awards 2024 - bizSAFE Partner Award and Safety and Health Award Recognition for Projects (SHARP) - Tuas Water Reclamation Plant Contract C2A and Deep Tunnel Sewerage System Phase 2 Contract T08.



By leveraging the synergies within KBCE, the Group is able to provide comprehensive turnkey engineering solutions and seize opportunities in the water and wastewater treatment and hydro-engineering sectors. We hold an A1 grade from the Building and Construction Authority ("BCA"), enabling us to tender for public sector construction projects of unlimited value. Additionally, we also hold a BCA ME11, L6 grading for mechanical engineering projects.

Projects currently undertaken by our Engineering and Construction division include the construction of intra terminal tunnels at Changi Airport's upcoming Terminal 5, where KBCE holds a 30% equity stake in the joint venture with Penta-Ocean. The Division is also undertaking the supply and installation of bored piles for the Air Traffic Control Centre, as well as the design and construction of multi-storey bus depot at Lorong Halus. Other ongoing works comprising piling, ground improvement and earth retaining stabilising structure works at Toa Payoh Integrated Development, MRT Circle Line 6, influent pumping stations at Tuas Water Reclamation Plant and mechanical, electrical and instrumentation control and automation works for the industrial liquids at Tuas Water Reclamation Plant.

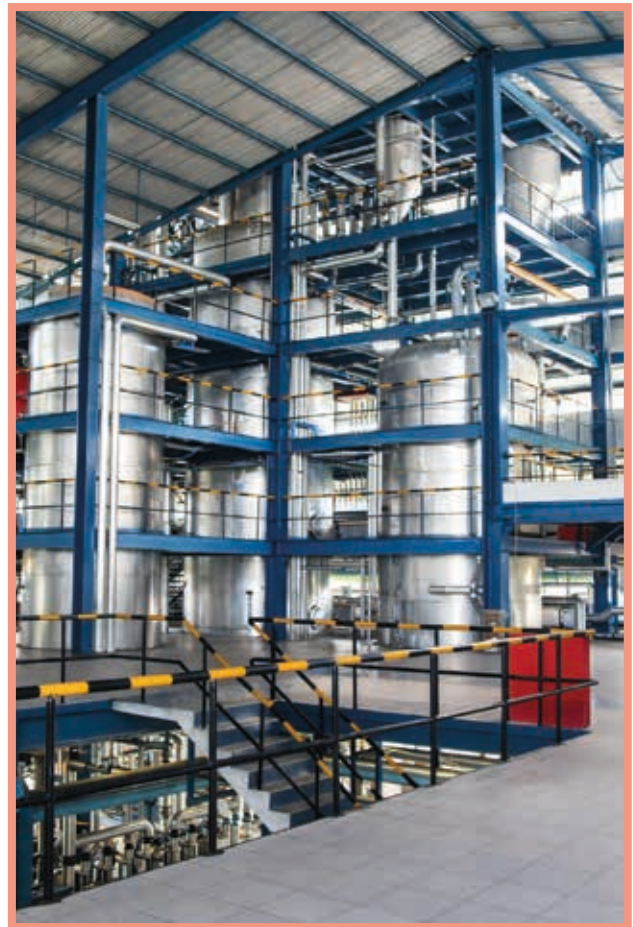
OUR BUSINESS

BUILDING MATERIALS

The Building Materials division is a long established and renowned one-stop quality provider of concrete solutions to the construction industry. We market under the "G & W" branding.

We manufacture and supply ready-mix concrete and pre-cast products such as facades, household shelters, bathroom units, columns and planks for HDB projects, institutions and private developments.

The Building Materials division is supported by batching plants and precast yards in Singapore and Malaysia. The Group also has a central truck-mixer despatch system to facilitate the efficient despatch of trucks on the move to meet the demands of our clients so as to achieve greater efficiency.



BIO-REFINERY AND RENEWABLE ENERGY

Through our indirectly owned listed subsidiary, Oiltek International Ltd ("Oiltek"), our Bio-Refinery and Renewable Energy division is an established integrated process technology and renewable energy solutions provider. With over 45 years of experience, Oiltek specialises in design, engineering, procuring, constructing and commissioning of facilities and plants for customers across varies sectors of the vegetable oils industry.

Oiltek provides services to the edible and non-edible oil industries including engineering, procurement, designing, construction and commissioning ("EPC") of edible and non-edible oil refining plants, downstream speciality products and processing plants, upgrading and retrofitting of existing facilities and turnkey outside-battery-limits infrastructure engineering. Oiltek also provides services to the renewable energy industries including EPC of multi-feedstock biodiesel, enzymatic biodiesel, winter fuel, hydrogenated vegetable oil feedstock (treated and refined palm oil mill effluent ("POME") oil) and POME biogas methane recovery plants as well as engineering component sales, agency and distributorship, and speciality chemical product trading.

OUR BUSINESS

REAL ESTATE

Our Real Estate division focuses on delivering high-quality property developments with distinctive lifestyle themes in prime locations. We have established a strong reputation for creating innovative, themed developments that cater to contemporary living.

Among our recently completed projects is Van Holland, a prestigious freehold development in Holland Village. The project has garnered significant recognition, winning two accolades at the PropertyGuru Asia Property Awards – Best Luxury Boutique Condo Development and Best Boutique Condo Architectural Design.

Other recent completions include the joint venture development Hyll on Holland in Holland Village, the mixed-use Nonhyeon l'Park located in the heart of Seoul's renowned Gangnam district, Singapore's first bike-themed Executive Condominium, Westwood Residences, and Parc Olympia Condominium at Flora Drive, which features comprehensive sporting and recreational facilities.

Earlier completed projects comprise Lincoln Suites off Newton Road, The Lumos at Leonie Hill, Montana off River Valley Road, and Starville at Lengkong Tiga, further reflecting our consistent track record in delivering distinctive residential developments.



LEISURE & HOSPITALITY

Our Leisure & Hospitality division provides 'no-frills' hospitality services through Oxford Hotel which comprises more than 130 hotel rooms. The Group also owns and operates The Alocassia, a resort-style serviced apartment complex with 45 suites, located on Bukit Timah Road, a prime district in Singapore.



OUR CORE VALUES

With knowledge and honesty, we add value to organisational excellence through commitment, teamwork, continuous self-development and opportunities for innovation.

KNOWLEDGE

Our culture of continuous improvement allows for the developmental opportunities that are responsive to the current and future challenges of our Company and our customers.

OPENNESS

We need to be open-minded to adapt and respond well to changes according to the environment.

HONESTY

We emphasise honesty in every aspect of our business, resulting in a Company that is trusted by our society at large whom we work with.

BONDING

Our culture of teamwork allows us to bring together the best thinking from our professionals and deliver optimum solutions to our clients' complex needs.

RESPONSIBILITY

Our culture encourages employees to pursue set goals and work towards achieving high standards of performance.

OPPORTUNITIES

We provide equal opportunity to all individuals to be innovative so as to bring Koh Brothers to the next level of excellence.

STANDARDS

We strive to achieve organisational excellence in whatever we set out to perform.

GROUP STRUCTURE

CONSTRUCTION AND BUILDING MATERIALS

Koh Brothers Eco Engineering Ltd
Koh Brothers Building & Civil Engineering Contractor (Pte) Ltd
Infrotek Pte Ltd
Ecotek Pte Ltd
Buildtek (S) Pte Ltd
G & W Ready-Mix Pte Ltd
G & W Precast Pte Ltd
Oiltek International Ltd
Oiltek Sdn Bhd

REAL ESTATE

Koh Brothers Development Pte Ltd
Koh Brothers Holdings Pte Ltd
Koh Brothers Gangnam Ltd
KBD Ventures Pte Ltd
Changi Properties Pte Ltd
KBD Kosdale Pte Ltd
Kosland Pte Ltd
PT Koh Brothers Indonesia

LEISURE & HOSPITALITY

Oxford Hotel Pte Ltd
Koh Brothers Investment Pte Ltd

Note: This list is not exhaustive.

OUR JOURNEY THUS FAR

1960s

- Founded and established by Mr Koh Tiat Meng

1970s

- Setup G & W group of companies, focusing on providing ready-mix concrete

1980s

- Expanded into equipment sale and rental operations and the production of concrete products via G & W
- Established PT. Koh Brothers Indonesia and ventured into real estate development in Indonesia

1990s

- Listed on the Mainboard of SGX
- Improvements to Kallang River (from Braddell Road to Jalan Toa Payoh)
- Awarded by CIDB for Construction Excellence for Reconstruction of Geylang River
- Land Reclamation Phase 1 Project at Xinjin River Mouth, Shantou, China
- Opening of Oxford Hotel
- Ventured into property development
- Sun Plaza (Construction and Real Estate Project)
- The Capri (Real Estate Project)

2000s

- BCA Award for Construction Excellence 2000 (Civil Engineering) and for Construction of Holland Road/Farrer Road/Queensway Interchange
- Ranked amongst the top companies in Singapore 1000
- Construction of Marina Barrage
- Construction of Bugis Station and its Associated Tunnels for Downtown Line Stage 1
- Construction of Punggol Waterway
- Koh Brothers Building & Civil Engineering Contractor (Pte) Ltd awarded OHSMS
- The Sierra (Real Estate Project)
- The Montana (Real Estate Project)
- Starville (Construction and Real Estate Project)
- Construction of Common Service Tunnel 1 Project in Marina South

2010s

- South East Asia Property Award (Singapore) – The Real Estate Personality of the Year 2016
- 15th & 16th SIAS Investors' Choice Awards Most Transparent Company Awards 2014 & 2015 (Construction & Materials Category)
- Singapore Quality Brand Award 2014 – (Special Merit)
- Promising SME 500 2014 (Distinguished Business Leader of the Year) Award
- BCA Construction Productivity Award – Advocates (Builder – Open Category) – Merit
- Malaysia Landscape Architecture Awards 2014 Excellence Award (International) – My Waterway @ Punggol
- Singapore Prestige Award – Heritage Brands Category 2013
- Green and Gracious Builder Award 2012 (Excellent)
- BCA Construction Excellence Award 2011 – Marina Barrage (Civil Engineering Projects Category)
- BCA Construction Productivity Award – Platinum (Civil Engineering) Punggol Waterway Part 1
- HDB Construction Award – Punggol Waterway Part 1
- Design and Engineering Safety Excellence Award 2010 – Marina Barrage (Merit – Civil Engineering Category)
- Green and Gracious Builder Award 2010 (Merit)
- BizSAFE STAR Certificate
- BizSAFE Partner Certificate
- Acquisition of Koh Brothers Eco Engineering Ltd (formerly known as Metax Engineering Corporation Ltd)
- Parc Olympia (Construction and Real Estate Project)
- Design & Build Contract for Proposed Retention Pond, associated drainage and backfill works at Singapore Changi Airport
- HDB BTO Project at Vine Grove @ Yishun
- Westwood Residences EC (Construction and Real Estate Project)

2010s

- Development of Changi East to effect 3 Runway Operations at Singapore Changi Airport
- Construction of Marina East Desalination Plant
- Construction of Deep Tunnel Sewerage System (Phase 2)
- Construction of cut and cover tunnel at Marina Bay Area for Circle Line 6
- Development of Nonhyeon I'PARK, Gangnam, Seoul, South Korea (Real Estate Project)
- Van Holland (Construction and Real Estate Project)
- Edgeprop Singapore Excellence Awards 2018 Innovation Excellence – Westwood Residences EC
- PropertyGuru Asia Property Awards Singapore 2018 – Westwood Residences EC
 - Best EC
 - Best EC Architectural Design
 - Best EC Landscape Architectural Design
- Featured in the Urban Land Institute report, "Active Transportation and Real Estate: The Next Frontier" Westwood Residences EC

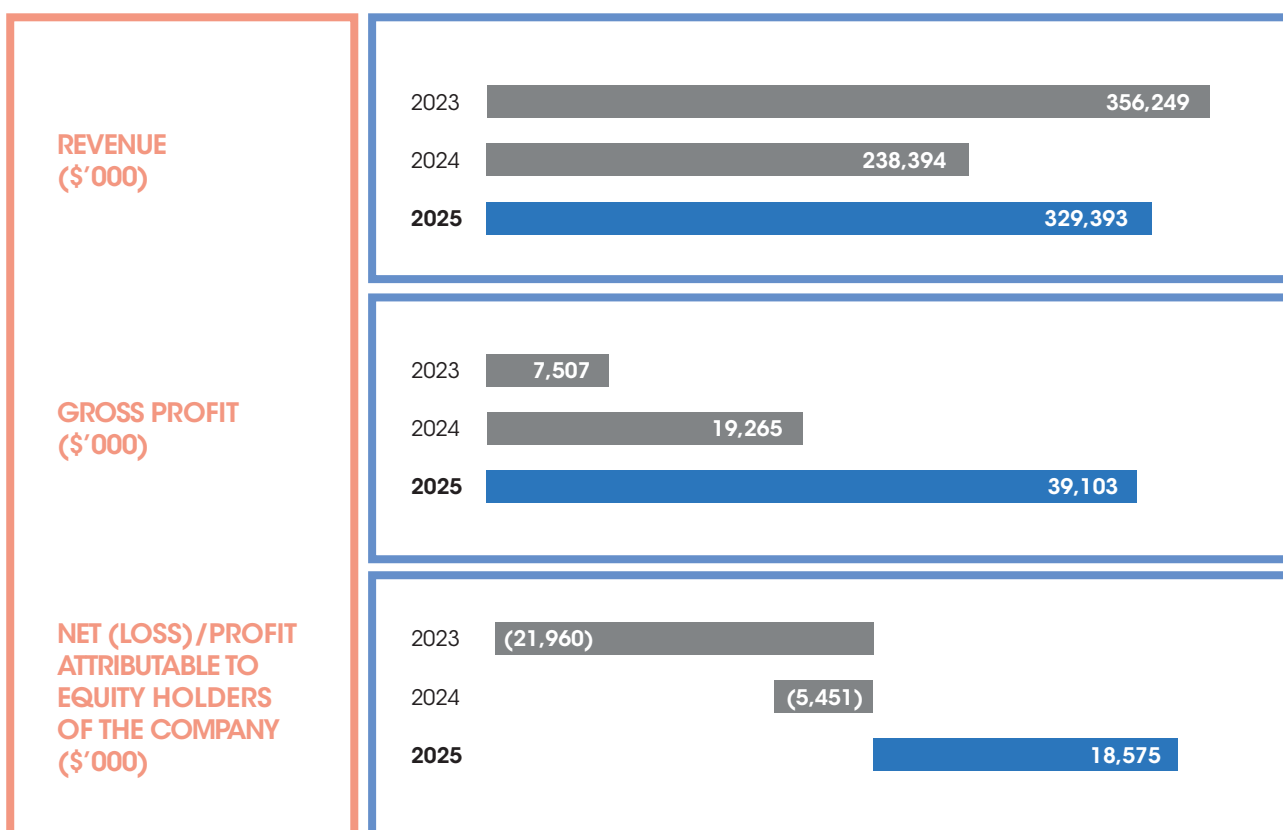
2020s

- Construction of Tuas Water Reclamation Plant Contract 2A – Influent Pumping Stations
- Construction of Tuas Water Reclamation Plant Contract 3B1 – Industrial Liquids Module 1 – MEICA
- Oiltek International Ltd, a subsidiary of Koh Brothers Eco Engineering Ltd was successfully listed on the Catalist Board of the Singapore Exchange "SGX-ST" and has transferred to the mainboard of the SGX-ST subsequently.
- PropertyGuru Asia Property Awards Singapore 2021 – Best Luxury Boutique Condo Development – Van Holland
- PropertyGuru Asia Property Awards Singapore 2021 – Best Boutique Condo Architectural Design – Van Holland
- PUB Project Safety Recognition Awards 2022 – Deep Tunnel Sewerage System (Phase 2)
- HDB Integrated Development Project at Kallang
- Workplace Safety and Health Awards 2024 – bizSAFE Partner Award and Safety
- Health Award Recognition for Projects (SHARP) – Tuas Water Reclamation Plant Contract C2A and Deep Tunnel Sewerage System Phase 2 Contract T08.
- Construction of Piling, Ground Improvement and Earth Retaining Stabilising Structure Works at Toa Payoh Integrated Development Site
- Design and Construction of Multi-Storey Bus Depot at Lorong Halus
- Supply and Installation of Bored Piles to Air Traffic Control Centre
- Construction of intra terminal tunnels at Changi Airport's upcoming Terminal 5 (T5)

FINANCIAL HIGHLIGHTS

	FY2023	FY2024	FY2025
	\$'000	\$'000	\$'000
BALANCE SHEET HIGHLIGHTS			
Shareholders' funds	264,885	259,885	282,963
Cash and bank balances	95,832	71,149	114,345
Net current assets	92,995	55,974	9,083
Total assets	723,368	627,525	682,163
KEY FINANCIAL RATIOS			
Net asset value per share (in cents)	64.22	63.01	68.60
Net gearing (times)	0.54	0.37	0.09
(Loss)/earnings per share (in cents)	(5.32)	(1.32)	4.50
Dividend per share (in cents)	-	-	1.00

PROFIT AND LOSS HIGHLIGHTS



STATEMENT BY EXECUTIVE CHAIRMAN AND GROUP CEO

"Koh Brothers Group aims to maintain resilience in a volatile global environment by building on our proven expertise to benefit from the continued momentum in Singapore's construction industry."

Dear Shareholders,

The global economy in 2025 and early 2026 continued to navigate a complex and volatile landscape. Higher material and labour costs, alongside cautious financing conditions, continued to exert pressure on operating margins within the Group, across the construction and infrastructure sectors.

Recently, geopolitical developments further intensified uncertainty in global markets. Escalating tensions in the Middle East, particularly around the Strait of Hormuz, which is a critical artery for global energy supply, triggered renewed volatility in oil prices and raised concerns over supply chain disruptions. At the same time, broadening trade frictions, including the continuation of the United States' "Liberation Day" baseline tariffs on imports from several trading partners, have contributed to market volatility and heightened concerns over the reliability and cost of cross-border trade. These developments underscore the fragility of the global recovery and the ongoing challenges faced by trade-dependent economies such as Singapore.

To mitigate macroeconomic risks, we locked in contracts with suppliers and subcontractors where possible, helping to safeguard our operating margins against rising material prices, labour costs and financing expenses. At the same time, we implemented operational streamlining initiatives to enhance productivity and strengthen our core capabilities, while adopting innovative solutions to improve efficiency across our projects.

Our construction team remained focused on the smooth and timely delivery of ongoing projects, maintaining high standards of safety, quality and execution. Backed by our established track record and expertise in the infrastructure and construction sectors, the Group continued to benefit from the positive momentum in Singapore's construction market. In 2025, we secured several public sector contracts, including the construction of intra-terminal tunnels at Changi Airport's new Terminal 5 through an integrated joint venture with Penta-Ocean Construction. I am also pleased to share that the Group currently maintains a healthy construction order book exceeding \$1.1 billion, providing strong earnings visibility in the years ahead. Coupled with our strong financial position, supported by a resilient balance sheet, cash reserves of



KOH KENG SIANG (FRANCIS)
Executive Chairman and Group CEO

\$114.3 million and a reduced net gearing ratio of 0.09x as at 31 December 2025, the Group remains well-positioned to capture opportunities while maintaining financial discipline.

OUR FINANCIALS

For FY 2025, the Group's revenue increased 38.2% to \$329.4 million from \$238.4 million over the same corresponding year ("FY 2024"). Gross profit increased to \$39.1 million in FY 2025 from \$19.3 million in FY 2024. This was mainly due to improved gross profit margin from the Construction and Building Materials division, as well as the Real Estate division.

Other gains jumped 310.6% from \$3.4 million in FY2024 to \$14.0 million in FY2025, mainly due to net gain arising from the completion of the disposal of a land in Johor, Malaysia. This was partially offset by fair value loss on investment properties and unrealised foreign exchange loss on trade receivables and cash and bank balances arising primarily from the weakening of the United States Dollar against the Malaysia Ringgit from the Bio-Refinery and Renewable Energy segment.

Share of profit from associated companies and joint ventures decreased 43.0% to \$3.0 million in FY 2025 from \$5.2 million in FY 2024, due to lower contribution from a property development project held by a joint venture which was completed in 2024.

For FY 2025, the Group recorded a turnaround in profitability with a net profit attributable to shareholders of \$18.6 million, from a net loss attributable to shareholders of \$5.5 million in FY 2024.

STATEMENT BY EXECUTIVE CHAIRMAN AND GROUP CEO

Overall, the Group maintained a strong balance sheet with cash and bank balances of \$114.3 million, with shareholders' equity at \$283.0 million as at 31 December 2025. The Group's current ratio remains healthy at 1.03x with a net gearing ratio of 0.09x as at 31 December 2025 compared to 0.37x as at 31 December 2024.

The Group's net asset value per share stood at 68.60 Singapore cents as at 31 December 2025, compared to 63.01 Singapore cents as at 31 December 2024.

CONSTRUCTION AND BUILDING MATERIALS

According to the projection by BCA on 22 January 2026, the total value of construction contracts is expected to range between \$47 billion and \$53 billion in nominal terms in 2026. The average projected construction output at \$44.5 billion in 2026 will be around 7% higher than the preliminary estimate of about \$41.7 billion in 2025. This sustained construction demand expected in 2026 is supported by the expected awarding of additional construction packages for Changi Airport Terminal 5 ("T5") Development, Marina Bay Sands Integrated Resort expansion, New Tengah General & Community Hospital, Downtown Line 2 and Thomson-East Coast Line Extensions. Over the medium-term, construction demand is projected by the BCA to reach an average of between \$39 billion and \$46 billion per year from 2027 to 2030.

Drawing on our 60 years of experience in the construction sector and the synergies provided by our Building Materials division, the Group is well-positioned to capture new opportunities arising from sustained public and private sector construction demand.

We remain focused on the timely execution of ongoing projects, including intra terminal tunnels of T5, Toa Payoh Integrated Development Hub, Multi-Storey Lorong Halus Bus Depot, Deep Tunnel Sewerage System Phase 2 and Tuas Water Reclamation Plant.

For FY2025, the Construction and Building Materials division reported a 43.1% increase in revenue from \$224.3 million in FY2024 to \$321.0 million in FY2025. The revenue accounted for approximately 97.4% of the Group's total revenue.

According to the latest data from the BCA, total demand for ready-mixed concrete in 2025 increased to about 14.5 million m³, from 13.3 million m³ in 2024. For 2026, the demand for ready-mixed concrete is projected to be between 15.0 million m³ and 16.0 million m³. Based on BCA's medium-term outlook for construction activity (including steady public housing programmes and rail and infrastructure developments), precast concrete demand is also expected to continue expanding, likely reaching between 2.5 million m³ and 2.8 million m³ in 2026.

Concurrently, we remain committed to strengthening our research and development efforts to deliver environmentally sustainable solutions that address the evolving needs of our customers, while supporting broader sustainability goals and long-term value creation.

The Group remains positive on the long-term outlook of the Edible & Non-Edible Oil Refinery segment, supported by the steady growth in global consumption of fats and oils driven by increasing demand from food, beverage and industrial applications. The global fats and oils market is projected to grow from USD484.1 billion in 2025 to USD646.1 billion by 2032 (CAGR: 4.21%), while the global vegetable oil market is expected to expand from USD258.5 billion in 2024 to USD446.5 billion by 2035 (CAGR: 5.10%). This expanding market presents continued opportunities for the Group to leverage its engineering expertise and established track record in delivering solutions for vegetable oil processing.

In parallel, the global transition towards environmental sustainability presents growth opportunities for the Group's Renewable Energy segment. Biodiesel mandates in Indonesia and Malaysia, as well as the increasing adoption of Sustainable Aviation Fuel ("SAF"), are expected to drive demand for related infrastructure and processing capabilities. With its experience in designing and delivering plants capable of treating palm oil mill effluent ("POME") and other vegetable oil-based feedstock in compliance with International Sustainability & Carbon Certification ("ISCC") standards, the Group is well positioned to capture opportunities across the renewable fuels and SAF value chain.



STATEMENT BY EXECUTIVE CHAIRMAN AND GROUP CEO

REAL ESTATE

On the property development front, the latest statistics from the Urban Redevelopment Authority indicate that prices of private residential properties rose by 0.6% in the fourth quarter of 2025, compared with a 0.9% increase in the prior quarter, underscoring a moderation in price momentum towards the end of the year. For the whole of 2025, the overall private residential price index increased by 3.3%, marking the smallest annual gain since 2020 as market growth continued to temper amid broader economic headwinds.

Given the uncertain macroeconomic environment, the Group expects the private residential market to remain challenging. Moving forward, we will continue to adopt a prudent and selective approach in replenishing our land bank. In 2025, our Real Estate Division recorded a lower revenue of \$5.2 million in FY2025, compared to \$10.5 million in FY2024.

LEISURE AND HOSPITALITY

Our Leisure and Hospitality Division recorded revenue of \$3.2 million in FY2025, compared to \$3.6 million in FY2024. According to the Singapore Tourism Board ("STB"), international visitor arrivals to Singapore rose to 16.9 million in 2025, up 2.3 per cent from 2024. STB projects 17 million to 18 million visitors in 2026, generating \$31.0 billion to \$32.5 billion in receipts, focusing on new experiences and Tourism 2040 goals. Building on this positive outlook, we expect our Leisure and Hospitality Division to continue contributing positively to the Group's performance.

INTERIM, FINAL AND SPECIAL DIVIDENDS

Koh Brothers Group celebrated our 60th anniversary this year, marking a significant milestone in our journey. In recognition of our improved financial performance and to thank our shareholders for their loyal support over the years, the Board of Directors have proposed a final dividend of 0.30 Singapore cents per ordinary share and a special dividend of 0.60 Singapore cents, subject to shareholders' approval at the upcoming Annual General Meeting. Together with the interim dividend of 0.10 Singapore cents declared in 1H 2025, total distributions will be 1.0 Singapore cents in cash per share for FY 2025.

SUSTAINABILITY

Recognising the built environment's vital role in addressing climate change, the Group continues to embed sustainability at the core of our business strategy and operations. As Singapore advances its transition towards a low-carbon and resilient economy, we remain committed to adapting to evolving market expectations while safeguarding long-term business viability. By prioritising responsible practices, the well-being of our people and the communities we serve, we strive to deliver sustainable value for our stakeholders and contribute positively to Singapore's built environment.

ACKNOWLEDGEMENTS

Looking ahead, uncertainties in the geopolitical and macroeconomic environment are likely to persist. Koh Brothers Group aims to maintain resilience in the current volatile global environment by building on our proven expertise to benefit from the continued momentum in Singapore's construction industry.

The Board of Directors will continue to adopt a balanced approach in returning value to shareholders, taking into account the Group's long-term interests and prevailing market conditions. The Group is committed to prudent capital management and is focused on enhancing its ability to generate sustainable cashflows, while preserving sufficient resources to meet operational requirements and support future growth.

Koh Brothers Group has continued to grow over the past six decades while contributing to Singapore's nation building initiatives. As Singapore continues to enhance its infrastructure to embark on its next phase of growth, we are positive that the Group will be well-positioned to tap opportunities ahead.

On behalf of the Board, I would like to express our sincere appreciation to our management team and staff for their dedication and resilience, as well as to our clients, partners and shareholders for their continued trust and support.

KOH KENG SIANG (FRANCIS)

*Executive Chairman and
Group CEO*

BOARD OF DIRECTORS



KOH KENG SIANG (FRANCIS)
Executive Chairman & Group CEO

MR FRANCIS KOH was appointed as a Director on 5 May 1994 and was last re-elected on 29 April 2025. He was appointed as the Managing Director and Group CEO on 12 January 2007 and was appointed to his current position on 1 January 2024. He is also the Chairman of the Executive Committee and a member of the Nominating Committee.

Mr Koh is also the Non-Executive and Non-Independent Chairman of Koh Brothers Eco Engineering Ltd, Non-Executive Director of Oiltek International Ltd and a counsel member of the Teochew Federation Council and Honorary Chairman of the Singapore Khoh Clan Association.

Mr Koh has been with the Group since 1987, holding various positions in administration, finance and project management. He was instrumental in driving the Group's expansion into Real Estate and Leisure & Hospitality and is credited with establishing the Group's reputation in Singapore as a builder of quality homes.

Mr Koh holds a Master of Business Administration from the National University of Singapore and a Bachelor of Engineering (Hons) from the University of Birmingham. He was conferred the Best Executive Award 1997-1998 by His Excellency, the State Minister of Industry and Trade of the Republic of Indonesia, Mr Ir T Ariwibowo. He was also conferred the Promising SME 500 (Distinguished Business Leader of the Year) in 2014 and was named the Real Estate Personality of the year 2016.



KOH TEAK HUAT
Executive Deputy Chairman

MR KOH TEAK HUAT was appointed as a Director on 2 February 1994 and was last re-elected on 25 April 2023. He is also the Deputy Chairman of the Executive Committee.

Mr Koh joined the Group in 1970 and was a key contributor to the growth of the Group's core businesses. With more than 50 years of experience in the construction industry, he possesses expertise in managing drainage, excavation and reclamation projects.

Mr Koh was conferred the title of Dato' Paduka Mahkota Terengganu Yang Kehormet, D.P.M.T. by the Sultan of Terengganu, Malaysia on 29 April 1994.



KOH KENG HIONG (JOSEPH)
Executive Director and Deputy CEO, Real Estate and Leisure & Hospitality Divisions

MR JOSEPH KOH was appointed as a Director on 7 February 2007 and was last re-elected on 29 April 2025. He is a member of the Executive Committee.

Mr Koh began his career with the Group in 1991 and has played a central role in numerous business development projects across Vietnam and Singapore. With more than 30 years of experience, he has amassed an extensive portfolio of skills and capabilities spanning across a broad spectrum of businesses in hospitality and property. His vast array of expertise encompasses a wide range of corporate and operational functions, including strategic business management, corporate planning, sales and marketing, finance, human resource, information technology, and business development.

Mr Koh holds a Bachelor of Science with (Hons) in Business Administration (majoring in Finance) from the San Francisco State University, California, USA.

BOARD OF DIRECTORS



QUEK CHEE NEE
*Non-Executive and
Non-Independent Director*

MDM QUEK CHEE NEE was appointed as a Director on 2 February 1994 and was last re-elected on 25 April 2023.

Mdm Quek joined the Group in 1969. She assisted in running the Group's construction activities during the early years when the Company was still a sole proprietorship. She was instrumental in guiding the Group through its corporatisation and contributed significantly to its success before relinquishing her executive role.

Mdm Quek has more than 50 years of experience in the construction industry and contributed significantly to the Group's growth.



ONG SEET JOON (AMOS)
*Non-Executive and
Lead Independent Director*

MR AMOS ONG was appointed as a Director on 1 January 2022 and was last re-elected on 29 April 2024. He is the Chairman of the Audit and Risk Committee. He is also a member of the Nominating Committee, Remuneration Committee and Share Purchase Committee.

Mr Ong is the Co-Founding and Co-Managing Partner of A3 Capital Pte Ltd, a privately held Real Estate investment platform headquartered in Singapore. He is also an Independent Director of Tiong Seng Holdings Ltd and Hiap Hoe Ltd.

Prior to A3 Capital, Mr Ong was with Maybank from 1992 to 2021. He held various positions including Country Head of Maybank Hong Kong, President and CEO, Maybank Philippines Inc. and Head of Client Coverage and Global Banking at Maybank Singapore. Mr Ong has close to 30 years commercial banking experience, spanning areas such as strategy and budgeting, asset-liability management, business development, credit risk & marketing, client coverage and solutioning, as well as general management.

Mr Ong holds a Master of Economics degree from Macquarie University and graduated with a Bachelor of Arts (Economics) with First Class Hons from London Metropolitan University.



GOH MOU LIH
*Non-Executive and
Independent Director*

MR GOH MOU LIH was appointed as a Director on 1 January 2022 and was last re-elected on 29 April 2024. He is the Chairman of the Share Purchase Committee.

Mr Goh served as a Consultant from 2012 to 2022 in Quyntr Pte Ltd, a company providing IT and data solutions to the financial and insurance sectors. Before venturing into the IT industry, Mr Goh was Head of Research and Economist at Westcomb Securities Pte Ltd from 2007 to 2012. Between 2014 and 2015, Mr Goh was a Non-Executive Director of Voyage Research Pte Ltd. His earlier roles included Strategist with Daiwa Institute of Research Pte Ltd and Senior Finance Analyst with OCBC Investment Research Pte Ltd.

Mr Goh is a council member of Hwa Chong Alumni Association. He is also a Board member of Singapore Chinese High School. He graduated from the National University of Singapore with a Bachelor of Arts and a Bachelor of Social Science (First Class Hons) in Economics.

BOARD OF DIRECTORS



LOW YEE KHIM (DANNY)

*Non-Executive and
Independent Director*



OW YONG THIAN SOO

*Non-Executive and
Independent Director*



SHARON TAY LEE TENG

*Non-Executive and
Independent Director*

MR DANNY LOW was appointed as a Director on 1 January 2019 and was last re-elected on 29 April 2025. He is the Chairman of the Remuneration Committee and a member of both the Audit and Risk Committee, and Share Purchase Committee.

Mr Low was previously the Executive Director and Chief Operating Officer of Heeton Holdings Ltd, overseeing its finance, leasing, operational, marketing, project management and overseas hospitality activities. Mr Low had a wealth of financial experience and management experience from working in MNCs and various Singapore listed companies.

He is a fellow member of the Institute of Singapore Chartered Accountants and a member of the Singapore Institute of Directors.

MR OW YONG THIAN SOO was appointed as a Director on 20 June 2016 and was last elected on 25 April 2023. He currently serves as Chairman of the Nominating Committee and a member of both the Audit and Risk Committee, and the Remuneration Committee.

Mr Ow Yong has more than 50 years' experience in the legal profession and was admitted to the Singapore Bar in 1982. He is a Senior Partner of Lee & Lee LLP and is the Head of its Real Estate Department. His practice covers a wide range of real estate and financing transactions relating to commercial, industrial and residential properties.

Mr Ow Yong is also an Independent Non-Executive Director of Khen Energy Ltd and MYP Ltd. He serves as the Chairman of both Nominating Committee and Remuneration Committee and as member of the Audit Committee of Khen Energy Ltd. He also serves as the Chairman of the Nominating Committee and as member of both the Audit Committee and Remuneration Committee of MYP Ltd.

MS SHARON TAY was appointed as a Director on 5 August 2025.

Ms Tay has almost 30 years' experience in the legal profession and was admitted to the Singapore Bar in 1996. She is a Senior Partner of Lee & Lee LLP and is the Deputy Head of its Real Estate & Property Department. Her practice covers a wide range of real estate and financing transactions relating to commercial, industrial and residential properties.

Ms Tay graduated from the National University of Singapore in 1995 with a Bachelor of Laws (2nd Class Upper Division).

SENIOR MANAGEMENT

Lee Sok Khian John *Executive Director*

Mr John Lee is an Executive Director of the Company. He is also a Non-Executive and Non-Independent Director of Koh Brothers Eco Engineering Ltd and Independent Director of Datapulse Technology Ltd.

Prior to Mr Lee's appointment as an Executive Director of the Company, he was its Chief Financial Officer and Company Secretary. He has an extensive experience in management, corporate, accounting and finance functions in various industries and listed companies.

Mr Lee is a Fellow of the Institute of Singapore Chartered Accountants and the Association of Chartered Certified Accountants. He is also an Associate of the Chartered Institute of Management Accountants and the Chartered Secretaries Institute of Singapore.

Choo Siew Meng *Deputy Chairman (Koh Brothers Eco Engineering Ltd)*

Mr Choo Siew Meng was appointed as Executive Director (Construction) in December 2017 and was promoted to Deputy Chairman in 2022. He has more than 45 years' experience in the Construction industry including a stint as a Civil Engineer with the Housing & Development Board from 1973 to 1977.

He has been with Koh Brothers Group for over 20 years where he was responsible for the overall performance of the Construction Division. Mr Choo has in-depth knowledge and experience in building projects as well as highly specialised civil engineering and infrastructural projects such as the Marina Barrage, Tuas Drydock, Changi Water Reclamation Plant and the Common Services Tunnel (Marina South).

Mr Choo holds a Bachelor of Engineering from the University of Singapore.

Shin Yong Seub (Paul) *Chief Executive Officer (Koh Brothers Eco Engineering Ltd)*

Mr Paul Shin is the Chief Executive Officer of Koh Brothers Eco Engineering Ltd. Prior to joining Koh Brothers Eco Engineering Ltd in 2016, he held various senior management positions. The last position he held was Head of South East Asia Headquarters in Singapore.

Mr Shin holds a Bachelor of Arts degree in International Business from Hankuk University of Foreign Studies, as well as a Bachelor of Arts in Middle East Politics & Economics from King Saud University. He also has a Master degree in International Business Administration from Korea University.

Bernard Wong Ee Yu *Executive Director (Real Estate Division)*

Mr Bernard Wong joined the Group as Executive Director (Real Estate Division) in 2012 and is responsible for overseeing the operations, business performance and growth of this division. He is also a Non-Executive Director of Oiltek International Ltd.

Mr Wong has more than 30 years' engineering and management experience in the real estate sector. Prior to joining the Group, he held senior and management positions with various property developers in Malaysia.

Mr Wong holds a Bachelor of Engineering (Hons) in Civil Engineering from the University of Birmingham.

CHAN PING MENG *Executive Director (Building Materials Division)*

Mr Chan Ping Meng joined the Building Materials Division as Operations Manager in 1997. He was promoted to Executive Director of G & W Precast Pte Ltd and G & W Building Materials Sdn Bhd in 2013. He has more than 40 years' experience in precast concrete operations and has been involved in precasting for a wide variety of civil engineering, building and marine construction projects.

Mr Chan holds a Diploma in Civil Engineering from the Singapore Polytechnic and a Specialist Diploma in Precast Concrete Construction from the Building and Construction Authority, Singapore.

HO POL LIM EUGENE *Executive Director (Ready-Mix Concrete Division)*

Mr Eugene Ho is the Executive Director of the Ready-Mix Concrete Division. He is responsible for overseeing the operations, business performance and growth of this division. Mr Ho has more than 35 years' working experience in the building materials industry. Prior to joining the Group, he has held various senior positions in major MNC companies, both locally and overseas.

Mr Ho holds a Master of Science (Hons) in Marketing from National University of Ireland and a Bachelor of Business (Business Administration) from Royal Melbourne Institute of Technology.

Adrian Ruzsicska *Chief Information Officer*

Mr Ruzsicska rejoined the Company as Chief Information Officer in 2023. He leads the Group's IT function, overseeing the development and implementation of technology strategy, governance, cybersecurity, and data protection to support business operations and enable compliance with information systems and data protection requirements. He has more than 25 years of experience in the IT and telecommunications industry.

Mr Ruzsicska holds a Bachelor of Computer Science from Northern Territory University and a Master of Business Administration from the National University of Singapore.

Tay Tze Wen (Sammi) *Chief Financial Officer*

Ms Sammi Tay joined the Group in 2006 and is the Chief Financial Officer. She is responsible for the Group's financial affairs including accounting, financial reporting and planning, treasury, taxation, corporate activities as well as risk management. Ms Tay serves as an alternate director to Mr Koh Keng Siang (Francis) in Oiltek International Ltd. She has more than 25 years' experience in auditing, accounting and finance.

Ms Tay holds a Bachelor of Commerce in Accounting and Finance from Monash University, Australia. She is also a Chartered Accountant of ISCA and a member of CPA Australia.

SUSTAINABILITY REPORT

BOARD STATEMENT

Koh Brothers Group Ltd (the "Company", and together with its subsidiaries, the "Group"), is pleased to present its sustainability report for the financial year ended 31 December 2025. This report demonstrates our continuing commitment towards building a more sustainable future, as global and national calls for combating climate change have been increasing.

Being in the construction sector, we understand the impact that our operations have on the environment, and recognize that it is our responsibility to incorporate sustainable practices into our business and daily operations. Our sustainability strategy and principles are also linked to the Group's motto, Building Cities Building Dreams, which drives the behaviors, attitudes, decisions, and actions of the business.

Against the backdrop of the ongoing conflict between Russia and Ukraine and in the Middle East, there is greater uncertainty in the global economy than before. However, the Group remains committed to deliver the best value to our stakeholders in a sustainable manner, while navigating today's challenging operating environment. With the continued support of our business partners and employees, the Group has adapted to the evolving business landscape by adjusting our ways of working to ensure business viability, and supporting the well-being of our employees and local communities.

We endeavor to strengthen the integration of sustainability into the heart of our business by aligning our business strategy with the interests of our stakeholders, while managing the impacts we have on the environment and society. The Group considers sustainability as part of our strategic intent and continues to focus on establishing a strategic pathway to sustainable consumption of environmental resources, setting up a diverse and inclusive workplace, adopt fair employment practices, as well as prioritising the health and safety of our employees.

The Board of Directors of the Group ("the Board") oversees the management and monitoring of the material factors discussed in this report and continues to be supported by management in integrating sustainability considerations into business decisions. As discharged by the Board, management from across the Group is responsible for determining economic, environment, social and governance ("EESG") issues that are material to the Group, and managing and reporting the Group's EESG performance. The Board also oversees the assessment and management of climate-related risks and opportunities.

The Board has tasked the Audit and Risk Committee ("ARC") to review the adequacy and effectiveness of the Group's risk management and internal control systems (including financial, operational, compliance and information technology controls). Together with Management, the ARC regularly reviews the Group's businesses and operational activities to assess and manage potential risk exposure through an Enterprise Risk and Sustainability ("ERS") framework which incorporates a Risk Register to capture significant business risks, and the strategies and internal controls to mitigate risks.

The ERS Management Committee, including relevant members from the Senior Management team, is responsible for setting the direction of corporate risk management and monitoring the implementation of risk management policies

and procedures. The ERS Management Committee reports to the ARC on a regular basis. The Group's financial risk management objectives and policies are set out in the notes to the FY2025 financial statements.

The Board thanks its various stakeholders for being part of our sustainability journey and looks forward to a continued partnership as we strive towards responsible corporate citizenship.

Board of Directors
Koh Brothers Group Ltd

ABOUT THIS REPORT

REPORTING PERIOD AND SCOPE

This report addresses the Group's sustainability practices and performance around its material EESG factors for the period of 1 January to 31 December 2025 ("FY2025"). The scope of the report covers the Group's main operating entities under three business divisions, namely the Construction and Building Materials division, the Real Estate division, and the Leisure and Hospitality division.

REPORTING FRAMEWORK

This report has been prepared in accordance with the requirements of SGX-ST Listing Rules 711A and 711B, and with reference to the Global Reporting Initiative ("GRI") Standards 2021 and the regulations of SGX-ST Practice Note 7.6. The GRI Standards were selected as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures.

We are committed to understanding and disclosing our climate-related risks and opportunities, and are transitioning from the erstwhile Task Force on Climate-related Financial Disclosures ("TCFD") to IFRS S2. We are taking into consideration the extended timelines provided by SGX-ST in its announcement in August 2025, for non-STI constituent listed companies with less than \$1 billion market capitalisation which the Group falls under.

The Group conducted a qualitative assessment of the organisation's climate-risks and opportunities, and potential financial impact in FY2025, involving our Heads of Business Units along with our external consultant, and undertook a ranking exercise to prioritise them. The exercise has been summarised in the current sustainability report, along with the prioritised mitigation plan.

The accuracy and veracity of the information presented in this report has been reported in good faith and to the best of our knowledge. While the information provided has been ensured by internal monitoring and verification, this report has not been externally assured. We conduct an internal review of our sustainability management process, as part of the internal audit cycle.

FEEDBACK

We value and welcome all feedback from stakeholders as they are integral to the continuous improvement of our sustainability practices and reporting.

Please send all the comments and suggestions to our Investor Relations Consultants, Citigate Dewe Rogerson Singapore Pte Ltd. The contact person is Ms Chia Hui Kheng Tel:(65) 65345122.

SUSTAINABILITY REPORT

MANAGING SUSTAINABILITY

SUSTAINABILITY APPROACH

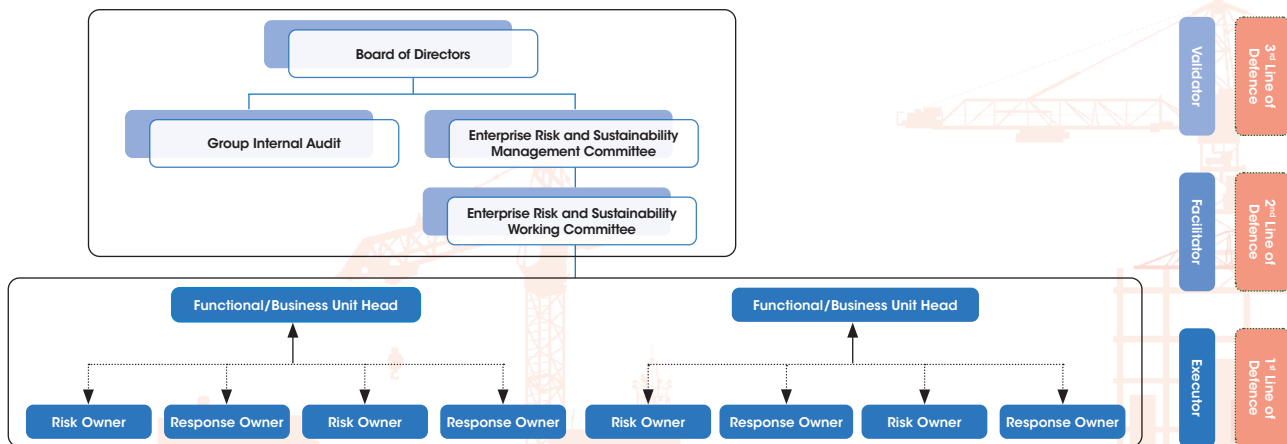


SUSTAINABILITY GOVERNANCE

The Board oversees all sustainability policies and practices. A comprehensive governance framework for material ESG topics is executed by the ERS Working Committee which comprises of various Heads of Business Units.

The Heads of Business Units are responsible for the sustainability performance of their respective units. They work closely with head of departments to implement, monitor and review sustainability data, identifying areas for improvements and addressing gaps, if any. Employees work collaboratively to identify sustainability risks and opportunities and foster a culture of sustainability in the organisation.

All Board members have attended a comprehensive sustainability training since FY2022 except for a newly appointed director during the year who will be completing training by 2026. The training was aimed at equipping our Board members with the knowledge and skills necessary to integrate the sustainability principles into our business operations.



SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT

We understand that stakeholders play a critical role in determining a business' long-term viability and we have identified our key stakeholders as groups or individuals who impact our strategy the most or are directly impacted by it.

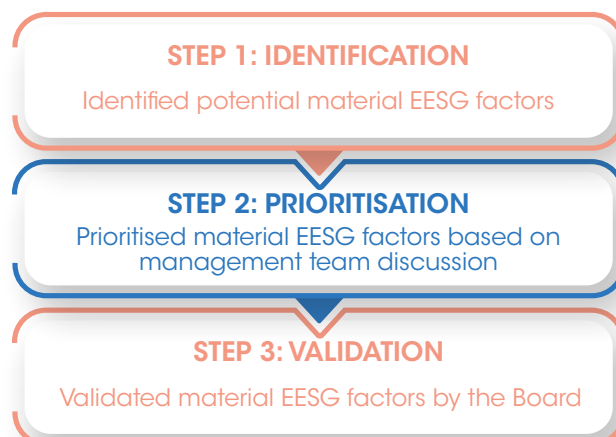
We engage our key stakeholders on a consistent basis to understand their needs and expectations and strive to respond to their concerns in a timely manner. Thus, it is always our priority to maintain open lines of communication with our stakeholders.

Key Stakeholders	Engagement Methods	Key Concerns	Our Responses
Government/ Regulators	<ul style="list-style-type: none"> Participation in government initiatives and policy working groups 	<ul style="list-style-type: none"> Occupational health and safety Regulatory compliance 	<ul style="list-style-type: none"> We work closely with government agencies and regulators to elevate industry standards for sustainable practices, as well as health and safety standards.
Employees	<ul style="list-style-type: none"> Annual performance appraisals Staff orientation for new employees Regular sessions with the Project Heads and/or Heads of Departments to address the training needs of staff Ad-hoc gatherings 	<ul style="list-style-type: none"> Employment Remuneration Benefits Career Progression Training and education 	<ul style="list-style-type: none"> Our employees are our most important asset, and we ensure that they are equipped with the relevant skills to navigate a fast-changing global landscape.
Investors	<ul style="list-style-type: none"> Annual General Meetings Annual reports Notices, Circulars, and Announcements 	<ul style="list-style-type: none"> Voting rights Financial results Key information 	<ul style="list-style-type: none"> We strongly emphasise corporate governance and sustainability and continue to build investors trust and confidence through open dialogue with shareholders.
Customers	<ul style="list-style-type: none"> Websites Face-to-face meetings Electronic medium 	<ul style="list-style-type: none"> Service quality Project completion Price 	<ul style="list-style-type: none"> Delivering the highest standards of quality, safety and sustainability across all our businesses.
Contractors	<ul style="list-style-type: none"> Periodic meetings Contractor/supplier evaluation exercises Electronic medium 	<ul style="list-style-type: none"> Project progress Projects volume Prompt payments 	<ul style="list-style-type: none"> We constantly review and monitor the performance of our subcontractors and suppliers which are governed by our standard operating procedures and improve efficiency throughout the supply chain.
Media	<ul style="list-style-type: none"> Media announcements 	<ul style="list-style-type: none"> Financial results Environmental news Community impact 	<ul style="list-style-type: none"> We are committed to ensuring that accurate and pertinent information is disseminated to the market in a timely and transparent manner as part of good corporate governance.

MATERIALITY ASSESSMENT

We believe that material issues have a direct or indirect impact on our ability to create, preserve or deplete the economic, environmental and social value for ourselves, our stakeholders and the society at large. A materiality assessment allows us to identify aspects most relevant to us, which aids in defining our sustainability goals and their alignment with our business aspirations.

In September 2017, the Company conducted an inaugural 3-step materiality assessment in line with the Materiality Principle of the GRI Standards. The process is described as follows:



SUSTAINABILITY REPORT

In the process of identifying the material EESG factors, the Company considered the following:

- Global and local emerging sustainability trends;
- Main topics and future challenges for the construction, building materials, and real estate sectors, as identified by peers; and
- Insights gained from regular interactions with internal and external stakeholders.

In FY2022, we re-validated the material EESG factors identified in FY2017 and added more material factors in our sustainability reporting. Taking into consideration our business operations, the new sustainability landscape and stakeholders' needs and expectations, the current EESG tabulated factors below were deemed to be relevant and material to the Group.

In FY2025, we continue to report on the following EESG material factors identified in our FY2022 review. The Company will regularly review and assess these material EESG factors to ensure their relevance.

Our assessment yielded these material EESG factors as shown in the following table.

Sustainability Focus Area	Material EESG Factors	GRI Topic specific disclosures
Economic	Economic performance	
Environmental	Energy consumption	302-1, 302-3
	Water withdrawal	303-1, 303-2, 303-3
	Emissions	305-1, 305-2
Social	Waste generation	306-1, 306-2, 306-3
	Employment	401-1, 2-7
	Occupational health and safety	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9
	Training and education	404-1
	Diversity and equal opportunity	405-1
Governance	Non-discrimination	406-1
	Compliance with laws and regulations	2-27
	Anti-corruption	205-3

KEY PERFORMANCE AT A GLANCE¹

GRI Topic Standard	Material EESG Factor with indicator	FY2023	FY2024	FY2025
ECONOMIC				
Economic performance				
Refer to FY2025 Annual Report Pages 59 – 116 for financial statements that provide more information on the Group's economic performance for the financial year ended 31 December 2025				
ENVIRONMENTAL				
Energy consumption				
GRI 302-1: Energy consumption within the organisation	Total energy consumed (GJ)	48,395.13	100,671.05	141,586.93
GRI 302-3: Energy intensity	Total energy intensity (GJ/gross floor area [m ²])	0.87	0.25	0.33
Water consumption				
GRI 303-3: Water withdrawal	Total water withdrawn (Megaliters)	165.54	397.52	362.20
Emissions				
GRI 305-1: Direct (Scope 1) GHG emissions	Total energy direct (Scope 1) GHG emissions in tCO ₂ e	3,127.46	7,016.41	9,301.43
GRI 305-2: Energy indirect (Scope 2) GHG emissions	Total energy indirect (Scope 2) GHG emissions in tCO ₂ e	778.76	1,736.70	3,129.72
Waste generated				
GRI 306-3: Waste generated	Total waste generated (tonnes)	35,222.01	15,974.49	7,679.98
SOCIAL				
Employment				
GRI 401-1: New employee hires and turnover	Total number of employees	495	840	993
	Total number of new employee hires	102	150	203
	Total rate of new employee hires	20.61%	17.86%	20.44%
	Total employee turnover	85	179	131
	Total rate of employee turnover	17.17%	21.31%	13.19%
Occupational health and safety				
GRI 403-9: Work-related injuries (Employees)	Number of work-related fatalities	0	0	0
	Work-related injury rate	1.17	0.00	0.64

¹ The scope of this Sustainability report includes the Company's listed subsidiaries, Koh Brothers Eco Engineering Ltd and Oiltek International Ltd, both of which have also published their own report. Data for one of the Group's overseas entities, PT Koh Brothers Indonesia has been incorporated for the first time in FY2025 for most material topics in this report. Where data is not available, it has been highlighted.

SUSTAINABILITY REPORT

GRI Topic Standard	Material EESG Factor with indicator	FY2023	FY2024	FY2025
Training and education				
GRI 404-1: Average hours of training per year per employee	Total training hours	4,899.90	7,001.00	5,713.60
	Average training hours per employee	9.90	8.33	5.75
Diversity and equal opportunity				
GRI 405-1: Diversity of governance bodies and employees	Employee Distribution:			
	Male	76.16%	85.36%	86.71%
	Female	23.84%	14.64%	13.29%
Non-discrimination				
GRI 406-1: Incidents of discrimination and corrective actions taken	Total number of incidents of discrimination	0	0	0
GOVERNANCE				
Compliance with laws and regulations				
GRI 2-27: Compliance with laws and regulations	Total reported incidents of non-compliance where significant fines ² were incurred	3	0	4
Anti-corruption				
GRI 205-3: Confirmed incidents of corruption and actions taken	Confirmed incidents of corruption	0	0	0

ECONOMIC

ECONOMIC PERFORMANCE

For detailed financial results, business review and performance, please refer to the following sections in our 2025 Annual Report:

- Our Business, pages 02 – 04
- Financial Highlights, page 07
- Financial Statements, pages 59 – 116

ENVIRONMENT

The Group is sensitive to the environmental impact across our business operations and is committed to taking steps to reduce our impact. We include our 'Climate-related Disclosures', our management of water and waste in this section.

OUR CLIMATE-RELATED DISCLOSURES

The Group is acutely aware of the impacts of climate change and the part that each business has to play in bringing it within limits. To achieve climate resilience, we have assessed our climate-related risks and opportunities in line with the former TCFD which is now a part of IFRS S2. We use the embedded framework to share the four pillars of Governance, Strategy, Risk Management and Metrics & Targets to share our approach.

Governance

The Board provides oversight of the Group's approach to climate-related risks and opportunities as part of its broader responsibility for long-term strategy and business resilience. The Board reviews climate-related matters, including identified risks, emerging regulatory developments, and strategic opportunities that may influence the Group's operations, financial performance and market competitiveness. It also approves key disclosures and the overall direction for climate-related integration across the organisation.

The ERS Management Committee supports the Board by supervising the assessment, prioritisation, and management of climate-related risks and opportunities. The ERS Management Committee together with cross-functional ERS Working Committee comprising Senior Management and Heads of Business Units, is responsible for executing the climate-related strategy. Their roles include implementing climate-risk mitigation measures, monitoring performance metrics, ensuring compliance with regulatory requirements and coordinating data collection for climate-related disclosures.

Strategy

The Group has identified its key climate-related risks and opportunities, together with their potential qualitative financial impacts, as outlined in the table below. It has assessed and described how climate-related factors may influence its business activities, including potential implications for revenue, operating costs, and asset valuations. This assessment supports strategic decision-making and enhances the Group's understanding of how climate-related issues may shape future business conditions.

In line with IFRS S2 requirements, the Group plans to deepen its analysis in the coming years by undertaking a structured climate-scenario analysis. This will enable the reassessment of climate-related risks and opportunities over the short, medium, and long term, including their potential financial implications under different climate pathways. This work will be aligned with the extended implementation timeline provided by SGX-ST for non-STI constituent issuers with a market capitalisation below \$1 billion.

² Significant fine is defined as any single fine above SGD5,000 or MYR15,000.

SUSTAINABILITY REPORT

The following table sets out the Group's climate-related risks and opportunities and their potential financial impacts. These statements are forward-looking in nature and are based on current assumptions and projections regarding climate-related developments. They are subject to inherent uncertainties and may differ from actual outcomes. Stakeholders should note that the identified risks, opportunities, and related assumptions are non-exhaustive and may evolve as climate science, regulatory expectations and external conditions change.

Types of Physical Risks	Financial and operational impact	Mitigation plan
Rising mean temperatures	Increase in air-conditioning usage, operating costs, health risks for employees including fatigue, heat stress, dehydration leading to reduced worker productivity and delayed project delivery	<ul style="list-style-type: none"> Conducting site-specific heat risk assessments and implementing heat stress management Setting up cooling and hydration infrastructure
Extreme variability in weather patterns especially precipitation patterns	Impacts on resources availability, operational efficiency and product quality leading to production delays and delivery timelines	<ul style="list-style-type: none"> Prioritise critical resources and operation. Identify high impact resource dependencies e.g., water for concrete batching Develop multiplier supplier options for critical materials
Types of Transition Risks	Financial and operational impact	Mitigation plan
Shifts in consumer preferences	Potentially losing out on evaluation points on newer project tenders which take into consideration sustainability measures in tender awarding criteria	<ul style="list-style-type: none"> Use commercially off-the-shelf products or equipment Explore market for new sustainable products
Changing customer behaviour	New green requirements will impact design mixes across projects	<ul style="list-style-type: none"> Review and interpret new regulations and requirements, sustainability standards affecting materials (e.g., carbon footprints) by engaging clients on their requirements Collaborate with suppliers and professionals
Types of Opportunities	Financial and operational impact	Mitigation plan
Use of efficient production and distribution processes	Adopt closed-loop recycling systems, minimise waste and use reusable forms for just-in-time delivery to improve efficiency	<ul style="list-style-type: none"> Design a closed loop recycling processes by setting up in house recycling or partnership with local recyclers, reintegrate recovered materials into production Train staff on waste segregation, reuse protocols and just-in-time procedures
Use of efficient production and distribution processes	Replace cement in concrete mixes with low-carbon alternatives to reduce carbon emissions, extend lifespan, increase durability and chemical resistance	<ul style="list-style-type: none"> Conduct mix design trials and lab testing using selected low carbon alternatives Collaborate with materials suppliers

Risk management

As part of ongoing enhancements to climate governance, the Group will integrate climate-related risks and opportunities more fully into its Enterprise Risk Management ("ERM") framework. This integration will allow the organisation to systematically evaluate climate-related exposures alongside other strategic, operational, and financial risks, ensuring a consistent and enterprise-wide approach to risk management.

Metrics and Targets

The Group monitors a set of climate-related metrics to evaluate its exposure to climate risks, track performance against sustainability objectives, and support informed decision-making across its operations. These metrics include energy consumption and energy intensity, Scope 1 and Scope 2 greenhouse gas ("GHG") emissions. These are relevant to climate resilience and operational efficiency. The Group has also established climate-related targets that guide its transition efforts and enable accountability for progress over time.

SUSTAINABILITY REPORT

ENERGY AND ENERGY INTENSITY [GRI 302-1, 302-3]

We are committed to making sure our operations are as energy efficient and sustainable as possible. We believe that by taking steps to reduce energy consumption, we can positively impact our environment and help create a healthier future for our stakeholders.

We are continuously exploring new ways to reduce our energy consumption. This includes investigating new technologies and working with sustainability experts to ensure that we are compliant and conduct business responsibly. The Group aspires to help others decrease resources use through promoting green buildings in line with the Singapore Green Building Masterplan.

Measures implemented by the Group as of date include the following:

- Regular maintenance of equipment and facilities to ensure optimal energy efficiency;
- Provision of high-efficiency systems such as lifts with variable voltage frequency and sleep mode features; and
- Installation of energy-efficient light fittings and motion sensors on common staircases and toilets.

We also understand that measures must be identified and taken on a firm-wide level to improve our energy consumption performance. In this regard, we have continued to make efforts to conserve our resources and managing our consumptions so that the Group can optimise its utilities and emissions performance. We are proud of the steps we have taken so far, and we strive to continue improving our efforts to manage energy consumption more efficiently.

In FY2025, the total energy consumption was 141,586.93 GJ³ as compared to 100,671.05 GJ in FY2024. 80.4% of this energy consumption for FY2025 comes from diesel, while the remaining 19.6% is from petrol, natural gas and electricity.

Diesel consumption increased to 113,891.84 GJ in FY2025 from 85,676.92 GJ in FY2024. The increase in diesel consumption in FY2025 is primarily due to increased construction activities. The bulk of the increase in electricity consumption to 26,871.70 GJ in FY2025 from 14,872.38 GJ in FY2024 is also due to project related activities.

Total Energy Consumption in GJ		FY2023	FY2024	FY2025
Non-Renewable Fuel	Diesel	41,957.31	85,676.92	113,891.84
	Petrol	0.00	121.75	141.73
	Natural Gas	0.00	0.00	681.65
Energy	Electricity	6,437.82	14,872.38	26,871.70
Total		48,395.13	100,671.05	141,586.93

Energy intensity for FY2025 is 0.33 based on energy consumed per gross floor area ("GFA"), as compared to the energy intensity of 0.25 for FY2024.

In FY2026, we aim to conserve energy use, and maintain our energy consumption intensity levels.

		FY2023	FY2024	FY2025
Total Energy Consumption	GJ	48,395.13	100,671.05	141,586.93
Intensity Indicator	GFA (m ²)	55,364.31	404,304.55	432,215.38
Intensity: GJ per GFA		0.87	0.25	0.33

EMISSIONS [GRI 305-1, 305-2]

Managing emissions is central to our sustainability strategy as we strive to mitigate climate change. To achieve this end, we measure and report our greenhouse gas emissions across our operations.

Our Scope 1 emissions that result directly from our operations is 9,301.43 tCO₂e as compared to 7,016.41 tCO₂e in FY2024. Scope 1 emissions make up about 74.8% of our total GHG emissions in FY2025. Our Scope 2 emissions amounting to 3,129.72 tCO₂e as compared to 1,736.70 tCO₂e in FY2024 making up 25.2% of total scope 1 and scope 2 emissions in FY2025. The reason for the increase has been described in the "Energy and Energy Intensity" section.

We are tracking and monitoring our total GHG emissions, in order to identify opportunities for improvement to make our processes more efficient and transition to a lower carbon economy.

In FY2026, we aim to maintain emissions and emissions intensity levels.

Scope 1 & 2 GHG Emissions in tCO ₂ e ⁴	FY2023	FY2024	FY2025
Scope 1 (tCO ₂ e)	3,127.46	7,016.41	9,301.43
Scope 2 (tCO ₂ e)	778.76	1,736.70	3,129.72
Total	3,906.22	8,753.11	12,431.15

³ Energy conversion factors are based on Emission Factors for Cross Sector Tools V2.0 March 2024 - IPCC 2006.

⁴ The calculations are aligned with the principles of the GHG Protocol. Conversion factors for the above table are based on Emission Factors for Cross Sector Tools V2.0 March 2024.

FY2023 conversion factors used stationary combustion only whereas FY2024 and FY2025 used mobile combustion due to updates in the Emission Factors for Cross Sector Tools, V2.0 (updated in March 2024)
Grid Emission Factors are sourced from Singapore Energy Market Authority (EMA) and IGES Institute for Global Environmental Strategies (2021), List of Grid Emission Factors, version 11.6.

SUSTAINABILITY REPORT

WATER

[GRI 303-1, 303-2, 303-3]

At the Group, we are firmly committed to managing our water consumption responsibly and sustainably. As a company, we understand the importance of conserving water as a valuable resource, especially in light of the increasing impact of climate change. Our commitment to reducing our water consumption applies to our construction work. We make sure that we use NEWater and recycled water instead of PUB domestic water for construction works e.g. cleaning of sites.

Our commitment to managing water consumption is an integral part of our sustainability efforts. To manage the Group's environmental performance holistically and systematically, we also maintain the ISO 14001:2015 certification for environmental management systems. This certification helps map out a framework that we can adhere to set up an effective environmental management system, demonstrating our commitment to improving and reducing our environmental impact. As we continue to implement strategies and techniques, we look forward to seeing more positive impact to the environment.

In FY2025, our total water withdrawn was 362.20 megaliters⁵ as compared to 397.52 megaliters in FY2024, from our Singapore, Malaysia and Indonesia operations.

Total Water Withdrawn (Megaliters)	FY2023	FY2024	FY2025
Third-party water	165.54	397.52	362.20

Our water consumption was dependent on type, size, construction stage and construction activity. Furthermore, annual consumption trends may not be entirely comparable as water consumption tend to be higher when there is an increase in construction activities. In FY2026, we aim to conserve our water used within our projects and operations.

WASTE

[GRI 306-1, 306-2, 306-3]

The Group understands that it is important to account for the waste we generate annually to track our performance and improve our sustainability management. As part of our commitment to sustainability, we have been diligently tracking and monitoring our waste generation which is largely dependent on the level of construction activities. Accounting for waste generation shows the extent to which we manage waste-related impacts. We are committed to manage our waste generation well, providing regular updates and reduce the negative impacts from our waste generation.

The waste that is generated from construction activities as construction waste and general waste is non-hazardous in nature, and it is disposed safely offsite through licensed contractors.

In FY2025, the Group's total waste generation was 7,679.98 tonnes of non-hazardous commercial and industrial waste as compared to 15,974.49 tonnes in FY2024. The reduction is due to waste from building materials being recycled into concrete blocks.

Our waste generation is project dependent. In FY2026, we expect to continue our waste recycling activities.

Total Non-Hazardous Waste Generated (tonne)	FY2023	FY2024	FY2025 ⁶
Construction waste & general waste	35,222.01	15,974.49	7,679.98

SOCIAL

The Group is committed to creating a sustainable future that respects and protects human rights within our operations. We are committed to upholding the fundamental principles of human rights based on the United Nations Guiding Principles on Business and Human Rights. We take steps to ensure that our practices and policies are respectful to the rights of every individual we conduct business with.

In particular, we are committed to:

- Adhering to the Employment Laws and Regulations in the countries we operate in;
- Upholding labour rights, such as the rights to safe and fair working conditions;
- Promoting diversity and equal opportunities and non-discrimination in our workplace; and
- Ensuring respects to the local communities by adhering to the applicable laws and regulations.



⁵ Based on WRI Water Aqueduct Tool, the areas where water is withdrawn have the following levels of water stress (Singapore: low, Malaysia: low-medium, Batam: high)

⁶ Data excludes waste from Indonesian operations

SUSTAINABILITY REPORT

EMPLOYMENT [GRI 401-1, 2-7]

We recognise the key role that employees play in the success of our business. Therefore, the Group remains committed to support and develop our employees wherever possible. We hope to create an environment where employees share the same values with the Group. The Group offers competitive salaries, training programmes, and excellent growth and development opportunities - all to create a compelling and rewarding work environment. Notwithstanding this, we have to acknowledge the current tight labour market and the challenges of retaining employees especially in the construction industry.



The Group also reviews each employee's development plans during the annual performance appraisal to ensure that their training needs and goals are addressed.



The Group's total number of employees was 993 in FY2025 as compared to 840 in FY2024.

Gender Profile	FY2023			FY2024			FY2025			
	SG	MY	Total	SG	MY	Total	SG	MY	ID	Total
Male	295	82	377	591	126	717	712	131	18	861
Female	85	33	118	89	34	123	96	33	3	132
Total	380	115	495	680	160	840	808	164	21	993

SG: Singapore; MY: Malaysia; ID: Indonesia

The following tables detail the various break up of total workforce data for FY2025.

99.70% of our staff are employed on a full-time basis, while 0.30% are part-time employees. Our hiring rate in FY2025 was 20.44% compared to 17.86% in the previous year. Our turnover rate dropped to 13.19% in FY2025 compared to 21.31% in FY2024. In FY2025, we did not hire any employees with non-guaranteed hours.

Total Number of Employees by Gender		FY2023			FY2024			FY2025			
		SG	MY	Total	SG	MY	Total	SG	MY	ID	Total
No. of Full-time Employees	Male	295	82	377	591	126	717	712	131	18	861
	Female	83	33	116	87	34	121	93	33	3	129
	Total	378	115	493	678	160	838	805	164	21	990
No. of Part-time Employees	Male	0	0	0	0	0	0	0	0	0	0
	Female	2	0	2	2	0	2	3	0	0	3
	Total	2	0	2	2	0	2	3	0	0	3
Grand Total		380	115	495	680	160	840	808	164	21	993
No. of Permanent Employees	Male	295	82	377	591	126	717	712	131	13	856
	Female	85	33	116	88	34	122	96	33	3	132
	Total	380	115	495	679	160	839	808	164	16	988
No. of Temporary/Contract Employees	Male	0	0	0	0	0	0	0	0	5	5
	Female	0	0	0	1	0	1	0	0	0	0
	Total	0	0	0	1	0	1	0	0	5	5
Grand Total		380	115	495	680	160	840	808	164	21	993

SUSTAINABILITY REPORT

Total Number and Rate of Hiring	FY2023						FY2024						FY2025							
	SG		MY		Total		SG		MY		Total		SG		MY		ID		Total	
	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate
Male	58	15.26%	21	18.26%	79	15.96%	118	17.35%	7	4.38%	125	14.88%	154	19.06%	16	9.76%	4	19.05%	174	17.52%
Female	15	3.95%	8	6.96%	23	4.65%	21	3.09%	4	2.50%	25	2.98%	28	3.46%	1	0.61%	0	0.00%	29	2.92%
Total	73	19.21%	29	25.22%	102	20.61%	139	20.44%	11	6.88%	150	17.86%	182	22.52%	17	10.37%	4	19.05%	203	20.44%
Under 30 years old	3	0.79%	16	13.91%	19	3.84%	32	4.71%	7	4.38%	39	4.64%	33	4.08%	5	3.05%	2	9.52%	40	4.03%
30-50 years old	46	12.10%	12	10.44%	58	11.72%	91	13.38%	3	1.88%	94	11.19%	123	15.22%	10	6.10%	2	9.52%	135	13.60%
Over 50 years old	24	6.32%	1	0.87%	25	5.05%	16	2.35%	1	0.62%	17	2.03%	26	3.22%	2	1.22%	0	0.00%	28	2.82%
Total	73	19.21%	29	25.22%	102	20.61%	139	20.44%	11	6.88%	150	17.86%	182	22.52%	17	10.37%	4	19.05%	203	20.44%

Total No. of Resignations and Turnover Rate	FY2023						FY2024						FY2025							
	SG		MY		Total		SG		MY		Total		SG		MY		ID		Total	
	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate	No	Rate
Male	49	12.89%	11	9.56%	60	12.12%	135	19.85%	22	13.75%	157	18.69%	94	11.63%	11	6.71%	1	4.76%	106	10.67%
Female	21	5.53%	4	3.48%	25	5.05%	19	2.80%	3	1.88%	22	2.62%	22	2.72%	3	1.83%	0	0.00%	25	2.52%
Total	70	18.42%	15	13.04%	85	17.17%	154	22.65%	25	15.63%	179	21.31%	116	14.36%	14	8.54%	1	4.76%	131	13.19%
Under 30 years old	3	0.79%	6	5.21%	9	1.82%	25	3.68%	10	6.25%	35	4.17%	13	1.61%	5	3.05%	0	0.00%	18	1.81%
30-50 years old	44	11.58%	8	6.96%	52	10.50%	91	13.38%	14	8.75%	105	12.50%	73	9.03%	8	4.88%	1	4.76%	82	8.26%
Over 50 years old	23	6.05%	1	0.87%	24	4.85%	38	5.59%	1	0.63%	39	4.64%	30	3.71%	1	0.61%	0	0.00%	31	3.12%
Total	70	18.42%	15	13.04%	85	17.17%	154	22.65%	25	15.63%	179	21.31%	116	14.36%	14	8.54%	1	4.76%	131	13.19%

In FY2026, we aim to manage hiring and staff turnover rates in line with our operational needs, while continuing to engage our employees to support workforce stability.

OCCUPATIONAL HEALTH AND SAFETY

[GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9]

Safeguarding our employees' health and safety is of utmost importance to us and is integral to ensuring smooth operations. We believe that work progress cannot be achieved at the expense of health and safety, hence the tone of defining employees' health and safety is crucial in fostering a safe and effective working environment. Maintaining a safe working environment is also the responsibility of all employees and Management across the organisation.

We have established Health and Safety Policies. Our Construction and Building Materials Division has fortnightly meetings to discuss health and safety issues and incidents and evaluate the sufficiency of health and safety initiatives. A Health and Safety Forum is also held quarterly, where the Management of the Construction and Building Materials Division will discuss health and safety issues with its Health, Safety, and Environment ("HSE") staff.

With the establishment of the HSE Management Committee, monthly site visits and inspections are conducted, and thereafter committee meetings are held to discuss the health and safety issues. Our Construction and Building Materials Division has set aside a health and safety budget dedicated to implementing health and safety improvement initiatives. Procedures are also in place to award workers, supervisors and subcontractors for safety-conscious behaviours to incentivise and nurture the safety culture, such as Best Safety Conscious Supervisor and Worker awards.

At the project level, health and safety risks and impacts are assessed for all projects opportunities for improvement in the different project life cycle stages are identified, such as during project plan development, project execution and project handover. At weekly project meetings, health and safety issues are discussed and messages from the meetings are cascaded to all supervisors and workers every morning before starting work. A group chat has also been formed to facilitate real-time safety updates and incident reporting between the Management and project teams.

Periodic meetings are conducted with project consultants to highlight any health and safety related matters. If any safety incident was reported by employees or visitors, the project team is responsible for conducting timely investigation and execution of preventive and corrective actions. We have a group of appointed clinics to provide readily available medical and healthcare services to employees and workers when required.



SUSTAINABILITY REPORT

To supplement regular reviews of health and safety issues at various levels, we provide regular trainings to educate employees on the potential occupational health risks and safety hazards, as well as the proper precautions to take. Each of our projects has a training plan and various HSE trainings are conducted monthly. Employees are also required to complete a HSE induction programme at Koh Brothers Training Centre.

In FY2025, there were zero fatalities. Likewise, there were zero high consequence work-related injuries (excluding fatalities) in FY2025. The recordable workplace injury rate for employees in FY2025 was 0.64 compared to zero in FY2024 with the number of manhours as the base.

Total manhours in FY2025 was 1,574,544 hours as compared to 1,422,704 hours in FY2024.

In FY2026, we aim to maintain zero workplace fatalities, zero high-consequence work-related injuries (excluding fatalities), and aim to work towards reducing the recordable injuries to zero.

For all employees	FY2023		FY2024		FY2025	
	No. of cases	Rate	No. of cases	Rate	No. of cases	Rate
Fatalities as a result of work-related injury	0	0.00	0	0.00	0	0.00
High-consequence work-related injuries (excluding fatalities)	0	0.00	0	0.00	0	0.00
Recordable work-related injuries (including fatalities, if any)	7	1.17	0	0.00	1	0.64
Total Manhours	5,989,254		1,422,704		1,574,544	

For all workers who are not employees but whose work and/or workplace is controlled by the organisation (Sub-contractors' workers)	FY2024		FY2025	
	No. of cases	Rate	No. of cases	Rate
Fatalities as a result of work-related injury	0	0.00	0	0.00
High-consequence work-related injuries (excluding fatalities)	1	0.25	0	0.00
Recordable work-related injuries (including fatalities, if any)	2	0.50	3	0.95
Total Manhours	3,982,095		3,159,782	

TRAINING AND EDUCATION [GRI 404-1]

We understand that value creation and sustainability are critical issues facing businesses today, and that is why we encourage training and education for our employees to equip them with the necessary skills and knowledge to promote business improvement and sustainability in all areas of our operations.

Another key to retaining employees is to provide them with an engaging and fulfilling career by helping them discover and achieve their full potential. The Group provides academic and professional courses for job enhancement or job requirements, including job rotations, which allows employees to gain different skill sets and deepen their understanding of the Group's operations.

In FY2025, a majority of our senior management and other employees received training on sustainability, including topics such as climate risk and carbon accounting. We believe sustainability principles will guide us in our journey to manage sustainability issues. We remain committed to sustainability and will continue to invest in training and educational programmes that enhance our capacity to create long-term value for all stakeholders.

In FY2025, KBG's employees total training hours was 5,713.60 hours as compared to 7,001.00 hours in FY2024. The average training hours per employee was 5.75 hours as compared to 8.33 hours in FY2024.

We target to increase the average training hours per employee in FY2026.

Employee Category	FY2023	FY2024	FY2025
Management	5.34	3.81	5.07
Manager	14.38	7.64	8.00
Executive	11.32	11.42	6.84
Non-Executive	3.70	3.57	4.42
General Worker	NA	9.09	4.86
Average Training Hours	9.90	8.33	5.75

Average Training Hour by Gender	FY2023	FY2024	FY2025
Male	10.81	8.50	5.76
Female	6.98	7.40	5.70
Average Training Hours	9.90	8.33	5.75



SUSTAINABILITY REPORT

DIVERSITY AND EQUAL OPPORTUNITY [GRI 405-1]

Diversity is essential to building a dynamic, engaging, and productive workforce for our Group. We do not tolerate any discrimination on the grounds of gender, age, race, religious affiliation, disability or marital status. We adopt a fair employment policy that provides everyone with equal opportunities free from discrimination. All employees are evaluated based on their merits and have an equal opportunity to be trained, promoted, selected for posts, and to have their employments terminated fairly.

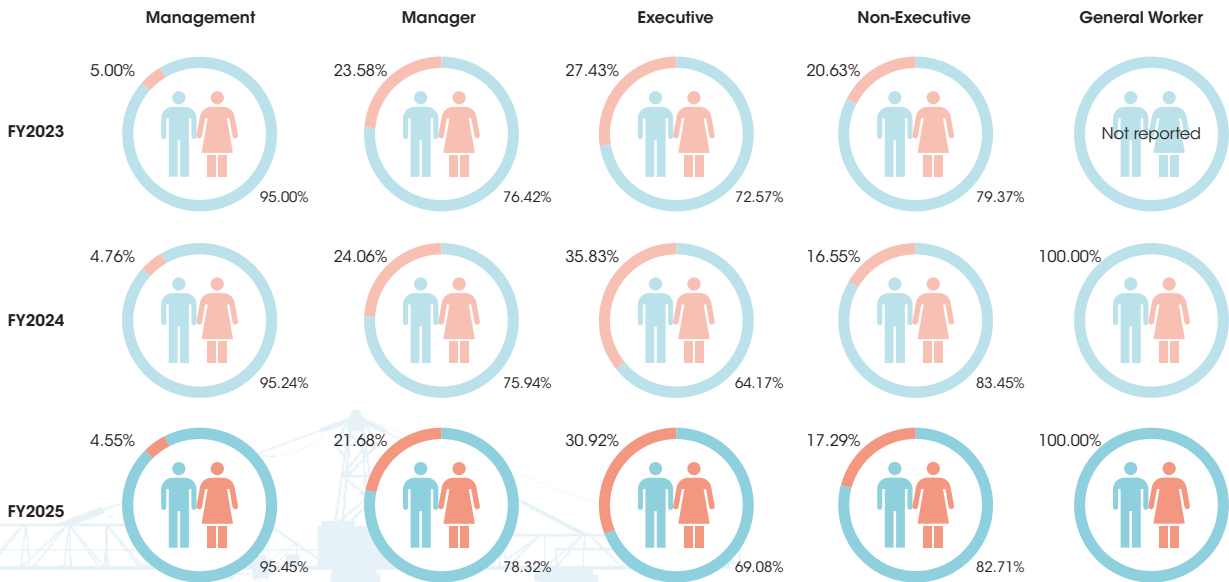
Recognising that we operate in a male-dominated industry, the Group has highlighted the importance of monitoring gender diversity and in FY2026, we will continue to explore opportunities to improve inclusivity and gender diversity

among our workforce. In addition, the Group believes that understanding our employees' needs is crucial to retaining employees, and thus deploy an "open-door" policy to encourage communication between management and employees.

In FY2025, out of 993 employees, we had 86.71% males and 13.29% females as compared to 85.36% males and 14.64% females in FY2024. The following tables show the percentage of employees by gender, by employee category and by age group.

Percentage of Employees by Gender	FY2023	FY2024	FY2025
Male	76.16%	85.36%	86.71%
Female	23.84%	14.64%	13.29%

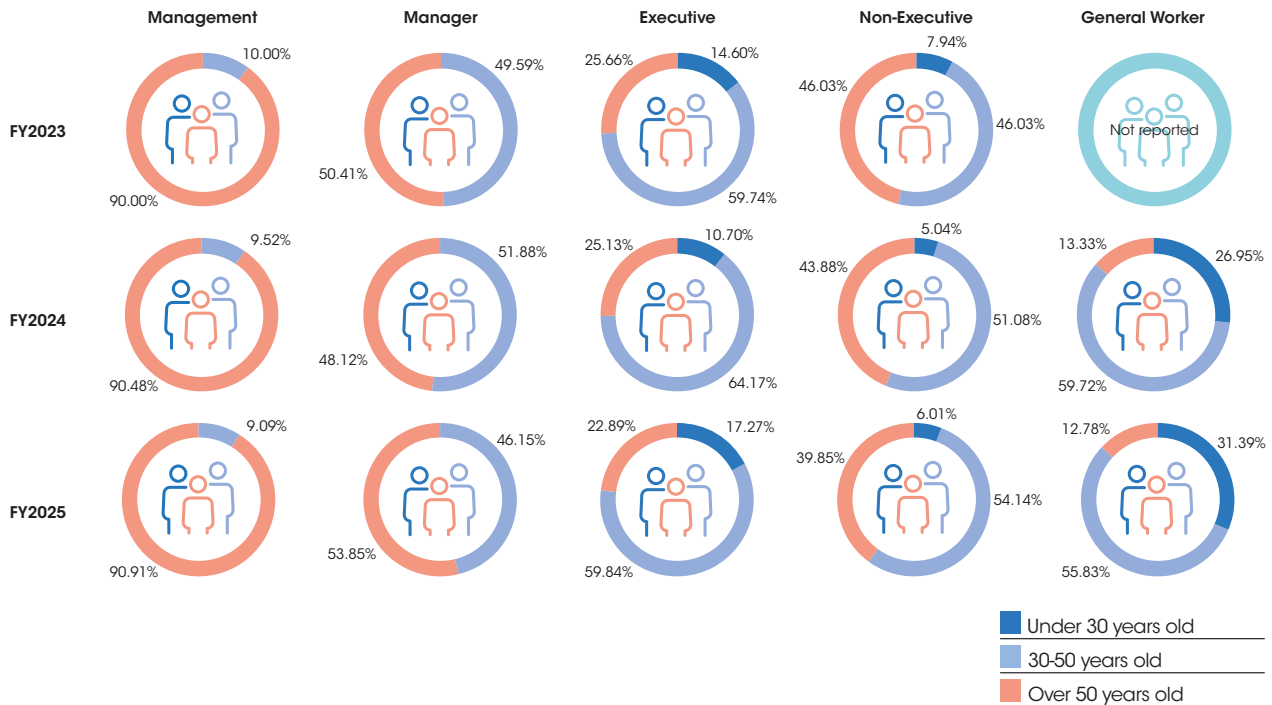
Percentage of Employees by Category and Gender



Male
Female

SUSTAINABILITY REPORT

Percentage of Employees by Category and Age Group



Board Diversity

Our commitment to Board diversity enables us to leverage unique perspectives of each Board members in order to make well-rounded decisions and foster a culture of inclusions. We believe that by having a diverse Board of Directors, we are creating an environment where everyone can contribute their ideas and perspectives, leading to improved business performance. We also understand that strong Board diversity can help create better relationships with our stakeholders and help us better understand their needs.

In FY2025, the Board’s composition remained the same as in FY2024 with 77.78% males and 22.22% females, with all members being over 50 years old.

In FY2026 we will continue to explore opportunities to improve inclusivity and gender diversity in our Board.

Composition of Board of Directors by Gender	FY2023	FY2024	FY2025
Male	85.19%	77.78%	77.78%
Female	14.81%	22.22%	22.22%

Composition of Board of Directors by Age Group	FY2023	FY2024	FY2025
Under 30 yrs old	0.00%	0.00%	0.00%
30 - 50 yrs old	3.70%	0.00%	0.00%
Over 50 yrs old	96.30%	100.00%	100.00%

LOCAL COMMUNITIES

As a socially responsible corporation, KBG is dedicated to being a force which brings positive impacts to the local communities it operates in. Giving back to the society that has supported the growth of KBG is at the core of our values. KBG contributes and reaches out to the society through corporate social responsibility (“CSR”) initiatives, which includes corporate philanthropy, volunteerism, environment and corporate sponsorship. During the year, our employees have been actively involved in food distribution to needy families.

At our Group, we understand the importance of collaboration and knowledge sharing within our industry. We are proud to participate in local industry associations as part of our efforts to further value creation and sustainability. By joining industry associations as members, we are able to use the knowledge and resources gained to continuously improve our business operations. We believe that this commitment will enable us to stay ahead of the competition and better serve our clients.

We are members of the following associations:

- Ready-Mixed Concrete Association of Singapore
- Prefabrication Association of Singapore
- Tunnelling & Underground Construction Society Singapore
- Singapore Contractors Association
- Real Estate Developers’ Association of Singapore
- Serviced Apartments Association

SUSTAINABILITY REPORT

NON-DISCRIMINATION

[GRI 406-1]

We abide by the guideline of the Tripartite Alliance on Fair & Progressive Employment Practices ("TAFEP") to which employers must recruit and select employees on the basis of merit (such as skills, experience or ability to perform the job), and regardless of age, race, gender, religion, marital status and family responsibilities, or disability. We follow the principles embodied in these guidelines, by recruiting on merit, respecting employees, providing fair opportunities and rewarding fairly, and comply with labour laws.

At KBG, our Code of Conduct forbids discrimination and our policies are laid down to ensure we do not make any distinction, exclusion or preference made on the basis of race, colour, gender, religion, political opinion, national extraction or social origin (among other characteristics), which has the effect of nullifying or impairing equality of opportunity and treatment in employment or occupation.

For FY2025, we had no reported incidents of discrimination. Our target for FY2026 is to have zero reported incidents of discrimination.

GOVERNANCE

COMPLIANCE WITH LAWS AND REGULATIONS

[GRI 2-27]

We recognise the importance of taking proactive measures to ensure that our employees understand and adhere to the applicable laws and regulations. We will ensure that all employees are informed about the ethical standards to which we hold ourselves and are properly trained on applicable laws, regulations and policies. We have implemented internal policies and procedures designed to prevent incidents that could negatively affect our Group and its stakeholders.

We believe that the trust of our stakeholders is essential for our success. We are committed to providing clear and timely communication regarding any issues that may arise. We also encourage open dialogue and feedback on our practices, and we take all concerns seriously.

In relation to the Group's environmental performance, we maintain the ISO 14001:2015 certification for environmental management systems. This certification helps map out a framework that we can adhere to set up an environmental effective management system, demonstrating our commitment to improving and reducing our environmental impact. Going forward, we will continue to conform to all external audits conducted for the aforementioned management system.

As mentioned in our corporate governance report, 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. Directors have been appointed based on their caliber, expertise and experience. Board members comprise business leaders and professionals with finance, legal and industry knowledge. The Board, in concurrence with the Nominating Committee ("NC"), is satisfied that the Board has the appropriate mix

of expertise and experience, and collectively possesses the necessary core competencies to lead and govern the Group effectively. In this regard, the NC considered, amongst others, the skills, knowledge, and experience required of the Board, in light of:

- the geographical spread and diversity of the Group's business;
- the strategic direction and progress of the Group;
- the current composition of the Board; and
- the need for independence.

Our corporate governance report also discusses the procedures for developing remuneration policies and level and mix of remuneration, risk management and internal controls. For detailed information regarding the corporate governance report, please go to Pages 33 - 50 in the Annual Report FY2025.

In FY2025, we had 4 significant incidents of non-compliance to the applicable laws and regulations. There were zero instances for which non-monetary sanctions were incurred. The total value of fines, (both significant and non-significant) for FY2025 was \$40,200 and \$165. There was one fine for instances of non-compliance with laws and regulations that occurred in the previous reporting period.

We target to achieve zero reported incidents of non-compliance to the applicable laws and regulations and zero instances for which non-monetary sanctions are incurred in FY2026.

ANTI-CORRUPTION

[GRI 205-3]

The Group is committed to conducting its business lawfully and ethically with integrity. At Koh Brothers Group Ltd, we have a zero-tolerance policy towards corruption, fraud, and bribery. We have put in place measures to help prevent, detect, and investigate any of such activity through our whistle-blowing policy.

Employees may, in confidence, raise or report genuine concerns about possible improprieties in matters of business activities, financial reporting or other matters they may encounter without fear of retaliatory action to the ARC. We are committed to ensure anonymity and protection of the whistle-blower against detrimental or unfair treatment. Only the Independent Directors of the ARC of the Company have been appointed to review and carry out investigations on all such complaints and/or concerns raised.

We are also dedicated to working with our business partners, suppliers, and subcontractors to ensure that they adhere to the same high standards of integrity and ethics that we strive for. We believe that helping to create an environment where everyone can benefit from fair and ethical business practices aligned with our general sustainability direction.

In FY2025, we have zero confirmed incidents of corruption reported to the management.

We target to have zero confirmed incidents of corruption reported to the management in FY2026.

SUSTAINABILITY REPORT

GRI CONTENT INDEX

Statement of Use	Koh Brothers Group Ltd has reported the information cited in this GRI content index for the period from 1 January 2025 to 31 December 2025 with reference to GRI Standards
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Page Reference
GRI: Reporting with reference to GRI Standards		
Requirement 1	Apply the reporting principles	SR Board Statement, Page 15
Requirement 2	Report the disclosures in GRI 2: General Disclosures 2021	GRI Content Index, Page 29-32
Requirement 3	Determine material topics	SR Materiality Assessment, Page 17-18
Requirement 4	Report the disclosures in GRI 3: Material Topics 2021	GRI Content Index, Page 29-32
Requirement 5	Report disclosures from the GRI Topic Standards for each material topic	GRI Content Index, Page 29-32
Requirement 6	Provide reasons for the omission of disclosures and requirements that the organisation cannot comply with	GRI Content Index, Page 29-32
Requirement 7	Publish a GRI content index	GRI Content Index, Page 29-32
Requirement 8	Provide a statement of use	GRI Content Index, Page 29-32
Requirement 9	Notify GRI	We will notify GRI after publication of SR
GRI 2: General Disclosures 2021	2-1: Organisational details	AR, Page 1-4
	2-2: Entities included in the organisation's sustainability reporting	SR, Page 18
	2-3: Reporting period, frequency and contact point	About this Report, Page 15
		About this Report, Page 15
	2-4: Restatements of information	NA
	2-5: External assurance	No external assurance
2-6: Activities, value chain and other business relationships	AR Page, Page 2-4	



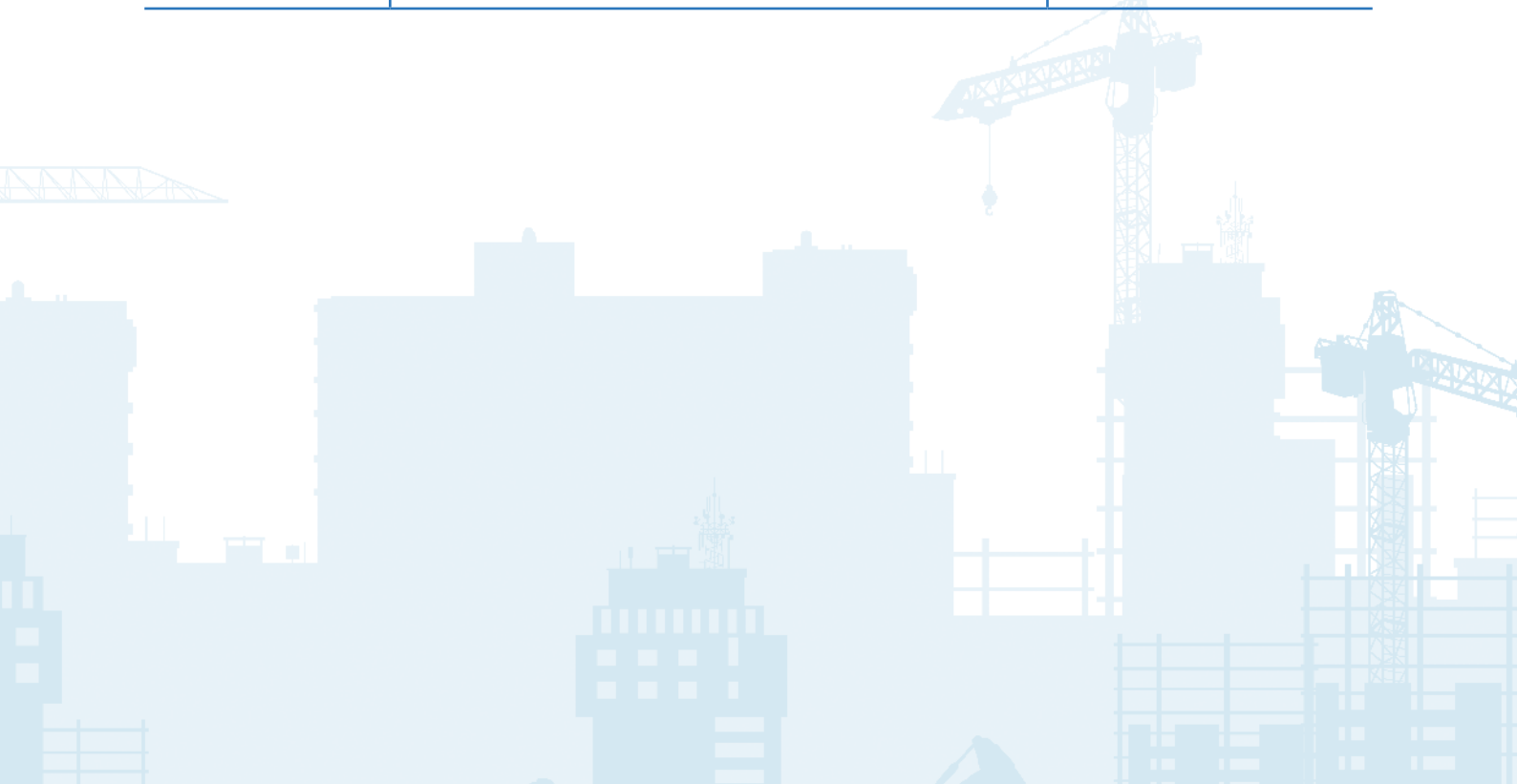
SUSTAINABILITY REPORT

GRI Standard	Disclosure	Page Reference
Activities and workers	2-7: Employees	SR People & Employment, Page 23-24
	2-9: Governance structure and composition	SR Board Statement, Page 15 SR Sustainability Governance, Page 16
	2-10: Nomination and selection of the highest governance body	AR, Page 33 SR, Page 16
	2-11: Chair of the highest governance body	AR, Page 33
	2-12: Role of the highest governance body in overseeing the management of impacts	SR Board Statement, Page 15 SR Sustainability Governance, Page 16
	2-13: Delegation of responsibility for managing impacts	SR Sustainability Governance, Page 16
	2-14: Role of the highest governance body in sustainability reporting	SR Sustainability Governance, Page 16
	2-15: Conflicts of interest	AR, Page 33 and 41
	2-16: Communication of critical concerns	SR Stakeholder Engagement, Page 17
	2-17: The collective knowledge of the highest governance body	SR Board Statement, Page 15
	2-18: Evaluation of the performance of the highest governance body	AR, Page 41
	2-19: Remuneration policies	AR, Page 42-44
	2-20: The process to determine the remuneration	AR, Page 42-44
2-21: Annual total compensation ratio	AR, Page 43	



SUSTAINABILITY REPORT

GRI Standard	Disclosure	Page Reference
Strategy, policies and practices	2-22: Statement on sustainable development strategy	SR Board Statement, Page 15 SR Climate-related Disclosures, Page 19-20
	2-23: Policy commitments	SR Material Topics, Page 19-28
	2-24: Embedding policy commitments	SR Material Topics, Page 19-28
	2-25: Processes to remediate negative impacts	SR Anti-corruption, Page 28
	2-26: Mechanisms for seeking advice and raising concerns	SR Anti-corruption, Page 28
	2-27: Compliance with laws and regulations	SR Compliance with Laws and Regulations, Page 28 SR Anti-corruption, Page 28
	2-28: Membership associations	SR Our Business Memberships, Page 27
Stakeholder Engagement	2-29: Approach to stakeholder engagement	SR Our Stakeholders, Page 17
GRI 3: Material Topics 2021	3-1 Process to determine material topics	SR Materiality Assessment, Page 17 to 18
	3-2 List of material topics	SR Materiality Assessment, Page 18
	3-3 Management of material topics	SR Board Statement, Page 15 SR Sustainability Governance, Page 16
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	SR Anti-corruption, Page 28
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	SR Energy and Emission, Page 21
	302-3 Energy intensity	SR Energy and Emissions, Page 21
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	SR Water, Page 22
	303-2 Management of water discharge-related impact	SR Water, Page 22
	303-3 Water withdrawal	SR Water, Page 22



SUSTAINABILITY REPORT

GRI Standard	Disclosure	Page Reference
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	SR Energy and Emissions, Page 21
	305-2 Energy indirect (Scope 2) GHG emissions	SR Energy and Emissions, Page 21
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	SR Waste, Page 22
	306-2 Management of significant waste-related impacts	SR Waste, Page 22
	306-3 Waste generated	SR Waste, Page 22
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SR People and Employment, Page 23-24
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	SR Occupational Health and Safety, Page 24-25
	403-2 Hazard identification, risk assessment, and incident investigation	
	403-3 Occupational health services	
	403-4 Worker participation, consultation, and communication on occupational health and safety	
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	
	403-7 Prevention and mitigation of occupational health and safety	
403-9 Work-related injuries		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	SR Training and Development, Page 25
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SR Diversity and Equal Opportunities, Page 26-27
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	SR Non Discrimination, Page 28



REPORT ON CORPORATE GOVERNANCE

The board of directors (the "Board") of Koh Brothers Group Ltd (the "Company") is committed to upholding a high standard of corporate governance in all business activities of the Company and its subsidiaries (the "Group"). The Board believes that good corporate governance enhances shareholder value, corporate performance and accountability. This report discloses the corporate governance framework and practices that the Company has adopted, with specific reference to the principles and provisions of the Code of Corporate Governance 2018, as amended (the "Code"). Where the Company's practices vary from any provisions of the Code, the Company's position and the reasons are explained in this report. The Board continues to review the corporate governance policies regularly in order to further add value to stakeholders and strengthen investor confidence.

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

The Board is made up of the following 9 Directors comprising 3 Executive Directors, 1 Non-Executive and Non-Independent Director, and 5 Independent Directors:

Koh Keng Siang (Executive Chairman and Group Chief Executive Officer (the "Executive Chairman & Group CEO"))
Koh Teak Huat (Executive Deputy Chairman)
Koh Keng Hiong (Executive Director and Deputy Chief Executive Officer, Real Estate and Leisure & Hospitality divisions)
Quek Chee Nee (Non-Executive and Non-Independent Director)
Ong Seet Joon (Non-Executive and Lead Independent Director)
Goh Mou Lih (Non-Executive and Independent Director)
Low Yee Khim (Non-Executive and Independent Director)
Ow Yong Thian Soo (Non-Executive and Independent Director)
Sharon Tay Lee Teng (Non-Executive and Independent Director)

The Board assumes responsibility for the stewardship of the Group. Its primary objective is to protect and enhance shareholder value. Apart from its statutory responsibilities, the Board's role is, *inter alia*, to:

- (a) review and oversee the management of the Group's business affairs and financial controls, performance and resource allocation, including ensuring that the required financial and human resources are available for the Group to meet its objectives;
- (b) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- (c) establish a framework of prudent and effective controls which enables risks to be assessed and managed (including safeguarding shareholders' interests and the Company's assets);
- (d) approve major investment and funding decisions;
- (e) set the Company's values and standards and ensure that obligations to shareholders and other stakeholders are understood and met; and
- (f) consider sustainability issues (e.g. environmental and social factors) as part of its strategic formulation.

All Directors are fiduciaries, exercising due diligence and objectively discharge their duties and responsibilities, acting in good faith, providing insights in the best interests of the Company. Where there is a conflict of interest, the Director in question will recuse himself/herself from the discussions and abstain from participating in any Board decisions. For financial year ended 31 December 2025 ("FY2025"), the Board confirms that no individual Director had participated in any decision-making in relation to any interest that conflicts with any of the Group's businesses. (Provision 1.1 of the Code)

The Board has established the following committees to assist it in discharging specific responsibilities:

- (a) Executive Committee ("EC");
- (b) Audit and Risk Committee ("ARC");
- (c) Nominating Committee ("NC");
- (d) Remuneration Committee ("RC"); and
- (e) Share Purchase Committee ("SPC").

Each board committee is governed by clear written terms of reference setting out the composition, duties, authority, and accountabilities in line with the Code.

REPORT ON CORPORATE GOVERNANCE

The Board delegates the formulation of business policies and day-to-day management to the Group CEO and Senior Management. Each board committee, including the EC, is governed by clear written terms of reference setting out its composition, duties, authority and accountabilities, including reporting back to the Board, in line with the Code. (Provision 1.4 of the Code)

The schedule of all Board and board committee meetings, and the annual general meeting ("AGM") are planned in advance. The Board meets at least 4 times a year at regular intervals. Besides the scheduled Board meetings, the Board meets on an *ad-hoc* basis as warranted by particular circumstances. The Board and board committees may also make decisions by way of circulating resolutions. The Company's Constitution provides for Board's and board committees' meetings to be held by means of telephone conference or other methods of simultaneous communication by electronic or other means.

Four regular Board meetings were held in FY2025. Key matters discussed at these meetings included financial performance, annual budget, cash flows, corporate and risk strategy, business plans, regulatory, climate/sustainability-related issues and strategy, significant operational matters, capital-related matters and business opportunities.

The Directors' attendance at the general meetings, Board and board committee meetings during FY2025 are as follows: (Provisions 1.5 and 11.3 of the Code)

	No. of meetings	BOARD	EC	ARC	NC	RC	SPC [#]	GM
Name of Directors		4	5	4	1	1	-	2
Koh Keng Siang		4	5	-	1	-	-	2
Koh Teak Huat		4	5	-	-	-	-	2
Koh Keng Hiong		4	5	-	-	-	-	2
Quek Chee Nee ⁽¹⁾		2	-	-	-	-	-	2
Er Dr Lee Bee Wah ⁽²⁾		1	-	1	1	1	-	1
Ong Seet Joon ⁽³⁾		4	-	2	-	-	-	2
Goh Mou Lih		4	-	-	-	-	-	2
Low Yee Khim		4	-	4	-	1	-	2
Ow Yong Thian Soo		4	-	4	1	1	-	2
Sharon Tay Lee Teng ⁽⁴⁾		2	-	-	-	-	-	1

Notes:

There were no Share Purchase Committee meetings held during FY2025.

(1) Mdm Quek Chee Nee was unable to attend 2 Board meetings due to prior engagements.

(2) Er Dr Lee Bee Wah retired from the Board and ceased to be Chairperson of the ARC and member of the NC and RC on 29 April 2025.

(3) Mr Ong Seet Joon was appointed as Lead Independent Director, Chairman of the ARC and member of the NC and RC with effect from 25 July 2025. He ceased to be Chairman of the SPC with effect from 25 July 2025 but remained as a member of the SPC.

(4) Ms Sharon Tay Lee Teng was appointed as a Non-Executive and Independent Director on 5 August 2025 and there were only 2 board meetings convened during FY2025 after her appointment.

The Board is of the view that the contributions of each Director should not be based only on his/her attendance at Board and/or board committee meetings. A Director's contributions may also extend beyond the formal environment of Board meetings, such as through the sharing of views, advice, experience and strategic networking relationships which would further the interests of the Group. (Provision 1.5 of the Code)

The Board has not established a policy for the maximum number of listed company board representations which any Director may hold. The Board, in concurrence with the NC, is of the view that Directors who have multiple board representations have thus far devoted sufficient time and attention to the affairs of the Group. Their multiple board representations and other principal commitments have not hindered their ability to carry out their duties as Directors of the Company. Such multiple board representations of the Directors benefit the Group as the Directors are able to bring with them the experience and knowledge obtained from such board representations in other companies. (Provision 1.5 of the Code)

REPORT ON CORPORATE GOVERNANCE

The Company has adopted internal controls and guidelines setting forth matters that require the Board's approval. These matters relate, *inter alia*, to:

- (a) corporate or financial restructuring;
- (b) material acquisitions and disposals of assets which are outside the ordinary course of business;
- (c) dividend payments;
- (d) financial results announcements; and
- (e) bank borrowings and provision of corporate guarantees.

Certain transactions exceeding threshold limits require the approval of the Board, whilst authority for transactions below those limits is delegated to the board committees and Management via a structured delegation of authority matrix (i.e. Group Limits of Authority (the "GLA")), which is reviewed, and revised when necessary.

The GLA provides clear guidance and directions to Management on matters requiring the Board's specific approval. These matters include but are not limited to:

- (a) material acquisitions and disposals of assets/investments;
- (b) corporate/financial restructuring/corporate exercises;
- (c) budgets/forecasts; and
- (d) material financial/funding arrangements and expenditures.

(Provision 1.3 of the Code)

The Company has in place an orientation programme for all newly appointed Directors. This ensures that newly appointed Directors are familiar with the Group's structure, business and operations, corporate governance practices and processes, internal control, and their duties as Directors. Where appropriate, the Company will also provide first-time Directors with training in areas such as accounting, legal and industry-specific knowledge. An incoming Director with no prior experience as a director of an SGX-listed company will be provided with relevant training at the Company's expense, including mandatory training prescribed by the Singapore Exchange Trading Securities Limited ("SGX-ST") within the first year of appointment to the Board. Ms Sharon Tay Lee Teng ("Ms Tay"), who was appointed to the Board on 5 August 2025 and does not have prior experience as a director of an SGX-listed company, has attended training on the responsibilities of a director of a listed issuer as prescribed by the SGX-ST.

The Board recognises the importance of continual training/development for Directors. From time to time, Directors are provided with updates and/or briefings by professional advisers, auditors, Management and the Company Secretaries in areas such as directors' duties and responsibilities, corporate governance practices, relevant legislations and regulations, risk management and financial reporting standards. The Directors are encouraged to attend relevant training sessions, courses and seminars at the Company's expense. (Provision 1.2 of the Code)

Prior to each meeting and on an ongoing basis when the need arises, the Board is furnished with complete and adequate information in a timely manner to enable full deliberation of the issues to be considered. To ensure that the Board is able to fulfil its responsibilities, Management readily provides the Board with board papers and related materials, background and copies of disclosure documents, management reports, forecasts, budgets, financial statements and other relevant information of the Group. (Provision 1.6 of the Code)

Directors have separate and independent access to the Management and the Company Secretary. The Company Secretary and/or a representative of the Company Secretary attends all Board and board committee meetings, and is responsible for ensuring that all relevant procedures are followed and the applicable rules and regulations are complied with. Under the direction of the Board, the Company Secretary is responsible for, *inter alia*, (i) ensuring an effective flow of information within the Board and its committees and Management, (ii) facilitating orientation, and (iii) assisting with professional development, as required. The Company Secretary also assists the Board in implementation and upkeep of good corporate governance and best practices across the Group and ensuring that the Company complies with the listing manual of the SGX-ST ("Listing Manual").

The appointment and the removal of the Company Secretary are subject to the Board's approval.

The Directors, whether as a group or individually, are entitled to take independent professional advice at the expense of the Company, in furtherance of their duties and where circumstances warrant the same. The Company has in place internal guidelines allowing the Directors to seek such independent professional advice. (Provision 1.7 of the Code)

REPORT ON CORPORATE GOVERNANCE

Board Composition and Guidance

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

As the Chairman is not independent, Independent Directors make up a majority of the Board. The Board is made up of 9 Directors comprising 3 Executive Directors, 1 Non-Executive and Non-Independent Director, and 5 Independent Directors. With 5 Independent Directors, the Board, with the concurrence of the NC, is of the view that there is a strong and independent element on the Board and an appropriate level of independence and diversity of thought and background in its composition to exercise independent judgment in the best interests of the Company. In light of the fact that a majority of the Board members are Non-Executive Directors, there are a sufficient number of Non-Executive Directors on the Board to carry significant weight in the Board's deliberations. No individual or small group of individuals dominate the Board's decision making. The Directors as a group provide an appropriate balance and diversity of skills, knowledge, as well as extensive experience in business management, strategic planning, and knowledge in accounting and finance, all of which are crucial in steering the Group towards the direction of growth and avoiding group think and fostering constructive debate. (Provisions 2.2 and 2.3 of the Code)

The NC reviews and assesses the independence of each Director, in accordance with the Code's criteria of independence and Rule 210(5)(d) of the Listing Manual, taking into account, *inter alia*, the Director's ability to act with independent business judgement in the best interests of the Company and to discharge his duties objectively, their relationships with the Company, its related corporations, substantial shareholders or officers (if any), and the Director's conduct, character and judgment. The NC has reviewed the independence of the 5 Independent Directors and are satisfied that all 5 Independent Directors are independent within the meaning of the Code and Rule 210(5)(d) of the Listing Manual. Each Independent Director is required to complete a Director's independence checklist which is drawn up based on the guidelines provided in the Code and Rule 210(5)(d) of the Listing Manual. The NC reviews and assesses the Director's independence before presenting its recommendations to the Board for consideration and endorsement. (Provision 2.1 of the Code)

Mr Ow Yong Thian Soo ("Mr Ow Yong") and Ms Tay are Senior Partners of Lee & Lee ("L&L"), which had rendered legal services to the Group during FY2025. The Board considers that Mr Ow Yong's and Ms Tay's independence have not been compromised as the aggregate value of the transactions during FY2025 was not significant in the context of both the Group's and L&L's revenues. The Board believes that Mr Ow Yong and Ms Tay are able to exercise strong independent judgement in their deliberations and act in the best interests of the Company.

Based on the NC's recommendations, the Board has determined that Mr Ong Seet Joon, Mr Goh Mou Lih, Mr Low Yee Khim, Mr Ow Yong and Ms Tay are considered independent within the meaning of the Code and in accordance with Rule 210(5)(d) of the Listing Manual. (Provision 2.1 of the Code)

Board Diversity Policy

The Company has in place a Board Diversity Policy ("BDP") which recognises that a diverse Board is an important element which will better support the Company's achievement of its strategic objectives for sustainable development by enhancing the decision-making process of the Board through the perspectives derived from the various skills, experience, background, gender, age, educational background, ethnicity, professional experience and other aspects of diversity. The BDP provides for the NC to discuss and recommend annually to the Board relevant measurable targets and timelines for promoting and achieving diversity in the composition of the Board. The Board has determined specific diversity targets in relation to gender representation and skills and experience diversity on the Board.

In determining the optimum composition of the Board relative to the Group's business needs, the Board and NC consider business acumen, management expertise, engineering and technology expertise as well as financial, accounting, legal, audit risk and governance to be the key skills and knowledge which a Director should possess in light of the geographical spread and diversity of the Group's business and the strategic direction and progress of the Group. The NC considers these aspects of diversity, with all Board appointments and re-appointments based on merit in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. The Directors have been appointed based on their calibre, expertise and experience. The current Board members comprise business leaders with a broad diversity of expertise and experience including business, management, accounting, finance, legal, construction, building, engineering and industry knowledge, which are important to the Group for effective decision-making in the best interests of the Company. The Board will restructure the Board's and its committees' compositions, if necessary, to meet the changing needs and demands of the Group's business and operations.

The Board, in concurrence with the NC, is satisfied that the Board currently comprises Directors who as a group provide an appropriate balance and diversity of skills, knowledge, expertise, experience, age and core competencies required for the Board to discharge their responsibilities effectively and ensure that the Group continues to be able to meet the challenges and demands of the markets in which it operates. If a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new director, the NC will consider the benefits of all aspects of diversity including, but not limited to, those described in the BDP and select an appropriate candidate for the position.

REPORT ON CORPORATE GOVERNANCE

The following table shows the Company's targets and the progress towards achieving these Board diversity targets: (Provision 2.4 of the Code)

Diversity Targets, Plans and Timelines	Progress Towards Achieving Targets
Gender	
To have at least 1 female Director on the Board.	Target achieved – Currently, the Board has 2 female Directors on its Board, namely, Ms Tay and Mdm Quek Chee Nee. As such, the Company has exceeded its target.
Skills and Experience	
To ensure that Directors on the Board have relevant skills and experience, the Board has identified the following core competencies:	Target achieved – For each category of the identified core competencies, there is at least 1 Director on the board possessing the relevant skillsets and experience.
(i) Accounting or Finance or Economics	The Board, in concurrence with the NC, is satisfied that the Board currently comprises Directors who as a group provide an appropriate balance and diversity of skills, knowledge, expertise, experience, age and identified core competencies required for the Board to discharge their responsibilities effectively and ensure that the Group continues to be able to meet the challenges and demands of the markets in which it operates.
(ii) Legal or Corporate Governance or Sustainability	
(iii) Investment, Risk Management, Business and Management Experience	
(iv) Engineering or Relevant Industry Knowledge	
The Company believes that diversity in skill sets would support the work of the Board and board committees and needs of the Company, and that an optimal mix of experience would help shape the Company's strategic objectives and provide effective guidance and oversight of Management and the Company's operations.	
Board Independence	
To have a Board with majority Independent Director representation.	Target achieved – Currently, the Independent Directors make up the majority of the Board.

In all, as at the date of this report, the Board comprises 6 Non-Executive Directors of whom 5 are Independent Directors. They constructively challenge and help develop strategies for the Group. The Non-Executive Directors also review the performance of Management in meeting agreed goals and objectives, and monitor the Group's performance.

The Independent Directors also discuss matters such as the Group's financial performance, corporate governance initiatives, the performance of Management, and the remuneration of the Executive Directors and Senior Management from time to time. The Independent Directors meet up at least once annually, without the presence of Management to facilitate a more effective check on Management. The Chairman of such meetings provides feedback to the Board and/or the Chairman of the Board, as appropriate. (Provision 2.5 of the Code)

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 Group CEO positions are filled by the same individual, Mr Koh Keng Siang ("Mr Koh"). Combining the roles of the Executive Chairman and Group CEO has brought about exceptional leadership, clear accountability and unparalleled depth of knowledge to deal with the Group's strategic challenges and growth opportunities. He manages the executive and Senior Management team within the Group, with the goal of increasing shareholder value.

In his capacity as the Chairman of the Board, Mr Koh is responsible for leading the Board in an effective, strategic manner and ensuring high standards of corporate governance.

As the Executive Chairman, Mr Koh is responsible for the Board's proceedings. He manages the business of the Board and monitors the translation of the Board's decision and directions into executive action. He approves the agendas for Board meetings and ensures sufficient time is allocated for deliberation of each agenda. He promotes an open environment for debate, encourages constructive relations within the Board and between the Board and Management, facilitates effective contribution of each Director and communications with shareholders, and promotes high standards of corporate governance. With the assistance of the Company Secretary, he ensures that Board members are provided with complete, adequate and timely information of all agenda items.

REPORT ON CORPORATE GOVERNANCE

As the Group CEO, Mr Koh delivers the execution of the Company's strategic plans and runs the day-to-day management of the Company. Further, his responsibilities to manage the Company also includes but are not limited to business development and risk management. Being both the Executive Chairman and Group CEO, Mr Koh is able to leverage significant executive power to make critical business decisions in a timely manner. Together with his years of experience in the business, the dual role that he holds enables him to seize maximum opportunities for the Group and grow the business more effectively.

The Board is of the view that there are sufficient safeguards in place to prevent the concentration of power and authority in any one individual and Mr Koh's accountability and responsibility for each role has not been compromised as the majority of the Board comprises Independent Directors. This ensures an appropriate balance of power, sufficient accountability and independent decision-making on the Board.

Further, as recommended by Provision 3.3 of the Code, a Lead Independent Director, Mr Ong Seet Joon, has been appointed, which strengthens the independent element on the Board and ensures that an appropriate balance of power is maintained on the Board. As the Lead Independent Director, he is someone whom shareholders may approach when they have concerns and for which contact through the normal channels of the Executive Chairman and Group CEO, or the Chief Financial Officer have failed or are inappropriate. The Independent Directors also confer among themselves (when necessary) and provide feedback to the Executive Chairman and Group CEO as appropriate. (Provision 3.3 of the Code)

Given the strong independent element on the Board, the Board is of the view that there are adequate safeguards and checks in place to ensure that the process of decision-making by the Board is based on the collective decision by the Directors without any excessive or unrestricted concentration of power or influence residing in any one individual.

In view of the above, the Board believes that despite deviating from Provision 3.1 of the Code, the Company's practices and safeguards are consistent with the intent of Principle 3 of the Code as there exists a clear division of responsibilities between the leadership of the Board and Management, and no one individual of the Board has unfettered powers of decision-making.

Board Membership

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

The NC comprises the following members:

Ow Yong Thian Soo (Chairman)
Koh Keng Siang
Ong Seet Joon

A majority of the NC, including the NC Chairman, are Independent Directors. The Lead Independent Director, Mr Ong Seet Joon, is a member of the NC. The NC complies with the formal and transparent process in place regarding the appointment and re-appointment of Directors. (Provision 4.2 of the Code)

The primary role of the NC is to make recommendations to the Board on all Board appointments. Its role is, *inter alia*, to:

- (a) review board succession plans for the Directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel (the "KMP");
- (b) to recommend for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual director to the Board;
- (c) to ensure that all Directors submit themselves for re-nomination and re-appointment at regular intervals and at least once every three years;
- (d) review training and professional development programs for the Board;
- (e) ensure that new Directors are aware of their duties and obligations; and
- (f) make recommendations on the appointment and re-appointment of Directors.

(Provisions 4.1 and 4.2 of the Code)

REPORT ON CORPORATE GOVERNANCE

To ensure continuity of leadership, the Board has in place a formal Board and KMP succession plan which is reviewed regularly. The NC ensures that the Board is of an appropriate size with the right balance of skills, knowledge and experience critical to the Group's business and evolving needs. Important issues that are also considered by the NC for the selection, appointment and re-appointment of a Director include the current Board's composition and each Director's contributions and competencies, and the need for progressive renewal of the Board. (Provisions 4.1 and 4.3 of the Code)

Pursuant to Regulation 110 of the Company's Constitution, one-third of the Directors shall retire from office at every AGM provided always that each Director is required to retire from office at least once in every three years, as required under Rule 720(5) of the Listing Manual. A retiring Director is eligible to offer himself/herself for re-election. The Directors who will be retiring at the forthcoming AGM and offering themselves for re-election under Regulation 110 of the Company's Constitution are Mr Koh Teak Huat and Mdm Quek Chee Nee.

Regulation 114 of the Company's Constitution provides that a newly appointed Director is required to retire and submit himself/herself for re-election at the AGM immediately following his/her appointment. Thereafter, he/she is subject to retirement by rotation in accordance with the Company's Constitution. The Director that will be retiring at the forthcoming AGM and offering himself/herself for re-election under Regulation 114 of the Company's Constitution is Ms Tay.

Mr Ow Yong will be retiring as a Director at the conclusion of the forthcoming AGM and will not be seeking re-election.

The NC assesses annually and as and when circumstance require, whether or not a Director is independent based on the guidelines set out in the Code, Rule 210(5)(d) of the Listing Manual and any other salient factors. When considering the independence of the Directors, the NC also reviews the annual declaration by the Independent Directors regarding their independence and the Directors' disclosure of their relationships with the Company, its related corporations, its substantial shareholders or its officers as well as their interests in transactions together with the criteria set forth in the Code and Rule 210(5)(d) of the Listing Manual. (Provision 4.4 of the Code)

The Board does not encourage the appointment of alternate Directors. No alternate Director has been appointed to the Board.

The Board has adopted a process for the selection, appointment and re-appointment of Directors. The NC reviews the composition of the Board and its committees regularly to ensure that the Board has the appropriate mix, expertise and experience. It assesses and shortlists candidates (sourced through contacts, recommendations, recruitment consultants or among the Senior Management) for a new position on the Board when a need arises, based on their relevant experience and skillsets for additional Directors to strengthen the composition of the Board or as part of the ongoing Board renewal process. Where there is a resignation or retirement of an existing Director, the NC will re-evaluate the Board composition to assess the competencies for the replacement. Once the NC has determined the desired competencies for an additional or replacement Director to complement the skills and competencies of the existing Directors, it will submit its recommendation to the Board for approval. The successful candidate is then appointed as a Director of the Company in accordance with the Company's Constitution. (Provision 4.3 of the Code)

In appointing and re-appointing Directors, the Board considers the skills and experience required in the light of:

- (a) the geographical spread and diversity of the Group's business;
- (b) the strategic direction and progress of the Group;
- (c) the current composition of the Board; and
- (d) the need for independence of the Board.

REPORT ON CORPORATE GOVERNANCE

The dates of initial appointment of each Director, together with their directorships in other listed companies and their principal commitments, are set out below:

Name of Director	Appointment	Date of Initial Appointment	Date of last re-election	Current directorships in other listed companies	Past directorships in listed companies (5 years)	Principal Commitments
Koh Keng Siang	Executive Chairman & Group CEO	5 May 1994	29 April 2025	Koh Brothers Eco Engineering Limited Oiltek International Limited	-	Executive Chairman and Group CEO, Koh Brothers Group Ltd
Koh Teak Huat	Executive Deputy Chairman	2 Feb 1994	25 Apr 2023	-	-	Executive Deputy Chairman, Koh Brothers Group Ltd
Koh Keng Hiong	Executive Director and Deputy CEO (Real Estate and Leisure & Hospitality Divisions)	7 Feb 2007	29 April 2025	-	-	Executive Director and Deputy CEO (Real Estate and Leisure & Hospitality Divisions), Koh Brothers Group Ltd
Quek Chee Nee	Non-Executive and Non-Independent Director	2 Feb 1994	25 Apr 2023	-	-	-
Ong Seet Joon	Non-Executive and Independent Director	1 Jan 2022	29 Apr 2024	Tiong Seng Holdings Limited Hiap Hoe Limited	-	Partner, A3 Capital Pte. Ltd.
Goh Mou Lih	Non-Executive and Independent Director	1 Jan 2022	29 Apr 2024	-	-	-
Low Yee Khim	Non-Executive and Independent Director	1 Jan 2019	29 April 2025	-	-	-
Ow Yong Thian Soo	Non-Executive and Independent Director	20 Jun 2016	25 Apr 2023	Khen Energy Limited MYP Ltd.	-	Senior Partner, Lee & Lee and Head of its Real Estate Department
Sharon Tay Lee Teng	Non-Executive and Independent Director	5 Aug 2025	-	-	-	Senior Partner, Lee & Lee and Deputy Head of its Real Estate Department

The NC ensures that new Directors are aware of their duties and obligations. The NC also decides if a Director is able to and has been adequately carrying out his or her duties as a Director of the Company, especially where a Director has multiple board representations or other principal commitments. The NC is satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations or other principal commitments. The Board is of the view that there is no necessity at this point in time to determine the maximum number of listed company board representations which a Director may hold, as each Director is able to devote sufficient time and attention to the affairs of the Company. (Provision 4.5 of the Code)

Key information on the Directors is set out under the "Board of Directors" section of this annual report for FY2025 (the "Annual Report"). Additional details of the Directors that are due for retirement and who have offered themselves for re-election at the forthcoming AGM are set out under the "Notice of AGM" and "Additional Information on Directors Seeking Re-election" of the Annual Report.

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 Company has in place a formal process for evaluation of the performance and effectiveness of the Board as a whole, of each board committees and contribution by the Chairman and each Director to the Board annually.

The NC reviews the Board's and each Director's completed assessment checklists, using objective and appropriate criteria recommended by the NC and approved by the Board. The NC assesses the Board's performance through comparison with industry peers, degree of independence, how the Board's performance has enhanced long-term shareholder value and its ability to steer the Group in the right direction as well as the support it provides to Management.

The NC also evaluates each individual Director's performance in terms of contribution made, degree of preparedness, business knowledge and experience, level and quality of involvement, the intensity of participation at meetings, quality of interventions and interactive skills. The performance evaluation of each Directors is taken into account in the consideration on Director's re-election.

The results of the overall evaluation of the Board, Directors and board committees, collated by NC, include its recommendation for improvement, if any, will be presented to the Board. The Chairman, where appropriate, will act on the results of the performance evaluation and in consultation with the NC, propose new members to the Board or seek the resignation of Directors, where appropriate.

When deliberating on the performance of any NC member, the member shall abstain from the discussions to avoid any conflict of interest.

The Board did not engage an external facilitator to conduct an assessment of the performance of the Board, the board committees and each Director for FY2025. The NC will consider such an engagement when the situation warrants it. (Provisions 5.1 and 5.2 of the Code)

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.*

The RC comprises the following Directors

Low Yee Khim (Chairman)
Ong Seet Joon
Ow Yong Thian Soo

The RC is comprised solely of Non-Executive and Independent Directors. (Provision 6.2 of the Code)

The key responsibilities of the RC are to:

- (a) review and recommend to the Board for endorsement a framework of remuneration for the Board and KMP, and the remuneration package for each Executive Director and each KMP, covering all aspects of remuneration including but not limited to Directors' fees, salaries, allowances, bonuses and benefits-in-kind;
- (b) review and recommend to the Board for endorsement the terms of the service contract for each Executive Director as well as each KMP; and
- (c) ensure that there is adequate disclosure on the remuneration of Directors and KMP.

(Provisions 6.1 and 6.3 of the Code)

REPORT ON CORPORATE GOVERNANCE

The RC considers all aspects of remuneration, including termination terms, to ensure they are fair. The RC reviews the Executive Directors' and KMPs' contracts of service to ensure that their contracts of service contain fair and reasonable termination clauses which are not overly generous. (Provision 6.3 of the Code)

No individual Director is involved in deciding his own remuneration. The RC will seek internal or external expert advice in furtherance of its duties where necessary.

During FY2025, the Company did not engage a remuneration consultant. The RC in determining the remuneration of the members of the Board, the RC took into account, amongst others, the remuneration of board members of other comparative listed issuers. (Provision 6.4 of the Code)

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 Company recognises that a competitive remuneration and reward system based on individual performance is important to attract, retain and incentivise the best talent. The Company has adopted a remuneration structure for Executive Directors and KMP that promotes the long-term success of the Company. The RC ensures that the Executive Directors' and KMPs' remuneration is commensurate with their performance and that of the Group's, taking into consideration the prevailing financial and commercial health, contribution to value creation of the Company and business needs of the Group. (Provision 7.1 of the Code)

Executive Directors receive Directors' fees and are also remunerated as members of Management. The remuneration package of each Executive Director and KMP comprises a basic salary component and a variable component (i.e. annual bonus) which is based on the performance of the Group as a whole and that individual's performance. This is to ensure that each Executive Director's and KMP's remuneration is linked to their individual performance, as well as the performance of the Group. (Provisions 7.1 and 7.3 of the Code)

Each Executive Director's service contract is for a fixed appointment period and does not contain onerous removal clauses.

The Non-Executive Directors are paid Directors' fees, taking into account their responsibilities, as well as the time and effort spent in carrying out their duties. The Independent Directors are not over-compensated such that their independence is compromised. (Provision 7.2 of the Code)

All Directors' fees are recommended by the Board for approval at the Company's AGM. The Company will be seeking shareholders' approval at the forthcoming AGM for the payment of \$447,006 as Directors' fees for FY2025. In determining the proposed Directors' fees, the Board took into account factors such as the effort and time spent, and the increasingly onerous responsibilities of the Directors.

REPORT ON CORPORATE GOVERNANCE

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.*

The Company's procedures for developing remuneration policies, as well as the level and mix of remuneration, have been set out in detail above under Principles 6 and 7. Provision 8.1 of the Code requires the Company to disclose the amount of the remuneration of each individual Director. The remuneration of the Non-Executive Directors is solely comprised of Directors' fees. The total remuneration paid to the Directors of the Company for FY2025 was approximately \$4,036,000. A breakdown of remuneration of the following Directors for FY2025 is set out below:

Director	Remuneration (\$'000)	Fees (%)	Salary (%)	Bonuses and other variable performance components (%)	Allowances and other benefits (%)	Total (%)
Koh Keng Siang	2,222.6	15.6	37.1	46.2	1.1	100
Koh Teak Huat	898.8	9.2	65.8	23.2	1.8	100
Koh Keng Hiong	606.7	13.7	57.3	27.7	1.3	100
Quek Chee Nee	38.0	100	-	-	-	100
Er Dr Lee Bee Wah ⁽¹⁾	24.4	100	-	-	-	100
Goh Mou Lih	38.0	100	-	-	-	100
Low Yee Khim	66.2	100	-	-	-	100
Ong Seet Joon	54.2	100	-	-	-	100
Ow Yong Thian Soo	71.5	100	-	-	-	100
Sharon Tay Lee Teng ⁽²⁾	15.5	100	-	-	-	100

Notes:

(1) Er Dr Lee Bee Wah retired from the Board on 29 April 2025.

(2) Ms Sharon Lee Teng was appointed as a Non-Executive and Independent Director on 5 August 2025.

REPORT ON CORPORATE GOVERNANCE

Notwithstanding Provision 8.1 of the Code which requires the Company to disclose the remuneration of the KMP (who are not Directors or the CEO) on a named basis, the Board has, on review, decided to do so on an unnamed basis in order to maintain confidentiality and taking into consideration the competitive pressures in the talent market. The Board believes that such disclosure, together with the disclosure on the Company's remuneration policies, as well as the level and mix of remuneration and its relationship with performance and value creation (see Principle 7 above), is meaningful and sufficiently transparent to enable shareholders to understand the level and mix of remuneration for the KMP (who are not Directors or the CEO), the procedure for setting remuneration and the relationship between remuneration, performance and value creation, consistent with the intent of Principle 8. The total remuneration paid to the KMP (who are not Directors or the CEO) for FY2025 was approximately \$1,863,000. A breakdown of the remuneration of each of the KMP (who are not Directors or the CEO) by percentage for FY2025 is set out below:

Remuneration band	Key Management Personnel*	Fees (%)	Salary (%)	Bonuses and other variable performance components (%)	Allowances and other benefits (%)**	Total (%)
\$500,000 to \$749,999	First Executive	5.1	82.8	0.1	12.0	100.0
\$250,000 to \$499,999	Second Executive	7.6	73.1	10.8	8.5	100.0
	Third Executive	10.2	80.6	9.2	-	100.0
	Fourth Executive	-	64.0	31.4	4.6	100.0
Below \$250,000	Fifth Executive	-	89.3	3.5	7.2	100.0

(Provisions 8.1 and 8.3 of the Code)

Notes:

* The names are not disclosed in order to maintain confidentiality taking into consideration the competitive pressures in the talent market.

** Other benefits include vehicular and club membership benefits.

Mdm Phua Siew Gaik and Mr Benjamin Koh Yong Jun who are respectively, the spouse and son of Mr Koh Keng Siang, the Executive Chairman & Group CEO, have received remuneration between \$100,000 and \$200,000 during FY2025.

Mdm Erliana Sutadi who is the spouse of Mr Koh Keng Hiong, has remuneration between \$100,000 and \$200,000 during FY2025. (Provision 8.2 of the Code)

Save as aforementioned, there are no employees who are substantial shareholders of the Company, or who are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeded \$100,000 during FY2025.

The Company currently does not have any employee share option scheme. (Provision 8.3 of the Code)

All forms of remuneration and other payments and benefits paid by the Company and its subsidiaries to Directors and KMP of the Company are disclosed in this Annual Report.

REPORT ON CORPORATE GOVERNANCE

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.*

The responsibility of overseeing the Company's risk management framework and policies is undertaken by the ARC with the assistance of the internal auditor ("IA"). Having considered the Company's business operations as well as its existing internal control and risk management systems, the Board is of the view that a separate risk committee is not required for the time being.

The Board will determine the Company's levels of risk tolerance and risk policies and the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Board also oversees Management in the design, implementation and monitoring of the risk management and internal control systems.

The Board acknowledges that it is responsible for the governance of risks and the overall internal control framework, but recognises that no cost effective 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, and can provide only reasonable and not absolute assurance against material misstatement or loss. (Provision 9.1 of the Code)

The Board has tasked the ARC to review the adequacy and effectiveness of the Group's risk management and internal control systems (including financial, operational, compliance and information technology controls). Together with Management, the ARC regularly reviews the Group's businesses and operational activities to assess and manage potential risk exposure through an Enterprise Risk and Sustainability ("ERS") framework which incorporates a Risk Register to capture significant business risks, and the strategies and internal controls to mitigate risks. The ERS Committee, including relevant members from the Senior Management team, is responsible for setting the direction of corporate risk management and monitoring the implementation of risk management policies and procedures. The ERS Committee reports to the ARC on a regular basis. The Group's financial risk management objectives and policies are set out in the notes to the FY2025 financial statements.

The IA, KPMG Services Pte. Ltd., prepares, on an annual basis, the internal audit plan (taking into consideration the risks identified) which is approved by the ARC. The audits are conducted to assess the adequacy and the effectiveness of the Group's risk management and the internal control systems that have been put in place (including financial, operational, compliance and information technology controls). Any material non-compliance or lapses in internal controls, together with recommendations for improvement, are reported to the ARC. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored. There are no material non-compliances or lapses in internal controls which have resulted in the Board and/or the ARC being of the view that internal controls need to be strengthened or having concerns that the internal controls of the Group are inadequate.

Based on the framework of risk management controls and internal controls established and maintained, the work performed by the IA and the review undertaken by the external auditors as part of their statutory audit, the Board, with the concurrence of the ARC, is of the view that the Group's risk management and internal control systems (including its financial, operational, compliance and information technology controls), are adequate and effective. The Board has received assurance:

- (a) from the Executive Chairman & Group CEO and the Chief Financial Officer 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) from the Executive Chairman & Group CEO and other responsible Senior Management that the Company's risk management and internal control systems are adequate and effective in addressing the material risks faced by the Group in its current business environment.

(Provision 9.2 of the Code)

REPORT ON CORPORATE GOVERNANCE

AUDIT AND RISK COMMITTEE

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

The ARC comprises the following Directors:

Ong Seet Joon (Chairman)
Low Yee Khim
Ow Yong Thian Soo

The ARC comprises solely of Non-Executive and Independent Directors. Mr Ong Seet Joon, the Chairman of the ARC, is the Lead Independent Director. (Provision 10.2 of the Code)

The Board is of the view that the members of the ARC (including the Chairman of the ARC) have the requisite accounting and related financial management expertise and experience to discharge their duties. At least two members, including the ARC Chairman, have recent and relevant accounting or related financial management expertise or experience. (Provision 10.2 of the Code)

The ARC is empowered to investigate any matter within its terms of reference. It has full access to and co-operation from Management, and unfettered discretion to invite any Director or executive officer to attend its meetings. The ARC has been given adequate resources to enable it to discharge its duties and responsibilities.

The ARC carries out its functions in accordance with the Code and the Companies Act 1967 of Singapore and is also guided by its terms of reference. The ARC reviews, *inter alia*, the following:

- (a) the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- (b) annual audit plans (internal and external);
- (c) at least annually the adequacy and effectiveness of the Company's system of internal controls and management of financial risks;
- (d) the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function which is outsourced to a professional services firm;
- (e) regulatory compliance matters;
- (f) risk management framework;
- (g) interested person transactions;
- (h) financial results announcements;
- (i) the assurance from the Group CEO and the Chief Financial Officer on the financial records and financial statements; and
- (j) the Company's whistle-blowing policy.

(Provision 10.1 of the Code)

In the review of the financial statements, the ARC had discussed with Management and the external auditor, and reviewed the significant matters identified by the latter as key audit matters. Following the discussions and review, the ARC recommended to the Board to approve the financial statements for FY2025.

The ARC also makes recommendations on the appointment, re-appointment and removal of auditors, and their remuneration.

The ARC meets with the external and internal auditors at least once a year without the presence of Management. (Provision 10.5 of the Code)

The ARC has reviewed all the non-audit services provided by the external auditors and is satisfied that such services would not, in the ARC's opinion, affect the independence of the external auditors.

REPORT ON CORPORATE GOVERNANCE

The aggregate amount of fees paid/payable to the external auditors for audit and non-audit services for FY2025 are set out below:

Audit services:	Auditors of the Company	-	\$486,000
	Member firms of auditors of the Company	-	\$39,000
Non-audit services:	Auditors of the Company	-	\$56,000
	Member firms of auditors of the Company	-	\$38,000

The ARC is satisfied with the standard and quality of work performed by the external auditors. It has recommended to the Board the nomination of PricewaterhouseCoopers LLP for re-appointment as external auditors of the Company, subject to the shareholders' approval at the forthcoming AGM.

The Company has complied with Rule 712 and Rule 715 (read with Rule 716) of the Listing Manual in relation to appointments of its external auditors.

Under the oversight and monitoring of the ARC, the Company has put in place a whistle-blowing policy. Employees of the Company may, in confidence, raise or report genuine concerns about possible improprieties in matters of business activities, financial reporting or other matters they may encounter without fear of retaliatory action to the ARC. As the Company is committed to ensure anonymity and protection of the whistleblower against detrimental or unfair treatment, only the Independent Directors of the ARC of the Company have been appointed to review and carry out investigations on all such complaints and/or concerns raised. (Provision 10.1 of the Code)

The ARC held 4 meetings in FY2025 and performed its functions and responsibilities as set out in its terms of reference.

The ARC meets regularly with Management and the external auditors to review auditing and risk management matters and discuss accounting implications of any major transactions (including significant financial reporting issues). Such meetings occur at least annually. The ARC also reviews the internal audit function to ensure that an effective system of controls is maintained within the Group.

The ARC is kept abreast of new changes to the Listing Manual, the Code and other regulations which could have an impact on the Group's businesses and financial statements. The external auditors and Management also brief the ARC of changes to the accounting standards.

No former or current partner or director of the Company's existing auditing firm is a member of the ARC, (a) within a period of two years commencing on the date of his or her ceasing to be a partner of the auditing firm or director of the auditing corporation, and in any case, (b) for as long as he or she has any financial interest in the auditing firm or auditing corporation. (Provision 10.3 of the Code)

Internal Audit

The Company has outsourced its internal audit function to KPMG Services Pte Ltd ("KPMG"), which is a reputable accounting and auditing firm staffed by qualified professionals with relevant qualifications and experience. The IA reports to the ARC Chairman, meets with the ARC at least annually without the presence of Management and has full access to the ARC, documents, records, properties and staff of the Group in carrying out its duties. The audit methodology is in conformance with the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors. These standards cover attributes as well as performance and implementation principles.

The Board recognises that it is responsible for maintaining a system of internal controls to safeguard shareholders' interests and the Group's businesses and assets, while Management is responsible for establishing and implementing internal control procedures in a timely and appropriate manner. The IA's role is to (a) assist the ARC in ensuring that the controls are effective and functioning as intended, (b) undertake investigations as directed by the ARC, and (c) conduct regular in-depth audits of high-risk areas.

Notwithstanding Provision 10.4 of the Code which requires the appointment, termination and remuneration of the head of the IA function to be decided by the ARC, such administrative matters are instead decided by the Management, with the ARC being constantly updated on such matters, and the Board is of the view that such arrangement does not affect the objectivity of the IA. The IA arranges internal audit schedules in consultation with, but independent of, Management. The audit plan is submitted to the ARC for approval prior to the commencement of the internal audit work. In addition, the IA may be involved in ad-hoc projects initiated by Management which require IA's assurance in specific areas of concern. The ARC is satisfied that the internal audit function is staffed by independent, suitably qualified and experienced professionals with the relevant experience and has adequate resources to perform its function effectively. (Provision 10.4 of the Code)

REPORT ON CORPORATE GOVERNANCE

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

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

The Company is committed to treating all shareholders fairly and equitably. The Company recognises, protects and facilitates the exercise of shareholders' rights and continually reviews and updates such governance arrangements.

The Company ensures that there is an adequate and timely disclosure of developments in the Group or its business which would have a material impact on the Company's shares price, and such disclosure is in compliance with SGX-ST listing rules.

The Company invites all registered shareholders to participate and vote at the Company's general meetings. The AGM is the principal forum for dialogue with shareholders. All Directors will endeavour to be present at the Company's AGM to address shareholders' questions relating to the work of the Board and board committees. The Company's external auditors are also present to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report. The Company's forthcoming AGM for FY2025 will be held physically. (Provisions 11.2 and 11.3 of the Code)

Each shareholder will receive the notice of AGM which is also advertised in the Business Times and released via the SGX-ST's website (the "SGXNet") and posted on the Company's website as well. The said notice of AGM will table the separate resolutions to be voted on at the AGM. The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where resolutions are interdependent or linked, the Company will provide the reasons and implications as to why such resolutions are required to be interdependent or linked. (Provisions 11.1 and 11.2 of the Code)

Voting and vote tabulation procedures used are disclosed before the general meetings proceed, with independent scrutineers appointed to validate the voting process and procedures. All shareholders are entitled to vote by poll in accordance with the Listing Manual and established voting rules and procedures. Notwithstanding Provision 11.4 which requires in absentia voting at general meetings of shareholders to be made available, voting in absentia and by mail, facsimile or email is currently not permitted under the Company's Constitution. Shareholders who are unable to attend the meetings in person are strongly encouraged to appoint a proxy to vote in their stead. An announcement of the detailed results is made immediately after the conclusion of the general meeting. (Provisions 11.1 and 11.4 of the Code)

The Company's annual general meeting for FY2025 (the "2026 AGM") will be held physically. Questions may be submitted to the Company ahead of the 2026 AGM or at the 2026 AGM itself. The Company will endeavour to address substantial and relevant questions received before the cut-off time (which will be stated in the notice of AGM), prior to the 2026 AGM. Voting will be conducted physically or by appointing proxies (whether the Chairman of the meeting or otherwise) at the 2026 AGM. The results of the proxy voting will be published at the meeting and announced via the SGXNet after the conclusion of the 2026 AGM. Minutes of the 2026 AGM which will include relevant and substantial comments from shareholders relating to matters on the agenda of the meeting and responses from Directors and Senior Management, will also be available on the Company's websites and SGXNet. Detailed information on each item in the 2026 AGM agenda is provided in the explanatory notes to the notice of 2026 AGM in the Annual Report. (Provision 11.3 of the Code)

The proceedings of the general meetings are properly recorded, including all comments or queries raised by shareholders relating to the agenda of the meetings and responses from the Board and Management. The minutes of the Company's general meetings will be published on the SGXNet within one month after the general meetings and can also be found at the Company's website at www.kohbrothers.com. The minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meetings, and responses from the Board and Management. (Provision 11.5 of the Code)

The Company strives to provide consistent and sustainable dividend payments to shareholders based on the Company's profitability, cash position, working capital needs, capital expenditure plan, investment and business opportunities and market conditions. It aims to balance returns to shareholders with a need for long term sustainable growth.

The Board is recommending a final dividend of 0.30 Singapore cent per share and a special dividend of 0.60 Singapore cent per share for FY2025. Together with the interim dividend of 0.10 Singapore cent per share, total distributions paid and proposed for FY2025 will be 1.00 Singapore cent per share. (Provision 11.6 of the Code)

REPORT ON CORPORATE GOVERNANCE

Engagement with Shareholders

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

The Company invites and encourages all registered shareholders to participate and vote at the Company's general meetings as general meetings are the principal forum for dialogue with shareholders. Sufficient time is allocated for answering of questions submitted by shareholders in advance of the general meetings. Shareholders may raise questions or share their views submitted in advance about the proposed resolutions, the Group's business affairs and financial performance. This enables the Board to gather shareholders' views and address any of the shareholders' concerns. (Provision 12.1 of the Code)

The Company embraces openness and transparency in the conduct of the Company's affairs, whilst safeguarding its commercial interests. The Company conveys pertinent information to shareholders and complies with the requirements set out in the Listing Manual when disclosing information.

The Company does not practice selective disclosure of price sensitive information. The Company discloses half-yearly financial results, and any significant transactions and developments via SGXNet in a timely manner. The financial results are also available on the Company's website at www.kohbrothers.com. The corporate website also contains various other investor-related information on the Company that serves as important resources for investors. (Provision 12.2 of the Code)

The Board encourages shareholders to participate actively in relation to the Company's general meetings. These meetings provide excellent opportunities for the Company to obtain shareholders' views on the Group's businesses. Following any release of earnings or price sensitive developments, the Company's investor relations consultant is available by email or telephone to answer questions from shareholders and the media, as long as the information requested does not conflict with the SGX-ST's rules of fair disclosure. (Provision 12.3 of the Code)

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 has identified stakeholders that are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. The Company engages its stakeholders through a variety of channels to ensure that the business interests of the Group are balanced against that of the stakeholders. More information on the Company's stakeholder engagement, including its strategy and key areas of focus can be found in the Company's Sustainability Report 2025 which is at pages 15 to 32. (Provisions 13.1 and 13.2 of the Code)

The Company maintains a website at www.kohbrothers.com to engage its stakeholders. (Provision 13.3 of the Code)

REPORT ON CORPORATE GOVERNANCE

INTERESTED PERSON TRANSACTIONS

The Company has established internal control policies to ensure that transactions with interested persons are properly reviewed, approved and conducted on an arm's length basis.

The interested person transactions entered during FY2025 are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (\$'000)
Benjamin Koh Yong Jun	Note 1	220	-
Rachel Koh Han Ling	Note 2	303	-

Note 1:

Mr Benjamin Koh is the son of Mr Koh Keng Siang ("KKS"), who is a Substantial Shareholder, the Executive Chairman and Group CEO of the Company; nephew of Mr Koh Keng Hiong ("KKH"), who is a Substantial Shareholder and the Executive Director and Deputy CEO (Real Estate and Leisure & Hospitality divisions) of the Company; grandson of Mdm Quek Chee Nee ("QCN"), who is a Substantial Shareholder, Non-Executive and Non-Independent Director of the Company and grandnephew of Mr Koh Teak Huat ("KTH"), who is a Substantial Shareholder and the Executive Deputy Chairman of the Company.

Note 2:

Miss Rachel Koh is the daughter of KKS, who is a Substantial Shareholder, the Executive Chairman and Group CEO of the Company; niece of KKH, who is a Substantial Shareholder, the Executive Director and Deputy CEO (Real Estate and Leisure & Hospitality divisions) of the Company; granddaughter of QCN, who is a Substantial Shareholder, Non-Executive and Non-Independent Director of the Company and grandniece of KTH, who is a Substantial Shareholder and the Executive Deputy Chairman of the Company.

DEALINGS IN SECURITIES

The Company has adopted an internal compliance code on dealings in the Company's securities. The Company has issued share trading guidelines to all Directors, employees of executive level and above, and personal assistants. They are not allowed to deal in the Company's securities during the period commencing one month before the announcement of the Company's half year and full year unaudited financial statements. In addition, they are prohibited from dealing in the Company's securities while in possession of price sensitive information and on short-term considerations.

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DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2025 and the balance sheet of the Company as at 31 December 2025.

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 59 to 116 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; 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.

Directors

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

Koh Keng Siang
Koh Teak Huat
Koh Keng Hiong
Quek Chee Nee
Goh Mou Lih
Low Yee Khim
Ong Seet Joon
Ow Yong Thian Soo
Sharon Tay Lee Teng (appointed on 5 August 2025)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding 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 name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31.12.2025	At 1.1.2025 or date of appointment, if later	At 31.12.2025	At 1.1.2025 or date of appointment, if later
Koh Brothers Group Ltd				
<u>Ordinary shares</u>				
Koh Keng Siang	39,181,189	39,181,189	60,020,000	60,020,000
Koh Teak Huat	20,713,088	35,713,088	325,000	325,000
Koh Keng Hiong	55,260,100	55,260,100	10,000	10,000
Quek Chee Nee	25,896,814	25,896,814	-	-
Sharon Tay Lee Teng	-	-	6,000	6,000
<u>\$22.75 million 6.5% fixed rate notes due 2026</u>				
Koh Keng Siang	\$750,000	\$750,000	\$500,000	\$500,000
Koh Teak Huat	\$1,000,000	\$1,000,000	-	-
Ong Seet Joon	\$250,000	\$250,000	-	-
Koh Brothers Eco Engineering Ltd				
<u>Ordinary shares</u>				
Koh Keng Siang	15,254,800	15,254,800	1,544,629,607	1,544,629,607
Koh Teak Huat	6,764,746	6,764,746	32,500	32,500
Koh Keng Hiong	3,026,010	3,026,010	1,000	1,211,000
Quek Chee Nee	2,589,681	2,589,681	-	-
Sharon Tay Lee Teng	-	-	600	600
Oiltek International Ltd				
<u>Ordinary shares</u>				
Koh Keng Siang	-	-	292,337,415	97,445,805
Ong Seet Joon	150,000	50,000	-	-

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Directors' interests in shares or debentures *(continued)*

Koh Keng Siang, who by virtue of his interest of not less than 20% of the issued capital of the Company, is deemed to have an interest in the whole of the share capital of the Company's subsidiaries.

The directors' interests in the ordinary shares of the Company as at 21 January 2026 were the same as those as at 31 December 2025.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares have been 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.

Audit and Risk Committee

The members of the Audit and Risk Committee at the end of the financial year are as follows:

Ong Seet Joon (Chairman)
Low Yee Khim
Ow Yong Thian Soo

All members of the Audit and Risk Committee are independent and non-executive directors.

The Audit and Risk Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2025 before their submission to the Board of Directors.

The Audit and Risk Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent Auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Koh Keng Siang
Director

Koh Keng Hiong
Director

23 March 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KOH BROTHERS GROUP LTD

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying consolidated financial statements of Koh Brothers Group Ltd (the "Company") and its subsidiaries (the "Group") and the balance sheet of the Company 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 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2025;
- the balance sheets of the Group and the Company as at 31 December 2025;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We have 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority 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 audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

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 for the financial year ended 31 December 2025. 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KOH BROTHERS GROUP LTD

Our Audit Approach (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
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Accounting for engineering and construction contracts

Refer to Note 3(a) and Note 4

During the financial year ended 31 December 2025, revenue from engineering and construction contracts amounted to \$240.2 million, representing 73% of the total revenue of the Group of \$329.4 million. Contract assets and contract liabilities relating to engineering and construction contracts amounted to \$143.9 million and \$33.6 million respectively.

The Group measures project progress based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method") and recognise contract revenue in accordance with SFRS(I) 15 Revenue from Contracts with Customers. Management applies significant judgements in estimating the following:

a) Uncertified variation orders ("VOs") included in the estimated total contract sum

Uncertified VO's are included in the contract sum when there is sufficient contractual rights to claim and it is highly probable that the Group will recover these VO's from customers. For VO's which are unpriced and un-rated, judgment is also applied in estimating the value of these VO's and management takes into consideration the terms and conditions in the contract, variation orders agreed with or quoted by subcontractors (where applicable) and work of specialists.

b) Estimated total contract costs

Judgment is applied in the estimation of the total contract costs, which affects the accuracy of revenue recognition based on percentage-of-completion ("POC").

We focused on the accuracy of revenue recognition due to the significant management judgement required in determining the total contract sums and the total contract costs.

We obtained an understanding of the engineering and construction projects through discussions with management and project teams, assessed the appropriateness of the method selected for individual projects to measure project progress and recognise the contract revenue, and examined project documentation (including contracts, correspondences with customers on delays or extension of time, subsequent billings/collections and other relevant documentations).

In relation to total contract sum, our audit procedures include the following on a sampling basis:

- agreed total contract sums to contracts entered into by the Group and its customers;
- inspected correspondences with customers and supporting documents prepared by specialists used by the Group relating to variation orders included in total contract sums;
- obtained and reviewed legal opinion, where appropriate, from the Group's external legal counsels in relation to its contractual rights to claim for variation orders for certain projects;
- agreed variation orders with agreed prices included in total contract sums to surveyor/architect's certification;
- inspected progress billings to customers subsequent to year end and compare amounts to contract asset balances at year end; and
- assessed the adequacy of the amount of liquidated damages if any, to be net off against contract sums, based on the progress of the projects and estimated completion dates.

In relation to total contracts costs, our audit procedures include the following on a sampling basis:

- discussed with the project teams to understand the progress of each project;
- reviewed the appropriateness of the estimated cost to complete for materials, labour and other work with reference to the progress of each project; and
- traced the cost incurred and cost to complete for each project by substantiating costs to the supporting documents including supplier quotations and contracts entered with subcontractors.

Based on the audit procedures performed above, we have assessed management's estimates to be reasonable.

We recomputed the POC based on actual cumulative cost incurred as a portion of estimated total contract costs.

Following which, we recomputed contract revenue for the current financial year based on POC for each project, and checked to the accounting records.

We have also assessed the adequacy of the disclosures of the key accounting estimates including the analysis of key variables and found the disclosures in the financial statements to be appropriate.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KOH BROTHERS GROUP LTD

Our Audit Approach *(continued)*

Key Audit Matters *(continued)*

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Valuation of investment properties <i>Refer to Note 3(b) and Note 21</i></p> <p>The Group's investment properties carried at fair value amount to \$102.3 million at 31 December 2025 and accounted for 15% of the Group's total assets.</p> <p>Management uses external valuers to support its determination of the individual fair value of the investment properties annually.</p> <p>The valuation of investment properties is significant to our audit due to the complexity involved in the valuation techniques. The judgement relating to the assumptions used in the valuation techniques, including the market value per square metre and replacement cost per square metre, impact the valuation. Uncertainty arises as a result of having to consider long-term trends and market conditions in the assumptions.</p>	<p>We performed the following:</p> <ul style="list-style-type: none"> assessed the competency, capabilities and objectivity of the external valuers engaged by the Group; obtained an understanding of the techniques used by the external valuers in determining the valuation of individual investment properties; discussed the critical assumptions made by the external valuers for the key inputs used in the valuation techniques; tested the integrity of information, including underlying lease and financial information provided to the external valuers; and assessed the reasonableness of the inputs to the valuation model including market value per square metre of comparable properties and replacement cost per square metre by benchmarking these against those of comparable properties, market research reports and prior year inputs. <p>We found that the external valuers are members of recognised professional bodies for external valuers. We also found that the valuation techniques used were appropriate in the context of the Group's investment properties and the critical assumptions used for the key inputs were within the range of market data.</p> <p>We have also assessed the adequacy of the disclosures relating to the valuation as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations.</p>

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KOH BROTHERS GROUP LTD

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.

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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KOH BROTHERS GROUP LTD

Auditor's Responsibilities for the Audit of the Financial Statements *(continued)*

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.

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 Koh Hongzhuang.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 23 March 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

AS AT 31 DECEMBER 2025

	Note	2025 \$'000	2024 \$'000
Sales	4(a)	329,393	238,394
Cost of sales	7	(290,290)	(219,129)
Gross profit		39,103	19,265
Other income	5	2,237	2,096
Other gains – net	6	14,038	3,419
Expenses			
– Distribution and marketing			
– Allowance for impairment of trade receivables and contract assets	7	(843)	(1,614)
– Others	7	(1,476)	(1,706)
– Administrative	7	(21,113)	(21,591)
– Finance	9	(6,329)	(12,254)
– Other			
– (Allowance for)/write-back of allowance for impairment of loans to joint ventures	7	(7)	111
– Write-back of allowance for impairment of sundry debtors	7	68	19
– Write-back of allowance for impairment of investment securities	7	992	–
– Others	7	(50)	(60)
Share of loss of associated companies	18	(16)	(116)
Share of profit of joint ventures	19	2,999	5,346
Profit/(loss) before income tax		29,603	(7,085)
Income tax expense	10(a)	(4,108)	(3,336)
Profit/(loss) after income tax		25,495	(10,421)
Profit/(loss) attributable to:			
Equity holders of the Company		18,575	(5,451)
Non-controlling interests		6,920	(4,970)
		25,495	(10,421)
Earnings/(loss) per share for profit/(loss) attributable to equity holders of the Company:			
– Basic earnings/(loss) per share (in cents)	11(a)	4.50	(1.32)
– Diluted earnings/(loss) per share (in cents)	11(b)	4.50	(1.32)
Profit/(loss) after income tax		25,495	(10,421)
Other comprehensive income/(loss):			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Currency translation difference arising from consolidation	30(c)	772	(395)
Fair value gain on debt financial assets, at FVOCI	30(b)	490	147
		1,262	(248)
<i>Items that may not be reclassified subsequently to profit or loss:</i>			
Currency translation difference arising from consolidation attributable to non-controlling interests	30(c)	536	533
Fair value gain on equity financial assets, at FVOCI	30(b)	3,885	702
Other comprehensive income, net of tax		5,683	987
Total comprehensive income/(loss)		31,178	(9,434)
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company		23,492	(5,000)
Non-controlling interests		7,686	(4,434)
		31,178	(9,434)

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

BALANCE SHEETS

AS AT 31 DECEMBER 2025

	Note	GROUP		COMPANY	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
ASSETS					
Current assets					
Cash and bank balances	12	114,345	71,149	11,025	109
Investment securities	13	11,063	347	-	-
Trade and other receivables	14	76,839	102,405	-	-
Contract assets	4(b)	82,552	93,040	-	-
Amounts due from subsidiaries	20	-	-	23,438	24,266
Amounts due from joint ventures	15	6,573	5,971	-	-
Inventories	16	5,977	1,146	-	-
Income tax receivables	10(b)	-	730	-	-
Other current assets	17	4,940	4,440	-	-
		302,289	279,228	34,463	24,375
Non-current assets					
Trade and other receivables	14	23,458	5,900	-	-
Contract assets	4(b)	62,815	38,898	-	-
Investment securities	13	-	7,198	-	-
Investments in subsidiaries	20	-	-	156,865	156,865
Investments in associated companies	18	-	168	-	-
Investments in joint ventures	19	93,764	94,265	-	-
Investment properties	21	102,286	102,562	-	-
Property, plant and equipment	22	92,473	94,228	-	-
Goodwill	25	5,078	5,078	-	-
		379,874	348,297	156,865	156,865
Total assets		682,163	627,525	191,328	181,240
LIABILITIES					
Current liabilities					
Trade and other payables	26	117,549	80,903	1,922	1,215
Contract liabilities	4(b)	36,572	23,141	-	-
Amounts due to subsidiaries	20	-	-	42,508	39,678
Amounts due to joint ventures	15	33,643	32,065	-	-
Current income tax liabilities	10(b)	1,599	1,213	89	-
Bank borrowings and lease liabilities	27	81,145	85,932	-	-
Note payables	29	22,698	-	22,698	-
		293,206	223,254	67,217	40,893
Non-current liabilities					
Trade and other payables	26	9,681	7,374	-	-
Amount due to a subsidiary	20	-	-	19,011	19,011
Bank borrowings and lease liabilities	27	36,144	59,810	-	-
Notes payables	29	-	22,522	-	22,522
Deferred income tax liabilities	10(c)	5,645	6,343	-	-
		51,470	96,049	19,011	41,533
Total liabilities		344,676	319,303	86,228	82,426
NET ASSETS		337,487	308,222	105,100	98,814
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	30(a)	36,981	36,981	36,981	36,981
Treasury shares	30(a)	(7,983)	(7,983)	(7,983)	(7,983)
Other reserves	30(b)	(1,347)	(5,915)	-	-
Retained profits		265,937	248,199	76,102	69,816
Currency translation reserve	30(c)	(10,625)	(11,397)	-	-
		282,963	259,885	105,100	98,814
Non-controlling interests		54,524	48,337	-	-
Total equity		337,487	308,222	105,100	98,814

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Note	← Attributable to equity holders of the Company →					Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Other reserves \$'000	Retained profits \$'000	Currency translation reserve \$'000			
Balance at 1 January 2025	36,981	(7,983)	(5,915)	248,199	(11,397)	259,885	48,337	308,222
Profit for the financial year	-	-	-	18,575	-	18,575	6,920	25,495
Other comprehensive income for the financial year	-	-	4,145	-	772	4,917	766	5,683
Total comprehensive income for the financial year	-	-	4,145	18,575	772	23,492	7,686	31,178
Share based payment pursuant to performance share plan of a listed subsidiary	-	-	(2)	-	-	(2)	4	2
Dividends paid	-	-	-	(412)	-	(412)	(1,503)	(1,915)
Total transactions with owners, recognised directly in equity	-	-	(2)	(412)	-	(414)	(1,499)	(1,913)
Transfer upon realisation of fair value loss in financial assets, at FVOCI	-	-	425	(425)	-	-	-	-
Balance at 31 December 2025	36,981	(7,983)	(1,347)	265,937	(10,625)	282,963	54,524	337,487
Balance at 1 January 2024	36,981	(7,983)	(6,761)	253,650	(11,002)	264,885	53,910	318,795
Loss for the financial year	-	-	-	(5,451)	-	(5,451)	(4,970)	(10,421)
Other comprehensive income/(loss) for the financial year	-	-	849	-	(395)	454	533	987
Total comprehensive income/(loss) for the financial year	-	-	849	(5,451)	(395)	(4,997)	(4,437)	(9,434)
Share based payment pursuant to performance share plan of a listed subsidiary	-	-	(3)	-	-	(3)	3	-
Dividends paid	-	-	-	-	-	-	(1,139)	(1,139)
Total transactions with owners, recognised directly in equity	-	-	(3)	-	-	(3)	(1,136)	(1,139)
Balance at 31 December 2024	36,981	(7,983)	(5,915)	248,199	(11,397)	259,885	48,337	308,222

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Profit/(loss) after income tax		25,495	(10,421)
Adjustments for:			
- Income tax expense	10(a)	4,108	3,336
- Allowance for/(write-back of allowance for) impairment of loans to joint ventures	7	7	(111)
- Write-back of allowance for investment securities	7	(992)	-
- Depreciation of property, plant and equipment	7	9,665	8,513
- Property, plant and equipment written off		1	2
- Fair value loss/(gain) on investment properties	6	200	(1,787)
- Gain on disposal of property, plant and equipment	6	(15,854)	(318)
- Gain on disposal of an associated company	6	(579)	-
- Gain on liquidation of a joint venture	6	-	(26)
- Share of loss of associated companies	18	16	116
- Share of profit of joint ventures	19	(2,999)	(5,346)
- Finance expense	9	6,329	12,254
- Interest income	5	(1,937)	(1,565)
- Dividend income	5	(138)	(189)
- Unrealised translation loss/(gain)		952	(1,118)
		24,274	3,340
Change in working capital:			
- Trade and other receivables		7,977	(23,530)
- Inventories		(4,831)	4,885
- Contract assets and liabilities		3	60,418
- Development properties		-	1,048
- Other current assets		(501)	7
- Trade and other payables		39,249	(6,295)
- Amount due from/to joint ventures		2,127	24,121
Cash generated from operations		68,298	63,994
Income tax paid	10(b)	(3,722)	(2,871)
Net cash provided by operating activities		64,576	61,123
Cash flows from investing activities			
Purchase of property, plant and equipment		(4,940)	(2,300)
Net proceeds from disposal of investment securities		1,849	1,204
Proceeds from disposal of property, plant and equipment		21,183	354
Proceeds from disposal of an associated company		331	-
Proceeds from liquidation of a joint venture		-	26
Dividend received from investment securities		138	189
Dividend received from associated company and joint venture		2,400	-
Interest received		1,362	1,565
Net cash provided by investing activities		22,323	1,038
Cash flows from financing activities			
Proceeds from bank borrowings		55,310	29,000
Repayment of bank borrowings		(87,262)	(97,386)
Principal payment of lease liabilities		(4,590)	(4,951)
Dividends paid to equity holders of the Company		(412)	-
Dividends paid to non-controlling interests		(1,503)	(1,139)
Interest paid		(5,527)	(13,360)
Net cash used in financing activities		(43,984)	(87,836)
Net change in cash and bank balances		42,915	(25,675)
Beginning of financial year		71,149	95,832
Effects of currency translation on cash and bank balances		281	992
End of financial year	12	114,345	71,149

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Reconciliation of liabilities arising from financing activities

	Beginning of financial year \$'000	Net cash flows \$'000	Non-cash changes				End of financial year \$'000
			Interest expense \$'000	Additions to property, plant and equipment \$'000	Foreign exchange movement \$'000	Amortisation of notes issuance expenses \$'000	
2025							
Bank borrowings (Note 27 and 28)	140,137	(31,952)	-	-	5	-	108,190
Lease liabilities (Note 27)	5,605	(4,815)	225	8,083	1	-	9,099
Notes payables (Note 29)	22,522	(1,479)	1,479	-	-	176	22,698
Accrued interest expense within trade and other payables	438	(3,823)	3,705	-	-	-	320
2024							
Bank borrowings (Note 27 and 28)	208,500	(68,386)	-	-	23	-	140,137
Lease liabilities (Note 27)	9,246	(5,187)	237	1,309	-	-	5,605
Notes payables (Note 29)	22,345	(1,479)	1,479	-	-	177	22,522
Accrued interest expense within trade and other payables	1,544	(9,376)	8,270	-	-	-	438

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

1. General information

Koh Brothers Group Ltd (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 15 Genting Road, Singapore 349493.

The principal activities of the Company are investment holding and provision of management services.

The principal activities of its significant subsidiaries, joint ventures, joint operations and associated companies are set out in Note 37 of the financial statements.

2. Material accounting policy information

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2025

On 1 January 2025, the Group adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Revenue recognition

(a) Contract revenue

The Group provides engineering and construction services to customers through fixed-price contracts, which include (i) engineering and construction services at the customers' premises and (ii) the engineering and supply of specialised equipment.

At contract inception, the Group transfers its control of the goods and services to its customer over time and recognises revenue over time, (i) when its 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, or (ii) where the Group's performance creates or enhance an asset that the customer controls as the asset is created or enhanced.

The engineering and supply of specialised equipment which are customised to customers' specifications, has no alternative use to the Group due to contractual restrictions and practical limitations that prevent the Group from readily redirecting the completed equipment for another use or to other customers, and the Group also has enforceable rights to payment for performance completed to date established by the contractual terms. For engineering and construction projects performed at the customers' premises, the customer generally controls the work in progress throughout the Group's performance of the contract. Accordingly, the Group recognises revenue from these engineering and construction service contracts over time.

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.2 Revenue recognition *(continued)*

(a) Contract revenue *(continued)*

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

Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

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

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

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

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I) (eg. Inventories), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract costs assets only if (i) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (ii) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

(b) Sale of goods

Revenue from sale of goods is recognised at a point in time when the Group has delivered the products to the customer and the customer has accepted the products.

For sale of certain products from the Construction and Building Materials segment with no alternative use to the Group, the Group has assessed at contract inception that it does not have an enforceable right to payment for performance completed to date in relation to such goods.

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

(c) Rendering of services

Revenue from services is recognised in the accounting period when services are rendered.

(d) Revenue from property development sales

Revenue from property development sales is recognised as disclosed in Note 2.8 "Development properties".

(e) Rental income

Rental income is recognised as disclosed in Note 2.12(b) "Leases – when the Group is the lessor".

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

(g) Interest income

Interest income is recognised using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised in profit or loss over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

2.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

In preparing the consolidated financial statements, intercompany transactions and balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses on transactions are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to Note 2.6 "Goodwill" for the subsequent accounting policy on goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific Standard.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.4 Group accounting *(continued)*

(a) Subsidiaries *(continued)*

(iii) Disposals *(continued)*

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to Note 2.9 "Investments in subsidiaries, joint ventures and associated companies" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associated companies' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company or joint venture. If the associated company or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associated company or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.4 Group accounting *(continued)*

(c) Associated companies and joint ventures *(continued)*

(iii) Disposals

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to Note 2.9 "Investments in subsidiaries, joint ventures and associated companies" for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

(d) Joint operations

The Group's joint operations are joint arrangements whereby the parties (the joint operators) that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Group recognises, in relation to its interest in the joint operation:

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

When the Group sells or contributes assets to a joint operation, the Group recognises gains or losses on the sale or contribution of assets that is attributable to the interest of the other joint operators. The Group recognises the full amount of any loss when the sale or contribution of assets provides evidence of a reduction in the net realisable value, or an impairment loss, of those assets.

When the Group purchases assets from a joint operation, it does not recognise its share of the gains and losses until it resells the assets to an independent party. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of the assets to be purchased or an impairment loss.

The accounting policies of the assets, liabilities, revenue and expenses relating to the Group's interest in a joint operation have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

2.5 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses except for certain buildings and leasehold premises, which are subsequently carried at revalued amount less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.5 Property, plant and equipment *(continued)*

(a) Measurement *(continued)*

Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income, unless they reverse a revaluation decrease of the same asset previously recognised in profit or loss. In this case, the increase is recognised in profit or loss. Decreases in carrying amounts are recognised in other comprehensive income to the extent of any credit balance existing in the equity in respect of that asset and reduces the amount accumulated in equity. All other decreases in carrying amounts are recognised in profit or loss.

The revaluation on certain freehold and leasehold properties was done in connection with the listing of the Company in 1993. The increase in carrying amount arising from the revaluation was taken to capital reserve.

(b) Depreciation

Freehold land and assets under construction are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Buildings on freehold land	99 years
Leasehold land and buildings	2 – 92 years
Plant and machinery	1 – 20 years
Motor vehicles	2 – 10 years
Furniture, fittings, office and hotel equipment	1 – 10 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

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

(d) Disposal

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 within Note 6 "Other gains – net". Any amount in capital reserve relating to that item is transferred to retained profits directly.

2.6 Goodwill

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (a) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (b) the fair values of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisition of joint ventures and associated companies represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associated companies and joint ventures are included in the carrying amounts of the investments.

Gains and losses on the disposal of subsidiaries, joint ventures and associated companies include the carrying amount of goodwill relating to the entity sold.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.7 Investment properties

Investment properties include those portions of commercial buildings that are held for long-term rental yields and/or for capital appreciation and right-of-use assets ("ROU assets") relating to leasehold land that is held for long term capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest and best use basis. Changes in fair values are recognised in profit or loss.

Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the Company expects the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed – whichever is earlier.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.8 Development properties

Development properties refer to properties developed for sale. Development properties that are unsold are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less cost to complete the development and selling expenses.

Revenue from sale of development properties is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer at a point in time or over time.

For development properties where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset, such as when the property is accepted by the customer, or deemed as accepted according to the contract, or when title has passed to the customer.

For development properties where the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the stage of completion of the properties. The stage of completion is measured by reference to the professional quantity surveyor's certification of value of work done-to-date. Management has determined that a certification-based output method provides a faithful depiction of the Group's performance in transferring control of the development properties to the customers.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. Payment is typically due within two weeks. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I) (eg. SFRS(I) 1-2 *Inventories*), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract costs assets only if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.8 Development properties *(continued)*

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, the Group adjusts the promised amount of consideration for the effect of a financing component, if significant.

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

2.9 Investments in subsidiaries, joint ventures and associated companies

Investments in subsidiaries, joint ventures and associated companies are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.10 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Property, plant and equipment

ROU assets

Investments in subsidiaries, joint ventures and associated companies

Property, plant and equipment, ROU assets and investments in subsidiaries, joint ventures and associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and the recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. Please refer to Note 2.5 "Property, plant and equipment" for the treatment of a revaluation decrease.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.11 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, except for financial assets at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and bank balances, trade and other receivables, amounts due from joint ventures, subsidiaries, and debt securities.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- **FVOCI:** Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "Other gains - net". Interest income from these financial assets is recognised using the effective interest rate method and presented in "Other income".

- **FVPL:** Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "Other gains - net" and "Other income" respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.11 Financial assets (continued)

(a) Classification and measurement (continued)

At subsequent measurement (continued)

(i) Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in Note 6 "Other gains – net", except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments for enhancement of return on capital and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/(losses)" in OCI. Dividends from equity investments are recognised in profit or loss.

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Regular way purchases and sale of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sale proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.12 Leases

(a) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

(i) ROU assets

The Group recognised a ROU asset and lease liability at the date which the underlying asset is available for use. ROU assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the ROU assets.

These ROU assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.12 Leases *(continued)*

(a) When the Group is the lessee: *(continued)*

(i) ROU assets *(continued)*

ROU assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

ROU asset which meets the definition of an investment property is presented within "Investment properties" and accounted for in accordance with Note 2.7.

(ii) Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There are modifications in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the ROU asset or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

(iii) Short term and low value leases

The Group has elected to not recognise ROU assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value assets, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.12 Leases *(continued)*

(b) When the Group is the lessor:

Operating leases

Leases of investment properties and property, plant and equipment where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentive given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term. Income from leasing of equipment is recognised on its utilisation basis.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

2.13 Financial guarantees

The Company has issued corporate guarantees to banks for banking facilities granted to its certain subsidiaries and joint ventures. These guarantees are financial guarantees as they require the Company to reimburse the banks if these subsidiaries and joint ventures fail to make principal or interest payments when due.

Financial guarantees are initially measured at their fair values and subsequently measured at the higher of:

- (a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
- (b) the amount of expected loss allowance computed using the impairment methodology under Note 2.11(b).

2.14 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Covenants that the Group is required to comply with on or before the end of the reporting period are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.16 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using either the first-in, first-out basis or the weighted average basis. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.17 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 balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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 goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, joint ventures and associated companies, except where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences 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:

- (a) 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 balance sheet date; and
- (b) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

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 directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

2.19 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Share-based compensation

A listed subsidiary of the Group operates an equity-settled, share-based performance share plan. The value of the employee services received in exchange for the grant of shares of the listed subsidiary is recognised as an expense with a corresponding increase in the share-based payment reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the shares granted on grant date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.19 Employee compensation *(continued)*

(b) Share-based compensation *(continued)*

At each balance sheet date, the Group revises its estimates of the number of shares under the performance share plan that are expected to be awarded on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based payment reserve over the remaining vesting period.

When shares of the listed subsidiary are awarded, this is accounted for as a transaction with non-controlling interests [Note 2.4(b)]. Any difference between the change in the carrying amounts of non-controlling interests and the related balance previously recognised in the share-based payment reserve is recognised within equity attributable to the equity holders of the Company.

2.20 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the date when the qualifying asset is ready for its intended use or sale less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.21 Currency translation

(a) 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 are presented in Singapore Dollar, which is the functional currency of the Company.

(b) 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 exchange differences resulting 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 balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operations is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses impacting profit or loss are presented in the income statement within Note 6 "Other gains - net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rate at the date when the fair values are determined.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information *(continued)*

2.21 Currency translation *(continued)*

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.23 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and bank balances include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

2.24 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

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

2.25 Dividends

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. Critical accounting estimates, assumptions and judgements

Estimates assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Estimation of total contract sums and contract costs for engineering and construction contracts

The Group has significant ongoing engineering and construction contracts as at 31 December 2025 which are non-cancellable and have remaining unsatisfied performance obligations amounting to approximately \$1,126 million [Note 4(b)(ii)]. Contract assets and contract liabilities relating to engineering and construction contracts amounted to \$143.9 million and \$33.6 million respectively. For these contracts, revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method").

Management has to estimate the total contract sum and total contract costs to complete, which are used in the input method to determine the Group's recognition of construction revenue. When it is probable that the total contract costs will exceed the total construction revenue, a provision for onerous contracts is recognised immediately.

Significant judgement and assumptions are applied when estimating (i) the total contract sum and (ii) the total contract costs which affect the accuracy of revenue recognition based on the percentage-of-completion.

(i) *Uncertified variation orders included in the estimated contract sum*

The estimation of total contract sum includes variation orders where management has determined that there are sufficient contractual rights to claim from customers but pending final agreement with the customers. In making this assessment, management has relied on the term of the contracts with customers and instructions issued by customers to carry out the variation orders, along with the advice of external legal counsels where relevant.

Given these variation orders are unpriced and un-rated, estimates are applied to determine the valuation of these variation orders which are included into the total contract sum for revenue recognition. Management has applied the relevant rates, taking into consideration the terms and conditions of the contract, agreed with subcontractors or quotations from subcontractors (where applicable) and work of specialists, on the basis that it is highly probable to recover from customers the cost of performing these variation orders. The estimates are revised when an agreement has been reached with the customers. This includes variation orders subject to dispute with customers (Note 33), where management has re-assessed the validity of their contractual rights to claim from customers and re-estimated their valuation.

For every 5% of decrease in the estimated value of these variation orders that are recognised in contract assets (with total contract cost remaining unchanged) based on management estimates, the Group's profit before income tax will decrease by approximately \$3,236,000.

(ii) *Estimated total contract costs*

Total contract costs includes the estimation of remaining cost to complete. Management has estimated the remaining cost to complete based on its past experience, use of specialists, quotations from and contracts with suppliers and sub-contractors. Construction projects, in particular, are inherently complex and involve uncertainties that may not be apparent to management at the reporting date. These estimations are also made with due consideration of the circumstances and relevant events that were known to management at the date of these financial statements.

If the estimated remaining costs to complete increase by 1% from management estimates, the Group's profit before income tax will decrease by approximately \$2,149,000.

(b) Valuation of investment properties

Investment properties are stated at their fair values based on valuations performed by independent professional valuers, using valuation methods that involve certain estimates (Note 21).

Valuation methods used are sales comparison approach and cost method. Sales comparison approach involves the comparison of the sale price comparable properties in close proximity and adjusted for differences in key attributes such as property size. Cost method involves the estimation of the current cost required to replace the property.

The most significant inputs to the valuation methods would be market value per square metre, and replacement cost per square metre respectively. Management is of the view that the valuation methods and estimates are reflective of the current market conditions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. Critical accounting estimates, assumptions and judgements (continued)

(c) Critical judgement over assessment of claims and litigations

The Group entered into various contracts with third parties in its ordinary course of business and is exposed to the risk of claims, litigations or latent defects from the contractual parties. These can arise for various reasons, including change in scope of work, delay and disputes, or defects etc. The scope, enforceability and validity of any claim or litigation may be highly uncertain. In making its judgment as to whether it is probable that any such claim or litigation will result in a liability and whether any such liability can be measured reliably, management relies on past experience and the opinion of legal and technical expertise. See Note 33 for further disclosures relating to the Group's claims and counterclaims subject to arbitration. Also see Note 3(a)(i) for critical judgment and accounting estimates relating to the Group's claims subject to dispute.

4. Revenue

(a) Disaggregation of revenue

	Construction and Building Materials		Real Estate		Leisure & Hospitality		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Group								
Contract revenue – over time	240,196	143,086	-	-	-	-	240,196	143,086
Revenue from sale of products – point in time	80,774	81,171	-	-	-	-	80,774	81,171
Revenue from sale of development properties – over time	-	-	42	5,357	-	-	42	5,357
Revenue from services rendered – over time	-	-	2,012	2,012	3,249	3,617	5,261	5,629
Revenue from contracts with customers	320,970	224,257	2,054	7,369	3,249	3,617	326,273	235,243
Rental income from investment properties (Note 21)	-	-	3,120	3,151	-	-	3,120	3,151
Total revenue	320,970	224,257	5,174	10,520	3,249	3,617	329,393	238,394

(b) Contract assets and liabilities

	Group		1 January 2024 \$'000
	31 December 2025 \$'000	2024 \$'000	
Contract assets			
<i>Current</i>			
Engineering and construction contracts	81,649	63,524	74,870
Sale of products	1,615	1,817	4,761
Sale of development properties	-	28,255	77,092
Less: Allowance for impairment of contract assets [Note 34(b)]	(712)	(556)	-
	82,552	93,040	156,723
<i>Non-current</i>			
Engineering and construction contracts	62,641	38,331	36,274
Sale of products	174	567	1,993
	62,815	38,898	38,267
Total contract assets – net	145,367	131,938	194,990
Contract liabilities			
<i>Current</i>			
Engineering and construction contracts	33,645	22,906	23,408
Sale of products	2,927	235	2,367
	36,572	23,141	25,775

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. Revenue (continued)

(b) Contract assets and liabilities (continued)

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date on construction contracts, sale of products, and sale of development properties. The change in contract assets was mainly due to timing difference between recognition of revenue upon satisfaction of performance obligation and timing of billing to customers. The contract assets balance includes significant variation orders being accounted for, that has been assessed by management to be recoverable and determined by them that there was sufficient contractual rights to claim from customers but pending final agreement with the customers.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for engineering and construction contracts. The increase in contract liabilities in current financial year for engineering and construction contracts and sale of products was mainly due to more advances received from customers.

(i) Revenue recognised in relation to contract liabilities

	Group	
	2025	2024
	\$'000	\$'000
Revenue recognised in current year that was included in the contract liability balance at the beginning of the year		
- Engineering and construction contracts	18,761	18,432
- Sale of products	235	2,367
	<u>18,996</u>	<u>20,799</u>

(ii) Unsatisfied performance obligations

Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 December

- Engineering and construction contracts	<u>1,125,830</u>	<u>828,499</u>
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Management expects that the aggregate amount of the transaction price allocated to unsatisfied performance obligations as of 31 December 2025 will be recognised as revenue as the Group continue to perform to complete the construction, which is expected to occur over the next few years up to 2030 (2024: 2029). The amount disclosed above does not include variable consideration which is subject to significant risk of reversal.

As permitted under the SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods one year or less, or are billed based on time incurred, is not disclosed.

(c) Trade receivables from contracts with customers

	Group		
	31 December	1 January	
	2025	2024	2024
	\$'000	\$'000	\$'000
Current assets			
Trade receivables from contracts with customers	63,158	62,304	40,166
Less: Allowance for impairment	(2,293)	(1,521)	(463)
	<u>60,865</u>	<u>60,783</u>	<u>39,703</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. Other income

	Group	
	2025	2024
	\$'000	\$'000
Interest income		
- Investment securities measured at FVOCI	89	139
- Loan to a joint venture	575	-
- Bank deposits and others	1,273	1,426
	1,937	1,565
Dividend income	138	189
Other income	162	342
	2,237	2,096

6. Other gains - net

Fair value (loss)/gain on investment properties (Note 21)	(200)	1,787
Gain on disposal of property, plant and equipment	15,854	318
Gain on disposal of an associated company	579	-
Gain on liquidation of a joint venture	-	26
Net foreign exchange (loss)/gain	(2,195)	1,288
	14,038	3,419

7. Expenses by nature

Allowance for impairment of trade receivables [Note 34(b)]	724	1,056
Allowance for impairment of contract assets [Note 34(b)]	119	556
Write-back of allowance for impairment of sundry debtors	(68)	(19)
Allowance for/(write-back of allowance for) impairment of loans to joint ventures [Note 15(ii)]	7	(111)
Write-back of allowance for impairment of investment securities [Note 13(b)]	(992)	-
Changes in inventories of raw materials and finished goods	(4,831)	4,885
Contractor and material costs	178,782	110,190
Depreciation of property, plant and equipment (Note 22)	9,665	8,513
Employee compensation (Note 8)	49,750	46,273
Freight, shipping, transport and travelling expenses	3,405	2,283
Purchases of raw material, finished goods and consumables	59,117	53,925
Rental expenses [Note 23(d)]	777	298
Repair and maintenance expenses	3,965	2,980
Sales commission expenses	1,414	1,805
Utilities	1,531	1,462
Other expenses	9,354	9,872
	312,719	243,968

8. Employee compensation

Wages, salaries and other benefits	46,754	44,092
Share-based compensation expense [Note 30(b)(iii)]	2	#
Employer's contribution to defined contribution plans including Central Provident Fund	2,994	2,181
	49,750	46,273

- less than \$1,000

The compensation to key management personnel, including directors' remuneration, is separately disclosed in Note 35(b).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

9. Finance expenses

	Group	
	2025 \$'000	2024 \$'000
Interest expenses		
- Bank borrowings	3,705	8,270
- Lease liabilities [Note 23(c)]	225	237
- Notes payables	1,479	1,479
- Non-trade amounts due to a joint venture	920	2,268
	<u>6,329</u>	<u>12,254</u>

10. Income taxes

(a) Income tax expense

Tax expense/(credit) attributable to loss is made up of:

- Current income tax [Note 10(b)]	4,613	3,599
- Deferred income tax [Note 10(c)]	(665)	(19)
	<u>3,948</u>	<u>3,580</u>

Under/(over) provision of income tax in prior financial years

- Current income tax [Note 10(b)]	169	(96)
- Deferred income tax [Note 10(c)]	(9)	(148)
	<u>4,108</u>	<u>3,336</u>

The tax on the Group's profit/(loss) before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

Profit/(loss) before income tax	29,603	(7,085)
Share of loss of associated companies	16	116
Share of profit of joint ventures	(2,999)	(5,346)
Profit/(loss) before income tax and share of profit/(loss) of associated companies and joint ventures	<u>26,620</u>	<u>(12,315)</u>

Tax calculated at a tax rate of 17% (2024: 17%)

Effects of:		
Expenses not deductible for tax purposes	1,199	1,134
Income not subject to tax	(3,860)	(426)
Unrecognised deferred tax benefits	980	4,028
Utilisation of previously unrecognised tax losses and capital allowances	(786)	(580)
Effect of different tax rates in other countries	1,890	838
Under/(over) provision of tax in prior financial years	160	(244)
Withholding tax	-	680
Tax charge	<u>4,108</u>	<u>3,336</u>

(b) Movement in the net current income tax liabilities/(receivables)

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Balance at 1 January	483	(192)	-	-
Currency translation differences	56	43	-	-
Income tax paid	(3,722)	(2,871)	-	-
Tax credit [Note 10(a)]	4,613	3,599	-	-
Under/(over) provision of current income tax in prior financial years [Note 10(a)]	169	(96)	89	-
Balance at 31 December	<u>1,599</u>	<u>483</u>	<u>89</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

10. Income taxes (continued)

(b) Movement in the net current income tax liabilities/(receivables) (continued)

The amounts of current income tax (receivables)/liabilities are presented in the balance sheet as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current assets				
Income tax receivables	-	(730)	-	-
Current liabilities				
Current income tax liabilities	1,599	1,213	89	-

(c) Deferred income tax

The movement in the net deferred income tax is as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at 1 January	6,343	6,519
Currency translation differences	(24)	(9)
Tax expense [Note 10(a)]	(665)	(19)
Over provision of deferred income tax in prior financial years [Note 10(a)]	(9)	(148)
Balance at 31 December	5,645	6,343

(d) Movements in deferred income tax

The movements in the Group's deferred income tax liabilities and assets (prior to offsetting of balances within the same tax jurisdiction) during the financial year are as follows:

	Accelerated tax depreciation \$'000	Fair value adjustment on investment properties \$'000	Unremitted foreign sourced income \$'000	Total \$'000
Group				
Deferred income tax liabilities				
Balance at 1 January 2025	145	6,354	-	6,499
Credited to profit or loss	(3)	(50)	-	(53)
Currency translation differences	9	(1)	-	8
Balance at 31 December 2025	151	6,303	-	6,454
Balance at 1 January 2024	169	6,364	137	6,670
Credited to profit or loss	(27)	(7)	(137)	(171)
Currency translation differences	3	(3)	-	-
Balance at 31 December 2024	145	6,354	-	6,499

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

10. Income taxes (continued)

(d) Movements in deferred income tax (continued)

	Timing difference in taxation of contract profits \$'000	Unrealised foreign exchange difference \$'000	Total \$'000
Group			
Deferred income tax assets			
Balance at 1 January 2025	(294)	138	(156)
(Credited)/charge to profit or loss	(49)	(572)	(621)
Currency translation differences	(22)	(10)	(32)
Balance at 31 December 2025	(365)	(444)	(809)
Balance at 1 January 2024	(92)	(59)	(151)
(Credited)/charge to profit or loss	(191)	195	4
Currency translation differences	(11)	2	(9)
Balance at 31 December 2024	(294)	138	(156)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The amounts, determined after appropriate offsetting, are shown on the balance sheets as follows:

	Group	
	2025	2024
	\$'000	\$'000
Deferred income tax liabilities	5,645	6,343

(e) Unrecognised tax losses, capital allowances and investment allowances

As at 31 December 2025, the Group has unutilised tax losses of approximately \$115,603,000 (2024: \$103,166,000), unabsorbed capital allowances of approximately \$800,000 (2024: \$3,090,000) and investment allowances of approximately \$12,847,000 (2024: \$12,176,000) which can, subject to meeting certain statutory requirements by those companies with unrecognised tax losses, capital allowances and investment allowances in their respective countries of incorporation, be carried forward and utilised against future taxable profits. The unutilised tax losses, capital allowance and investment allowances do not have expiry dates. The deferred tax benefits on the unutilised tax losses and capital allowances of subsidiaries have not been recognised in the financial statements because of the uncertainty of future utilisation.

(f) There is no tax charge relating to each component of other comprehensive income.

11. Earnings/(loss) per share

(a) Basic earnings/(loss) per share

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

	Group	
	2025	2024
Net profit/(loss) attributable to equity holders of the Company (\$'000)	18,575	(5,451)
Weighted average number of ordinary shares in issue for computation of basic loss per share ('000)	412,459	412,459
Basic earnings/(loss) per share (in cents)	4.50	(1.32)

(b) Diluted earnings/(loss) per share

No adjustment was made to the diluted earnings/(loss) per share for the financial years ended 31 December 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

12. Cash and bank balances

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash and bank balances	52,232	44,629	125	109
Fixed deposits	62,113	26,520	10,900	-
	114,345	71,149	11,025	109

Fixed deposits are short-term in nature, readily convertible to cash and subject to insignificant change in value.

13. Investment securities

	Group	
	2025 \$'000	2024 \$'000
Financial assets, at FVOCI [Note 13(a)]	11,063	7,545
Financial assets, at amortised cost [Note 13(b)]	-	-
	11,063	7,545
Less: Current portion	11,063	347
Non-current portion	-	7,198

(a) Financial assets, at FVOCI

Balance at 1 January	7,545	7,750
Net disposal	(857)	(1,054)
Fair value gain recognised in other comprehensive income [Note 30(b)(i)]	4,375	849
Balance at 31 December	11,063	7,545
Less: Current portion	11,063	347
Non-current portion	-	7,198

Financial assets, at FVOCI are analysed as follows:

Listed securities		
- SGD corporate fixed rate notes of 7.00% (2024: 3.00% to 7.00%) per annum due in November 2026 (2024: October to November 2026)	1,041	1,408
- Equity securities - USA	10,022	6,137
	11,063	7,545

During the current financial year, the Group reclassified the above investments of \$10,022,000 as current assets to reflect management's intention to dispose of them within the next twelve months.

(b) Financial assets, at amortised cost

Balance at 1 January	-	150
Redemption	(992)	(150)
Write-back of impairment (Note 7)	992	-
Balance at 31 December	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. Investment securities (continued)

(b) Financial assets, at amortised cost (continued)

Financial assets, at amortised cost comprise the following:

	Group	
	2025	2024
	\$'000	\$'000
Current		
Unquoted SGD 10.00% fixed rate note	-	1,879
Less: Loss allowance	-	(1,879)
	<u>-</u>	<u>-</u>

During the current financial year, the Group entered into a settlement agreement in respect of the note. Under the agreement, the Group received approximately \$992,000 in cash, and the note was fully settled and discharged. Accordingly, a write-back of loss allowance of \$992,000 was recognised as credit to "other expenses" (Note 7) as the note was fully provided for previously.

14. Trade and other receivables

Current

Trade receivables

Due from non-related parties	62,564	57,624
Less: Allowance for impairment of trade receivables [Note 34(b)]	(2,999)	(2,227)
Trade receivables - net	<u>59,565</u>	<u>55,397</u>

Other receivables

Deposit	2,530	2,405
Prepayments	5,045	5,458
Other receivables - non-related parties [Note 14(ii)]	9,864	39,380
Less: Allowance for impairment of other receivables - non-related parties	(165)	(235)
	<u>76,839</u>	<u>102,405</u>

Non-current

Trade receivables

Due from a non-related party [Note 14(iv)]	1,843	5,900
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Other receivables

Due from a non-related party [Note 14(iii)]	21,615	-
	<u>23,458</u>	<u>5,900</u>

- (i) Allowance for impairment of trade receivables of \$724,000 (2024: \$1,056,000) is recognised as expense (Note 7) and included in "distribution and marketing expenses".
- (ii) Other current receivables due from non-related parties are unsecured and interest-free, except for an amount of \$2,500,000 of fixed rate note which bear interest at 3.50% (2024: 3.50%) per annum and \$5,800,000 which is non-interest bearing and repayable within the next twelve months, extendable at the option of the Group, for three further terms of one year each (2024: repayable in 2025).
- (iii) Included other non-current other receivables due from non-related parties are promissory notes of \$18,000,000 (2024: nil) which bear interest at 3.50% per annum, is repayable in 2027, and is extendable at the option of the Group for one further term of two years.
- (iv) The carrying amounts of the non-current trade receivables approximate their fair value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

15. Amounts due from/(to) joint ventures

	Group	
	2025	2024
	\$'000	\$'000
<u>Current assets</u>		
Trade receivables from joint ventures	950	362
Loans to joint ventures [Note 15(i)]	6,514	6,463
Less: Allowance for impairment of loans [Note 15(ii)]	(891)	(854)
	5,623	5,609
	6,573	5,971
<u>Current liabilities</u>		
Amounts due to a joint venture (trade)	(4,643)	(1,565)
Amounts due to joint ventures (non-trade) [Note 15(iii)]	(29,000)	(30,500)
	(33,643)	(32,065)

- (i) The loans to joint ventures are unsecured, bears interest at 0.40% (2024: nil%) per annum and repayable on demand.
- (ii) Allowance for impairment of loans to joint ventures of \$7,000 (2024: write-back of allowance for impairment of \$111,000) was recognised as a credit to expense (2024: recognised as expenses) (Note 7).
- (iii) The current non-trade amounts due to joint ventures are unsecured, bears interest ranging from 2.28% to 4.32% (2024: 4.15%) per annum, and repayable on demand.

16. Inventories

Raw materials	1,135	608
Finished goods	4,842	538
	5,977	1,146

The cost of inventories recognised as an expense and included in "cost of sales" amounted to \$54,286,000 (2024: \$58,810,000).

17. Other current assets

Project consumables	4,940	4,440
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Project consumables are non-project specific in nature. These are carried at lower of cost or net realisable value.

18. Investment in associated companies

Balance at 1 January	168	284
Share of loss	(16)	(116)
Disposal	(152)	-
Balance at 31 December	-	168

- (i) There are no associated companies as at 31 December 2025 and 2024, which in the opinion of the directors, are individually material to the Group.
- (ii) During the current financial year, the Group disposed off its entire 40% stake in an associated company, Tricaftan Environmental Technology Pte Ltd ("Tricaftan"), for a total consideration of approximately \$331,000 together with dividend income of \$400,000. The purchaser is both a director and substantial shareholder to Tricaftan. The consideration was fully settled in cash. As a result, the Group recognised a gain on disposal of approximately \$579,000 (Note 6).
- (iii) As at 31 December 2025, the Group has exposure of approximately \$5,420,000 (2024: \$9,600,000) relating to its share of an associated partnership's total bank facility
- (iv) Details of the Group's significant associated companies are set out in Note 37. The associated companies have share capital consisting solely of ordinary shares, which are held by the Group, except for SDK Consortium which is incorporated as a partnership. The country of incorporation is also their principal place of business.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. Investments in joint ventures

	Group	
	2025 \$'000	2024 \$'000
Balance at 1 January	94,265	92,719
Share of profit	2,999	5,346
Dividends received	(3,500)	(3,000)
Liquidation	-	(800)
Balance at 31 December	93,764	94,265

There are no contingent liabilities relating to the Group's interest in the joint ventures.

During the current financial year, dividends from joint ventures amounting to \$1,500,000 (2024: \$3,000,000) were received by ways of being offset against non-trade amounts due to joint ventures (Note 15), and \$2,000,000 (2024: nil) were received in cash.

Details of the Group's significant joint ventures are set out in Note 37. The joint ventures have share capital consisting solely of ordinary shares, which are held by the Group. The country of incorporation is also their principal place of business.

Summarised financial information of material joint venture

Set out below are the summarised financial information for the Group's material joint venture. The information reflects the amounts presented in the financial statements of the joint venture (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the joint venture.

The Group's material joint venture is as follows:

- Property investment – Canberra Development Pte Ltd

	Property Investment	
	2025 \$'000	2024 \$'000
Summarised statement of comprehensive income		
Revenue	25,852	24,899
Expenses		
Include:		
- Interest expense	(7,853)	(12,775)
Profit before income tax	8,007	8,272
Income tax expense	(1,261)	(572)
Profit after tax and total comprehensive income	6,746	7,700
Dividends received from joint venture	3,500	3,000

Summarised balance sheet

Current assets	77,705	83,424
Include:		
- Cash and bank balances	5,816	10,057
Current liabilities	(10,075)	(274,374)
Include:		
- Financial liabilities (excluding trade and other payables)	-	(260,000)
Non-current assets	381,247	381,647
Non-current liabilities	(263,593)	(5,159)
Include:		
- Financial liabilities (excluding trade and other payables)	(259,181)	-
Net assets	185,284	185,538

The information above reflects the amounts included in the financial statements of the material joint venture (and not the Group's share of those amounts).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. Investments in joint ventures (continued)

Reconciliation of the summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in joint ventures, is as follows:

	Property Investment	
	2025 \$'000	2024 \$'000
Net assets		
At 1 January	185,538	183,838
Profit after tax and total comprehensive income	6,746	7,700
Dividends paid	(7,000)	(6,000)
At 31 December	185,284	185,538
Carrying value of Group's interest	92,642	92,769
Add:		
Carrying value of individually immaterial joint ventures, in aggregate	1,122	1,496
Carrying value of Group's interest in joint ventures	93,764	94,265

The Group's share of the above joint ventures' profit after tax, other comprehensive income and dividend were reflected in the movement of carrying value of investment in joint ventures. In the event that the Group's share of losses in joint ventures exceeds its interest in such joint ventures, the Group recognise the further loss as impairment on loans to joint ventures and recorded under "Other expenses".

Information about immaterial joint ventures

The following table summarises, in aggregate, the Group's share of net (loss)/profit and other comprehensive (loss)/income of the individually immaterial joint ventures accounted for using the equity method:

	2025 \$'000	2024 \$'000
(Loss)/profit after tax and total comprehensive (loss)/income	(374)	1,499

20. Investments in subsidiaries and amounts due from/(to) subsidiaries

	Company	
	2025 \$'000	2024 \$'000
Investments in subsidiaries		
- Quoted equity shares, at cost	73,130	73,130
- Unquoted equity shares, at cost	68,069	68,069
- Financial guarantee contracts	15,666	15,666
Balance at 1 January and 31 December	156,865	156,865
Current assets		
Amounts due from subsidiaries (trade)	1,697	1,464
Amounts due from subsidiaries (non-trade) [Note 20(i)]	21,741	22,802
	23,438	24,266
Current liabilities		
Amounts due to subsidiaries (trade)	(1,960)	(141)
Amounts due to subsidiaries (non-trade) [Note 20(ii)]	(40,548)	(39,537)
	(42,508)	(39,678)
Non-current liabilities		
Amount due to a subsidiary (non-trade) [Note 20(iii)]	(19,011)	(19,011)

(i) The current non-trade amounts due from subsidiaries are repayable on demand, unsecured and interest-free, except for the loans amounting to \$16,400,000 (2024: \$16,400,000) due from subsidiaries which bear interest rate at 6.56% (2024: 6.56%) per annum.

(ii) The current non-trade amounts due to subsidiaries are repayable on demand, unsecured and interest-free, except for the loans amounting to \$25,870,000 (2024: \$23,350,000) due to subsidiaries which bear interest rate ranging from 1.99% to 4.31% (2024: at 3.80% to 4.31%) per annum.

(iii) The non-current non-trade amount due to a subsidiary is unsecured, interest-free and is not expected to be repaid within one year. The carrying amount of non-current non-trade amount due to a subsidiary approximates its fair value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. Investments in subsidiaries and amounts due from/(to) subsidiaries (continued)

	Group	
	2025 \$'000	2024 \$'000
(iv) Carrying value of non-controlling interests		
Koh Brothers Eco Engineering Ltd and its subsidiaries	54,545	48,308
Other subsidiaries with immaterial non-controlling interests	(21)	29
	54,524	48,337

Summarised financial information of subsidiaries with material non-controlling interests

Set out below is the summarised financial information for Koh Brothers Eco Engineering Ltd ("KBE") and its subsidiaries which has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

	For the financial year ended 31 December	
	2025 \$'000	2024 \$'000
Summarised statement of comprehensive income		
Revenue	245,912	148,973
Profit/(loss) before income tax	13,183	(11,395)
Income tax expense	(3,282)	(2,900)
Profit/(loss) after tax	9,901	(14,295)
Other comprehensive income	1,391	902
Total comprehensive income/(loss)	11,292	(13,393)
Total comprehensive income/(loss) allocated to non-controlling interests	7,736	(4,435)
Dividends paid to non-controlling interests	1,503	1,139

	As at 31 December	
	2025 \$'000	2024 \$'000

Summarised balance sheet

Current		
Assets	211,604	179,005
Liabilities	(172,831)	(132,975)
Total current net assets	38,773	46,030
Non-current		
Assets	104,430	83,724
Liabilities	(12,502)	(8,844)
Total non-current net assets	91,928	74,880
Net assets	130,701	120,910

	For the financial year ended 31 December	
	2025 \$'000	2024 \$'000

Summarised cash flows

Net cash provided by/(used in) operating activities	22,984	(13,732)
Net cash provided by investing activities	1,470	802
Net cash used in financing activities	(11,579)	(6,112)

Transactions with non-controlling interests

There is no significant transaction with non-controlling interests that led to change in ownership interest in subsidiaries for the financial years ended 31 December 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21. Investment properties

	Group	
	2025 \$'000	2024 \$'000
Balance at 1 January	102,562	100,989
Fair value (loss)/gain recognised in profit or loss (Note 6)	(200)	1,787
Currency translation difference	(76)	(214)
Balance at 31 December	102,286	102,562

The following amounts are recognised in profit or loss:

Rental income (Note 4)	3,120	3,151
Direct operating expenses arising from investment properties that generated rental income	(1,646)	(1,755)

(i) Investment properties with carrying values totalling \$95,800,000 (2024: \$95,800,000) are mortgaged to banks for credit facilities granted (Notes 27 and 28).

(ii) Details of the investment properties are set out below:

Property	Tenure	Site area/gross floor area (sq ft)
The First City Complex comprising commercial units, office units and service apartments at Pulau Batam, Indonesia	20 years from October 2018	200,456 186,066
11 shop units at Alocassia Apartments at 383 Bukit Timah Road, Singapore	Freehold	44,863* 22,895
45 apartment units at Alocassia Apartments at 383 Bukit Timah Road, Singapore	Freehold	44,863* 35,166
5 officetel units at 225-6, Nonhyeon-dong, Gangnam-gu, Seoul, South Korea	Freehold	3,834

* The 11 shop units and 45 apartment units are located within the same building.

Fair value hierarchy - Recurring fair value measurements

	Fair value measurements using		
	Quoted prices in active markets for identical assets (Level 1) \$'000	Significant other observable inputs (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000
31 December 2025			
- Investment properties	-	-	102,286
31 December 2024			
- Investment properties	-	-	102,562

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21. Investment properties (continued)

Valuation technique and inputs used in Level 3 fair value measurements

The following table represents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy:

Description	Fair value as at 31 December 2025 (\$'000)	Valuation technique(s)	Unobservable inputs ¹	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Investment properties – Singapore	95,800 (2024: 95,800)	Sales comparison method	Market value per square metre	\$16,000 to \$49,000 (2024: \$19,000 to \$49,000) per square metre	The higher the market value per square metre, the higher the fair value.
Investment properties – Indonesia	4,400 (2024: 4,610)	Cost method	Replacement cost per square metre	\$308 to \$424 (2024: \$340 to \$468) per square metre	The higher the replacement cost per square metre, the higher the fair value.
		Sales comparison method	Market value per square metre	\$218 to \$228 (2024: \$249 to \$474) per square metre	The higher the market value per square metre, the higher the fair value.
Investment properties – South Korea	2,086 (2024: 2,152)	Sales comparison method	Market value per square metre	\$14,000 (2024: \$16,000) per square metre	The higher the market value per square metre, the higher the fair value.

¹ There were no changes in valuation techniques during the year.

Valuation processes of the Group

The fair value of investment properties are determined annually by independent professional valuers at the end of every financial year based on the properties' highest and best use. They are carried at fair value at the balance sheet date.

At each financial year, management:

- provides all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation reports; and
- holds discussions with the independent valuers.

Changes in Level 3 fair values are analysed at each reporting date during management meetings. As part of this discussion, a report is presented to the Audit and Risk Committee that explains the reasons for the fair value movements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22. Property, plant and equipment

	Freehold land \$'000	Buildings on freehold land \$'000	Leasehold land and buildings \$'000	Plant and machinery \$'000	Motor vehicles \$'000	Furniture, fittings, office and hotel equipment \$'000	Assets under construction \$'000	Total \$'000
Group								
Cost or valuation								
At 1 January 2025								
Cost	27,366	19,614	28,192	89,737	19,083	14,198	785	198,975
Independent valuation in 1993 [Note 22(ii)]	16,250	6,487	5,489	-	-	-	-	28,226
	43,616	26,101	33,681	89,737	19,083	14,198	785	227,201
Currency translation differences	105	22	(21)	86	21	(10)	33	236
Additions	-	-	5,640	3,438	3,541	404	-	13,023
Disposals	(5,291)	(69)	-	(2,624)	(1,665)	(4)	-	(9,653)
Write off	-	-	-	-	(14)	(3)	-	(17)
At 31 December 2025	38,430	26,054	39,300	90,637	20,966	14,585	818	230,790
Represented by:								
Cost	22,180	19,567	33,811	90,637	20,966	14,585	818	202,564
Independent valuation in 1993 [Note 22(ii)]	16,250	6,487	5,489	-	-	-	-	28,226
	38,430	26,054	39,300	90,637	20,966	14,585	818	230,790
Accumulated depreciation and impairment losses								
At 1 January 2025	3,069	11,346	19,537	69,568	16,615	12,838	-	132,973
Currency translation differences	-	22	(21)	11	17	(10)	-	19
Disposals	-	(33)	-	(2,624)	(1,663)	(4)	-	(4,324)
Write off	-	-	-	-	(13)	(3)	-	(16)
Depreciation charge (Note 7)	-	201	4,661	3,239	1,176	388	-	9,665
At 31 December 2025	3,069	11,536	24,177	70,194	16,132	13,209	-	138,317
Net book value at 31 December 2025	35,361	14,518	15,123	20,443	4,834	1,376	818	92,473

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22. Property, plant and equipment (continued)

	Freehold land \$'000	Buildings on freehold land \$'000	Leasehold land and buildings \$'000	Plant and machinery \$'000	Motor vehicles \$'000	Furniture, fittings, office and hotel equipment \$'000	Assets under construction \$'000	Total \$'000
Group								
Cost or valuation								
At 1 January 2024								
Cost	26,963	19,462	30,459	90,451	18,623	13,934	-	199,892
Independent valuation in 1993 [Note 22(ii)]	16,250	6,487	5,489	-	-	-	-	28,226
	43,213	25,949	35,948	90,451	18,623	13,934	-	228,118
Currency translation differences	403	84	59	30	18	77	22	693
Additions	-	68	1,014	194	1,339	231	763	3,609
Disposals	-	-	-	(518)	(884)	(19)	-	(1,421)
Write off	-	-	(3,340)	(420)	(13)	(25)	-	(3,798)
At 31 December 2024	43,616	26,101	33,681	89,737	19,083	14,198	785	227,201
Represented by:								
Cost	27,366	19,614	28,192	89,737	19,083	14,198	785	198,975
Independent valuation in 1993 [Note 22(ii)]	16,250	6,487	5,489	-	-	-	-	28,226
	43,616	26,101	33,681	89,737	19,083	14,198	785	227,201
Accumulated depreciation and impairment losses								
At 1 January 2024	3,069	11,132	19,132	67,359	16,428	12,366	-	129,486
Currency translation differences	-	26	17	27	12	73	-	155
Disposals	-	-	-	(518)	(856)	(11)	-	(1,385)
Write off	-	-	(3,340)	(420)	(13)	(23)	-	(3,796)
Depreciation charge (Note 7)	-	188	3,728	3,120	1,044	433	-	8,513
At 31 December 2024	3,069	11,346	19,537	69,568	16,615	12,838	-	132,973
Net book value at 31 December 2024	40,547	14,755	14,144	20,169	2,468	1,360	785	94,228

- (i) ROU assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 23(a).
- (ii) The valuation made in 1993, in connection with the listing of the Company, was performed by Messrs Knight Frank, Cheong Hock Chye & Baillieu (Property Consultants) Pte Ltd, a firm of independent valuers based on an open market existing use basis as at 31 December 1993.
- (iii) If the revalued property, plant and equipment had been included in the financial statements at cost less accumulated depreciation, their net book values would be as follows:

	Group	
	2025	2024
	\$'000	\$'000
Freehold land	15,293	15,293
Buildings on freehold land	3,062	3,107

- (iv) At 31 December 2025, certain freehold land, buildings on freehold land and leasehold land and buildings with net book values amounting to \$44,953,000 (2024: \$50,257,000) are mortgaged to banks for credit facilities granted in respect of short-term bank loans and term loans (Notes 27 and 28).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22. Property, plant and equipment (continued)

(v) The Group's major properties included in property, plant and equipment are as follows:

Name and location	Description	Tenure
Koh Brothers Building 11 Lorong Pendek Singapore	Industrial building	Freehold
Oxford Hotel 218 Queen Street Singapore	Hotel	Freehold
65 Sungei Kadut Drive Singapore	Factory-cum-office building	35.3 years from 16 December 1990
PTD 103250, Jalan Idaman 3/9 Taman Perindustrian Senai Johor, Malaysia	Factory-cum-office building	Freehold
1 Tuas South Street 6 Singapore	Industrial building	22.5 years from 2 May 2013
15 Genting Road Singapore	Industrial land	Freehold
Lot 6 Jalan Pasaran 23/5 Selangor Darul Ehsan, Malaysia	Factory-cum-office building	99 years from 15 August 1997

23. Leases - The Group as a lessee

Nature of the Group's leasing activities

Leasehold land

The Group leases various leasehold land from non-related parties under non-cancellable lease agreements. The leases have varying terms, escalation clauses and renewal rights. These land are recognised within property, plant and equipment (Note 22).

There are no externally imposed covenants on these lease arrangements.

Plant and machinery and motor vehicles

The Group leases certain plant and machinery and motor vehicles from non-related parties under operating leases. Some of these lease arrangements prohibit the Group from subleasing the equipment to third parties.

(a) Carrying amounts of ROU assets classified within Property, plant and equipment

	Group	
	2025 \$'000	2024 \$'000
Leasehold land and buildings	3,576	2,267
Plant and machinery	17,164	18,403
Motor vehicles	3,495	1,313
	24,235	21,983

(b) Depreciation charge during the financial year

Leasehold land and buildings	2,386	2,790
Plant and machinery	2,726	1,889
Motor vehicles	618	421
	5,730	5,100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

23. Leases – The Group as a lessee (continued)

(c) Interest expense

	Group	
	2025	2024
	\$'000	\$'000
Interest expenses on lease liabilities (Note 9)	225	237

(d) Lease expense not capitalised in lease liabilities

Lease expense – short-term leases	770	249
Lease expense – low-value leases	7	49
	777	298

(e) Total cash outflow for all the leases in 2025 was \$5,592,000 (2024: \$5,485,000).

(f) Addition of ROU assets during the financial year were \$8,083,000 (2024: \$1,309,000).

24. Leases – The Group as a lessor

Nature of the Group's leasing activities

The Group leases out commercial space to non-related parties under non-cancellable lease agreements. To reduce credit risk, the Group obtains security deposits from the lessees. The lessees are required to pay either absolute fixed annual increases to the lease payments or contingent rents computed based on their sales achieved during the lease period.

Rental income from investment properties are disclosed in Note 21.

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

Less than one year	860	720
One to two years	169	707
More than two years	-	118
Total undiscounted lease payment	1,029	1,545

25. Goodwill

Cost

Balance at 1 January and 31 December	5,078	5,078
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Goodwill arising from the Group's acquisition of Koh Brothers Eco Engineering Ltd and its subsidiaries is allocated to the "Bio-Refinery and Renewable Energy" CGU.

The Group tests the CGU annually for impairment or more frequently if there are indicators that the goodwill might be impaired.

The recoverable amount of the CGU was determined based on value-in-use calculation. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a one-year period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

25. Goodwill (continued)

Key assumptions used for value-in-use calculations:

	Group	
	2025	2024
Gross margin ^[1]	18%	17%
Terminal growth rate ^[2]	2%	2%
Discount rate ^[3]	14%	14%

¹ Budgeted gross margin

² Weighted average growth rate used to extrapolate cash flows beyond the budget period

³ Pre-tax discount rate applied to the pre-tax cash flow projections

Management determined the budgeted gross margin based on past performance and its expectations of market developments. The weighted average growth rates used were consistent with forecasts included in industry reports. The discount rates used were pre-tax and reflected specific risks relating to the relevant segment. Based on the sensitivity analysis performed by management, a reasonably possible change in the key assumptions above will not result in an impairment in goodwill.

26. Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
<u>Trade payables</u>				
Due to non-related parties	92,582	54,972	-	-
Retention due to subcontractors on construction contracts	1,773	2,900	-	-
<u>Other payables</u>				
Accruals for operating expenses	11,232	10,320	1,524	747
Sundry payables	2,290	2,160	-	-
Deposits and advances received	3,347	2,781	-	-
Due to directors [Note 26(i)]	662	690	383	422
Indirect taxes payable	563	1,813	15	46
Due to non-related parties	5,070	5,070	-	-
Provision for onerous contracts [Note 26(iii)]	30	197	-	-
	117,549	80,903	1,922	1,215
Non-current				
Retention due to subcontractors on construction contracts	9,681	7,374	-	-

(i) The amounts due to directors are unsecured, interest-free and repayable on demand.

(ii) The carrying amount of non-current trade and other payables approximates its fair value.

(iii) Provision for onerous contracts

	Group	
	2025	2024
	\$'000	\$'000
Balance at 1 January	197	179
Provision made	1	37
Provision utilised	(168)	(19)
Balance at 31 December	30	197

Provision for onerous contracts is in respect of remaining expected losses arising from non-cancellable construction contracts where the expected total contract costs exceed the total contract sum and is expected to be utilised as these contracts progress towards completion.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

27. Bank borrowings and lease liabilities

	Group	
	2025	2024
	\$'000	\$'000
Current		
Short-term bank loans		
- Secured	27,995	28,447
- Unsecured	47,460	52,000
	75,455	80,447
Term loans payable within one year (Note 28)	1,392	1,877
Lease liabilities payable within one year	4,298	3,608
	81,145	85,932
Non-current		
Term loans payable after one year (Note 28)	31,343	57,813
Lease liabilities payable after one year	4,801	1,997
	36,144	59,810
Total bank borrowings and lease liabilities	117,289	145,742

The Group's short-term bank loans bear interest rate at the balance sheet date ranging from 1.98% to 4.95% (2024: 3.87% to 5.70%) per annum.

The Group's short-term bank loans are secured over certain Group's investment properties [Note 21(i)] and certain freehold land and buildings [Note 22(iv)].

28. Bank borrowings

	Due within one year		Due after one year	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Group				
Term loans				
- Secured	1,392	800	31,343	57,813
- Unsecured	-	1,077	-	-
	1,392	1,877	31,343	57,813

Term loans amounting to \$32,735,000 (2024: \$58,613,000) are secured over certain investment properties [Note 21(i)] and certain freehold land and buildings [Note 22(iv)] of the Group.

The non-current term loans mature between 2027 and 2047 (2024: 2026 and 2047).

The Group's term loans bear interest rate ranging from 1.98% to 4.24% (2024: 3.87% to 5.04%) per annum, except for a term loan of \$1,077,000 in the previous financial year, which bore interest at fixed rate of 2.10% per annum.

The carrying amounts of the non-current term loans approximate their fair values, as the term loans bear interest at variable rates (2024: except for a term loan which bears interest at fixed rate).

Under the terms of the Group's major non-current term loans, with total carrying amount of \$31,343,000 (2024: \$57,813,000), the Group's aggregate amount of secured term loans outstanding under the relevant facilities shall not exceed 75% to 80% of the mortgaged properties' market values at all times. The Group has complied with these covenants throughout the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

29. Notes payables

	Group and Company	
	2025	2024
	\$'000	\$'000
Balance at 1 January	22,522	22,345
Amortisation of notes issuance expenses	176	177
Balance at 31 December	22,698	22,522

The Company has established a \$250 million Multicurrency Medium Term Note programme, under which the Company may, from time to time, issue notes in series or tranches in Singapore Dollars or in other currencies, in various amounts and tenors and interest rates agreed between Company and the relevant dealer. The net proceeds arising from the issue of notes will be used for general corporate purposes, financing investments and general working capital of the Group.

The Company issued the third series of notes amounting to \$22,750,000 (including \$12,250,000 exchanged from the second series of notes) in October 2022. The new notes bear a fixed rate of 6.50% per annum payable semi-annually in arrear and are due on 17 April 2026.

At the balance sheet date, the fair value of the notes payables approximates its carrying amounts (2024: \$23,671,000).

Under the terms of the Multicurrency Medium Term Note programme, the Group is required to comply with the following financial covenants at the end of each half-yearly period:

- (i) the Consolidated Tangible Net Worth shall not at any time be less than \$175,000,000;
- (ii) the ratio of Consolidated Net Debt to Consolidated Tangible Net Worth shall not exceed 2.75:1 at any time; and
- (iii) the ratio of Consolidated Secured Debt to Consolidated Total Assets must be not exceed 0.65:1 at any time.

The Group has complied with these covenants throughout the reporting period.

30. Share capital, treasury shares and reserves

(a) Share capital and treasury shares

Group and Company	No. of ordinary shares		Amount	
	Issued share capital '000	Treasury shares '000	Share capital \$'000	Treasury shares \$'000
2025				
Balance at 1 January and 31 December	438,000	(25,541)	36,981	(7,983)
2024				
Balance at 1 January and 31 December	438,000	(25,541)	36,981	(7,983)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

(b) Other reserves

Composition	Group	
	2025	2024
	\$'000	\$'000
Fair value reserve	(2,954)	(7,524)
Capital reserve	1,596	1,596
Share-based payment reserve	11	13
	(1,347)	(5,915)

Other reserves are non-distributable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30. Share capital, treasury shares and reserves (continued)

(b) Other reserves (continued)

Movements	Group	
	2025 \$'000	2024 \$'000
(i) <i>Fair value reserve</i>		
Balance at 1 January	(7,524)	(8,373)
Fair value gain/(loss) on financial assets, at FVOCI [Note 13(b)]	4,375	849
Transfer to retained earning upon realisation of fair value loss on financial assets, at FVOCI	425	-
Less: Non-controlling interests	(230)	-
Balance at 31 December	(2,954)	(7,524)
(ii) <i>Capital reserve</i>		
Balance at 1 January and 31 December	1,596	1,596
As at 31 December 2025 and 2024, capital reserve comprises goodwill in relation to acquisitions of subsidiaries prior to 1 January 2001.		
(iii) <i>Share-based payment reserve</i>		
Balance at 1 January	13	16
Performance share plan of a subsidiary		
- Value of employee services (Note 8)	2	#
- Performance shares awarded	(4)	(3)
Balance at 31 December	11	13

- less than \$1,000

Performance share plan of a subsidiary

On 20 April 2017, the shareholders of a listed subsidiary, Koh Brothers Eco Engineering Ltd, approved a performance share plan to be known as the "Koh Brothers Eco Engineering Ltd Performance Share Plan 2017 ("KBE PSP"). Under the KBE PSP, the total number of shares which may be delivered (whether in the form of shares or in the form of cash in lieu of shares) shall not exceed 20% of the total number of issued shares (excluding treasury shares) from time to time. The KBE PSP shall continue in force at the discretion of its Remuneration Committee subject to a maximum period of 10 years commencing on the date on which KBE PSP is adopted.

No new share awards under the KBE PSP were granted to KBE's employees during the financial years ended 31 December 2025 and 2024. During the financial year, KBE issued 64,980 (2024: 66,710) ordinary shares to its employees pursuant to the vesting of share awards granted under KBE PSP.

Details of the performance share plan granted by KBE are disclosed in KBE's audited consolidated financial statements for the financial year ended 31 December 2025, which is publicly available.

(c) Currency translation reserve

Balance at 1 January	(11,397)	(11,002)
Net currency translation differences of financial statements of foreign operations	1,308	138
Less: Non-controlling interests	(536)	(533)
Balance at 31 December	(10,625)	(11,397)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

31. Dividend

	Company	
	2025	2024
	\$'000	\$'000
Interim dividend paid in respect of the current financial year ended of 0.1 Singapore cent (2024: nil) per share	412	-

At the forthcoming Annual General Meeting, a final and special cash dividend of 0.30 Singapore cent and 0.60 Singapore cent per share respectively amounting to a total of approximately \$3.71 million will be recommended. These financial statements do not reflect these dividends, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2026.

32. Commitments

Capital commitments

The Group does not have any capital expenditures contracted for but not recognised in the financial statements as at 31 December 2025 and 2024.

33. Contingent liabilities

In connection with disputed claims amounting to \$37.8 million for variation works and other items under a subcontract with a joint venture, a subsidiary of the Group (in its capacity as the subcontractor) previously applied for arbitration to pursue these claims. Counterclaims amounting to \$37.1 million, which were disputed by the subsidiary, were submitted by the joint venture partner against the subsidiary as part of the arbitration process.

During the current financial year, the arbitrator issued partial awards providing valuations of the amounts claimed by the subsidiary and the joint venture partner including arbitration-related costs. However, the arbitrator had not apportioned any of the claim amounts to the subsidiary or the joint venture partner, nor did the arbitrator make any dispositive order for payment to be made by any party. The subsidiary has applied to the Singapore High Court for the partial awards to be wholly set aside with the hearing currently scheduled in 2026. The subsidiary will also apply to set aside the partial award on arbitration-related costs. The dispute remains unresolved and is currently ongoing as at the date of these financial statements.

Based on the currently available information and advice from the legal counsel, no provision for the counter claims of \$37.1 million has been made as at 31 December 2025.

Management has also taken into consideration this current year development and re assessed the valuation of the variation works in dispute for inclusion in the total contract sum and revenue recognition. As a result, adjustments were made to carrying value of the contract assets and cumulative revenue recognised.

34. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. Where possible, the Group seeks to match assets and liabilities of the same currency. Derivative financial instruments are only used where necessary to reduce exposure to fluctuation in foreign exchange rates and interest rates.

(a) Market risk

(i) Currency risk

The Group operates mainly in Asia with operations primarily in Singapore, Malaysia, Indonesia, and South Korea. Entities in the Group transact predominantly in their respective functional currencies, except for balances between entities in the Group.

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as the Singapore Dollar ("SGD"), United States Dollar ("USD"), and others. The Group monitors the foreign currency exchange rate movements closely to ensure that its exposures are minimised. The Group also has investments in foreign subsidiaries and is exposed to currency translation risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's currency exposure is as follows:

	SGD \$'000	USD \$'000	Others \$'000	Total \$'000
Group				
At 31 December 2025				
Financial assets				
Cash and bank balances	75,402	18,580	20,363	114,345
Investment securities	1,041	10,022	-	11,063
Trade and other receivables	85,919	3,748	5,585	95,252
Amounts due from joint ventures	6,573	-	-	6,573
Inter-company balances	68,160	-	11,987	80,147
	237,095	32,350	37,935	307,380
Financial liabilities				
Notes payables, borrowings and lease liabilities	(139,987)	-	-	(139,987)
Trade and other payables	(106,700)	(712)	(19,788)	(127,200)
Amounts due to joint ventures	(33,643)	-	-	(33,643)
Inter-company balances	(68,160)	-	(11,987)	(80,147)
	(348,490)	(712)	(31,775)	(380,977)
Net financial (liabilities)/assets	(111,395)	31,638	6,160	(73,597)
Less: Net financial liabilities denominated in the respective entities' functional currency	111,361	-	(7,927)	
Net currency exposure	(34)	31,638	(1,767)	
At 31 December 2024				
Financial assets				
Cash and bank balances	42,671	8,904	19,574	71,149
Investment securities	1,408	6,137	-	7,545
Trade and other receivables	75,847	21,464	5,536	102,847
Amounts due from joint ventures	5,971	-	-	5,971
Inter-company balances	66,343	-	7,284	73,627
	192,240	36,505	32,394	261,139
Financial liabilities				
Notes payables, borrowings and lease liabilities	(167,812)	-	(452)	(168,264)
Trade and other payables	(69,370)	(1,209)	(17,501)	(88,080)
Amounts due to joint ventures	(32,065)	-	-	(32,065)
Inter-company balances	(66,343)	-	(7,284)	(73,627)
	(335,590)	(1,209)	(25,237)	(362,036)
Net financial assets/(liabilities)	(143,350)	35,296	7,157	(100,897)
Less: Net financial liabilities denominated in the respective entities' functional currency	143,233	-	(12,477)	
Net currency exposure	(117)	35,296	(5,320)	

As at 31 December 2025 and 2024, the Company's business operations are not exposed to significant foreign currency risks as it has no significant transactions denominated in foreign currencies. All financial assets and financial liabilities are mainly denominated in SGD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

If the USD changes against the SGD by 5% (2024: 5%) respectively with all other variables including tax rate being held constant, the effects arising from the net financial assets and liabilities will be as follows:

	Increase/(decrease)	
	Profit after tax	
	2025	2024
	\$'000	\$'000
Group		
USD against SGD		
- Strengthened	1,313	1,465
- Weakened	(1,313)	(1,465)
	<u> </u>	<u> </u>

The Group has insignificant exposure to other foreign currencies as at 31 December 2025 and 2024.

(ii) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group has no significant interest-bearing assets. The Group's exposure to cash flow interest rate risks arises mainly from the Group's debt obligations. The Group manages its cash flow interest rate risks by adopting a preference for fixed rate instruments over variable-rate instruments.

The Group's borrowings at variable rates are denominated mainly in SGD. If the SGD interest rates increase/decrease by 1% (2024: 1%) with all other variables including tax rate being held constant, the Group's profit after tax (2024: loss after tax) will be lower/higher (2024: higher/lower) by \$898,000 (2024: \$1,154,000) as a result of higher/lower interest expense on these borrowings.

(iii) Price risk

The Group is exposed to equity and debt securities price risk arising from the quoted investments held by the Group which are classified as financial assets, at FVOCI. These securities are listed in Singapore and in USA. The Group is not exposed to commodity price risk.

If prices for the equity and debt securities listed in Singapore and in USA change by 10% (2024: 10%) with all other variables including tax rate being held constant, the effects would have been:

	Increase/(decrease)	
	Other comprehensive income	
	2025	2024
	\$'000	\$'000
Group		
- Increase by 10%	1,106	755
- Decrease by 10%	(1,106)	(755)
	<u> </u>	<u> </u>

The Company is not exposed to any price risk for the financial year ended 31 December 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. Financial risk management (continued)

(b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, where cash term, advance payments, bankers' guarantees and performance bonds are required for customers of lower credit standing; and
- High credit quality counterparties.

The Group's investments in quoted debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration. The trade receivables of the Group comprise 5 debtors (2024: 5 debtors) that accounted for approximately 37% (2024: 63%) of the balance.

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 balance sheet, except for corporate guarantees as follows:

	2025 \$'000	2024 \$'000
Group		
Corporate guarantees provided to banks on – Joint ventures' loan	130,000	130,000
Company		
Corporate guarantees provided to banks on – Subsidiaries' loan	77,893	89,525
– Joint ventures' loan	130,000	130,000

Information on trade receivables provided to key management are as follows:

	Group	
	2025 \$'000	2024 \$'000
By geographical areas		
Singapore	52,845	34,691
Malaysia	3,654	4,524
Indonesia	2,499	22,030
Others	2,410	52
	61,408	61,297
By industry sectors		
Construction and Building Materials	60,854	59,806
Real Estate	544	1,483
Leisure & Hospitality	10	8
	61,408	61,297

The movement in credit loss allowance are as follows:

Trade receivables⁽¹⁾		
Balance at 1 January	2,227	1,169
Loss allowance recognised in profit or loss on assets acquired/originated (Note 7)	724	1,056
Currency translation difference	48	2
Balance at 31 December (Note 14)	2,999	2,227
Contract assets⁽¹⁾		
Balance at 1 January	556	–
Loss allowance recognised in profit or loss on assets acquired/originated (Note 7)	119	556
Currency translation difference	37	–
Balance at 31 December [Note 4(b)]	712	556

⁽¹⁾ Loss allowance measured at lifetime expected credit loss

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. Financial risk management (continued)

(b) Credit risk (continued)

The Group's other receivables are subject to immaterial credit loss. Within other receivables are non-trade amounts due from non-related parties of \$30,127,000 (2024: \$30,127,000) [Note 14(ii)] which are considered to have low credit risk. This was based on management's assessment of the debtors' financial position and performance, cash flows, valuation of their residential properties held and their ability to repay via realisation of these residential properties.

The Company's debt financial assets are subject to immaterial credit loss.

(i) Trade receivables and contract assets

In measuring the expected credit losses ("ECL"), trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. The contract assets relate mainly to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts.

The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts for forward-looking macroeconomic data. The Group has identified the gross domestic product ("GDP") growth of the countries in which it sells goods and services to be the most relevant factor, and accordingly adjust the historical loss rates based on expected changes in this factor.

The Group considers a financial asset to be in default when the counterparty fails to make contractual payments for a prolonged period of time when they fall due, and the Group may also consider internal and external information, such as significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligation. Financial assets are written off when there is no reasonable expectation of recovering the contractual cash flow, such as a debtor failing to engage in a repayment plan with the Group and it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Management has assessed and concluded that the expected credit loss rate for trade receivables past due less than 1 year is immaterial, while the expected credit loss rate for trade receivables past due more than 1 year approximates 50% to 100%, except for specific cases where management has assessed the amount is still fully recoverable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. Financial risk management (continued)

(b) Credit risk (continued)

(i) Trade receivables and contract assets (continued)

The Group's credit risk exposure in relation to trade receivables and contract assets under SFRS(I) 9 are set out as follows:

	Current \$'000	Past due			Total \$'000
		1 to 6 months \$'000	7 to 12 months \$'000	Over 12 months \$'000	
Group					
At 31 December 2025					
Construction and Building Materials					
Contract assets	146,079	-	-	-	146,079
Trade receivables	54,695	5,156	1,402	1,894	63,147
Loss allowance	(437)	(349)	(325)	(1,894)	(3,005)
Real Estate					
Trade receivables	-	92	9	1,149	1,250
Loss allowance	-	-	-	(706)	(706)
Leisure & Hospitality					
Trade receivables	10	-	-	-	10
Loss allowance	-	-	-	-	-

	Current \$'000	Past due			Total \$'000
		1 to 6 months \$'000	7 to 12 months \$'000	Over 12 months \$'000	
Group					
At 31 December 2024					
Construction and Building Materials					
Contract assets	104,241	-	-	-	104,241
Trade receivables	48,190	9,569	1,019	2,549	61,327
Loss allowance	(556)	(405)	-	(1,116)	(2,077)
Real Estate					
Contract assets	28,253	-	-	-	28,253
Trade receivables	968	61	11	1,149	2,189
Loss allowance	-	-	-	(706)	(706)
Leisure & Hospitality					
Trade receivables	8	-	-	-	8
Loss allowance	-	-	-	-	-

(ii) Financial guarantee contracts

The Company has issued financial guarantees to banks for borrowings of its subsidiaries and joint ventures. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries and these joint ventures have strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. Financial risk management (continued)

(c) Liquidity risk

The table below analyses the maturity profile of the Group's and Company's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000
Group				
At 31 December 2025				
Payables	151,162	-	9,681	-
Borrowings and lease liabilities	84,177	5,090	8,326	29,705
Notes payables	23,189	-	-	-
Financial guarantee contracts	130,000	-	-	-
At 31 December 2024				
Payables	112,771	2,774	4,600	-
Borrowings and lease liabilities	92,551	30,279	6,686	41,485
Notes payables	1,175	23,181	-	-
Financial guarantee contracts	130,000	-	-	-
Company				
At 31 December 2025				
Payables	1,922	-	-	-
Amounts due to subsidiaries	42,508	19,011	-	-
Notes payables	23,189	-	-	-
Financial guarantee contracts	207,893	-	-	-
At 31 December 2024				
Payables	1,215	-	-	-
Amounts due to subsidiaries	39,678	19,011	-	-
Notes payables	1,175	23,181	-	-
Financial guarantee contracts	219,525	-	-	-

The Group and Company manage the liquidity risk by maintaining sufficient cash and marketable securities to enable them to meet their normal operating commitments and having an adequate amount of committed credit facilities.

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The gearing ratio is calculated as net debt divided by shareholders' funds. Net debt is calculated as notes payables, bank borrowings and lease liabilities less cash and bank balances.

	Group	
	2025	2024
	\$'000	\$'000
Net debt	25,642	97,115
Shareholders' funds	282,963	259,885
Gearing ratio (times)	0.09	0.37

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2025 and 2024 respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. Financial risk management (continued)

(e) Fair value measurements

The following presents the assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

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

See Note 21 for disclosure of the investment properties that are measured at fair value.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group				
31 December 2025				
<i>Assets</i>				
Financial assets, at FVOCI	11,063	-	-	11,063
31 December 2024				
<i>Assets</i>				
Financial assets, at FVOCI	7,545	-	-	7,545

The Company has no financial assets measured at fair value as at 31 December 2025 and 31 December 2024.

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

(f) Financial instrument by category

The carrying amounts of financial assets measured at FVOCI are disclosed in Note 13.

The aggregate carrying amounts of financial assets and liabilities at amortised cost are as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial assets at amortised cost	216,170	179,967	34,463	24,375
Financial liabilities at amortised cost	300,830	288,409	86,139	82,426

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

35. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the Group has significant transactions with related parties on terms agreed between the parties concerned as shown below:

(a) Sales and purchases of goods and services

	Group	
	2025	2024
	\$'000	\$'000
Progressive billing recognised from sale of residential properties to related parties	523	1,570

Related party comprises companies which are controlled or significantly influenced by the Group's key management personnel and their close family members.

Outstanding balances at 31 December 2025 and 2024, arising from sale/purchase of goods and services, are disclosed in Notes 14, 15, and 26.

(b) Key management personnel compensation

Key management personnel compensation is analysed as follows:

Salaries and other short-term employee benefits	9,405	7,307
Post-employment benefits - contribution to Central Provident Fund	279	240
	9,684	7,547

Included in the above was total directors' fees to directors of the Company amounting to approximately \$448,106 (2024: \$424,691).

36. Segment information

Management has determined the operating segments based on the reports reviewed by the Executive Committee ("Exco") that are used to make strategic decisions. The Exco comprises the Executive Chairman and Group Chief Executive Officer and Executive Directors.

The Exco considers the business from a business segment perspective. Management manages and monitors the business in three main business segments which are Construction and Building Materials, Real Estate and Leisure & Hospitality. The Exco assesses the performance of these business segments based on sales, segment results, segment assets and segment liabilities.

- (a) Construction and Building Materials - This business segment undertakes construction activities for "Engineering and Construction", "Bio-Refinery and Renewable Energy" segments and sales of building materials. Management has aggregated the above businesses under Construction and Building Materials as they have similar economic growth prospects.
- (b) Real Estate - This business segment involves real estate development and rental of properties.
- (c) Leisure & Hospitality - This business segment involves hotel and leisure operations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. Segment information (continued)

The segment information and the reconciliations of segment results to profit/(loss) before tax and segment assets and liabilities to total assets and liabilities are as follows:

Group 2025	Construction and Building Materials \$'000	Real Estate \$'000	Leisure & Hospitality \$'000	Others \$'000	Total \$'000
Sales					
- External	320,970	5,174	3,249	-	329,393
- Inter-segment	3,696	1,008	-	902	5,606
	324,666	6,182	3,249	902	334,999
Elimination					(5,606)
					329,393
Results					
Segment results					
- Company and subsidiaries	27,953	2,436	(51)	674	31,012
- Associated companies	(16)	-	-	-	(16)
- Joint ventures	-	2,999	-	-	2,999
Earnings/(loss) before interest and tax	27,937	5,435	(51)	674	33,995
Interest income (Note 5)					1,937
Finance expenses (Note 9)					(6,329)
Profit before income tax					29,603
Other information					
Capital expenditure	12,740	197	86	-	13,023
Depreciation	9,193	97	375	-	9,665
Cost of sales	285,790	2,141	2,359	-	290,290
Gain on disposal of property, plant and equipment	15,854	-	-	-	15,854
As at 31 December 2025					
Segment assets	319,451	170,808	24,293	671	515,223
Joint ventures	-	93,764	-	-	93,764
<u>Unallocated assets:</u>					
Short-term bank deposits					62,113
Investment securities					11,063
Consolidated total assets					682,163
Segment liabilities	153,625	41,794	411	1,615	197,445
<u>Unallocated liabilities:</u>					
Current income tax liabilities					1,599
Deferred income tax liabilities					5,645
Bank borrowings, notes payables, and lease liabilities					139,987
Consolidated total liabilities					344,676

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. Segment information (continued)

Group 2024	Construction and Building Materials \$'000	Real Estate \$'000	Leisure & Hospitality \$'000	Others \$'000	Total \$'000
Sales					
- External	224,257	10,520	3,617	-	238,394
- Inter-segment	667	839	-	666	2,172
	<u>224,924</u>	<u>11,359</u>	<u>3,617</u>	<u>666</u>	<u>240,566</u>
Elimination					<u>(2,172)</u>
					<u>238,394</u>
Results					
Segment results					
- Company and subsidiaries	(7,395)	4,408	303	1,058	(1,626)
- Associated companies	(116)	-	-	-	(116)
- Joint ventures	-	5,346	-	-	5,346
(Loss)/earnings before interest and tax	<u>(7,511)</u>	<u>9,754</u>	<u>303</u>	<u>1,058</u>	<u>3,604</u>
Interest income (Note 5)					1,565
Finance expenses (Note 9)					<u>(12,254)</u>
Loss before income tax					<u>(7,085)</u>
Other information					
Capital expenditure	3,394	89	126	-	3,609
Depreciation	8,054	73	386	-	8,513
Cost of sales	210,289	6,521	2,319	-	219,129
As at 31 December 2024					
Segment assets	271,569	201,709	24,358	661	498,297
Associated companies	168	-	-	-	168
Joint ventures	-	94,265	-	-	94,265
Unallocated assets:					
Income tax receivables					730
Short-term bank deposits					26,520
Investment securities					<u>7,545</u>
Consolidated total assets					<u>627,525</u>
Segment liabilities	99,986	42,536	476	485	143,483
Unallocated liabilities:					
Current income tax liabilities					1,213
Deferred income tax liabilities					6,343
Bank borrowings, notes payables, and lease liabilities					<u>168,264</u>
Consolidated total liabilities					<u>319,303</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. Segment information (continued)

The measurement of segment sales, results, assets and liabilities are as follows:

- (a) Inter-segment transactions are determined on an arm's length basis. The sales from external parties reported to the Exco are measured in a manner consistent with that in the statement of comprehensive income.
- (b) The Exco assesses the performance of the business segments based on a measure of earnings before interest and tax for continuing operations. This measurement excludes the income or expenses that are not expected to recur regularly in every period. Interest income and finance expenses are not allocated to segments, as this type of activity is driven by the Group Treasury, which manages the cash performance of the Group.
 - (i) The amounts provided to the Exco with respect to total assets are measured in a manner consistent with that of the financial statements. All assets are allocated to reportable segments other than income tax receivables, short-term bank deposits and investment securities.
 - (ii) The amounts provided to the Exco with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments other than current income tax liabilities, deferred income tax liabilities, bank borrowings, notes payables and lease liabilities.

Geographical information

The Group's three business segments operate in four main geographical areas: Singapore, Malaysia, Indonesia and others.

The following table presents sales and non-current assets information for the main geographical areas for the financial years ended 31 December 2025 and 2024.

	Group	
	2025	2024
	\$'000	\$'000
Total sales		
Singapore	264,803	170,653
Malaysia	29,039	21,192
Indonesia	26,078	36,419
Others	9,473	10,130
	329,393	238,394
Total non-current assets		
Singapore	366,197	328,199
Malaysia	6,800	11,952
Others	6,877	8,146
	379,874	348,297

Information about major customers

Revenue of approximately 45% (2024: 30%) are derived from two (2024: one) major customer. These revenues are attributable to the Construction and Building Materials segment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. Significant Group companies

The Group's significant subsidiaries, joint ventures, joint operations and associated companies at 31 December 2025 and 2024 are as follows:

Name of company	Country of incorporation and business	Principal activities	Effective holding by the Group	
			2025	2024
SUBSIDIARIES				
Held by the Company:				
Construction Consortium Pte Ltd ^a	Singapore	Investment holding	100%	100%
Koh Brothers Development Pte Ltd ^a	Singapore	Property development and management services	100%	100%
Koh Brothers Eco Engineering Ltd ^a	Singapore	Investment holding and management services	54.81%	54.81%
Koh Brothers Holdings Pte Ltd ^a	Singapore	Investment holding and property investment	100%	100%
Koh Brothers Investment Pte Ltd ^a	Singapore	Hotel investment	100%	100%
Oxford Hotel Pte Ltd ^a	Singapore	Hotel management	100%	100%
Held by subsidiaries:				
G & W Industrial Corporation Pte Ltd ^a	Singapore	Investment holding	100%	100%
G & W Precast Pte Ltd ^a	Singapore	Manufacture of precast products	100%	100%
G & W Ready-Mix Pte Ltd ^a	Singapore	Manufacture of building materials	100%	100%
KBD Kosdale Pte Ltd ^a	Singapore	Property investment	100%	100%
KBD Holland Pte Ltd ^a	Singapore	Property development	100%	100%
Koh Brothers Building & Civil Engineering Contractor (Pte) Ltd ^a	Singapore	Engineering and construction	54.81%	54.81%
Kosland Pte Ltd ^a	Singapore	Property investment	100%	100%
Oiltek International Ltd ^a	Singapore	Investment holding	37.35%	37.35%
Oiltek Sdn Bhd ^b	Malaysia	Specialist engineers	37.35%	37.35%
Oiltek Global Energy Sdn Bhd ^b	Malaysia	Specialist engineers	37.35%	37.35%
G & W Building Materials Sdn Bhd ^a	Malaysia	Manufacture of building materials	100%	100%
PT Koh Brothers Indonesia ^d	Indonesia	Property investment and development	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. Significant Group companies (continued)

Name of company	Country of incorporation and business	Principal activities	Effective holding by the Group	
			2025	2024
JOINT VENTURE COMPANIES				
Held by subsidiaries:				
Canberra Development Pte Ltd ^c	Singapore	Property investment	50%	50%
FEC Skypark Pte Ltd ^a	Singapore	Property development	20%	20%
JOINT OPERATIONS				
Held by a subsidiary:				
Samsung – Koh Brothers Joint Venture ^{f,#}	Singapore	Construction	16.44%	16.44%
POKB JV ^{i,#}	Singapore	Construction	19.18%	19.18%
Koh Brothers – China Harbour Joint Venture ^{a,#}	Singapore	Construction	32.89%	32.89%
PK JV ^{i,#}	Singapore	Construction	19.18%	–
ASSOCIATED COMPANY				
Held by subsidiary:				
Tricaftan Environmental Technology Pte Ltd ^{e,j}	Singapore	Construction and project management	–	21.93%

^a Audited by PricewaterhouseCoopers LLP, Singapore.

^b Audited by PricewaterhouseCoopers PLT, Malaysia.

^c Audited by Ernst & Young LLP, Singapore.

^d Audited by Riyanto, SE, Ak, Registered Public Accountants.

^e Audited by Apen Chartered Accountants, Singapore.

^f Audited by RSM Chio Lim LLP, Singapore.

^g Audited by Forvis Mazars PLT, Malaysia.

^h In accordance with Rule 716 of The Singapore Exchange Securities Trading Limited – Listing Rules, the Audit and Risk Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiaries, joint venture companies and associated companies would not compromise the standard and effectiveness of the audit of the Group.

ⁱ Audited by PricewaterCoopers LLP, Singapore for purpose of audit of the consolidated financial statements of group only.

^j Disposed in 2025.

[#] These partnerships are regarded as joint operations in accordance with SFRS(I) 11 Joint Arrangements as the joint venture agreements for these partnerships require unanimous consent from all parties and the partners have direct rights to the assets of the partnership and are jointly and severally liable for the liabilities incurred by the partnership. Therefore these partnerships are classified as joint operations and the Group recognise its direct right to the jointly held assets, liabilities, revenues and expenses as described in Note 2.4(d).

38. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2026 and which the Group has not early adopted.

SFRS(I) 18 – Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though SFRS(I) 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance (comprising of the statement of profit or loss and other comprehensive income) and providing management-defined performance measures within the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. New or revised accounting standards and interpretations *(continued)*

SFRS(I) 18 – Presentation and Disclosure in Financial Statements *(continued)* *(effective for annual periods beginning on or after 1 January 2027)*

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- (a) Although the adoption of SFRS (I) 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:
 - Foreign exchange differences currently aggregated in the line item "other income and other gains - net" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- (b) The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.
- (c) The Group does not expect significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosure required for:
 - (i) Management-defined performance measures;
 - (ii) A break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
 - (iii) For the first annual period of application of SFRS(I) 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying SFRS(I) 18 and the amounts previously presented applying SFRS(I) 1-1.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with SFRS(I) 18.

39. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Koh Brothers Group Ltd on 23 March 2026.

STATISTICS OF SHAREHOLDINGS

AS AT 19 MARCH 2026

Number of issued shares	: 438,000,000
Number of issued shares (excluding treasury shares)	: 412,459,100
Class of shares	: Ordinary shares
Voting rights	: One vote per ordinary share
Number of subsidiary holdings held	: Nil
Treasury shares	: 25,540,900 (representing 5.83% of the total number of issued shares)

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 19 MARCH 2026

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	6	0.08	263	0.00
100 – 1,000	111	1.48	81,784	0.02
1,001 – 10,000	5,819	77.56	25,942,398	6.29
10,001 – 1,000,000	1,540	20.53	76,376,578	18.52
1,000,001 and above	26	0.35	310,058,077	75.17
Total	7,502	100.00	412,459,100	100.00

TWENTY LARGEST SHAREHOLDERS AS AT 19 MARCH 2026

No.	Name of Shareholders	Number of Shares Held	%
1	Kohs Investment Pte Ltd	60,000,000	14.55
2	Koh Keng Hiong	55,260,100	13.40
3	Koh Keng Siang	38,981,189	9.45
4	Koh Kheng How	28,908,800	7.01
5	Quek Chee Nee	25,896,814	6.28
6	Koh Teak Huat	20,713,088	5.02
7	Phillip Securities Pte Ltd	16,746,700	4.06
8	Morph Investments Ltd	15,320,000	3.71
9	DBS Nominees Pte Ltd	10,423,900	2.53
10	Ong Sze Wang (Wang Siyuan)	4,561,300	1.11
11	United Overseas Bank Nominees Pte Ltd	3,090,500	0.75
12	MooMoo Financial Singapore Pte Ltd	3,058,185	0.74
13	iFast Financial Pte Ltd	2,982,001	0.72
14	Tan Thian Hwee	2,651,600	0.64
15	Tan Noi Soon	2,400,000	0.58
16	OCBC Nominees Singapore Pte Ltd	2,369,100	0.57
17	Maybank Securities Pte Ltd	2,336,600	0.57
18	Citibank Nominees Singapore Pte Ltd	2,322,300	0.56
19	Raffles Nominees (Pte) Limited	2,280,500	0.55
20	Moh Tser Loong Alvin	1,994,600	0.48
	TOTAL	302,297,277	73.28

STATISTICS OF SHAREHOLDINGS

AS AT 19 MARCH 2026

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Koh Keng Siang	39,181,189	9.50	60,020,000 ⁽¹⁾⁽⁴⁾	14.55
Koh Teak Huat	20,713,088	5.02	325,000 ⁽²⁾	0.08
Koh Keng Hiong	55,260,100	13.40	10,000 ⁽³⁾	0.00
Quek Chee Nee	25,896,814	6.28	Nil	Nil
Koh Kheng How	28,908,800	7.01	Nil	Nil
Kohs Investment Pte Ltd ⁽⁴⁾	60,000,000	14.55	Nil	Nil

Notes:

- (1) Mr Koh Keng Siang is deemed interested in (i) 60,000,000 shares held by Kohs Investment Pte Ltd, and (ii) 20,000 shares held by his spouse, Mdm Phua Siew Gaik.
- (2) Mr Koh Teak Huat is deemed interested in 325,000 shares held by his spouse, Mdm Quek Siew Lang.
- (3) Mr Koh Keng Hiong is deemed interested in 10,000 shares held by his spouse, Mdm Erliana Sutadi.
- (4) Kohs Investment Pte Ltd is wholly owned by Mr Koh Keng Siang.

SHAREHOLDINGS HELD BY PUBLIC

Based on the information available to the Company as at 19 March 2026, approximately 44.14% of the issued ordinary shares of the Company is held by the public, and therefore the Company complied with Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

Unless otherwise defined herein, capitalised terms shall have the meaning ascribed to them in the Company's Appendix to the Annual Report dated 14 April 2026 (the "Appendix").

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of Koh Brothers Group Limited (the "Company") will be convened and held at Dunearn Ballroom III, Level 1, Raffles Town Club, 1 Plymouth Avenue, Singapore 297753 on Wednesday, 29 April 2026 at 3.00 p.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement, Audited Financial Statements and Auditors' Report for the financial year ended 31 December 2025. **(Resolution 1)**
2. To declare a final dividend of 0.30 Singapore cent per share and a special dividend of 0.60 Singapore cent per share for the financial year ended 31 December 2025. **(Resolution 2)**
3. To re-elect Mr Koh Teak Huat, a director of the Company ("Director") retiring by rotation pursuant to Regulation 110 of the Constitution of the Company and who, being eligible, offers himself for re-election. **(Resolution 3)**
4. To re-elect Mdm Quek Chee Nee, a Director retiring by rotation pursuant to Regulation 110 of the Constitution of the Company and who, being eligible, offers herself for re-election. **(Resolution 4)**
5. To re-elect Ms Sharon Tay Lee Teng, a Director retiring pursuant to Regulation 114 of the Constitution of the Company and who, being eligible, offers herself for re-election. **(Resolution 5)**
6. To note the retirement of Mr Ow Yong Thian Soo as a Director in accordance with Regulation 110 of the Constitution of the Company. *(Please refer to Explanatory Note 1)* (Note: Mr Ow Yong will not be seeking re-election and will retire as a Director at the conclusion of this AGM.)
7. To approve the sum of \$447,006 as Directors' fees for the financial year ended 31 December 2025. (FY2024: \$424,691) **(Resolution 6)**
8. To re-appoint PricewaterhouseCoopers LLP as the Auditor of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following resolutions as Ordinary Resolutions:

9. **Proposed Renewal of the Share Issue Mandate** **(Resolution 8)**

That authority be and is hereby given to the Directors to:

- (a) (i) issue shares in the capital of 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 during the continuance of this authority or thereafter, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

NOTICE OF ANNUAL GENERAL MEETING

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares of the Company excluding treasury shares and subsidiary holdings (as calculated in accordance with paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 20% of the total number of issued shares of the Company excluding treasury shares and subsidiary holdings (as calculated in accordance with paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under paragraph (1) above, the percentage of the total number of issued shares of the Company excluding treasury shares and subsidiary holdings shall be based on the total number of issued shares excluding treasury shares and subsidiary holdings at the time this Resolution is passed, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities;
 - (ii) new shares arising from exercising share options or vesting of share awards, provided the share options or share awards were granted in compliance with the Listing Manual of the SGX-ST; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares,

provided further that adjustments in accordance with sub-paragraphs (2)(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 this Resolution;

- (3) in this Resolution, "subsidiary holdings" shall have the meaning ascribed to it in the Listing Manual of the SGX-ST; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

10. Proposed Renewal of the Share Purchase Mandate

(Resolution 9)

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act 1967 of Singapore ("Companies Act"), as may be amended or modified from time to time, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued and fully-paid ordinary shares in the capital of the Company (the "Shares") not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
 - (i) market purchases (each a "Market Purchase") on the SGX-ST; and/or
 - (ii) off-market purchases (each an "Off-Market Purchase") effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");

NOTICE OF ANNUAL GENERAL MEETING

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate in paragraph (a) of this Resolution may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
- (i) the date on which the next AGM of the Company is held;
 - (ii) the date by which the next AGM of the Company is required by law to be held; or
 - (iii) the date on which purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;
- (c) in this Resolution:

"subsidiary holdings" shall have the meaning ascribed to it in the Listing Manual of the SGX-ST;

"Prescribed Limit" means 5% of the total number of issued Shares of the Company (excluding subsidiary holdings and any Shares which are held as treasury shares) as at the date of the passing of this Resolution; and

"Maximum Price", in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as hereinafter defined); and
- (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price (as hereinafter defined),

where:

"Average Closing Price" means the average of the Closing Market Prices of the Shares over the last five (5) Market Days (as hereinafter defined) on the SGX-ST, on which transactions in the Shares were recorded immediately preceding the day of the Market Purchase or, as the case may be, the date of the making of the offer (as hereinafter defined) pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during such five (5) Market Day period and the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;

"Closing Market Price" means the last dealt price for a Share transacted through the SGX-ST's trading system as shown in any publication of the SGX-ST or other sources;

"date of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"Market Day" means a day on which the SGX-ST is open for trading in securities; and

- (d) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

By Order of the Board

Koh Keng Siang
Executive Chairman and Group CEO

14 April 2026

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- Note 1 : Mr Ow Yong Thian Soo will be retiring as a Director at the conclusion of this AGM and he will not seek re-election.
- Ordinary Resolution 3: Mr Koh Teak Huat will, upon re-election as a Director, remain as the Executive Deputy Chairman of the Company.
- Information on Mr Koh Teak Huat can be found in the sections entitled "Board of Directors" and "Additional Information on Directors Seeking Re-Election" of the Company's annual report for the financial year ended 31 December 2025 (the "Annual Report").
- Ordinary Resolution 4: Mdm Quek Chee Nee will, upon re-election as a Director, remain as a Non-Executive Director of the Company.
- Information on Mdm Quek Chee Nee can be found in the sections entitled "Board of Directors" and "Additional Information on Directors Seeking Re-Election" of the Annual Report.
- Ordinary Resolution 5: Ms Sharon Tay Lee Teng will, upon re-election as a Director, remain as a Non-Executive and Independent Director of the Company.
- Information on Ms Sharon Tay Lee Teng can be found in the sections entitled "Board of Directors" and "Additional Information on Directors Seeking Re-Election" of the Annual Report.
- Ordinary Resolution 8: This Resolution is to empower the Directors from the date of the AGM of the Company until the date of the next AGM of the Company to issue shares of the Company and/or to make or grant Instruments, as well as to issue shares in pursuance of such Instruments. The maximum number of shares which the Directors may issue under this Resolution shall not exceed the quantum set out in the Resolution.
- Ordinary Resolution 9: This Resolution is to renew the Share Purchase Mandate which was approved by shareholders on 29 April 2025. Please refer to the Appendix to the Annual Report for more details.

Notes:

Physical meeting

- The AGM is being convened and will be held physically at Dunearn Ballroom III, Level 1, Raffles Town Club, 1 Plymouth Avenue, Singapore 297753 on Wednesday, 29 April 2026 at 3.00 p.m.. **There will be no option for members to participate virtually.** Please bring along your NRIC/passport so as to enable the Company to verify your identity.

Printed copies of this Notice of Annual General Meeting, the Proxy Form and the request form for members to request a physical copy of the Annual Report and the Appendix (the "Request Form") will be mailed to Shareholders. This Notice is also published on the Company's website at <http://www.kohbrothers.com/en/for-investors> and available on the SGX-ST's website at <https://www.sgx.com/securities/company-announcements>.

Voting

- Each of the resolutions to be put to vote at the AGM (and at any adjournment thereof) is to be voted by way of a poll.

Appointment of Proxies

- A proxy need not be a member of the Company.
- A member of the Company who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy (expressed as a percentage of the whole) must be specified in the form of proxy. If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.
 - A member of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed must be specified in the proxy form. In relation to a relevant intermediary who wishes to appoint more than two (2) proxies, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of shareholding (number of shares, class of shares and percentage) in relation to which the proxy has been appointed. If the relevant information is not specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholdings. For the avoidance of doubt, a CPF Agent Bank who intends to appoint Central Provident Fund Investment Scheme investors ("CPF") or Supplementary Retirement Scheme ("SRS") investors as its proxies shall comply with this Note.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

A member may appoint the Chairman of the AGM as his/her/its proxy, but this is not mandatory.

- The instrument appointing a proxy must be submitted to the Company in the following manner:
 - if submitted by post, be lodged with the Company c/o Complete Corporate Services Pte Ltd at 10 Anson Road, #29-07 International Plaza, Singapore 079903; or
 - if submitted electronically, be submitted via email to the Company at kohbrothersgroup-agm@complete-corp.com,

in either case, **by 3.00 p.m. on 26 April 2026**, being 72 hours before the time appointed for holding the AGM and any instrument of proxy received after the cut-off time shall be treated as invalid.

NOTICE OF ANNUAL GENERAL MEETING

A member who wishes to submit a proxy form by post or via email can either use the printed copy of the Proxy Form which is sent to him/her/it by post or download from the Company's website or SGX-ST's website, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

If a member elects to submit duly completed proxy forms electronically via email, all subsequent correspondence with the Company in relation to the AGM shall be conducted via email, and sent to the same email address from which the proxy forms were submitted.

6. Completion and return of the instrument appointing a proxy shall not preclude a member from attending, speaking and voting at the AGM if he/she so wishes. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the AGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument of proxy, to the AGM.
7. The instrument appointing a proxy must be under the hand of the appointer or of his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either in accordance with its constitution or under the hand of an officer or attorney duly authorised. Where the instrument of proxy is executed by an attorney on behalf of the appointer, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.
8. A corporation which is a member may authorise by a resolution of its Directors or other governing body such person as it thinks fit to act as its representative at the AGM in accordance with its Constitution and Section 179 of the Companies Act.
9. The Company shall be entitled to reject an instrument appointing a proxy or proxies which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument (including any related attachment) appointing a proxy or proxies.
10. In the case of a member whose shares are deposited with The Central Depository (Pte) Limited ("CDP"), the Company shall be entitled to reject an instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by the CDP to the Company.
11. CPF and SRS investors:
 - (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes by **5.00 p.m. on Monday, 20 April 2026**.

Submission of questions

12. Members (including CPF and SRS investors) who have any substantial and relevant questions in relation to the resolutions to be tabled at the AGM as set out in this Notice are encouraged to submit their questions to the Company in advance by no later than **5.00 p.m. on Wednesday, 22 April 2026** (the "Cut-Off Time") in the following manner:
 - (a) by email to kohbrothersgroup-agm@complete-corp.com; or
 - (b) by post to the registered office of the Company, at 15 Genting Road Singapore 349493 (Attention: The Company Secretary).

Members who submit questions by post must include the following information in their submission:

 - (a) their (A) full name, (B) full NRIC/Passport/Company Registration No., and (C) address; and
 - (b) the manner in which the Company's shares are held by them (e.g. via CDP, CPF or SRS).
13. The Company will publish its responses to substantial and relevant questions from members (received by the Cut-Off Time and in accordance with the relevant requirements herein) on the Company's website and on SGX-ST's website by 3.00 p.m. on 24 April 2026 (being at least 48 hours before the cut-off for submission of proxy form). Any substantial or relevant questions received after the Cut-Off Time will be addressed prior to, or at, the AGM itself. Where substantially similar questions are received, the Company will consolidate its response to such questions.
14. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies can also ask the Chairman of the Meeting questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.

Access to Documents

15. The Annual Report and the Appendix to the Annual Report may be accessed on SGX-ST's website at <https://www.sgx.com/securities/company-announcements> and/or the Company's website at <http://www.kohbrothers.com/en/for-investors>.
16. Members may request for a printed copy of the Annual Report and the Appendix by completing the Request Form which has been sent to members via post.

NOTICE OF ANNUAL GENERAL MEETING

Personal Data Privacy:

By attending the AGM, submitting questions in advance of the AGM and/or submitting an instrument appointing a proxy(ies) (including the Chairman of the AGM) 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 (and/or its agents or service providers) for the purpose of the processing and administration and analysis by the Company (and/or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes, and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (and/or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that all information submitted is true and accurate, and where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), 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 or service providers) 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.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Koh Teak Huat	Quek Chee Nee	Sharon Tay Lee Teng
Date of appointment	2 February 1994	2 February 1994	5 August 2025
Date of last re-appointment	25 April 2023	25 April 2023	-
Age	77	84	53
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	Mr Koh Teak Huat has more than 50 years of experience in the construction industry, with in-depth expertise in managing drainage, excavation and reclamation projects. His inside perspectives on all aspects of the Company will be beneficial to Board deliberations.	Mdm Quek Chee Nee has more than 50 years of experience in the construction industry and contributed significantly to the Group's growth. Her inside perspectives on all aspects of the Company will be beneficial to Board deliberations.	Ms Sharon Tay Lee Teng possesses a wealth of experience in the legal matters, having almost 30 years of working experience in the legal industry. Her extensive work experience will be beneficial to Board deliberations.
Where appointment is executive, and if so, the area of responsibility	Executive	Non-Executive	Non-Executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	<ul style="list-style-type: none"> Executive Deputy Chairman Member of Executive Committee 	Non-Executive and Non-Independent Director	Non-Executive and Independent Director
Professional qualifications	Not applicable	Not applicable	Bachelor of Laws (2 nd Class Upper Division), National University of Singapore Advocate & Solicitor, Singapore
Working experience and occupation(s) during the past 10 years	1994 to Present Executive Deputy Chairman of Koh Brothers Group Ltd ("KBGL").	Not applicable	1996 to present Lee & Lee LLP <ul style="list-style-type: none"> Deputy Head of the Real Estate and Property Department (from 2022) Senior Partner (from 2015)
Shareholding interest in the listed issuer and its subsidiaries	<ul style="list-style-type: none"> 20,713,088 direct interest and 325,000 deemed interest in ordinary shares of KBGL 6,764,746 direct interest and 32,500 deemed interest in ordinary shares of Koh Brothers Eco Engineering Ltd ("KBEEL") 	<ul style="list-style-type: none"> 25,896,814 direct interest in ordinary shares of KBGL 2,589,681 direct interest in ordinary shares of KBEEL 	<ul style="list-style-type: none"> 6,000 deemed interest in ordinary shares of KBGL 600 deemed interest in ordinary shares of KBEEL

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Koh Teak Huat	Quek Chee Nee	Sharon Tay Lee Teng
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries	<ul style="list-style-type: none"> • Brother-in-law of Quek Chee Nee, who is the Non-Executive Director and Non-Independent Director and Substantial Shareholder of KBGL • Uncle of Koh Keng Siang, who is the Executive Chairman & Group CEO of KBGL and substantial shareholder of KBGL and the Non-Executive and Non-Independent Chairman of KBEEL • Uncle of Koh Keng Hiong, who is the Executive Director and Deputy CEO, Real Estate and Leisure & Hospitality divisions and substantial shareholder of KBGL • Uncle of Koh Keng Seng, who is the Executive Director of Construction Division • Uncle-in-law of Phua Siew Gaik, who is the Senior Group Human Resources and Administration Manager of KBGL • Uncle-in-law of Erliana Sutadi, who is the Head of IT, HR, Purchase and Admin of Oxford Hotel Pte Ltd • Father of Koh Kheng How, who is Coordination Manager of Construction Division • Grand-uncle of Benjamin Koh Yong Jun, Assistant Project Manager of Construction Division 	<ul style="list-style-type: none"> • Mother of Koh Keng Siang, who is the Executive Chairman & Group CEO and substantial shareholder of KBGL and the Non-Executive and Non-Independent Chairman of KBEEL • Mother of Koh Keng Hiong, who is the Executive Director and Deputy CEO, Real Estate and Leisure & Hospitality divisions and substantial shareholder of KBGL • Sister-in-law of Koh Teak Huat, who is the Executive Deputy Chairman and substantial shareholder of KBGL • Mother-in-law of Phua Siew Gaik, who is the Senior Group Human Resources and Administration Manager of KBGL • Mother-in-law of Erliana Sutadi, who is the Head of IT, HR, Purchase and Admin of Oxford Hotel Pte Ltd • Aunt-in-law of Koh Keng Seng, who is the Executive Director of Construction Division • Aunt-in-law of Koh Kheng How, who is Coordination Manager of Construction Division • Grandmother of Benjamin Koh Yong Jun, Assistant Project Manager of Construction Division 	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Koh Teak Huat	Quek Chee Nee	Sharon Tay Lee Teng
Other principal commitments including directorships	<p>Past (for the last 5 years) Nil</p> <p>Present</p> <ul style="list-style-type: none"> • Canberra Development Pte Ltd • Changi Properties Pte Ltd • Construction Consortium Pte Ltd • G & W Industrial Corporation Pte Ltd • G & W Industries Pte Ltd • G & W Precast Pte Ltd • G & W Ready-Mix Pte Ltd • Koh Brothers Development Pte Ltd • Koh Brothers Holdings Pte Ltd • Koh Brothers Investment Pte Ltd • Brothers (China) Pte Ltd • Brothers (Holdings) Pte Ltd • Brothers (Overseas) Pte Ltd • Lucieville Pte Ltd • Mallow Pte Ltd • MS Precision Pte Ltd • Nececity Pte Ltd • New City Investment Pte Ltd • T. H. Koh Investments Pte Ltd • Value Land Pte Ltd • Vogue Holdings Pte Ltd • G & W Industries (M) Sdn Bhd 	<p>Past (for the last 5 years) Nil</p> <p>Present</p> <ul style="list-style-type: none"> • Koh Brothers Holdings Pte Ltd 	<p>Past (for the last 5 years) Nil</p> <p>Present</p> <ul style="list-style-type: none"> • Lee & Lee LLP
(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	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Koh Teak Huat	Quek Chee Nee	Sharon Tay Lee Teng
(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	No
(c) Whether there is any unsatisfied judgment against him?	No	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	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	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Koh Teak Huat	Quek Chee Nee	Sharon Tay Lee Teng
(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	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	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	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	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Koh Teak Huat	Quek Chee Nee	Sharon Tay Lee Teng
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(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</p> <p>(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</p> <p>(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,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No	No
<p>(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?</p>	No	No	No



KOH BROTHERS GROUP LIMITED
(Unique Entity Number: 199400775D)
(Incorporated in Singapore)

IMPORTANT

- The Meeting (as defined below) will be held physically at Dunearn Ballroom III, Level 1, Raffles Town Club, 1 Plymouth Avenue, Singapore 297753 on Wednesday, 29 April 2026 at 3.00 p.m.. **There will be no option for members to participate virtually.**
- This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by Central Provident Fund ("CPF") and Supplementary Retirement Scheme ("SRS") investors.
- CPF and SRS investors may:
 - vote at the Meeting if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Meeting, in which case they should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes by **5.00 p.m. on Monday, 20 April 2026.**
 - By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 14 April 2026.
 - Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy(ies).**

PROXY FORM

I/We _____ (Name) _____ (NRIC/Passport/Co Reg No.)

of _____ (Address)

being a member/members of Koh Brothers Group Ltd (the "Company") hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

or failing him/them, the Chairman of the Annual General Meeting of the Company (the "Meeting") as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Meeting to be held on Wednesday, 29 April 2026 at Dunearn Ballroom III, Level 1, Raffles Town Club, 1 Plymouth Avenue, Singapore 297753 at 3.00 p.m. and at any adjournment thereof.

(Voting will be conducted by poll. Please indicate with a "✓" in the spaces provided whether you wish your vote(s) to be cast for or against the Resolutions as set out in the Notice of Annual General Meeting. If you wish your proxy/proxies to abstain from voting on a Resolution, please indicate with a "✓" in the "Abstain" box provided in respect of that Resolution. Alternatively, you may indicate the number of Shares that you wish to vote for or against, and/or abstain from voting, for each Resolution in the relevant box. In the absence of specific directions, the proxy/proxies may vote or abstain as he/they may think fit on any of the above Resolutions, and on any other matter arising at the Meeting and any adjournment thereof.)

NO.	ORDINARY RESOLUTIONS	No. of Votes		
		For	Against	Abstain
Ordinary Business				
1	To receive and adopt the Directors' Statement, Audited Financial Statements and Auditors' Report for the financial year ended 31 December 2025 (Resolution 1)			
2	To declare a final dividend of 0.30 Singapore cent per share and a special dividend of 0.60 Singapore cent per share for the financial year ended 31 December 2025 (Resolution 2)			
3	To re-elect Mr Koh Teak Huat as a Director (Resolution 3)			
4	To re-elect Mdm Quek Chee Nee as a Director (Resolution 4)			
5	To re-elect Ms Sharon Tay Lee Teng as a Director (Resolution 5)			
6	To approve Directors' fees for the financial year ended 31 December 2025 (Resolution 6)			
7	To re-appoint PricewaterhouseCoopers LLP as the auditor and to authorise the Directors to fix their remuneration (Resolution 7)			
Special Business				
8	To approve the proposed renewal of the Share Issue Mandate (Resolution 8)			
9	To approve the proposed renewal of the Share Purchase Mandate (Resolution 9)			

Dated this _____ day of _____ 2026.

Total number of shares held

Signature(s) or Common Seal of Member(s)

(Please read notes overleaf before completing this Form.)



Notes:

1. A member of the Company should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
2. A proxy need not be a member of the Company. A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.
3. (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the Meeting. Where such member's form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy (expressed as a percentage of the whole) shall be specified in the form of proxy. If no proportion is specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.

(b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. In relation to a relevant intermediary who wishes to appoint more than two (2) proxies, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of shareholding (number of shares, class of shares and percentage) in relation to which the proxy has been appointed. If the relevant information is not specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholdings. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF investors or SRS investors as its proxies shall comply with this note.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.
4. The proxy form must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company c/o Complete Corporate Services Pte Ltd at 10 Anson Road #29-07 International Plaza Singapore 079903; or
 - (b) if submitted electronically, be submitted via email to the Company at kohbrothersgroup-agm@complete-corp.com.

2nd fold here

Proxy Form

PLEASE AFFIX
POSTAGE
STAMP HERE

Koh Brothers Group Limited
c/o Complete Corporate Services Pte Ltd
10 Anson Road
#29-07 International Plaza
Singapore 079903

1st fold here

in either case, by **3.00 p.m. on 26 April 2026**, being 72 hours before the time appointed for holding the Meeting and any instrument of proxy received after the cut-off time shall be treated as invalid.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either in accordance with its constitution or under the hand of an officer or attorney duly authorised. Where an instrument a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy or, if the instrument of proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.
6. A corporation which is a member may authorise by a 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 its Constitution and Section 179 of the Companies Act 1967 of Singapore.
7. The Company shall be entitled to reject an instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument (including any related attachment) appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged 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 Meeting, as certified by The Central Depository (Pte) Limited to the Company.
8. Completion and submission of the instrument appointing a proxy(ies) by a member will not prevent him/her from attending, speaking and voting at the Meeting if he/she so wishes. The appointment of the proxy(ies) for the Meeting will be deemed to be revoked if the member attends the Meeting in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the Meeting.

Personal Data Privacy:

By 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 Annual General Meeting dated 14 April 2026.

CORPORATE INFORMATION

REGISTERED OFFICE

15 Genting Road
Singapore 349493
Tel: (65) 6289 8889
Website: www.kohbrothers.com

BOARD OF DIRECTORS

Koh Keng Siang

(Executive Chairman & Group CEO)

Koh Teak Huat

(Executive Deputy Chairman)

Koh Keng Hiong

(Executive Director and Deputy CEO, Real Estate and Leisure & Hospitality divisions)

Quek Chee Nee

(Non-Executive and Non-Independent Director)

Ong Seet Joon

(Non-Executive and Lead Independent Director)

Goh Mou Lih

(Non-Executive and Independent Director)

Low Yee Khim

(Non-Executive and Independent Director)

Ow Yong Thian Soo

(Non-Executive and Independent Director)

Sharon Tay Lee Teng

(Non-Executive and Independent Director)

EXECUTIVE COMMITTEE

Koh Keng Siang *(Chairman)*

Koh Teak Huat

Koh Keng Hiong

AUDIT AND RISK COMMITTEE

Ong Seet Joon *(Chairman)*

Low Yee Khim

Ow Yong Thian Soo

NOMINATING COMMITTEE

Ow Yong Thian Soo *(Chairman)*

Koh Keng Siang

Ong Seet Joon

REMUNERATION COMMITTEE

Low Yee Khim *(Chairman)*

Ong Seet Joon

Ow Yong Thian Soo

SHARE PURCHASE COMMITTEE

Goh Mou Lih *(Chairman)*

Ong Seet Joon

Low Yee Khim

COMPANY SECRETARIES

Ong Beng Hong

Tan Swee Gek

GROUP PR MANAGER

David Tay

AUDITOR

PricewaterhouseCoopers LLP

7 Straits View

Marina One East Tower, Level 12

Singapore 018936

Partner-in-charge: **Koh Hongzhuang**

(appointed during the financial year ended 31 December 2025)

SHARE REGISTRAR

Tricor Barbinder Share Registration Services

9 Raffles Place

#26-01 Republic Plaza

Singapore 048619

INVESTOR RELATIONS

Citigate Dewe Rogerson Singapore Pte. Ltd.

158 Cecil Street

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