

REPORT ON CORPORATE GOVERNANCE

Heeton Holdings Limited (the “Company”) is committed to maintaining a high standard of corporate governance in complying with the Code of Corporate Governance issued by the Monetary Authority of Singapore on 6 August 2018 and amended on 11 January 2023 (the “Code”). Good corporate governance establishes and maintains an ethical environment in the Group, which strives to enhance the interests of all the shareholders of the Company and to promote investors’ confidence. This Report describes the Company’s corporate governance processes and practices with specific reference to the Code. Where there are deviations from the Code, appropriate disclosure and explanations are provided.

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 of directors (the “Board”) supervises the management of the business and affairs of the Company and its subsidiaries (the “Group”) and holds the management accountable for the Group’s performance. The Board approves the Group’s corporate and strategic direction, the appointment of Directors and key managerial personnel, major funding and investment proposals, and reviews the financial performance of the Group. Where a director has a conflict or potential conflict of interest in relation to any matter, he shall declare his interest when the conflict-related matter is discussed, unless the Board is of the opinion that his presence and participation is necessary to enhance the efficacy of such discussion. Nonetheless, he shall abstain from voting in relation to conflict-related matters.

All directors exercise due diligence and independent judgment and are obliged to act in good faith and consider at all times the interests of the Company.

To facilitate effective management, the Board, without abdicating its responsibility, delegated certain functions to various Board committees (“Board Committees”), each of which has its own written terms of reference and whose actions are reported to and monitored by the Board.

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

1. approval of annual report, periodic financial announcements and accounts;
2. declaration of interim dividends and proposal of final dividends;
3. convening of shareholders’ meetings;
4. authorisation of merger and acquisition transactions;
5. approval any other matters as prescribed under the relevant legislations and regulations, as well as the provisions of the Company’s Constitution; and
6. authorisation of major transactions.

Clear written directions have been imposed and communicated to management that the above matters must be approved by the Board.

The Board conducts regular scheduled meetings and ad-hoc meetings are also convened from time to time to deliberate on urgent substantive matters. Telephonic attendance and conference via audio-visual communication at Board meetings are allowed under the Company’s Constitution. The details of the Board and Board Committee meetings and the attendance of each Board member at these meetings are disclosed below at Table 1.

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Table 1: Attendance of Directors, who held office at the end of the financial year, at Board and Board Committee Meetings held in the financial year ended 31 December 2025

Name of Director	Board Meetings		Nominating Committee Meetings		Remuneration Committee Meetings		Audit Committee Meetings	
	No. Held	No. Attended	No. Held	No. Attended	No. Held	No. Attended	No. Held	No. Attended
Toh Giap Eng	2	2	1	1	–	–	–	–
Hoh Chin Yiep	2	2	–	–	–	–	–	–
Tan Chuan Lye	2	2	1	1	1	1	2	2
Lee Bee Wah	2	2	1	1	1	1	2	2
Li Hiaw Ho	2	2	–	–	1	1	2	2

There are briefing sessions held from time to time to update the Directors on changes to any legislation or regulations which are relevant to the Group's or Directors' obligations. Newly appointed Directors are briefed on the business and organisation structure of the Group. Training will be provided for newly appointed Directors, if required. A memorandum is also sent to them upon their appointment explaining, among other matters, their duties, obligations, and responsibilities as members of the Board. As part of their continuing education, the Directors may attend relevant seminars and training courses which will be funded by the Company.

Management provided the members of the Board with board papers as well as relevant background information or explanatory information and documents relating to items of business to be discussed at a Board meeting before each scheduled meeting. The Board is provided with management reports, and papers containing relevant background or explanatory information required to support the decision-making process on an on-going basis and in a timely manner. In respect of the annual budgets, the management shall provide any material variance between the budget or projections and actual results to the Board.

The Board has separate and independent access to the Company's senior management and the Company Secretary. The Company Secretary attends all Board meetings and the Board Committees meetings and records the proceedings and decisions of the Board and of the Board Committees.

The Company Secretary ensures that the corporate secretarial aspects of procedures concerning the Board are duly complied with. The Company Secretary also advises the Board on the requirements of the Singapore Companies Act and the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

Under the Constitution, the decision to appoint or remove the Company Secretary can only be taken by the Board as a whole.

In carrying out their duties and where necessary, Directors individually or as a group may seek independent professional advice where appropriate at the Company's expense.

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 interest of the company.

The Board currently comprises five members: Three Independent Non-Executive Directors and Two Executive Directors. Their collective experience and contributions are valuable to the Group. The Directors as at the date of this report are listed as follows and their details set out at Table 2.

Mr. Toh Giap Eng	Executive Chairman
Mr. Hoh Chin Yiep	Executive Director & Chief Executive Officer ("CEO")
Mr. Tan Chuan Lye	Lead Independent Non-Executive Director
Er Dr Lee Bee Wah	Independent Non-Executive Director
Mr. Li Hiaw Ho	Independent Non-Executive Director

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Directors' Independence Review and Non-Executive Directors

The Company complies with Provision 2.1, 2.2 and 2.3 of the Code which (i) Independent Directors must form a majority of the Board where the Chairman is not independent, and (ii) Non-executive Directors must also constitute a majority of the Board. The independence of each Director is reviewed by the Nominating Committee. Each independent Director is required to complete an independent Director's declaration form annually to confirm his independence. The Nominating Committee adopts the provisions of the Listing Rules and the Code in its review of who can be considered as an independent Director. None of the Independent Directors has served on the Board beyond nine years from the date of his or her first appointment.

The Directors of the Company monitor and review management's performance against goals and objectives. Their views and opinions provide alternate perspectives to the Group's business and they bring independent judgement to bear on business activities and transactions involving conflicts of interest and other complexities.

The non-executive Directors meet and/or hold discussions as and when required without the presence of management to facilitate a more effective check on management.

The Lead Independent Director leads discussions with the other independent Directors of the Company without the presence of the other Directors and the Lead Independent Director will provide feedback to the Chairman after such meetings.

Board Diversity

The Company's Board Diversity Policy underscores its commitment to fostering a balanced and inclusive Board through thoughtful consideration of varied skills, experiences, and perspectives. Diversity in the composition of the Board will allow the Company to draw on different skill sets, experience, backgrounds and perspectives, which can be expected to deliver the following benefits:

- greater competitive advantage;
- wider understanding of opportunities, issues and risks;
- expanded range of concepts, ideas, and relationships;
- enhanced decision-making and dialogue; and
- heightened capacity for oversight of the organisation and its governance.

All Board appointments aim to collectively reflect the diverse nature of the business environment in which the organisation operates. Appointments are to be made on merit, in the context of the skills, experience, independence and knowledge which the Board requires in order to be effective.

For purposes of Board composition, diversity includes but is not limited to business skills, industry experience, gender and age. The Board will make good use of these differences and distinctions among individuals in determining the optimum composition of the Board.

As at the end of financial year ended 31 December 2025 ("FY2025") and the date of this report, the Board comprises four (4) male Directors and one (1) female Director, which accounts for a 20% female representation. The Board has strong leadership providing deep industry experience. Their age ranges from 50s to 70s, who have served on the Board for different tenures. Having the representation of directors from the different distinct professional backgrounds. The Directors' profiles of the current Board can be found under the sections, "Board of Directors" of this annual report. The Board comprises Directors who provide core competencies in accounting and finance, business experience, industry knowledge, corporate governance and strategic planning experience and knowledge.

The Company does not set specific target. Nonetheless, 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 recommend the Board to consider the appointment of a new Director that has the required skillset, expertise, experience and knowledge as and when it deems necessary. The final decision on the selection of directors will be based on merit against the objective criteria set and after giving due regard to the benefits of diversity on the Board. The Board and the Nominating Committee is of the view that the current members of the Board, collectively as a group, provide an appropriate mix and balance of diversity of skills, experience, independence, gender and age.

The NC will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval.

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Table 2: Details of Directors

Name of Director	Board committee as chairman or member	Directorship: Date of first appointment/ Date of last re- election	Board appointment whether executive or non-executive/ independent and nine-year tenure limit for independent directors	Due for re-election at next AGM
Toh Giap Eng	Member of Nominating Committee	1 July 1996/ 22 April 2025	Executive	Not applicable
Hoh Chin Yiep	–	19 June 2020/ 24 April 2024	Executive	Not applicable
Tan Chuan Lye	Lead Independent Director, Chairman of Audit Committee and Member of Nominating Committee and Remuneration Committee	9 September 2019/ 24 April 2024	Non-executive/ Independent (9 September 2028)	Retirement by rotation pursuant to Article 95(2)
Lee Bee Wah	Chairman of Nominating Committee, Member of Remuneration Committee and Audit Committee	27 April 2022/ 22 April 2025	Non-executive/ Independent (27 April 2031)	Not applicable
Li Hiaw Ho	Chairman of Remuneration Committee and Member of Audit Committee	6 June 2022/ 26 April 2023	Non-executive/ Independent (6 June 2031)	Retirement by rotation pursuant to Article 95(2)

Table 3: Information on Director nominated for re-election

Name of Director	Tan Chuan Lye
Date of Initial Appointment	9 September 2019
Date of last re-appointment (if applicable)	24 April 2024
Age	68
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The re-election of Mr Tan Chuan Lye as the Non-Executive Director was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration Mr Tan's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive Independent
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chairman of Audit Committee, Member of Nominating and Remuneration Committee
Professional qualifications	Fellow Member, Institute of Chartered Singapore Accountants Senior Accredited Director, Singapore Institute of Directors Master of Business Administration, Henley Management College/University of Brunel London Fellow Member, Association of Chartered Certified Accountants

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Name of Director	Tan Chuan Lye
Working experience and occupation(s) during the past 10 years	Adjunct Associate Professor, National University of Singapore (January 2016 to Present)
Shareholding interest in the listed issuer and its subsidiaries	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* including Directorships#	
* “Principal Commitments” has the same meaning as defines in the Code.	
# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9).	
Past (for the past 5 years)	None
Present	Independent Non-Executive Director – Kingsmen Creatives Ltd. Independent Director – First REIT Management Limited Independent Non-Executive Director – QAF Limited Independent Member of the Asia Advisory Board – EFG Bank AG Independent Non-Executive Director – Synapxe Pte. Ltd. Independent Non-Executive Director – Sompo Insurance Singapore Pte. Ltd. Independent Non-Executive Director – Berjaya Sompo Insurance Berhad Non-Executive Director – Meranti Power Pte. Ltd. Non-Executive Director – Science Centre Board Chairman, Board of Trustees – The Brash Trust Audit & Risk Committee Member – Singapore Heart Foundation Member of Crescent Girls’ School Advisory Committee
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to the following question is “Yes”, full details must be provided.	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy laws 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

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Name of Director	Tan Chuan Lye
(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 a trustee of a business trust, that trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e) Whether he has ever been convicted of any offence, in Singapore, or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings which he is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgement 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, misinterpretation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings which he is aware of) involving an allegation of fraud, misinterpretation or dishonesty on his part)?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(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

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Name of Director	Tan Chuan Lye
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (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 (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 (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that related to the securities or futures industry in Singapore or elsewhere, In connection with any matter occurring or arising during the period when you were so concerned with the entity or business trust?	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings or have been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Disclosure applicable to appointment of Director only	
Any prior experience as a director of an issuer listed on the Exchange? (Yes/No) If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Yes Independent Non-Executive Director – Isetan (Singapore) Limited Independent Director – First REIT Management Limited Independent Non-Executive Director – Berjaya Sampo Insurance Berhad
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable, this is a re-election of a director.

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Name of Director	Li Hiaw Ho
Date of Initial Appointment	6 June 2022
Date of last re-appointment (if applicable)	26 April 2023
Age	74
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The re-election of Mr Li Hiaw Ho as the Non-Executive Director was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration Mr Li Hiaw Ho's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive Independent
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chairman of Remuneration Committee and Member of Audit Committee
Professional qualifications	Fellow, Singapore Institute of Surveyors and Valuers Fellow, Singapore Association of Property and Facility Managers Licensed Appraiser Assessor, The Appeals Board (Land Acquisition)
Working experience and occupation(s) during the past 10 years	Executive Director, CBRE Singapore Consultant, CBRE Singapore
Shareholding interest in the listed issuer and its subsidiaries	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
<u>Other Principal Commitments* including Directorships#</u>	
* "Principal Commitments" has the same meaning as defines in the Code.	
# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9).	
Past (for the past 5 years)	Consultant, CBRE Singapore
Present	Consultant, CBRE Singapore
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to the following question is "Yes", full details must be provided.	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy laws 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

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Name of Director	Li Hiaw Ho
(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 a trustee of a business trust, that trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e) Whether he has ever been convicted of any offence, in Singapore, or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings which he is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misinterpretation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings which he is aware of) involving an allegation of fraud, misinterpretation or dishonesty on his part)?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(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

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Name of Director	Li Hiaw Ho
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (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 (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 (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that related to the securities or futures industry in Singapore or elsewhere, In connection with any matter occurring or arising during the period when you were so concerned with the entity or business trust?	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings or have been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Disclosure applicable to appointment of Director only	
Any prior experience as a director of an issuer listed on the Exchange? (Yes/No) If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Yes Independent director of the Company since June 2022.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable, this is a re-election of a director.

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Role of Executive Chairman and Chief Executive Officer

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

The functions of the Executive Chairman and CEO in the Company are assumed by different individuals. The executive Directors, Mr Toh Giap Eng and Mr Hoh Chin Yiep also hold the office of Executive Chairman and CEO respectively. There is a clear division of responsibilities between the Executive Chairman and CEO, which ensures a balance of power and authority as well as increased accountability at the top of the Company.

The CEO has the executive responsibility to manage all aspects of the Group's businesses and implement the direction, strategies and plans of the Board. The roles and responsibilities of the Executive Chairman are to identify and secure investment and development properties in new markets, explore and develop related businesses and the overall stewardship and governance of the Group. The responsibilities of the Executive Chairman working together with the CEO, the management and the Company Secretary, amongst others, include:

- scheduling meetings that enable the Board to perform its duties responsibly while not interfering with the flow of the Company's operations;
- facilitating the effective contribution of all Directors;
- promoting culture of openness and debate at the Board;
- preparing the agenda for meetings;
- ensuring effective communication with shareholders;
- reviewing key proposals before they are presented to the Board for decision;
- exercising control over quality, quantity and timeliness of the flow of information between the management and the Board; and
- assisting in ensuring compliance with the Company's corporate governance guidelines.

The Board has appointed Mr Tan Chuan Lye, an independent non-executive Director as the Lead Independent Director in view that the Chairman is non-independent and is part of the management team. Shareholders of the Company with concerns that could have a material impact on the Group, for which contact through the normal channels with the Executive Chairman, CEO, or Chief Financial Officer ("CFO") have failed to resolve or is inappropriate, are able to contact the Lead Independent Director.

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 Nominating Committee ("NC") comprises two independent non-executive Directors, namely Er Dr Lee Bee Wah (Chairman), Mr Tan Chuan Lye and an executive Director, Mr Toh Giap Eng. The NC has written terms of reference approved by the Board and is responsible for making recommendations to the Board on all appointments and re-appointments to the Board. The NC reviews and assesses candidates before making recommendations to the Board for appointments as Directors of the Company. In recommending new directors for appointment to the Board, the NC takes into consideration the skills and experience required to support the Group's business activities or strategies, the current composition of the Board and the size of the Board, and strives to ensure that the Board has an appropriate balance of independent directors as well as directors with the right profile of expertise, skill, attributes and ability.

The NC may have recourse to both internal sources as well as external sources to draw up a list of potential candidates. Shortlisted candidates will be required to furnish their curriculum vitae, stating in detail their qualifications, work experience and employment history, and to complete certain prescribed forms to enable the NC to assess the candidate's independence status and compliance with the Company's established internal guidelines.

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The key terms of reference of the NC are as follows:

- a. The NC shall consist of not less than three Directors, the majority of whom shall be independent Directors;
- b. The Chairman of the NC shall be appointed by the Board and shall be an independent Director; and
- c. The Board shall appoint a new member so that the number of members does not fall below three if a member, for any reason, ceases to be a member.

The NC performs the following functions in accordance with its terms of reference:

- a. reviewing and making recommendations to the Board on all candidates nominated for appointments to the Board and key management personnel, having regard to their background, potential contribution to the Group based on their experience and expertise, and ability to exercise independent business judgment;
- b. reviewing regularly, the Board structure, size and composition, taking into account the balance between executive and non-executive, independent and non-independent Directors and having regard at all times to the principles of corporate governance and the Code and making recommendations to the Board any adjustment that are necessary;
- c. identifying and making recommendations to the Board as to the Directors who are to retire by rotation and to be put forward for re-election at each annual general meeting ("AGM") of the Company, having regard to the Directors' contribution and performance, including independent Directors;
- d. conducting annual reviews to determine the independence of each Directors (taking into account the circumstances set out in the Code and other salient factors);
- e. assessing annually the performance of the Board, the Board Committees and the Directors; and
- f. conducting reviews to evaluate whether or not a Director is able to and has been adequately carrying out his/her duties as Director of the Company, when he/she has multiple board representations.

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.

The size and composition of the Board are reviewed on an annual basis by the NC, which seeks to ensure that the Board has an appropriate mix of expertise and experience.

The NC is of the view that:

- a. the majority of the NC members are independent and able to exercise objective judgement on corporate affairs of the Group independently from the management;
- b. there is no individual or small group of individuals on the Board who dominate the Board's decision-making process;
- c. the Board as a whole, possesses core competencies required for the effective conduct of the affairs and operations of the Group; and
- d. the current size of the Board is adequate for the purposes of the Group.

The Directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. Pursuant to Article 95 of the Constitution, one-third of the Directors retire from office at the Company's AGM ("one-third rotation rule"). In addition, Article 77 and Article 96 of the Company's Constitution provide that a newly appointed Director must submit himself for re-election at the next AGM following his appointment. Thereafter, he is subject to the one-third rotation rule.

Currently none of the Directors hold excessive number of board representations. The Board will review and recommend the maximum number of board representations which Directors may hold at the appropriate time.

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The present and past listed company board representations and other principal commitments for each Director are set out below:

Name of Director	Present Directorships or Chairmanships in Other Listed Companies (as at 31 December 2025)	Past Directorships or Chairmanships in Other Listed Companies in the Preceding Three (3) Years	Other Principal Commitments including directorships (as at 31 December 2025)
Toh Giap Eng	Nil	Nil	1. Hong Heng Company Private Limited (Director) 2. Hong Heng Investments Pte Ltd (Director) 3. New Paradigm Legacies Pte Ltd (Director) 4. Astra Horizon Ventures Pte. Ltd. (Director) 5. Toh Khai Cheng Pte. Ltd. (Director)
Hoh Chin Yiep	Nil	Nil	1. Emerald Capital Sdn Bhd (Director) 2. 7-Iron Investment Pte Ltd (Director and Shareholder)
Tan Chuan Lye	1. Kingsmen Creatives Ltd 2. First REIT Management Limited 3. QAF Limited	1. Isetan (Singapore) Limited – from 1 Feb 2019 to 30 Sept 2024	1. EFG Bank AG (Independent Advisory Member, of Asia Advisory Board) 2. Sompo Insurance Singapore Pte. Ltd. (Independent Director) 3. Berjaya Sompo Insurance Berhad (Independent Director) 4. Synapxe Pte Ltd (Independent Director) 5. Meranti Power Pte. Ltd. (Non-Executive Director) 6. Science Centre Board (Non-Executive Director) 7. The Brash Trust (Chairman of Board of Trustees) 8. Audit & Risk Committee Member of Singapore Heart Foundation 9. Member of Crescent Girls' School Advisory Committee

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Name of Director	Present Directorships or Chairmanships in Other Listed Companies (as at 31 December 2025)	Past Directorships or Chairmanships in Other Listed Companies in the Preceding Three (3) Years	Other Principal Commitments including directorships (as at 31 December 2025)
Lee Bee Wah	1. MYP Ltd	1. Amcorp Global Limited – from 15 May 2013 to 24 July 2024 2. Koh Brothers Group Limited – from 1 July 2015 to 30 April 2025 3. Hong Lai Huat Group Limited – from 29 April 2023 to 1 May 2025	1. Building and Construction Authority (Board Member) 2. Mandai Park Holdings Pte. Ltd. (Board Member) 3. MJL Media Pte. Ltd. (Board Member) 4. Nanyang Technological University School of Civil & Environmental Engineering Advisory Committee (Chairperson) 5. Singapore Table Tennis Association (Adviser) 6. Singapore Swimming Association (Adviser)
Li Hiaw Ho	Nil	Nil	1. CBRE Singapore (Consultant)

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 NC will use its best efforts to ensure that Directors appointed to the Board possess the relevant background, experience and knowledge to enable balanced and well-considered decisions to be made. One of the NC's responsibilities is to undertake a review of the Board's performance.

The NC has implemented a formal review process to assess the effectiveness of the Board on an annual basis as well as the contribution by each individual director to the effectiveness of the Board. The performance criteria taken into account by the NC in relation to an individual director include the followings:

- i. attendance at the Board and Board Committee meetings;
- ii. level of participation and overall commitment;
- iii. ability to strategise and propose sound business direction;
- iv. industry knowledge and/or functional expertise; and
- v. sense of independence

The appraisal process requires the Directors to complete appraisal forms which will be collated by the external facilitator, Dentons Rodyk & Davidson LLP, which will compile the results of the appraisal for review by the NC. The involvement of an external facilitator helps to ensure the independence and confidentiality of the evaluation process. The NC will thereafter report to the Board. Such an appraisal process was carried out in respect of FY2025.

Dentons Rodyk & Davidson LLP is also the Company's Singapore corporate secretarial service provider and Ms. Chew Bee Leng, a Senior Manager of Dentons Rodyk & Davidson LLP, serves as Company Secretary of the Company.

REPORT ON CORPORATE GOVERNANCE

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on the 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 Remuneration Committee ("RC") comprises three independent non-executive Directors, namely, Mr Li Hiaw Ho (Chairman), Er Dr Lee Bee Wah and Mr Tan Chuan Lye.

The key terms of reference of the RC are as follows:

- a. The RC shall consist of not less than three Directors, a majority of whom shall be independent Directors. At least one member should be knowledgeable in executive compensation, and if there is a need, expert advice may be obtained internally or externally;
- b. The Chairman of the RC shall be appointed by the Board and shall be an independent Director; and
- c. The Board shall appoint a new member so that the number of members does not fall below three if a member, for any reason, ceases to be a member.

The duties and responsibilities of the RC as set out in the Terms of Reference approved by the Board include the following:

- a. review and advise the Board on the framework of remuneration policies for executive and non-executive Directors and key executives of the Group covering all aspects of remuneration such as Director's fees, salaries, allowances, bonuses, options and benefits-in-kind;
- b. review and recommend to the Board the terms of the service agreement of the Directors; and
- c. review and advise the Board on the implementation of any appropriate long-term incentive schemes for the Directors and employees of the Company.

Each member of the RC shall abstain from voting on any resolution concerning his own remuneration.

The RC shall review the Company's obligations arising in the event of termination of the executive Directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses.

The Company ensures that the RC has access to expert advice on the human resource matter whenever there is a need to consult externally. During the financial year under review, the Company did not appoint any external consultant. In setting remuneration packages, the Company takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of the individual employee. No Director or officer of the Company will be involved in deciding his own remuneration.

REPORT ON CORPORATE GOVERNANCE

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.

Pursuant to the respective service contracts of the Executive Chairman and CEO:

- a. the term of service is for a period of three years and is subject to review thereafter;
- b. remuneration includes, among others, a fixed salary, allowances and a variable performance bonus which are conditional upon each meeting certain performance targets; and
- c. there are no onerous compensation commitments on the part of the Company in the event of an early termination of the service of an executive director.

The remuneration packages of the executive Directors and the key management personnel comprise a fixed component and a variable component that is linked to the performance of the Group as well as the individual performance. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance to promote the long-term sustainability of the Group.

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the executive Directors and CEO commensurate with their performance and that of the Company. In structuring the compensation framework, the RC also takes into account the risk policies of the Group, the need for the compensation to be symmetric with the risk outcomes and the time horizon of risks.

Non-executive Directors do not have service contracts with the Company and their remuneration packages comprise a basic director retainer fee. The Board, in recommending to the shareholders the quantum of fees to be paid to the Directors, takes into account factors such as frequency of meetings, time spent by Directors and the responsibilities of Directors. Directors' fees are subject to the approval of the shareholders at each AGM.

Currently, the Company does not have an employee share option scheme or any long-term scheme. The RC will recommend the implementation of incentive schemes as and when it is considered appropriate.

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 compensation packages for employees including the executive Directors and the key executives comprise a fixed component, a variable component and benefits-in kind, where applicable, taking into account amongst other factors, the individual's performance, the performance of the Group and industry practices. When determining the fixed and variable components, individual performance is taken into consideration in the light of any annual guidance from the National Wages Council, competitive market practices and information gathered from market surveys.

Under Principle 8.1 of the Code, the Company has complied and disclose fully the remuneration package paid to each individual director and CEO on a named basis for FY2025.

REPORT ON CORPORATE GOVERNANCE

A breakdown showing each individual Directors' remuneration payable for FY2025 is as follows:

Remuneration of Directors	Directors' Fees %	Salary %	Bonus %	Other Benefit %	Total S\$'000
Executive Chairman & Directors					
Toh Giap Eng	–	79	19	2	1,204
Hoh Chin Yiep	–	76	20	4	782
Independent Directors					
Tan Chuan Lye	100	–	–	–	61
Lee Bee Wah	100	–	–	–	50
Li Hiaw Ho	100	–	–	–	46

The remuneration of the key executives of the Group who are not Directors for FY2025 is shown in the following bands:

Remuneration bands	Salary %	Bonus %	Other Benefits %	Total %
Below S\$250,000				
Eemin Loh Yi Xuan	86	13	1	100
Between S\$250,000 to S\$500,000				
Heng Lee Cheng	70	27	3	100
Sing Seet Wei	76	17	7	100
Edwin Liu Chun Bong	87	13	–	100

The Group has four key executives who are not Directors during the FY2025. Key information regarding the current key executives can be found under the Key Management section in this annual report. The total remuneration paid to the above key executives (who are not Directors) of the Group for FY2025 is S\$1,529,000.

Immediate Family Member of Director

Executive Chairman, Mr Toh Giap Eng is a substantial shareholder of the Company and the son of late Mr Toh Khai Cheng and brother of Mr Toh Gap Seng, both substantial shareholders of the Company. His salary has been disclosed above. Other than Mr Toh Giap Eng, currently there are no employees in the Group who are immediate family members of Directors, CEO and other substantial shareholders of the Company with remuneration exceeding S\$100,000 during FY2025.

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.

Listing Rules 720(7) requires all Directors to undergo training on sustainability matters. During the year under review, Directors completed the prescribed sustainability training. The Board and AC have reviewed the adequacy and effectiveness of the Group's internal controls systems and risks management systems that address the Group's financial, operational and compliance and information technology controls risks. In compliance with new Listing Rules that take effect from 1 January 2022, the sustainability reporting process was subjected to internal review by the internal auditors, in accordance with the approved internal audit plan. Based on the internal controls established and maintained by the Group, work performed by the outsourced internal auditors and external auditors, and reviews performed by management, the AC and the Board are of the opinion that the Group's internal controls, addressing financial, operational and compliance, information technology controls risks and risk management systems, were adequate and effective as at 31 December 2025. The Board notes that no system of internal control could provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

The Board has established a separate risk management committee (the "Risk Management Committee") comprising of the Executive Chairman, CEO and CFO to assist it in carrying out its responsibility of overseeing the Company's risk management framework and policies. The Risk Management Committee regularly reviews the Group's business and operations to identify areas of significant business risks and put in place appropriate measures to address these risks and reports to the Board on areas of significant risks to the Group's operations, if any.

The Board has received assurance from the CEO and the CFO (i) 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 (ii) regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

For more information relating to the Group's risks factors, please refer to Note 41 of the audited financial statements in this annual report.

Audit Committee

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

The Audit Committee ("AC") comprises three independent non-executive Directors, namely, Mr Tan Chuan Lye (Chairman), Er Dr Lee Bee Wah and Mr Li Hiaw Ho.

The Chairman of the AC, Mr Tan Chuan Lye has many years of experience in the accounting and auditing profession. The other members of the AC have many years of experience in business and financial management. The Board is of the view that the members of the AC have sufficient financial management expertise and experience to discharge the functions of the AC.

For FY2025, the AC has held two meetings. Details of members and their attendance at meetings are provided in Table 1.

The key terms of reference of the AC include the following:

- a. The AC shall consist of not less than three Directors appointed by the Board, all of whom shall be non-executive Directors with the majority being independent Directors. At least two members of the AC shall have accounting or related financial management expertise or experience and its membership, details of its activities, number of meetings and attendance at such meetings, shall be disclosed annually;
- b. The Chairman of the AC shall be appointed by the Board and shall be an independent Director; and
- c. The Board shall appoint a new member so that the number of members does not fall below three if a member, for any reason, ceases to be a member.

REPORT ON CORPORATE GOVERNANCE

The duties of the AC include:

- a. reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the Company's financial performance;
- b. reviewing at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- c. reviewing the assurance from the CEO and the CFO on the financial records and financial statements;
- d. making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;
- e. reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function; and
- f. reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistleblowing policy and procedures for raising such concerns.

The AC also has full access to and the co-operation of management and reasonable resources to enable it to discharge its functions properly within the AC's scope of responsibility.

The AC, having reviewed all non-audit services provided by the external auditors to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditors. The AC has also conducted a review of interested person transactions. The AC also meets the external and internal auditors separately at least once a year, without the presence of management, in order to have free and unfettered access to unfiltered information and feedback.

To keep abreast of the changes in accounting standards and issues which have a direct impact on financial statements, advice is sought from the external auditors when they attend the AC meetings.

The Board confirms that, in relation to the appointment of auditors for the Company, subsidiaries and significant associated companies, the Group is in compliance with the requirements of Rules 712, 715 and 716 of SGX-ST's Listing Manual.

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

Internal Auditor

The Company has outsourced the internal audit function to an independent external audit firm, KPMG Services Pte Ltd. During the financial year, the AC has reviewed and assessed the adequacy of the Company's risk management system and internal controls are adequate and complemented by the Internal Auditor (the "IA").

The IA reports directly to the AC and has unfettered access to all the Company's documents, records, properties and personnel, including access to the AC. IA plans its internal audit schedules in consultation with, but independent of, management and its plan is submitted to the AC for approval. The AC reviews the internal audit procedures and ensures that the internal audit functions, together with the various systems put in place by the Group are adequate. The AC approves the appointment, removal and evaluation of the IA.

REPORT ON CORPORATE GOVERNANCE

The AC is satisfied that the IA is able to discharge its duties independently, effectively and adequately based on the following considerations:

- the IA activities are conducted in accordance with the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors; and
- the IA has the appropriate standing in the Company in view of, *inter alia*, its involvement in certain AC meetings and its unfettered access to all the Group's documents, records, properties and personnel, including direct access to the AC and management.

Whistleblowing Policy

- a. The Company has a whistleblowing policy ("Policy") whereby concerns about possible corporate improprieties may be reported. As a public listed company, Heeton adopts a zero-tolerance approach towards workplace malpractices, statutory non-compliance, chronic impropriety and abuse within the organisation. In this regard the Policy is intended to encourage and facilitate the raising of any major concerns or legitimate complaints against the Company or its subsidiaries by employees, directors, contractors, suppliers, vendors, customers and other stakeholders ("interested parties"), without fear of reprisal, discrimination or adverse consequences, permitting the Company to address such reports by taking appropriate action.
- b. The intended aims of this Policy are: to deter wrongdoing and abuse within the Group; to establish high standards of working practices and corporate governance; to encourage interested parties, especially employees, to act on relevant concerns without fear of reprisals; to create a standard operating procedure for interested parties to raise these concerns; to demonstrate the Company's commitment towards the welfare of its employees; and to develop a culture of openness, accountability and integrity.
- c. A receiving officer, appointed by the Audit Committee, will be responsible for the processing of whistleblowing complaints ("Receiving Officer"). The Receiving Officer will report to the AC and maintain a centralised repository of all reported cases. He or she will ensure that every concern is investigated and taken to its conclusion. Investigations into any complaints made by whistleblowers will be conducted sensitively and speedily by an internal panel coordinated by the Receiving Officer. The investigation may involve the Company's auditors, in case of financial irregularity, lawyers in the case of allegations of crime or serious breach, and external consultants where technical knowledge is required. The Company's policy is to report any criminal act to local law enforcement.
- d. The contact details of the Receiving Officer are as follows:

Email: Receivingofficer@heeton.com

Address: Heeton Holdings Limited
60 Paya Lebar Road
#08-36 Paya Lebar Square
Singapore 409051
- e. The identity of the whistleblower and all concerns or irregularities raised will be held in confidence throughout the investigation process. The whistleblower shall receive no detrimental or unfair treatment for reporting a concern in good faith. Retaliation, discrimination or any other form or reprisal against the whistleblower will be subject to discipline, including termination of employment.
- f. This Policy is featured on the Heeton website as well as the Company's Employee Resource Folder, and shall be included in the training materials or induction packs for all new employees. The Policy shall be reviewed regularly and may be modified to maintain compliance with applicable laws and regulations or accommodate organisational changes within the Group. The Audit Committee is responsible for the overall oversight and monitoring of the Policy and its implementation.

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 provides shareholders with half-yearly and annual financial statements within the timeframe in line with Listing Manual of SGX-ST. In presenting the financial statements to shareholders, the Board aims to provide shareholders with a balanced, clear and understandable assessment of the Company and the Group's performance, position and prospects. The Company may also, on an ad-hoc basis, hold media and analysts briefings and publish press releases of its financial results.

Procedures are put in place to provide Board members with management accounts as and when required and highlights on key business indicators and any significant business developments with such explanation and information as any Director may require, to enable the Directors to keep abreast, and make a balanced and informed assessment of the Group's financial performance, position and prospects.

At general meetings of the Company, shareholders are given the opportunity to communicate their views and are encouraged to ask the directors and the management questions regarding matters affecting the Company. The Board welcomes the views of shareholders on matters affecting the Company, whether at shareholders' meetings or on an ad-hoc basis. Shareholders will be informed of shareholders' meetings through notices published in the newspapers and reports or circulars sent to all shareholders. Each item of special business included in the notice of the meeting will be accompanied, where appropriate, by an explanation for the proposed resolution. Separate resolutions will be proposed for substantially separate issues at the meeting.

Unless unforeseen circumstances dictate otherwise, the respective Chairmen of the AC, RC and NC are present at the Company's AGMs to answer questions relating to the work of these committees. The external auditors are also present to assist the Directors in addressing any relevant queries by shareholders about the conduct of audit and the preparation and content of the auditors' report on the financial statements of the Company. All the Directors has attended in the AGM held in FY2025. The attendance of each Director at general meetings held in FY2025 is set out as follows:

	AGM on 22 April 2025
Name of Director	Attended
Toh Giap Eng	✓
Hoh Chin Yiep	✓
Tan Chuan Lye	✓
Lee Bee Wah	✓
Li Hiaw Ho	✓

The shareholders of the Company (other than a shareholder who is a relevant intermediary) may appoint one or two proxies to attend and vote in their absence at general meetings of the Company. A shareholder who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at the general meetings of the Company. The Company is not implementing absentia-voting methods such as by mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved. The shareholders would be informed of the voting procedures at the commencement of the general meeting.

The Company conducts the voting of all its resolutions by poll at all its general meetings. The results of poll of each resolution tabled are announced at the meetings and in an announcement released after the meeting via SGXNet. Shareholders can vote in person or by their appointed proxies. The Company will employ electronic polling if necessary.

REPORT ON CORPORATE GOVERNANCE

The Company Secretary prepares minutes of AGM that include substantial and relevant comments or queries from shareholders relating to the agenda of the meetings, and responses from the Board and management. The Company shall publish the minutes of general meetings of shareholders on its corporate website and on the SGX website as soon as practicable, in any event within one month after the date of the general meeting.

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, general financial condition, results of operations, capital requirement, cashflow, general business condition, development plans and other factors as Directors may deem appropriate.

Notwithstanding the above, the Company has been declaring dividends on an annual basis, except for FY2020 due to the impact of the COVID-19 on the Group's business. Any pay-outs are clearly communicated to shareholders via the financial results announcement through SGXNet.

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 Board is mindful of the obligation to provide regular, effective and fair communication with shareholders. Information is communicated to the shareholders on a timely basis through:

- annual reports that are prepared and issued to all shareholders within the mandatory period;
- public announcements via SGXNet, the press and analysts (if any); and
- notices of AGMs.

The Board will support and encourage active shareholders' participation at AGMs as it believes that general meetings serve as an opportune forum for shareholders to meet the Board and key management, and to interact with them. General meetings have been and are still the principal forum for dialogue with the shareholders. They offer opportunities for the Board to interact with shareholders, understand their views, gather feedback as well as address concerns. Enquiries by shareholders are dealt with as promptly as practicably possible.

The Company does not practice selective disclosure. The Board provides shareholders with an assessment of the Company's performance, position and prospects via announcements of results and other ad-hoc announcements as required by the SGX-ST. The Company's Annual Report which is sent to all shareholders is also available on request. In addition to the regular dissemination of information through SGXNet, the Company also responds to enquiries from investors, analysts, fund managers and the press.

The Company has an existing investor relation team or may engage an external firm to assist in disseminating news to the media and analysts after each results announcement and any price-sensitive information announced.

The Company maintains a website (www.heeton.com) to bring public awareness of the Group's latest development and businesses. An investor relations contact has been provided in the Company's website. Stakeholders can provide feedback to the Company via the electronic mail address, the registered office address or calls. Calls and emails requesting information are attended to promptly.

REPORT ON CORPORATE GOVERNANCE

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

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

The Company strives to maintain open and fair communication with its key stakeholders, to understand their views, concerns, and objectives in order to work towards more sustainable growth. With the support of an external consultant, the Company has identified stakeholder groups which have a significant influence and interest in the Group's operations and business, and engaged these stakeholders to understand their Environmental, Social, and Governance ("ESG") expectations.

The key stakeholders include investors, tenants, employees, communities, government and regulators and business partners. The Company maintains a corporate website at www.heeton.com and updates it on a timely basis to communicate and engage with them. In this way, the Company hopes to have good communication and engagement with all its material stakeholders.

Sustainability Report 2025 Summary

Sustainability Report 2025 ("SR2025") will be published subsequent to the Annual Report. Key highlights of the report are summarised below to provide stakeholders with an overview of the Group's ESG progress during FY2025.

SR2025 marks the Company's ninth annual sustainability report and affirms the Group's commitment to integrating ESG considerations across its international real estate operations. In FY2025, the Company maintained a zero-incident record in regulatory compliance, and customer health and safety and recorded a year-on-year reduction in occupational health and safety incidents, while continuing to pursue fair employment practices, skills development and corporate social responsibility initiatives. Environmental performance improved year-on-year with decreases in energy usage, Scope 1 and Scope 2 emissions, and emissions intensity. Global warming scenarios were updated to assess climate-related physical and transition risks over short, medium and long-term timeframes. The Company has set FY2026 targets to drive continuous improvement across material ESG factors while progressively working towards the application of IFRS Sustainability Disclosure Standards for climate-related disclosures by FY2030. The full sustainability report and previous years' reports are available on our corporate website: <https://www.heeton.com/investor-relations/annual-reports/>.

INTERESTED PERSON TRANSACTIONS ("IPT")

The Company does not have an internal policy or established procedures for transactions with interested persons. For any IPTs, the Group seeks advice from legal counsel to ensure compliance. All IPTs are recorded in an IPTs Register. Pursuant to Rule 920 of the SGX-ST Listing Manual, the Company does not have any IPTs mandate from shareholders.

Details of IPTs for FY2025 are as follow:

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)
QS Edinburgh Pte. Ltd., is a 85% owned subsidiary of the Group, of which Astra ⁽¹⁾ owns 10%. Please refer to the announcement made by the Company on 3 December 2024.	Executive Chairman and substantial shareholder of the Company	S\$370,000

REPORT ON CORPORATE GOVERNANCE

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)
Thomson Invesco Pte. Ltd., is a 65% owned subsidiary of the Group, of which Astra ⁽¹⁾ owns 10% and Hong Heng Company Private Limited owns balance 25%. Please refer to the announcement made by the Company on 28 January 2026.	Executive Chairman and substantial shareholders of the Company	S\$33.10 million

(1) Astra Horizon Ventures Pte. Ltd. ("Astra") is a company jointly owned by Mr Toh Giap Eng and his spouse

DEALINGS IN SECURITIES

The Company has complied with Rule 1207(19) in FY2025. It has been highlighted to the Directors and staff of the Company and the Group that to deal in the Company's securities as well as securities of other listed companies when the officers (Directors and employees) are in possession of unpublished material price sensitive information in relation to those securities is an offence. The officers are also discouraged from dealing in the Company's securities on short-term considerations.

The Company's internal policy based on Listing Rule 1207(19) is manifested through regular notices sent to its Directors and officers highlighting the guidelines for dealing in securities. These notices are timed to remind Directors and officers of the prohibition on dealing in the Company's shares during the black-out periods set out in Listing Rule 1207(19)(c), and that it is an offence under the Securities and Futures Act 2001 for the Company's directors and employees to buy or sell the Company's securities, either in their own capacity or on behalf of the Company, when they are in possession of unpublished material information that is likely to impact the Company's share price. It reiterates that the law on insider trading is applicable at all times, and not just to the specific black-out periods.

Directors and officers of the Group are prohibited from trading in the Company's shares during the period commencing one month before the announcement of the Company's half-year and full-year financial statements. both on their own behalf and on behalf of the Company.