



fortress

FORTRESS MINERALS LIMITED



EXPANDING HORIZONS IN MINERAL EXPLORATION

ANNUAL REPORT 2025



CONTENTS

OVERVIEW OF FORTRESS MINERALS LIMITED

- 01 | CORPORATE PROFILE
- 02 | CORPORATE INFORMATION

STRATEGIC AND PERFORMANCE REVIEW

- 03 | CHAIRMAN'S MESSAGE
- 05 | CEO'S MESSAGE
- 12 | KEY FINANCIAL HIGHLIGHTS

LEADERSHIP & STRUCTURE

- 13 | GROUP STRUCTURE
- 15 | BOARD OF DIRECTORS
- 18 | KEY EXECUTIVE

SUSTAINABILITY

- 19 | SUSTAINABILITY REPORT

GOVERNANCE

- 63 | CORPORATE GOVERNANCE REPORT
- 99 | KEY INFORMATION

FINANCIALS

- 106 | DIRECTORS' STATEMENT
- 110 | INDEPENDENT AUDITORS' REPORT
- 116 | STATEMENTS OF FINANCIAL POSITION
- 117 | CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
- 118 | CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
- 120 | CONSOLIDATED STATEMENT OF CASH FLOWS
- 122 | NOTES TO THE FINANCIAL STATEMENTS

SHAREHOLDER INFORMATION

- 171 | STATISTICS OF SHAREHOLDINGS
- 173 | NOTICE OF ANNUAL GENERAL MEETING
- 180 | APPENDIX

PROXY FORM



This annual report has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report. The Sponsor has also not drawn on any specific technical expertise in its review of this annual report.

The contact person for the Sponsor is Ms. Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

CORPORATE PROFILE

Fortress Minerals Group is evolving into a diversified mineral resources company – building on our strong foundations in high-grade iron ore mining, and expanding into strategic minerals to drive long-term, sustainable value for all stakeholders.

Fortress Minerals Limited (“**Fortress**” or the “**Company**” and collectively with its subsidiaries, the “**Group**”) is a Malaysia-based mining group with a strong operational track record in the production of high-grade iron ore at its flagship Bukit Besi mine. Our products are priced in United States Dollars and benchmarked against international iron ore indexes, supplying regional demand with consistency and reliability.

Building on our proven operational strength, the Group is now entering a new phase of strategic growth. With shareholders’ approval secured at the Extraordinary General Meeting in FY2024, the Group is actively expanding into the exploration and development of other strategic and critical minerals, aligned with evolving market demands and global sustainability priorities.

A key milestone in this journey is the development of a pilot integrated processing plant at the Cermat Aman Sdn. Bhd. (the “**CASB**”) mine, designed to produce copper concentrate and iron ore products. This facility enhances our downstream capabilities and supports our long-term diversification strategy.

The Group is also progressing with mineral prospecting efforts in Sabah and strengthening operations at Bukit Besi. The Group continues to pursue mergers, acquisitions and joint ventures in a disciplined manner – leveraging its technical strength and operational excellence to responsibly grow its commodities platform across Malaysia and the region.

Listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) since 27 March 2019 (OAJ: SGX), the Group remains committed to long-term resilience and sustainable value creation for all stakeholders.

OUR CORE VALUES



INTEGRITY

Uphold transparency, accountability, and ethical conduct in all our actions and decisions.

SUSTAINABILITY

Committed to environmental stewardship, social responsibility, and economic viability.

EMPOWERMENT

Strive to equip and support individuals in every way possible to achieve a sustainable, successful society.

PROSPERITY

A community that thrives together, experiencing fruitful and meaningful growth.

OUR VISION



Embarking on a mineral exploration journey guided by strategic geological insights and alliances.

Addressing demands from regional clients while prioritising sustainability, safety, and ethical excellence.

Elevate operations with protocols improvement and streamlined efficiency measures.

OUR MISSION



Striving in the mineral resources industry by leveraging innovative technology to deliver values to stakeholders, and building a sustainable future where empowerment and prosperity are shared by all.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chew Wai Chuen

(Chairman and Independent Director)

Dato' Sri Ivan Chee

(Executive Director and Chief Executive Officer (“CEO”))

Ng Mun Fey

(Executive Director and Chief Operating Officer (“COO”))

Edmund Chee Ji Kang

(Executive Director)

Teh Lip Kim

(Non-executive and Non-independent Director)

Loong Ching Hong

(Non-executive and Non-independent Director)

Willa Chee Keng Fong

(Non-executive and Non-independent Director)

Anita Chew Cheng Im

(Independent Director)

Goh Kah Im

(Independent Director)

AUDIT COMMITTEE

Goh Kah Im

(Chairman)

Anita Chew Cheng Im

Chew Wai Chuen

REMUNERATION COMMITTEE

Chew Wai Chuen

(Chairman)

Anita Chew Cheng Im

Loong Ching Hong

NOMINATING COMMITTEE

Anita Chew Cheng Im

(Chairman)

Chew Wai Chuen

Dato' Sri Ivan Chee

JOINT COMPANY SECRETARIES

Nor Hafiza Alwi

Loh Mei Ling

REGISTERED OFFICE

77 Robinson Road
#06-03, Robinson 77
Singapore 068896
Tel: (65) 6538 0779
Fax: (65) 6438 7926
Email: corporate@fortress.sg

PRINCIPAL PLACE OF BUSINESS

9-1 Jalan PJS 8/18
Dataran Mentari
46150 Petaling Jaya
Malaysia
www.fortress.sg

CONTINUING SPONSOR

PrimePartners Corporate Finance Pte. Ltd.

16 Collyer Quay
#10-00 Collyer Quay Centre
Singapore 049318

INDEPENDENT AUDITORS

BDO LLP

600 North Bridge Road
#23-01 Parkview Square
Singapore 188778

Partner-in-charge: Liang Hongzhou

(a member of the Institute of Singapore Chartered Accountants)
(Appointed since the financial year ended 28 February 2023)

SHARE REGISTRAR

B.A.C.S. Private Limited

77 Robinson Road
#06-03 Robinson 77
Singapore 068896

INVESTOR RELATIONS

Teneo

One George Street
#12-01/02
Singapore 049145
Email: fortressminerals@teneo.com

PRINCIPAL BANKERS

Oversea-Chinese Banking Corporation Limited

63 Chulia Street
#10-00
Singapore 049514

OCBC Bank (Malaysia) Berhad

Menara OCBC, 18 Jalan Tun Perak
50050 Kuala Lumpur
Malaysia

Malayan Banking Berhad

No. 30 & 32, Jalan PJS 11/28a, Bandar Sunway
46150 Petaling Jaya, Selangor
Malaysia

CIMB Islamic Bank Berhad

Level 1-2, Wisma BU8, No. 11
Lebuhr Bandar Utama, Bandar Utama
47800 Petaling Jaya, Selangor
Malaysia

CHAIRMAN'S MESSAGE



Chew Wai Chuen

Chairman and Independent Director

Dear Shareholders,

On behalf of the Board of Directors of Fortress Minerals Limited (“**Fortress**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), I am pleased to present our annual report for the financial year ended 28 February 2025 (“**FY2025**”).

FY2025 was a year marked by increasing global uncertainties, as escalating geopolitical tensions and trade conflicts cast a shadow over economic stability and investor sentiment worldwide. Despite these external headwinds, Fortress remained focused and resolute in our pursuit of strategic priorities to strengthen our current capabilities while exploring new horizons for growth. Guided by our long-term vision and commitment to operational excellence, we navigated this complex environment with discipline and purpose.

As we reflect on our progress, we reaffirm our mission to grow sustainably, enhance shareholder value, and continue to strive and position Fortress as a leading mining group in the region.

Strengthening our core business and diversifying for long-term growth

In FY2025, we took decisive steps to fortify our business for long-term success. We entered into four domestic offtake agreements during the year, reflecting not only the resilient demand for our high-grade iron ore concentrate, but also the enduring trust our customers place in our product quality and reliability.

At the Bukit Besi mine, we are making meaningful progress in the construction of a new crushing plant, which remains on track for commissioning in FY2026. This infrastructure investment will expand our processing capabilities and position us to better meet future market demand.

Meanwhile, at the CASB mine, we are advancing the development of an integrated processing plant to enhance our production capabilities and scale. We are preparing for the construction of a pilot plant for trial production, an important phase that will optimise the pathway forward for scaling operations to produce high-grade mineral products.

Beyond iron ore, our exploration projects in Sabah for strategic minerals remain a vital part of our diversification roadmap. These projects represent our continued commitment to discovering new avenues for growth and diversifying our revenue streams.

Further underscoring our commitment is our proposed investment into bauxite mining via our acquisition of 10% shares in Strategic Venture Pte. Ltd. in May 2025. This strategic move marks a significant milestone for Fortress in reducing product concentration risk, while aligning with the broader shift toward sustainable minerals that are related to the energy transition. By securing a stake in bauxite – a critical input for aluminium, a metal pivotal in renewable energy systems and electric vehicle manufacturing – we will strengthen Fortress’ position within the green metals supply chain and support the global push for decarbonisation.

CHAIRMAN'S MESSAGE

A culture of empowerment and shared prosperity

Our achievements would not be possible without the dedication and drive of our people. At Fortress, we are committed to building a sustainable organisation where every individual is empowered, and growth is shared.

We continue to invest in our workforce by providing opportunities for meaningful careers and skills development. We believe that when our people thrive, our business and society thrive together. This principle remains the foundation of our organisational culture.

Open and transparent communications

As part of our commitment to good governance and accountability, we remain steadfast in maintaining open and transparent communication with all stakeholders. We continue to publish our financial results quarterly beyond regulatory requirements and actively engage with analysts and investors through briefings and meetings. Furthermore, we communicate with the broader investment community through timely announcements on SGXNet, updates on our corporate website (www.fortress.sg), and the dissemination of annual reports, as well as during annual general meetings.

We believe that consistent, clear, and timely information builds trust and strengthens our reputation as a preferred choice for investors interested in the mining sector.

Committed to delivering sustainable value to our shareholders

We are unwavering in our commitment to create sustainable, long-term value for shareholders. For FY2025, the Board has proposed and, subject to shareholders' approval, will be paying, a final dividend of 0.46 Singapore cents per share. This represents a payout ratio of 30.8%, a reflection of the team's confidence in our growth trajectory.

As we grow and diversify, we will continue to exercise financial prudence, while balancing investment in strategic initiatives with providing meaningful rewards to our shareholders.

Appreciation

On behalf of the Board, I extend my sincere appreciation to all our employees for their resilience and contributions throughout the year. To our management team, your leadership and execution have been instrumental in advancing our goals. I also wish to thank our valued customers, partners, and financiers for their continued support, and our fellow directors for their insight and stewardship.

We move forward with a clear purpose and renewed commitment to grow sustainably and responsibly. Together, we will continue to forge a resilient and future-ready Fortress.

Chew Wai Chuen

Chairman and Independent Director

CEO'S MESSAGE



Dato' Sri Ivan Chee

Executive Director and CEO

Dear Shareholders,

Fortress is proud to have solidified its position as Malaysia's premier miner and exporter of iron ore with low level of impurities, navigating the complexities of a volatile FY2025 global market with focus. The year brought challenges, including unprecedented international trade policies, logistical hurdles, and cautious central bank policies aimed at curbing inflation. Through a disciplined growth approach, we strengthened client relationships, delivered strong shareholder returns, and enhanced our operational capabilities.

Sustained customer demand, supported by Malaysia's stable economic landscape and strategic trade position, continues to drive our success. We also remain committed to expanding our efforts to expand iron ore operations through thoughtful, well-executed initiatives while pursuing diversification into other high-value minerals to enhance our market resilience.

Our resilience enabled us to meet rising market demands, positioning Fortress as a trusted partner in the regional iron ore industry. We are committed to delivering consistent value to shareholders, guided by our purpose to be the preferred producer and partner for our clients, while delivering sustainable value to shareholders.

Operations Review

In FY2025, Fortress achieved a record sales volume of 632,424 dry metric tonnes ("**DMT**") of iron ore concentrate. We are delighted to share that this marks the third consecutive year of achieving the highest sales volume since Fortress' establishment, reflecting the Group's resilient growth strategy. From FY2024 to FY2025, the Group demonstrated strong sales momentum, rising 14.8% year-on-year ("**yoy**"). The Group remains well-positioned to capitalise on normalising domestic and regional demand.

At Bukit Besi, our resource levels stand at a healthy 11.55 million tonnes ("**Mt**") of Indicated and Inferred Resources. This represents a 48.3% yoy increase from FY2024 levels (7.79 Mt), alongside a higher weighted average iron content of 44.36% Fe, up from 38.88% Fe. These mineral levels reflect a robust resource pool, well-positioned to meet long-term demand for higher-concentrate iron ore.

In FY2025, the Group continued to grow its production capacity at Bukit Besi. Two additional new ball mills were commissioned in May 2024, boosting operational throughput and reliability. Notably, nameplate capacity has grown to 50,000 tonnes per month, and up to 60,000 tonnes per month under steady state conditions, representing an approximate 20% yoy increase from FY2024. This year, we also saw investments in stripping activities aimed at enhancing exploration to further develop Valley and West deposits at Bukit Besi. Together, these strategic decisions were validated by the growth of our mineral resource levels and position us strongly for cost-efficient growth and

CEO'S MESSAGE

meeting escalating market demand. Further to this, construction of the new crushing plant with advanced, efficient equipment is underway. The plant, positioned for scalable operations, is expected to be commissioned in FY2026.

The Group also continues to make progress on expanding production capability at the Cermat Aman Sdn Bhd ("**CASB**") mine through the development of the new integrated processing plant. The plant is being developed to support the Group in producing high-grade iron ore, copper and pyrrhotite concentrates, thereby diversifying our income stream. The metallurgical test works and feasibility studies as well as flowsheet and engineering design of the new plant have been completed. Based on independent consultants' recommendations, the Group is now in the preparation stage to construct a pilot plant for trial production.

Fortress continues to cultivate relationships with its business partners that are grounded in trust, reliability and consistency across the quality of our products and service excellence. Supported by these established and longstanding relationships, the Group successfully entered into four new offtake agreements in FY2025 which will provide firm recurrent income and cash flow to the Group and strengthen our financial position.

Fortress has made significant progress in advancing its strategic diversification initiatives after obtaining shareholders' approval to mine and trade new minerals in FY2023. The Group remains dedicated to implementing operational enhancements to support diversified revenue streams, as evidenced by the new integrated plant at CASB mine designed to produce a wider variety of minerals.

The Group's focus on diversifying income streams is critical to stay ahead of market trends, fostering business resilience and relevance, and positioning Fortress as a key player in the industry. We strategically prioritise minerals with sustained, long-term demand, led by emerging secular trends including artificial intelligence, electric vehicles, and other drivers of demand for the minerals we produce. Fortress continues to focus on growing and strengthening our business to deliver enhanced shareholder value over the long term.

Fortress continues to pursue its strategic growth objectives by capitalising on consistent demand for high-grade iron ore and fostering robust business partnerships to expand and diversify revenue sources.

Financial Review

Revenue and Profitability

Fortress reported revenue of US\$56.3 million for FY2025, a 4.3% yoy increase due to higher volume of iron ore sold.

Overall, sales volume for FY2025 increased 14.8% to 632,424 DMT, the third year in a row the Group has reported record sales volume, more than double the sales volume at listing in FY2020 and enabling Fortress to realise additional cost efficiency from economies of scale. Robust sales volume reflects the enduring and growing customer relationships the Group has developed. The increased sales volume was partially offset by the 9.2% decline in average realised selling price to US\$88.88/DMT.

Net cash flow generated from operating activities for FY2025 remained robust at US\$13.2 million, supported by an EBITDA of US\$16.1 million. Overall, our Group posted an NPAT of US\$5.8 million and earnings per share stood at 1.21 US cents for FY2025.

The Group reported a healthy gross profit margin of 59.0% for FY2025. Average unit costs for FY2025 declined 2.6% to US\$33.16/WMT, as a result of normalising production costs and inflation. This was also partially offset by the decline in average realised selling price.

CEO'S MESSAGE

Financial Position

The Group's net assets increased to US\$78.9 million as at 28 February 2025 from US\$72.2 million as at 29 February 2024, mainly due to an increase in plant and equipment, mining properties and other receivables.

As at 28 February 2025, the Group had cash and bank balances of US\$7.9 million and recorded a positive working capital position of US\$14.2 million.

Supported by the Group's consistent growth efforts, net asset value per share was 9.6% higher yoy at 15.13 US cents as at 28 February 2025, compared to 13.81 US cents as at 29 February 2024, and 12.45 US cents as at 28 February 2023. The Group remains committed to enhancing value for shareholders through disciplined capital management and strategic growth.

Cash Flow

For FY2025, the Group's net cash generated from operating activities was US\$13.2 million.

During FY2025, net cash flow used in investing activities was US\$2.1 million, decreased by US\$3.6 million primarily attributable to a decrease in capital expenditure investments for mining and exploration activities in Bukit Besi, CASB mine and the prospecting areas in Sabah.

Net cash flow used in financing activities was US\$9.2 million as compared to US\$7.1 million in FY2024. The increase of US\$2.1 million was primarily due to the absence of proceeds from the issuance of ordinary shares in FY2024.

CEO'S MESSAGE

Bukit Besi Mine Mineral Resource

In the 2024 calendar year, just over 2,931m of resource definition drilling was completed from 18 drillholes to support the magnetite mining operations at Bukit Besi.

An update of the Bukit Besi Mineral Resource Estimate (“**MRE**”) was prepared from drill datasets dated 28 February 2025 and a mine survey dated 15 February 2025. The drilling, sampling, survey, and estimation methodologies are described in the Summary Qualified Person’s Report (dated 24 April 2025) (“**2025 MRE Update**”). The 2024 Mineral Resource update was included in the Group’s FY2025 financial results, which were announced on the SGXNET on 24 April 2025 and is also available from the Company’s website. The announcement includes the JORC Table 1 and summary information, both of which remain applicable for the FY2025 Mineral Resource update.

Michael Andrew, working as an Executive Consultant with Snowden Optiro, prepared the 2025 MRE Update and reported them in accordance with JORC guidelines. The following summary of the Bukit Besi Mineral Resources is formatted following the requirements set out in Appendix 7D of the Catalist Rules.

The updated and depleted MRE for the Bukit Besi Iron Project is 11.55 million tonnes grading 44.36 % iron, with a reporting date of 28 February 2025. The MRE is classified as Indicated and Inferred following the JORC guidelines on a qualitative basis, considering numerous factors, including data quality, geological complexity, data coverage, estimation validation and limited magnetite mass recovery data and reconciliation against production from the mine.

Date of report: 24 April 2025

Date of previous report: 24 April 2024

Bukit Besi Mineral Resource Estimate as of 28 February 2025*

Area	Classification	Gross attributable to ML7/2013 Tonnes Mt	Grade Fe %	Net attributable to Fortress Tonnes Mt	Grade Fe %	Change from previous update %	Remarks
East	Indicated	0.29	37.74	0.29	37.74	126%	1
Valley		0.75	46.41	0.75	46.41	400%	1
West		0.32	43.13	0.32	43.13	1%	1
Sub-Total		1.36	43.77	1.36	43.77	127%	1
East	Inferred	0.41	34.88	0.41	34.88	-53%	1
Valley		8.89	45.07	8.89	45.07	126%	1
West		0.88	42.59	0.88	42.59	-63%	1
Sub-total		10.18	44.44	10.18	44.44	42%	1
Total		11.55	44.36	11.55	44.36	48%	1

Notes:

- * Based on block cut-off grade of greater than 20% Fe and magnetic susceptibility greater than 30. Some discrepancies may occur due to rounding.
- * No Ore Reserves stated. Mineral Resources that are not Ore Reserves do not have demonstrated economic viability. The Mineral Resource is limited to within the tenement boundary. Some discrepancies may occur due to rounding.
- “1” Reflects additional drilling completed in 2024/25 and change in domaining cut off to Fe > 20% and Magsus > 30.

Name of Competent Person: Michael Andrew

Date: 24 April 2025

Professional Society Affiliation/Membership: Australasian Institute of Mining and Metallurgy (FAusIMM)

CEO'S MESSAGE

Fortress Mengapur Mineral Resource

In the financial year ended 28 February 2025, no further work or mining was undertaken on the reported Mengapur deposit. As such, the reported MRE remains unchanged from the previously reported grade and tonnages in April 2024. The following is an extract from the 2023 full-year financial results announced by the Company via SGXNet on 26 April 2023 to provide some context for the 2025 resource statement:

Since the acquisition of Mengapur in 2021, the Company has drilled 48 infill drillholes for 5,391 metres with sample analysis completed at both Bukit Besi and the Company's newly commissioned Mengapur laboratory. The updated MRE has incorporated this drilling with the existing drill data. Only drill data generated by Fortress and the previous owner Monument has been used to generate the pyrrhotite and magnetite resources. The skarn hosted copper resources were initially informed by only the Fortress and Monument data, any uninformed areas of the estimate after the initial pass were then informed by the lower confidence historic drilling completed prior to Monument's ownership of the deposit. Any material informed by the pre-Monument data was classified as Inferred. Any material classified as Indicated Resources has only been informed by the Fortress and Monument data.

The Mineral Resource is limited to within the CASB and SDSB mining lease boundaries and is also constrained within an optimised pit shell based on the recovery of copper only, no value was attributed to iron hosted by the magnetite units or the gold and silver or any other materials present on the mining leases. The parameters used in the pit optimisation were high level assumptions provided by Fortress based on the limited metallurgical test work to date. The parameters used are presented below;

- Costs
 - Mining cost – US\$1.15/t rock
 - Process cost – US\$10.27/t ore
 - Selling cost – US\$23.82/t Cu conc
- Recoveries
 - Cu – 85%
- Price
 - US\$10,000/t Cu
 - Cu Payability – 83%
- Slopes
 - 45 degrees
- Min grade – 0.3% Cu

Previously the copper mineralisation has been reported at a cut-off grade of 0.5% copper, which accounts for the increase in the copper resource. The reduction in the magnetite resource is a reflection of reporting the resource within the optimised pit shell based on the copper mineralisation.

Michael Andrew, working as an Executive Consultant with Snowden Optiro, prepared the 2023 MRE Update and reported them in accordance with JORC guidelines. The following summary of the Mengapur Mineral Resources is formatted following the requirements set out in Appendix 7D of the Catalyst Rules. More information can be found in the 2023 Summary QPR announced via SGXNET on 26 April 2023.

CEO'S MESSAGE

Date of report: 28 February 2025

Date of previous report: 29 February 2024

Fortress Mengapur Mineral Resource Estimate as at 28 February 2025:

Classification	Cut-off grade	Mineralisation	Gross Attributable to Licences						Net Attributable to Fortress						Change from previous update	Remarks
			Tonnes	Grade Fe	Grade Cu	Grade Au	Grade Ag	Grade S	Tonnes	Grade Fe	Grade Cu	Grade Au	Grade Ag	Grade S	Tonnes	
			Mt	%	%	g/t	g/t	%	Mt	%	%	g/t	g/t	%	%	
Indicated	0.3% Cu	Skarn Cu	20.30	20.76	0.41	0.12	7.26	4.60	20.30	20.76	0.41	0.12	7.26	4.60	0%	None
		Pyrrhotite Cu	0.70	29.11	0.55	0.28	3.48	14.14	0.70	29.11	0.55	0.28	3.48	14.14		
		Sub Total	21.00	21.03	0.42	0.13	7.13	4.92	21.00	21.03	0.42	0.13	7.13	4.92		
	25% Fe	Skarn Magnetite	0.34	27.66	0.13	0.09	1.52	6.23	0.34	27.66	0.13	0.09	1.52	6.23		
		Breccia Magnetite	0.01	46.28	0.21	0.23	5.66	0.13	0.01	46.28	0.21	0.23	5.66	0.13		
		Sub Total	0.34	28.01	0.13	0.09	1.60	6.12	0.34	28.01	0.13	0.09	1.60	6.12		
Inferred	0.3% Cu	Skarn Cu	7.93	22.39	0.41	0.13	8.42	4.62	7.93	22.39	0.41	0.13	8.42	4.62	0%	None
		Pyrrhotite Cu	6.96	29.26	0.60	0.27	3.56	13.75	6.96	29.26	0.60	0.27	3.56	13.75	0%	
		Sub Total	14.89	25.60	0.50	0.19	6.15	8.89	14.89	25.60	0.50	0.19	6.15	8.89	0%	
	25% Fe	Skarn Magnetite	1.38	27.80	0.13	0.12	1.35	5.89	1.38	27.80	0.13	0.12	1.35	5.89	0%	None
		Breccia Magnetite	0.38	41.51	0.20	0.17	6.04	0.19	0.38	41.51	0.20	0.17	6.04	0.19	0%	
		Sub Total	1.76	30.75	0.14	0.13	2.36	4.67	1.76	30.75	0.14	0.13	2.36	4.67	0%	
Total	0.3% Cu	Total Cu	35.89	22.93	0.45	0.16	6.72	6.56	35.89	22.93	0.45	0.16	6.72	6.56	0%	None
	25% Fe	Total Magnetite	2.10	30.30	0.14	0.13	2.24	4.90	2.10	30.30	0.14	0.13	2.24	4.90	0%	None

Notes:

- (1) The Mineral Resource is limited to within the CASB and SDSB mining lease boundaries and is also constrained within an optimised pit shell based on the recovery of copper only, no value was attributed to iron hosted by the magnetite units or the gold and silver or any other materials present on the mining leases.
- (2) Some discrepancies may occur due to rounding.

Name of Competent Person: Michael Andrew

Date: 28 February 2025

Professional Society Affiliation/Membership: Australasian Institute of Mining and Metallurgy (FAusIMM)

Competent Person Statement

The Competent Person responsible for the preparation and reporting of the Bukit Besi Mineral Resource Estimate and Fortress Mengapur Mineral Resource Estimate is Michael Andrew, who is an Executive Consultant with Snowden Optiro, mining industry consultants. Michael Andrew has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Michael Andrew is a Fellow of the Australian Institute of Mining and Metallurgy (Membership No. 111172).

Competent Person Consent

Michael Andrew consents to the inclusion in this annual report of the matters based on the information in the form and context in which they appear.

CEO'S MESSAGE



Outlook

Looking ahead, we are cognisant of the uncertainty in the landscape and continued focus on building a strong, resilient business based on operational efficiency to maintain strong margins and cash flow.

We also continue to see resilience in iron ore demand, particularly for high-grade iron ore and from regional steel mills which are supported by underlying decarbonisation trends in the region across several sectors.

Furthermore, with offtake agreements secured in FY2025 that run through to the end of the calendar year 2025, we have a solid foundation to continue our growth story in the year ahead.

While there may be some slowdown in economic growth due to uncertainties in the broader geopolitical landscape, the initiatives that we have in place such as the new, advanced crushing plant in Bukit Besi and integrated plant at CASB mine will help support our growth in the near and medium term.

Overall, we maintain our long-term positive view on the business and prospects and remain committed to expanding Fortress' commodities portfolio prudently and in a disciplined manner, utilising acquisitions, joint ventures, and mining contracting services in Malaysia and the region.

Acknowledgements

I am deeply grateful for the collaborations with our business associates, customers, employees, and the community, which have been instrumental in driving our sustained growth.

As we continue to pursue new opportunities, we remain committed on our core values and principles, and focused on growing the strong relationships we have developed in Malaysia and in the region.

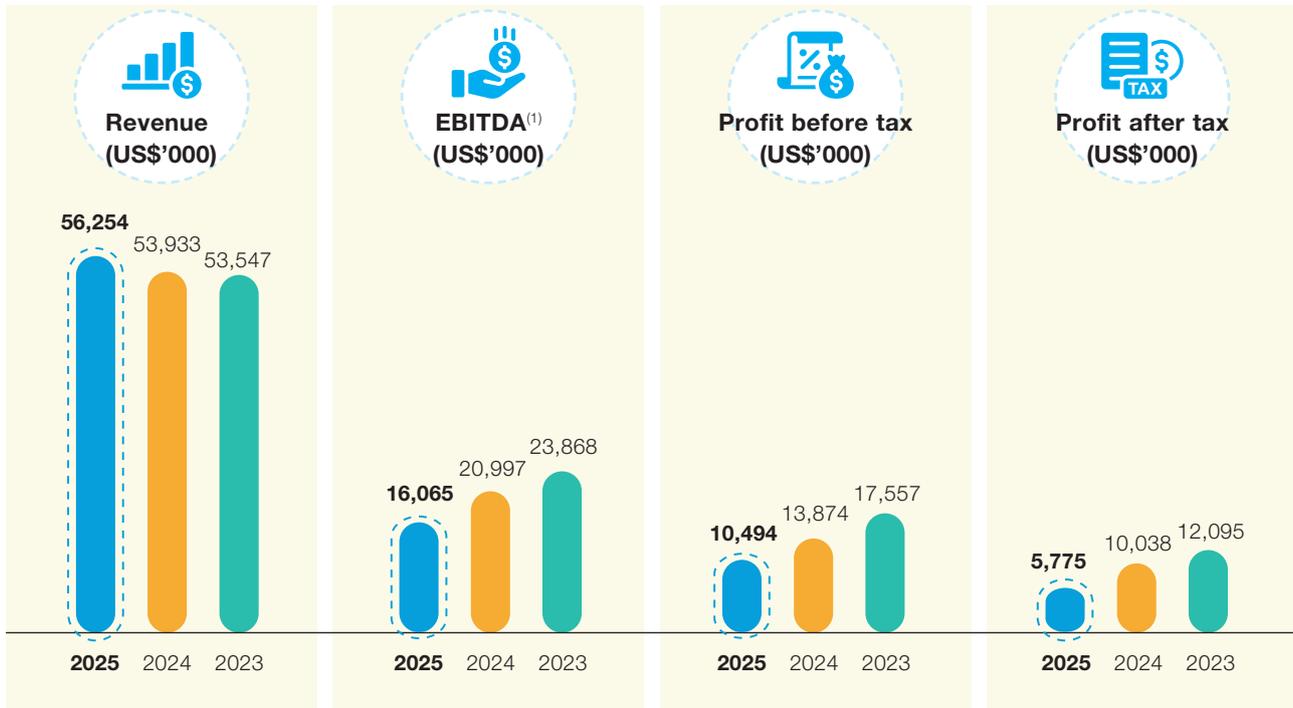
I also extend my heartfelt thanks to our Board of Directors for their guidance and steadfast support through continued volatility.

With our strong industry expertise and deep regional ties, we are cautiously optimistic as we advance into the next phase of growth, focused on delivering long-term value for our shareholders.

Dato' Sri Ivan Chee

Executive Director and CEO
Fortress Minerals Limited

KEY FINANCIAL HIGHLIGHTS



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

US\$'000	FY2025	FY2024	FY2023
	(MAR'24 – FEB'25)	(MAR'23 – FEB'24)	(MAR'22 – FEB'23)
Gross profit	33,209	33,262	37,752
Gross profit margin (%)	59.0	61.7	70.5
Profit before tax margin (%)	18.7	25.7	32.8
Net profit margin (%)	10.3	18.6	22.6
Earnings per share (US cents)	1.21	1.93	2.42

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

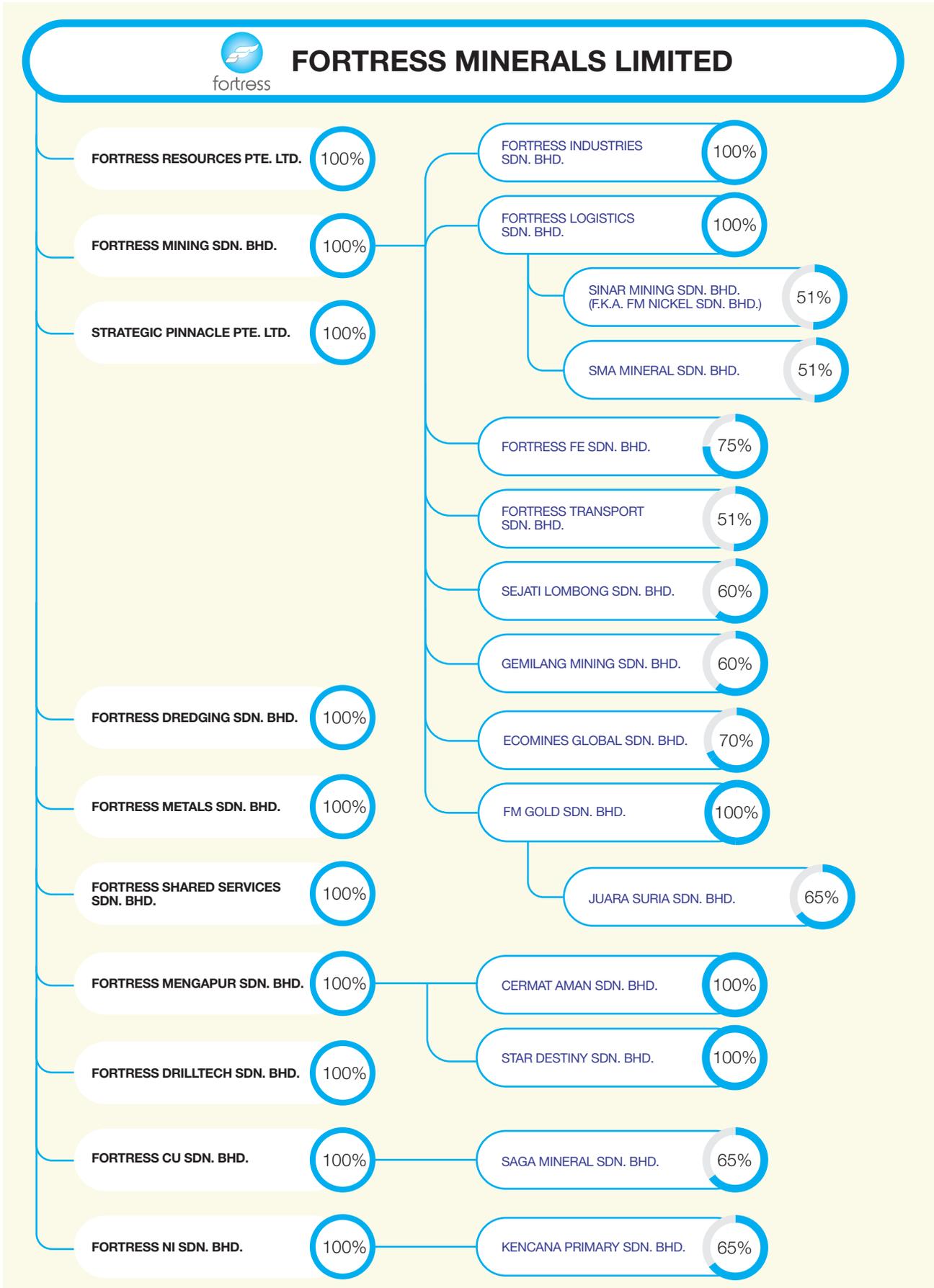
US\$'000	AS AT 28 FEB 2025	AS AT 29 FEB 2024	AS AT 28 FEB 2023
Non-current assets	73,181	72,050	73,236
Current assets	30,043	25,171	20,454
Non-current liabilities	8,532	7,977	13,614
Current liabilities	15,820	16,997	17,861
Equity attributable to owners of the Company	79,198	72,245	62,240
Net asset value per share (US cents)	15.13	13.81	12.45

Note:

(1) Earnings before interest, taxation, depreciation and amortisation.

GROUP STRUCTURE

AS AT 28 FEBRUARY 2025



GROUP STRUCTURE

Name of subsidiaries	Date/Place of incorporation & principal business	Percentage owned by the Group (%)	Principal activities
Fortress Resources Pte. Ltd.	8 November 2017 Singapore	100	Wholesale trade of a variety of goods without a dominant product
Fortress Mining Sdn. Bhd.	14 December 2010 Malaysia	100	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals
Fortress Logistics Sdn. Bhd.	3 September 2018 Malaysia	100	(i) Transport of iron ore and minerals; renting of transport equipment and vehicles; supporting services for transport equipment and vehicles (ii) Investment Holding
Fortress Industries Sdn. Bhd. ⁽¹⁾	18 September 2018 Malaysia	100	Processing and pelletising of iron ore concentrate and other minerals and trading in minerals.
Fortress FE Sdn. Bhd. ⁽¹⁾	7 October 2020 Malaysia	75	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals
Fortress Transport Sdn. Bhd.	26 October 2022 Malaysia	51	Transport of iron ore and minerals; renting of transport equipment and vehicles; supporting services for transport equipment and vehicles
Fortress Dredging Sdn. Bhd. ⁽¹⁾	20 February 2020 Malaysia	100	Business of extraction, dredging and dealing of industrial sand; acquisition of mines, mining rights, metalliferous land, quarries and dealing in minerals
Fortress Metals Sdn. Bhd. ⁽¹⁾	8 April 2020 Malaysia	100	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals
Fortress Shared Services Sdn. Bhd.	2 March 2021 Malaysia	100	Function as the centre of excellence and provide support across the Group's financial accounting, payroll, information technology, purchasing, corporate services and others
Fortress Mengapur Sdn. Bhd.	6 April 2011 Malaysia	100	Investment holding
Cermat Aman Sdn. Bhd.	13 October 1997 Malaysia	100	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals
Star Destiny Sdn. Bhd.	14 February 2006 Malaysia	100	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals
Fortress Drilltech Sdn. Bhd.	11 May 2021 Malaysia	100	To carry on business as contractors for drilling and blasting works, other site preparation activities and mining work of any kind
Fortress Cu Sdn. Bhd.	29 June 2022 Malaysia	100	Investment holding
Saga Mineral Sdn. Bhd.	23 November 2020 Malaysia	65	Acquisition of mines, mining rights, quarries and trading in minerals
Fortress Ni Sdn. Bhd.	25 October 2022 Malaysia	100	Investment holding
Kencana Primary Sdn. Bhd.	24 July 2017 Malaysia	65	Acquisition of mines, mining rights, quarries and trading in minerals
Sinar Mining Sdn. Bhd. (f.k.a. FM Nickel Sdn. Bhd.) ⁽¹⁾	18 April 2023 Malaysia	51	Acquisition of mines, mining rights, quarries and trading in minerals
FM Gold Sdn. Bhd. ⁽²⁾	7 June 2023 Malaysia	100	Investment holding
Gemilang Mining Sdn. Bhd.	2 February 2024 Malaysia	60	Acquisition of mines, mining rights, quarries and trading in minerals
Sejati Lombong Sdn. Bhd. ⁽¹⁾	2 February 2024 Malaysia	60	Acquisition of mines, mining rights, quarries and trading in minerals
SMA Mineral Sdn. Bhd.	20 August 2024 Malaysia	51	Acquisition of mines, mining rights, quarries and trading in minerals
Strategic Pinnacle Pte. Ltd. ⁽¹⁾	3 September 2024 Singapore	100	Other holding companies
Ecomines Global Sdn. Bhd. ⁽¹⁾	6 January 2025 Malaysia	70	Acquisition of mines, mining rights, quarries and trading in minerals
Juara Suria Sdn. Bhd. ⁽¹⁾	25 August 2023 Malaysia	65	Acquisition of mines, mining rights, quarries and trading in minerals

Notes:

(1) The entity has been dormant since the date of its incorporation.

(2) On 19 February 2025, the Company transferred the entire shareholding in FM Gold Sdn. Bhd. with an issued and fully paid-up capital of RM100 comprising 100 ordinary shares to another wholly-owned subsidiary in Malaysia known as Fortress Mining Sdn. Bhd..

Saved as disclosed above, our Group does not have any other subsidiaries or associated companies. Our subsidiaries are not listed on any stock exchange.

BOARD OF DIRECTORS

CHEW WAI CHUEN

Chairman and Independent Director

CHEW WAI CHUEN is our Chairman and Independent Director and he is also Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee. He was appointed to our Board on 19 February 2019.

Mr. Chew is presently a non-executive director of Tungsten Mining NL, an Australian-based resources company listed on the Australian Securities Exchange and primarily focused on the exploration and development of tungsten projects in Australia, and the managing partner of Precious Capital Pte Ltd, a company engaged in the business of providing management and advisory services to mining companies in Australia and South East Asia.

Mr. Chew has more than 15 years of financial advisory experience, and specialises in the provision of corporate and wealth management for ultra-high net worth individuals. Prior to joining our Group, Mr. Chew served as banking relationship manager at Credit Suisse Singapore, United Overseas Bank, Standard Chartered Bank and OCBC Bank Singapore.

Mr. Chew graduated from The Chartered Institute of Marketing with a Postgraduate Diploma in Marketing in June 1998. Subsequently, he obtained his Bachelor's degree in Business Administration from Thames Valley University (formally known as University of West London) in February 2000.

DATO' SRI IVAN CHEE

Executive Director and CEO

DATO' SRI IVAN CHEE is our Executive Director and CEO and he is also a member of the Nominating Committee. He was appointed to our Board on 13 November 2017.

Dato' Sri Ivan Chee has been with our Group since 2011 and is currently responsible for the overall management and operations of our Group, including formulating, implementing and monitoring our Group's strategic directions, growth plans, financials and risk management.

Dato' Sri Ivan Chee has over 20 years of civil and structural engineering experience and approximately 14 years of experience in the mining industry. He had undertaken several iron ore mining projects since the early 2010s, and has built up his reputation and portfolio in the mining industry. Over the years, he has developed a wide network of industry contacts, ranging from industry professionals and specialists, steel mills and trading houses in the PRC and a broad network of investors in the region. His strong network has contributed significantly to the success of our Group.

Dato' Sri Ivan Chee is also presently a substantial shareholder and non-executive director of Norwest Minerals Limited, a gold and base metals exploration company listed on the Australian Securities Exchange.

Dato' Sri Ivan Chee obtained a diploma from Taylor's College Subang Jaya, Malaysia in December 1987. In 2018, he was awarded with the Legacy and Business Excellence of the Year award by the SME & Entrepreneurship Business Award in Malaysia.

NG MUN FEY

Executive Director and COO

NG MUN FEY is our Executive Director and COO. He was appointed to our Board on 19 February 2019.

Mr. Ng has been with our Group since 2015, and is currently responsible for the overall management and day-to-day operations of our Group's mining activities including but not limited to heading our Group's marketing, geology, mining, processing and other supporting divisions. He has approximately 8 years of relevant experience in the mining industry.

Prior to joining the Group, Mr. Ng served various positions in several private companies in the advertising, internet, publication and engineering consultancy industry. He graduated from the University of Southern Queensland with a Bachelor in Engineering Technology in September 2004.

BOARD OF DIRECTORS

EDMUND CHEE JI KANG

Executive Director

EDMUND CHEE JI KANG is our Executive Director. He was appointed to our Board on 1 August 2023.

Mr. Edmund Chee has been with the Group since 2022 and currently holds the position of IT Transformation Director. He remains dedicated to driving innovation and efficiency within the Company, focusing on identifying areas of improvement and implementing IT solutions to enhance operational performance. Collaborating closely with key stakeholders, he leads strategic initiatives aimed at streamlining processes, improving precision, and optimising resource utilisation.

In addition, Mr. Edmund Chee collaborates closely with the CEO and COO, immersing himself in the intricacies of the organisation and gaining invaluable insights into its operations. Together, Mr. Edmund Chee engaged in discussions with potential business partners and meets with key individuals to foster strategic alliances and promote Company growth. He also works alongside each department collaboratively, understanding their core values and operational challenges.

Mr. Edmund Chee holds a Bachelor of Science in Computer Science with Information Security from Royal Holloway, University of London, providing him with a solid foundation in technology and innovation.

Mr. Edmund Chee is the son of our CEO, Dato' Sri Ivan Chee.

WILLA CHEE KENG FONG

Non-executive and Non-independent Director

WILLA CHEE KENG FONG is our Non-executive and Non-independent Director. She was appointed to our Board on 19 February 2019.

Ms. Willa Chee is presently a Technical Engagement Partner for JobStreet.com Shared Services (SEEK Asia). She partners with the business and works on early engagement, advisory and execution planning of multiple key technology initiatives in Asia.

Ms. Willa Chee graduated from Cardiff University with a Bachelor of Science in Finance and Management in July 2015. She started her career as a Digital Marketer (Performance & Analytics Associate) with Dex Ventures Sdn Bhd. In 2016, she left the company and joined AirAsia Berhad. In the period of 4 years in AirAsia Berhad, Ms Willa has been moving roles from Digital Analyst to Associate Product Owner and prior to her exit in AirAsia, she worked as an UX Engineer. In 2020, she took up the role as a Technical Analytics Specialist for IPGA Management Services (REA Group Asia, later PropertyGuru Group) focused on the area of online Analytics and Insights across Business.

Ms. Willa Chee is the daughter of our CEO, Dato' Sri Ivan Chee.

TEH LIP KIM

Non-executive and Non-independent Director

TEH LIP KIM is our Non-executive and Non-independent Director. She was appointed to our Board on 19 February 2019.

Ms. Teh has been with our Group since 2017 and has always served in a non-executive function in our Group. She is presently the managing director and a substantial shareholder of Selangor Dredging Berhad, a property development company listed on Bursa Malaysia, which is the holding company of SDB Mining Sdn Bhd, a substantial shareholder of our Company.

Ms. Teh graduated with a Bachelor of Science (Honours) in Accounting and Economics from Southampton University in United Kingdom in June 1989. Subsequently in 1991, she completed her Masters in Shipping, Trade and Finance from the City University Business School in England.

BOARD OF DIRECTORS

LOONG CHING HONG

Non-executive and Non-independent Director

LOONG CHING HONG is our Non-executive and Non-independent Director and he is also a member of the Remuneration Committee. He was appointed to our Board on 19 February 2019.

Mr. Loong has been with our Group since 2017 and has always served in a non-executive function in our Group. He is presently the group general manager of Selangor Dredging Berhad, a property development company listed on Bursa Malaysia, which is the holding company of SDB Mining Sdn Bhd, a substantial shareholder of our Company.

In addition, Mr. Loong is also presently a shareholder and non-executive director of Norwest Minerals Limited, a gold and base metals exploration company listed on the Australian Securities Exchange.

Mr. Loong is a member of the Malaysian Institute of Accountants and a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom.

ANITA CHEW CHENG IM

Independent Director

ANITA CHEW CHENG IM is our Independent Director and she is also Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee. She was appointed to our Board on 19 February 2019.

Ms. Anita Chew is presently an independent and non-executive director of several companies listed on Bursa Malaysia Berhad, namely Kimlun Corporation Berhad, Plytec Holding Berhad, SKP Resources Berhad and Kuchai Development Berhad.

Ms. Anita Chew has substantial experience in the investment banking industry with a focus on corporate finance work including advising on initial public offerings, funds raising and corporate and debt restructuring exercises. She also has extensive experience as an independent director of listed companies gained from her multiple past and present directorships in various companies listed on Singapore Exchange, Bursa Malaysia and the Hong Kong Stock Exchange.

Ms. Anita Chew graduated from Monash University, Australia in April 1990 with a Bachelor of Economics, majoring in Accounting.

GOH KAH IM

Independent Director

GOH KAH IM is our Independent Director and he is also Chairman of the Audit Committee. He was appointed to our Board on 19 February 2019.

Mr. Goh is presently a freelance management consultant and an independent director of SKP Resources Berhad, a company listed on Bursa Malaysia Berhad.

Prior to this, he had held various senior managerial positions in Oxford University Press Group, a department of the University of Oxford and in the steel industry working for one of the largest companies in Australia, BHP/BlueScope Group. In addition, Mr. Goh also served as group accountant at Star Cruise Sdn Bhd and audit senior at Deloitte Kassim Chan, an international public accounting firm based in Kuala Lumpur.

Mr. Goh graduated from the University of Otago, New Zealand in 1989 with a Bachelor of Commerce (Accounting) degree. He is currently a Chartered Accountant registered with the Malaysian Institute of Accountants.

KEY EXECUTIVE

FIONNE CHUA

FIONNE CHUA is our Financial Controller, and she joined our Group in May 2017.

As our Financial Controller, Ms. Chua primarily manages all the finance and accounting operations of our Group, coordinates and directs the preparation of the budget and financial forecast and report, prepares and publishes timely monthly financial statements, and coordinates the preparation of regulatory reporting. Further, Ms. Chua is responsible for issues on compliance, ensures quality control over financial transactions and financial reporting, and develops and documents business processes and accounting policies, in order to maintain and strengthen internal controls.

Ms. Chua obtained her qualification from the Association of Chartered Certified Accountants, United Kingdom in 2000. She is currently a Chartered Accountant registered with the Malaysian Institute of Accountants.



SUSTAINABILITY REPORT

Board Statement

Dear Stakeholders,

We are pleased to present our 5th sustainability report (“**Report**”) for the financial year ended 28 February 2025 (“**FY2025**”), marking another year for Fortress Minerals Limited (“**Fortress**” or “**Company**”, “**we**” or “**us**” and collectively with its subsidiaries, the “**Group**”), on its ongoing commitment to creating long-term value for all our stakeholders while minimising its environmental footprint and contributing positively to the communities in which we operate.

During the year, the Board of Directors (“**Board**”) continued its oversight of sustainability matters as part of the strategic business review for the Group. We recognise that achieving sustainable growth requires collective teamwork and partnerships to drive meaningful change and advance sustainability initiatives.

In FY2025, the Group continued to advance its shared vision of sustainable growth across the environmental, social and governance (“**ESG**”) pillars.

Environmental: While the Group recorded an increase in the overall water consumption, energy and greenhouse gas emissions in FY2025 due to higher production driven by increased sales demand, we achieved a proportional reduction in water, energy and GHG emissions intensities relative to the higher output.

Social: The well-being and safety of our workforce remained a top priority and we upheld our commitment to fair labour practices. Despite our robust health and safety protocols, the Group regrettably recorded 4 work-related injuries in FY2025. We also expanded our investments in the local communities and extended our community engagement efforts to Singapore.

Governance: We continued to strengthen our sustainability governance framework during the year. This included the introduction of 3 new key policies, namely, Group Sustainability Policy, Group Environmental Policy and the Group Health and Safety Policy. We remain steadfast in our commitment to ethical business conduct and transparency in all our dealings.

Looking ahead, we recognise the increasing importance of ESG factors in shaping the future of the mining industry. Our strategic priorities remain focused on enhancing our climate action strategies including exploring investments in innovative technologies and renewable energy sources to achieve long-term decarbonisation targets. We will also explore opportunities to deepen engagement with our key stakeholders to further enhance our disclosures.

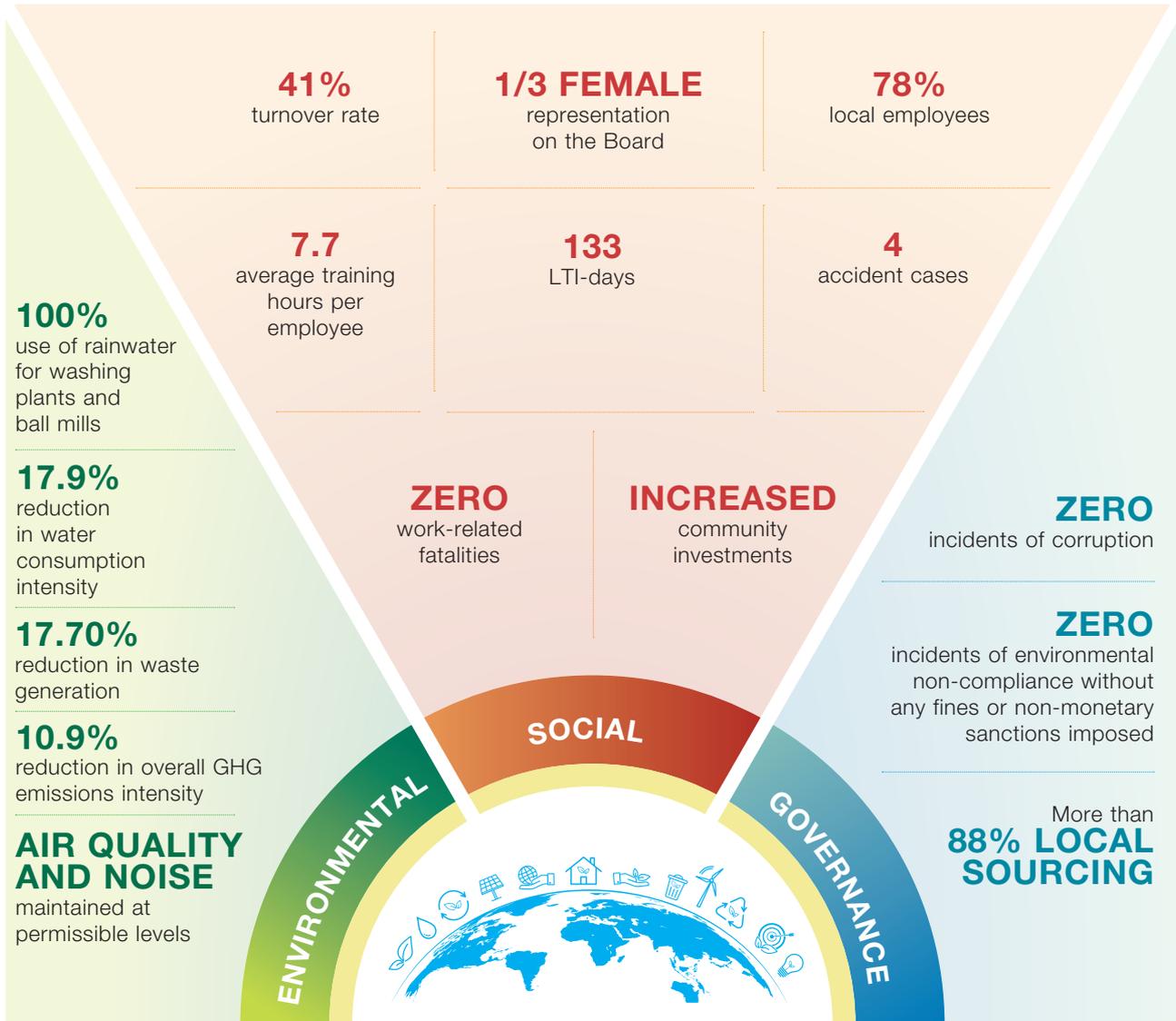
We acknowledge the move towards mandatory climate-related financial disclosures in Singapore based on the International Sustainability Standards Board’s (“**ISSB**”) standards, particularly the IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and S2 (Climate-related disclosures) standards. In this respect, we have initiated climate-related reporting by aligning with the Task Force on Climate-Related Financial Disclosures (“**TCFD**”) recommendations, which are now embedded within ISSB’s IFRS S2 standards. Over the coming year, our focus will be on strengthening our climate-related disclosures to further enhance the transparency and credibility of our ESG reporting.

We extend our sincere gratitude to all our employees and all our valued stakeholders their continuous support and collaboration. We are confident that our unwavering commitment to ESG principles will not only mitigate risks and enhance our operational efficiency but also create sustainable value for all our stakeholders in the years to come.

Board of Directors
9 June 2025

SUSTAINABILITY REPORT

Sustainability Highlights in FY2025



About the Report

Reporting Scope

This Report provides information on the Group’s sustainability activities including its ESG issues which are material to the business and stakeholders. The Report also covers the Group’s ESG performance in FY2025 and provides updates on the Group’s progress towards its sustainability targets.

This Report should be read together with other sections within the Fortress Annual Report 2025 for a more detailed overview of Fortress’ financial performance in FY2025 and to have a better understanding of the Group’s core business, the products, markets served, the Group structure and its operating entities.

All monetary references in this Report are presented in United States Dollar (“US\$”), unless otherwise stated.

Sustainability Report

Reporting Period

This Report is an annual publication of the Group's sustainability performance, with our last report published in June 2024. This Report covers information on the Group's sustainability performance during the period of 1 March 2024 to 28 February 2025, for the FY2025, unless otherwise stated.

Scope and Basis of Scope

This Report covers the sustainability performance and progress of the business operations and activities of Fortress, as the holding company as well as the operating subsidiaries directly held by Fortress in Malaysia as reported in the Annual Report 2025. Unless otherwise stated, sustainability data and information presented in this Report covers the Group's head office in Selangor, Malaysia and the 2 mining operations sites known as Bukit Besi mine and the CASB mine.

The Group structure is presented on page 13 of the Annual Report 2025. More details on each of the mine operations are provided on page 28 of the Annual Report.

Reporting standards and frameworks

We have prepared this Report in accordance with the Sustainability Reporting Guide under the Practice Note 7F of the Catalist Rules ("Catalist Rules") of the Singapore Exchange Securities Trading Limited ("SGX"). This Report also references selected Global Reporting Initiatives ("GRI") Universal Standards 2021 as cited in the GRI Content Index on pages 59 to 62. We continue to apply the core recommendations of the TCFD framework to report on the Group's climate-related disclosures to prepare for the upcoming mandatory climate reporting in accordance with the ISSB standards.



Assurance

Internal controls and verification mechanisms have been established by management to ensure the accuracy and reliability of the narratives and data in this Report. The Group has subjected our sustainability reporting processes to internal review by our internal auditors, as required by Rule 711B (3) of the Catalist Rules. To the extent applicable, the review process further strengthened our risk and governance processes, internal controls and systems. We are undertaking the necessary steps to prepare for the implementation of the upcoming mandatory assurance on certain aspects of climate-related disclosures.

Feedback

We value your feedback as we continue to evolve and shape our commitment to ESG. Please share your thoughts and insights with us at corporate@fortress.sg to help us continuously improve our reporting practices and progress in our ESG journey.

SUSTAINABILITY REPORT

Core Values, Vision and Mission

The Group's ESG commitments and progress are deeply rooted in Fortress' core values, which, along with our vision and mission, guide our daily operations. By presenting them here, we aim to provide a clearer understanding of the context behind our ESG approach and how they drive the Group's sustainability initiatives and long-term value creation.

Core Values



Vision

Embarking on a mineral exploration journey guided by strategic geological insights and alliances.

Addressing demands from regional clients while prioritising sustainability, safety and ethical excellence.

Elevate operations with protocols improvement and streamlined efficiency measures.

Mission

Striving in the mineral resources industry by leveraging innovative technology to deliver values to stakeholders, and building a sustainable future where empowerment and prosperity are shared by all.



Sustainability Report

Our Approach to Sustainability

Sustainability Governance

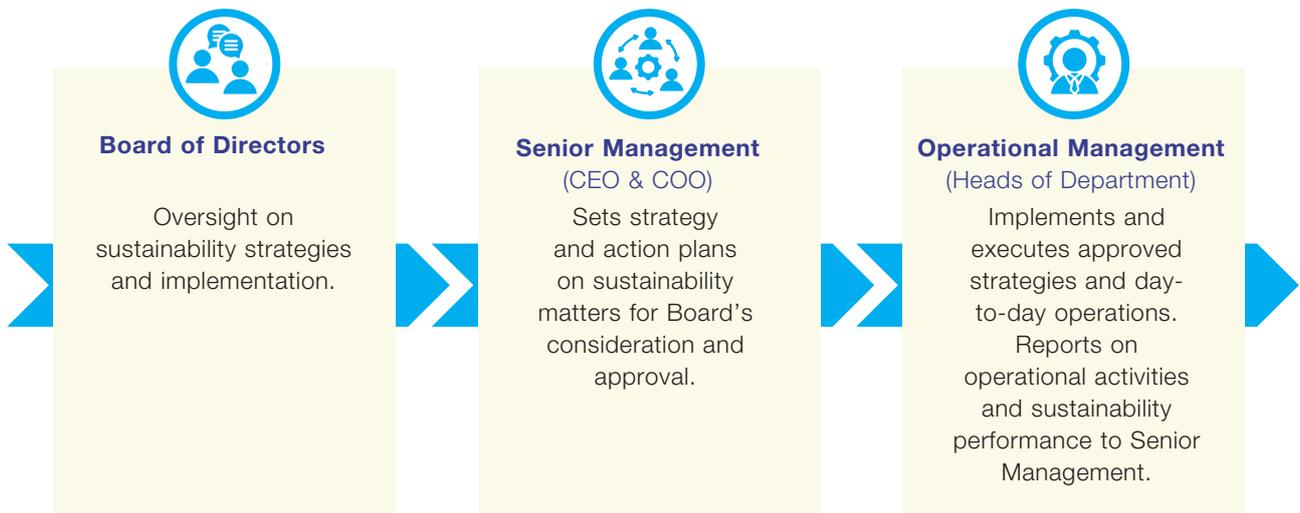
The Board has overall responsibility for the Group’s sustainability issues and their impacts, including climate-related risks and opportunities. The Board is committed to continuously monitoring sustainability issues for the Group.

The Senior Management team, comprising the Chief Executive Officer (“**CEO**”) and the Chief Operating Officer (“**COO**”), is tasked, among others, to develop the policies and practices, review material impacts, to consider stakeholder priorities and set goals and targets for the Board’s consideration. The operational management team coordinates and consolidates the sustainability report and data for the Senior Management and Board. All sustainability matters are governed and managed across various levels in the organisation.

The operational management team, comprising of the heads of department (“**HOD**”) representatives from the headquarters and from each mining site, coordinates and consolidates the annual sustainability report and data for the Senior Management and Board. All sustainability-matters are governed and managed across various levels in the organisation.

All our Directors have attended training on sustainability matters, as prescribed by SGX. As part of the ongoing capacity building efforts, the Directors have attended training focused on sustainability topics to stay abreast of the latest developments in the sustainability space. This will also enable the Board to effectively guide management on its sustainability strategies.

Sustainability issues are discussed with the Board at least once a year during a Board session to enable the Board to effectively oversee strategies designed to respond to sustainability-related risks and opportunities. In addition, the Board via the Audit Committee (“**AC**”) works with the Senior Management to monitor the progress and performance of the greenhouse gas (“**GHG**”) emissions for the Group on a quarterly basis.



SUSTAINABILITY REPORT

Risk Management

The Board recognises that for good corporate governance, it is important to maintain sound risk and internal controls system. The Group has established policies and procedures that incorporate sustainability considerations ensuring environmental and social issues are an integral part of our business practices.

The Board’s primary responsibilities include, among others, to review the financial performance of the Group, the adequacy and effectiveness of the Company’s internal controls and risk management systems and to monitor Fortress’ compliance with legal, regulatory and Company policies.

The impacts of identified material factors can translate into significant risks and opportunities. Fortress’ risk management framework aims to identify, assess and document material impacts, including climate-related impact risks, their key controls and mitigating measures. As part of the Group’s risk management, climate-related risks and opportunities have been integrated into the Group’s existing risk management framework.

To further strengthen the Group’s internal controls framework, we established 3 new ESG-related policies during the reporting year: the Group Sustainability Policy, the Group Environmental Policy and the Group Health and Safety Policy, setting a clearer overarching framework for the Group.

Stakeholder Engagement

Fortress strives to regularly engage with its key stakeholders within the Group and across its value chain. Stakeholders are identified based on the impact our business has on them or the interest they have in our operations. Fortress has a broad range of stakeholder groups including the government and regulators, employees, customers, business partners and suppliers, the local communities, as well as shareholders and investors.

In FY2025, we conducted an ESG survey with our key stakeholders (employees, business partners, investors, customers and regulatory bodies) to record their feedback and level of importance on the Group’s ESG issues that matter to them. The findings of the online survey are discussed further under the materiality assessment section.

In determining material topics and sustainability-related risks and opportunities, the Group’s approach on stakeholder engagement is as follows:

Key Stakeholders	Engagement Channels	Purpose of Engagement	Group’s Response
 Government and Regulators	<ul style="list-style-type: none"> – Active collaborations – Meetings with government bodies and agencies – Reporting 	<ul style="list-style-type: none"> – Health and safety at site – Good corporate governance – Waste, water, noise and air pollution management 	<ul style="list-style-type: none"> – Regular monitoring and updating the Department of Environment (“DOE”) on air, noise and water quality – Quarterly inspection from the Department of Occupational Safety and Health (“DOSH”) – Engage third-party consultants to carry out environmental monitoring – Waste and environmental hazards management at the sites – Compliance with laws and regulations

Sustainability Report

Key Stakeholders	Engagement Channels	Purpose of Engagement	Group's Response
 <p>Employees</p>	<ul style="list-style-type: none"> Internal communication via electronic mail Meetings and dialogue sessions Employee engagement Employee appraisal 	<ul style="list-style-type: none"> Safe and healthy work environment Career development opportunities Remuneration and benefits Diversity and inclusion 	<ul style="list-style-type: none"> Adherence to the Occupational Safety and Health Act 1994 ("OSHA") Annual performance appraisal process Provide relevant upskilling and development programmes Provide equal employment opportunities
 <p>Customers</p>	<ul style="list-style-type: none"> Meetings Site-visits 	<ul style="list-style-type: none"> Product and service quality Protection of customer privacy Pricing and contract terms Timeliness in delivery 	<ul style="list-style-type: none"> Adherence to quality standards to produce iron ore in a timely manner to meet customer's expectations Direct communication with customer team and contract negotiations
 <p>Business Partners and Suppliers</p>	<ul style="list-style-type: none"> Meetings Site-visits Supplier appraisals 	<ul style="list-style-type: none"> Fair treatment Professional and transparent procurement operations Timely payments Sustainable supply chain operations Ethical business practices Social and environmental responsibility 	<ul style="list-style-type: none"> Daily engagements Contract negotiations Anti-bribery and anti-corruption Policy and Code of Conduct Close monitoring of credit terms and maintaining reliable payment processes for timely payments
 <p>Community</p>	<ul style="list-style-type: none"> Donations Meetings or Dialogues 	<ul style="list-style-type: none"> Impact of operations on community Social inclusion, local community development and caring for the underprivileged 	<ul style="list-style-type: none"> Providing employment from local communities Donations to charitable organisations
 <p>Shareholders and Investors</p>	<ul style="list-style-type: none"> Annual report Announcement Annual general meeting ("AGM") Press releases 	<ul style="list-style-type: none"> Transparent and accurate disclosures Return on investment Sound corporate governance practices Long-term growth of business Effective business strategies 	<ul style="list-style-type: none"> AGM Extraordinary general meeting Timely updates via investor briefings and announcements Upholding good governance practices across the Group

Membership associations

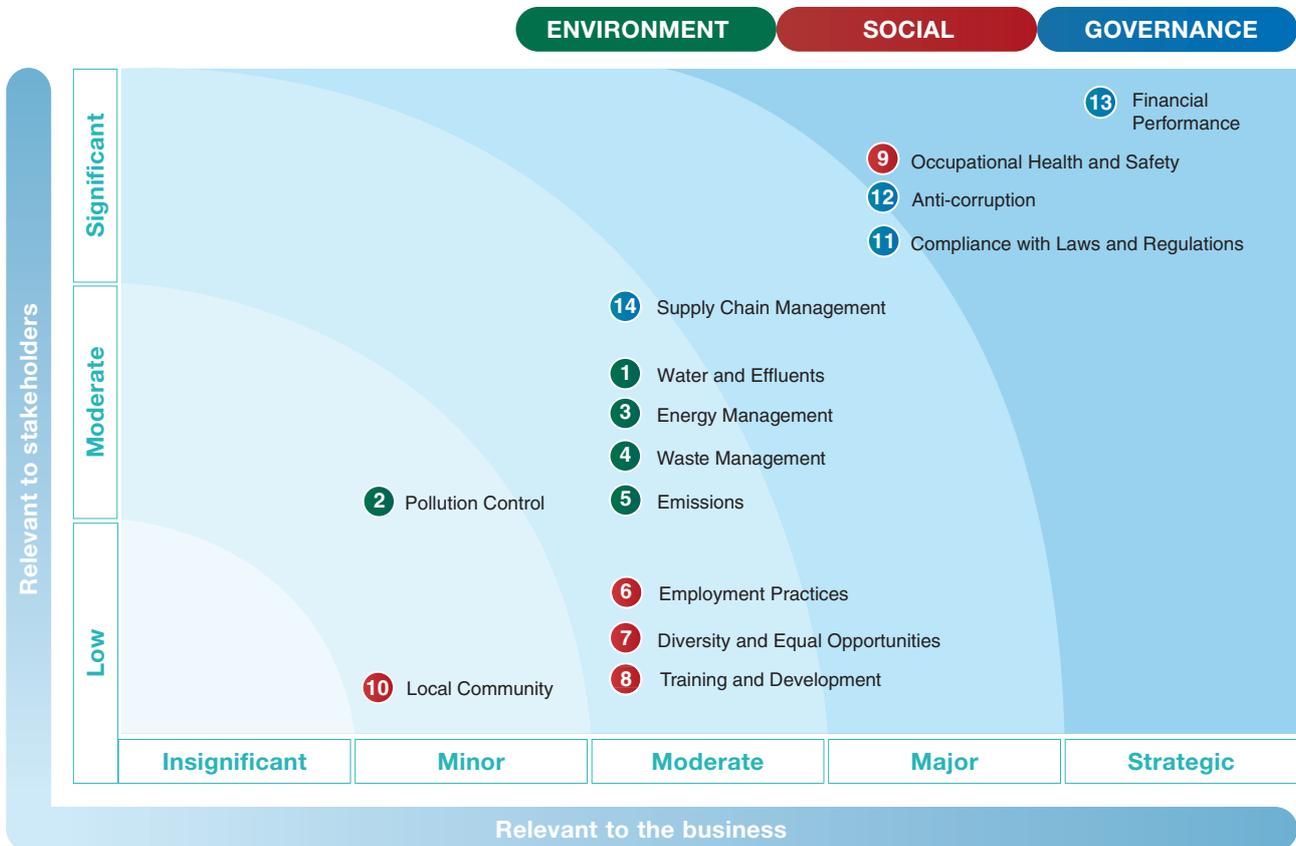
Fortress and certain members of our management are active members of the Malaysian Chamber of Mines, alongside representatives from major mining companies, mining consultants, engineers and other mining associations. The Chamber serves as a vital platform for diverse stakeholders to partner and engage, with the shared goal of strengthening the mining sector's recovery, development, resilience and long-term viability.

SUSTAINABILITY REPORT

Materiality Assessment

At Fortress, we recognise the fact that our material issues can directly and indirectly impact our ability to create long-term value for our stakeholders. In FY2025, we conducted a stakeholder survey via an online questionnaire to review the Group’s material ESG issues and prioritise their impacts, including the economic factors arising from the Group’s activities. The survey conducted among key stakeholders (employees, business partners, investors, customers and regulatory bodies) aimed to gather their feedback and assess the importance of the Group’s material ESG issues. With a favourable number of responses received, this feedback, combined with our internal assessment, reaffirmed the continued relevance of our 14 existing material matters.

The management subsequently reviewed the findings from the stakeholders’ survey and internally prioritised material ESG matters based on the relevance to the Company and stakeholders including aligning the disclosures with the SGX Core Metrics and the relevant reporting principles under the GRI standards.



Sustainability Framework

Fortress sustainability framework provides a focus on the material matters which forms the basis of this Report, while the indicators under the material topics facilitate the monitoring and measurement of our sustainability performance.

Environmental	Social	Governance
<ul style="list-style-type: none"> Water and Effluents Pollution Control Energy Management Waste Management Emissions 	<ul style="list-style-type: none"> Employment Practices Diversity and Equal Opportunities Training and Development Occupational Health and Safety Local Community 	<ul style="list-style-type: none"> Compliance with Laws and Regulations Anti-corruption Financial Performance Supply Chain Management

The Group’s management approach to each of the material matters under the ESG pillars is outlined in the next section of this Report.

ENVIRONMENTAL

Sustainable practices are integral to the Group's operations. We place significant value on responsible environmental stewardship. Our commitment extends to minimising any adverse impacts from our activities and safeguarding the valuable ecosystems that define our operational landscape.



SUSTAINABILITY REPORT

The Group is committed to minimise its environmental footprint and promote sustainable practices guided by the Group's Sustainability Policy and the Environmental Policy.

Given the Group's core business in iron ore extraction and processing operations, the Group acknowledges the direct impact of its operations on the land, air, water and ecosystems within the operational areas. Environmental protection is therefore a critical priority. We manage these impacts through consistent monitoring of our environmental performance and a commitment to ongoing improvements that ensure full compliance with all relevant laws and regulations.

Across both the Bukit Besi and CASB mining sites, we have established comprehensive internal policies to promote strict adherence to environmental conservation laws and regulations. The Group is committed to protecting the natural environment and preserving the local cultures, with each site implementing internal controls and policies to prevent and minimise environmental damage.

The Board oversees the effectiveness of the Group's environmental practices including management practices, capability and overall effectiveness. The Group's mining operations are governed by relevant laws and regulations, such as the Mineral Development Act 1994, various State Mineral Enactments and the specific mining permits governing our activities at the Bukit Besi and CASB mining sites.

Since the commencement of operations at both mining sites, we have implemented a transparent environmental monitoring system to track and mitigate any potential pollution impacts. To ensure ongoing compliance with Malaysian environmental laws and regulations and to operate within prescribed limits, we engage third party consultants to conduct regular monthly or quarterly assessments.

In FY2025, no environmental non-compliance was reported based on the environmental quality monitoring reports.

Water and Effluents

Water is essential for our mining operations, yet we are mindful of its scarcity. The geographical locations of our sites are subject to seasonal rainfall fluctuations that can lead to both flooding during the heavy rains and water stress during drier months.

Our water usage at the mining sites primarily supports exploration activities, operations of processing plants for iron ore production and general domestic use across our sites. To ensure reliable supply, we utilise a diverse range of sources including potable water from local water utilities provider for basic needs (for cooking and drinking), surface water, recycled water within our processes, water contained in tailing ponds and collected rain water.

Each processing plant at our mining sites has an integrated water treatment system. This enables water to be treated for re-use within our operations to minimise the amount discharged into the nearby water bodies.

Water Quality

We maintain strict control over water quality to meet the standards under the Malaysian Environmental Quality Act 1974. We conduct monthly water quality tests at our mining sites and send samples for testing at an independent accredited laboratory to ensure water quality complies within the prescribed standards stipulated by DOE. Samples are collected at designated monitoring stations at each site. We monitor the results closely and assessed to verify acceptable PH levels and to confirm compliance and prevent any impact on local water resources.

Safeguarding water quality

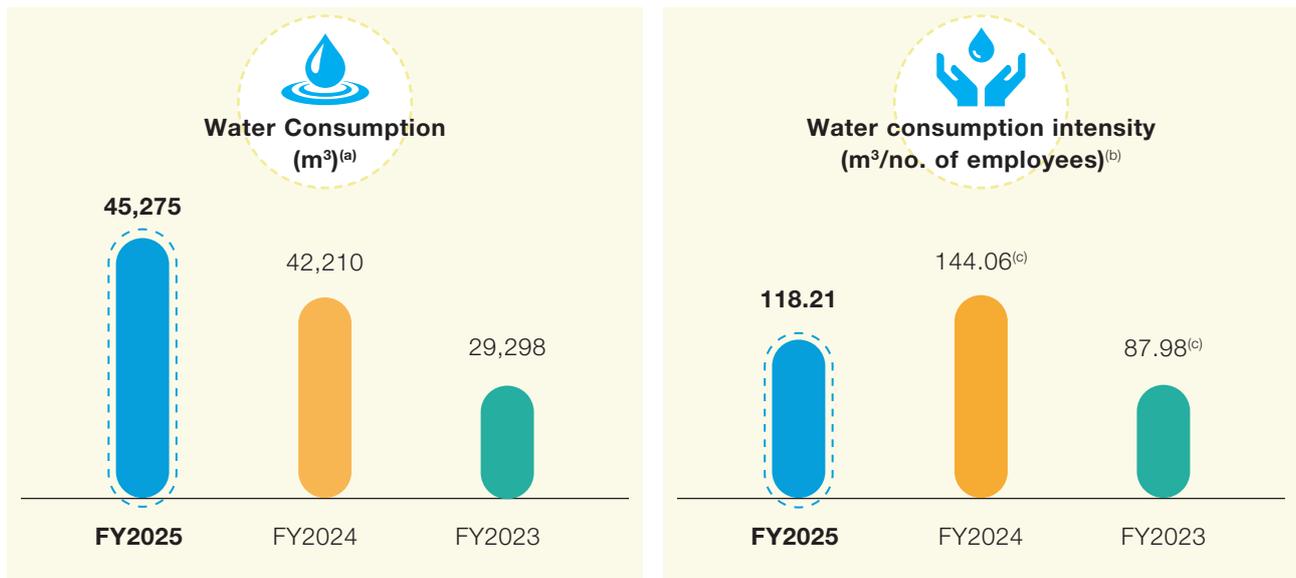
We employ other approaches to safeguard water quality at the mining sites. This includes preventing any direct discharge into adjacent water courses. Surface water runoff is managed by directing it into sedimentation and tailing ponds for settling and treatment prior to any controlled release. The integrity of these ponds is maintained through regular upkeep.

Sustainability Report

Water and Effluents (cont'd)

Our processing plant systematically recycles and reuses water through a series of tailing ponds. Water flows from the first tailing through subsequent ponds for sedimentation, eventually reaching a final pond clean enough for reuse in operations. While recycled water volume is not currently measured, this process along with the use of rainwater sedimentation ponds, highlights our commitment to sustainability and operational efficiency.

The following graphs provides the Group's water consumption and water consumption intensity over the last 3 financial reporting years:



Notes:

- Water consumption data includes water supplied by the local water utilities provider to the Bukit Besi mining site and the head office in Selangor, Malaysia respectively. CASB mining site currently uses recycled water sourced from rain and the nearby river.
- Water consumption intensity ratio is calculated based on total water consumption in cubic metre ("m³") over the average number of employees at the Bukit Besi mining site and the head office in Selangor, Malaysia for FY2025, the financial year ended 29 February 2024 ("FY2024") and the financial year ended 28 February 2023 ("FY2023"). We revised the denominator used in calculating water consumption intensity to better reflect the relationship between water usage and the number of employees on site.
- Restatement of data based on the revised methodology to measure water consumption intensity adopted in FY2025.

Water and Effluents	
Performance and Targets for FY2025	Targets for FY2026 onwards
<p>Optimise site water efficiency and reduced water consumption intensity ratio by 10% by FY2030, from the baseline year of FY2024.</p> <p>Progress: Although the Group's overall water consumption increased in FY2025, we achieved a 17.9% reduction in water consumption intensity due to increase in the number of employees employed on-site.</p>	<ul style="list-style-type: none"> Optimise site water efficiency. Reduce water consumption intensity ratio by 10% by FY2030, from the baseline year of FY2024.
<p>Maintain 100% usage of rainwater for washing plants and ball mills.</p> <p>Progress: On track.</p>	<ul style="list-style-type: none"> Continue to maintain 100% usage of rainwater for washing plants and ball mills.

SUSTAINABILITY REPORT

Pollution Control

We recognise that air and noise pollution can potentially affect local ecosystems and communities. We understand the importance of maintaining healthy air quality and minimising noise disturbances and we are dedicated to employing best practices and technologies to mitigate these impacts throughout the mining activities.

Air Pollution

The Group is committed to control the air quality across its operations to minimise dust, its health and environmental impact in the operations through stringent measures and controls. Dust in the air is an inevitable occurrence in the nature of a mining operations.

Each of our mining sites has in place measures to manage air pollution, including:

- Regular spraying of water at various locations at the mining site to reduce airborne dust.
- Imposing speed limits and traffic volume restrictions to minimise dust from moving vehicles.
- Prohibition on burning of plant debris and other construction wastes.
- Proper maintenance and frequent servicing of vehicles to reduce exhaust fume emissions.

With the assistance of third-party environmental consultants for both Bukit Besi and CASB mining sites, air quality is monitored on a quarterly basis to assess whether particulate matters, metals and gaseous substances emitted from our operations are below the standard limit prescribed by the DOE under the Environmental Quality (Clean Air) Regulations 2014. At each mining site, tests are performed at a range of sampling locations.

In FY2025, the air quality monitoring for the Total Suspended Particulate (“TSP”) and the Particulate Matter (“PM10”) was found to be within the Malaysian Recommended Air Quality Guideline Limits.

Noise pollution

We are committed to managing the impacts of noise pollution responsibly. Excessive noise can have adverse impacts on the environment, the well-being of our employees and the nearby communities. To ensure noise levels are managed below the maximum permissible sound level (“LAeq”), the Group continues to engage third party environmental consultants in FY2025 to assist with the regular monitoring of noise levels at key locations.

In accordance with the Designated Industrial Zones and Schedule 1, Annex A in the Planning Guidelines for Environmental Noise Limits and Control from DOE, the recommended noise levels for daytime are at 70-weighted decibels (“DBA”) and at night at 60 DBA. The method used to detect noise is based on the ISO 1996 Sound Level Meter and Octave Filter. During the reporting year, the noise levels at each mining site were found to be within the permissible parameters set by DOE as indicated in the quarterly environmental monitoring reports. We continue to manage noise pollution within the permissible levels to the best of our ability.

Pollution Control	
Performance and Targets for FY2025	Target for FY2026 onwards
Maintain air and noise pollution within the DOE permissible levels.	<ul style="list-style-type: none"> • Continue to maintain air and noise pollution within the DOE permissible levels.
Progress: On track.	

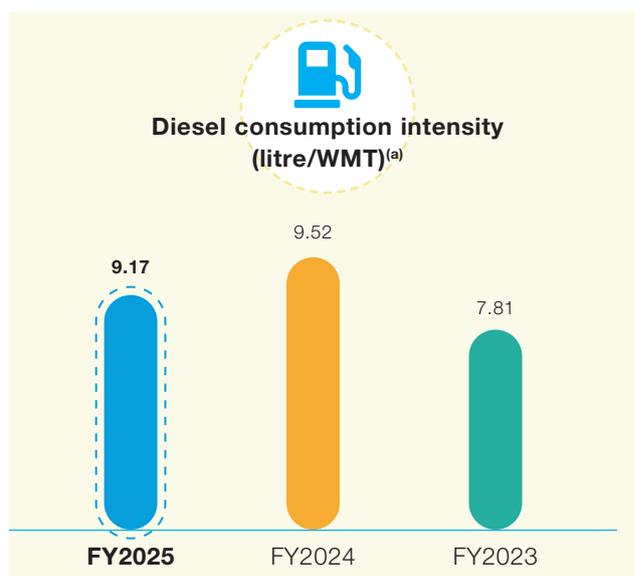
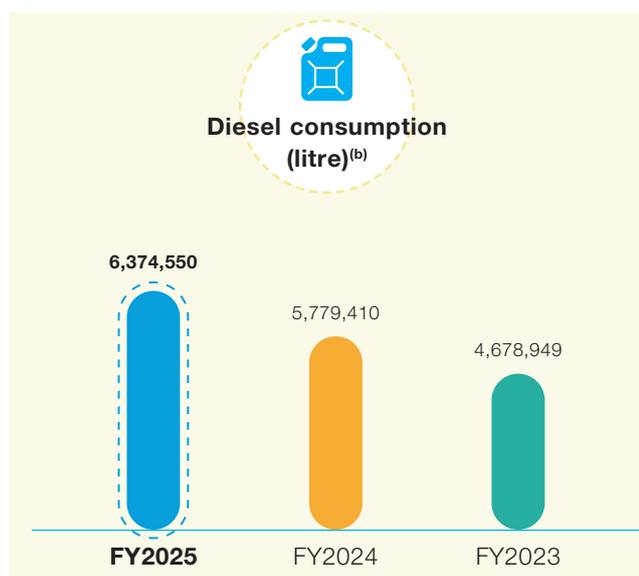
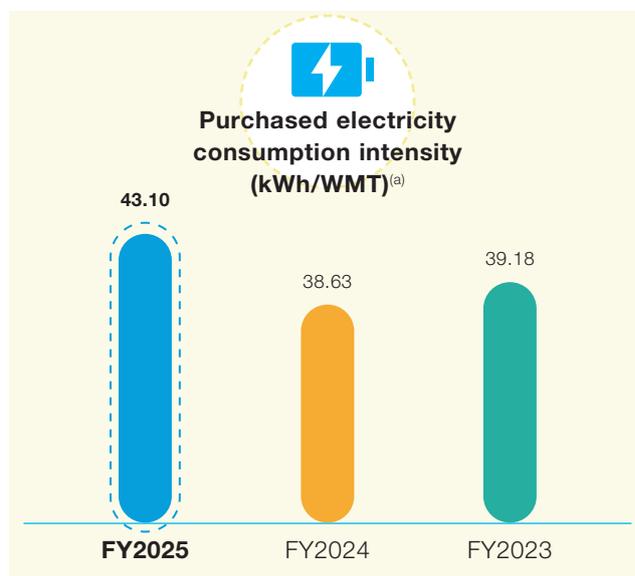
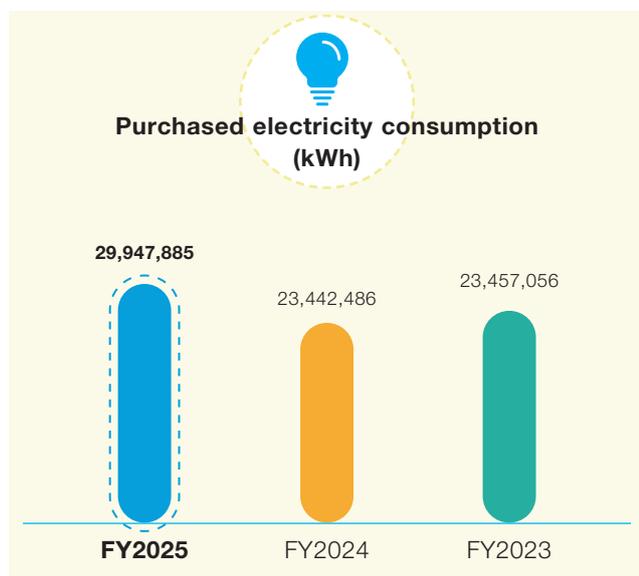
Sustainability Report

Energy Management

Energy management is a critical pillar for our operations as significant energy consumption is inherent in our operations. We recognise the urgent need to diligently monitor our energy consumption to enable us to not only effectively lower our environmental impact but also improve our operational cost-effectiveness contributing to long-term value creation for our stakeholders.

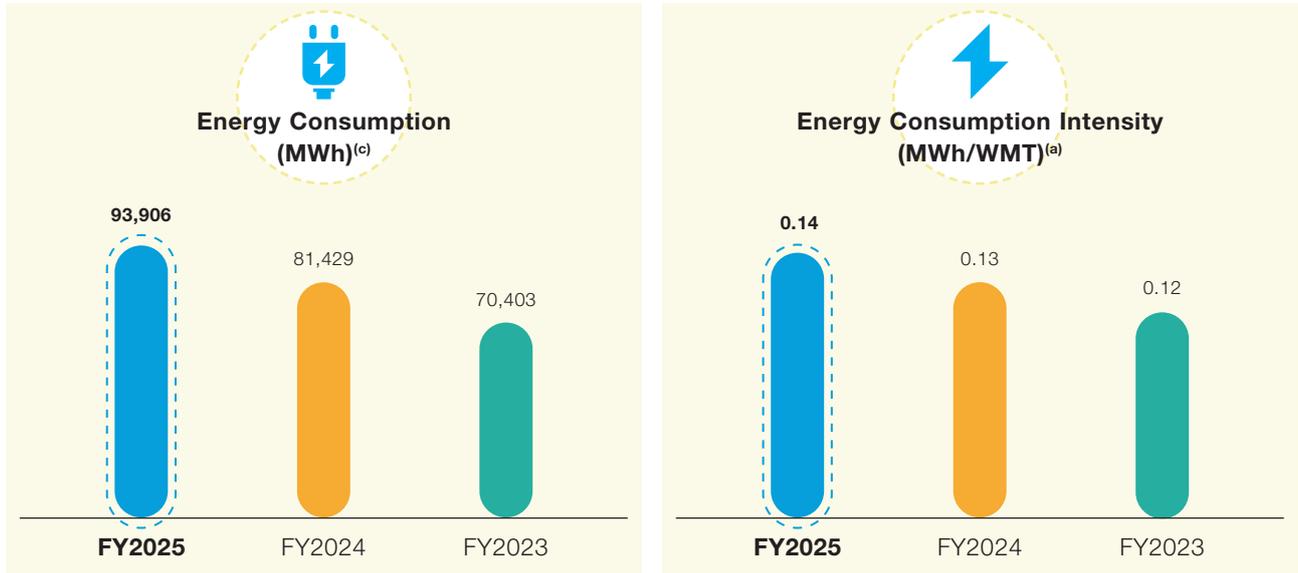
We depend on non-renewable fuel sources and purchased electricity for the operations. We acknowledge that the Group's energy consumption is a contributor to its operational emissions. Purchased electricity is the main source of energy at the Bukit Besi mine site. At our CASB site, we are reliant on diesel fuel to generate electricity as the mining site is not connected to any grid-electricity at this stage. Diesel fuel is also used in the mining equipment (such as dump trucks and excavators) and our transportation fleet for journeys to and from our customers sites.

The graphs below provides the overview of the Group's energy consumption and energy consumption intensity over the last 3 financial years.



SUSTAINABILITY REPORT

Energy Management (cont'd)



Notes:

- (a) Intensity ratio is calculated based on production volume in WMT for FY2025, FY2024 and FY2023.
- (b) Diesel fuel consumption data is estimated based on purchase orders.
- (c) Total energy consumption includes the purchased electricity consumption and the diesel fuel consumption data.

Energy Management	
Performance and Targets for FY2025	Targets for FY2026 onwards
<p>Reduce energy consumption intensity by 1%.</p> <p>Progress: Purchased electricity consumption increased significantly in FY2025 with increased production due to higher sales volume.</p>	<ul style="list-style-type: none"> • Reduce energy consumption intensity ratio by 20%, from the baseline year of FY2024. • By FY2030, increase renewable energy mix.



Sustainability Report

Waste Management

We are committed to environmental sustainability and recognise the importance of effective waste management in managing resource use in our operations. We understand that responsible handling of all waste streams is crucial to minimising potential negative impacts on the environment, our workforce and surrounding communities.

Non-hazardous waste generated from our mining operations, supporting infrastructure and administrative functions, include general office and food waste as well as construction and demolition materials. We have yet to measure non-hazardous workstreams but are reviewing processes for implementing systems to accurately track and manage this type of waste. Our mining activities also result in the generation of mining-related waste, specifically tailings, rock, sand and sediment. Tailings are a slurry of ground rock, residual minerals and water, a by-product of the mineral processing required for extraction.

The Group continues to measure and manage hazardous waste generated by the operations, categorised as scheduled waste under the First Schedule of the Environmental Quality (Scheduled Wastes) Regulations 2005. The Group employs a "Certified Environmental Professional in Scheduled Waste Management", a competent person responsible for the Group's waste management practices.

Types of Scheduled Waste

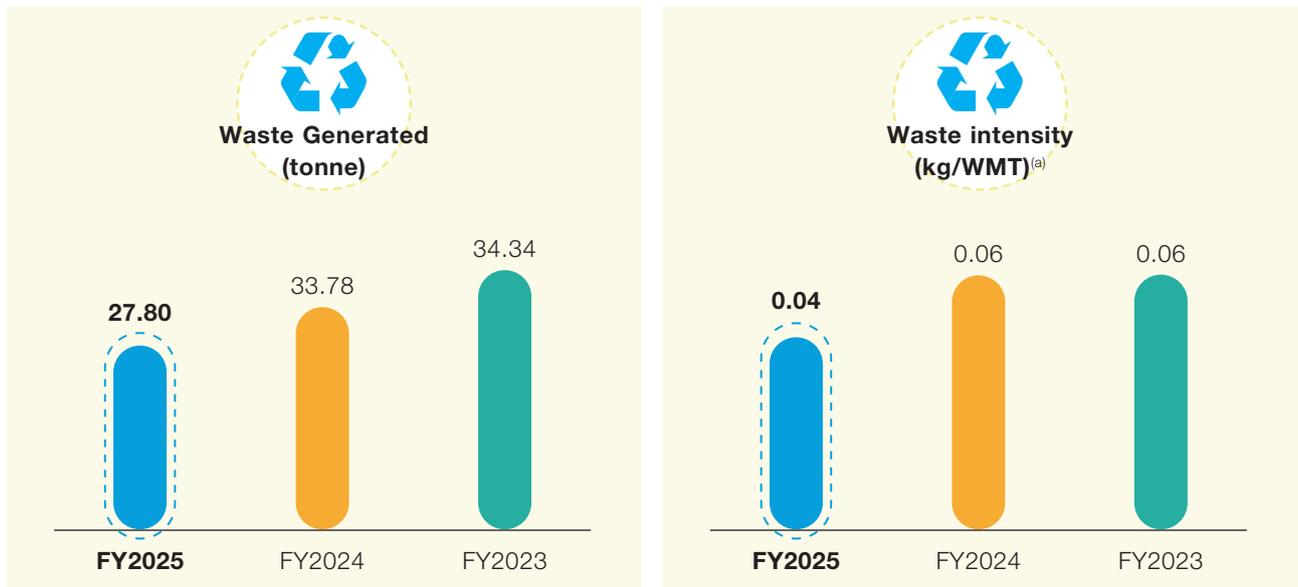
No.	Waste Code	Type of Waste
1	SW102	Waste of used batteries
2	SW303	Hydroseeding tackifiers
3	SW305	Used engine oil, lubricating oil
4	SW306	Used and spent hydraulic oil
5	SW322	Non-halogenated organic solvent
6	SW404	Clinical waste
7	SW408	Contaminated soil
8	SW409	Contaminated glass bead
9	SW410	Contaminated papers, air filter, lab glove, used oil filter
10	SW421	Lab waste
11	SW430	Obsolete lab chemical

To minimise waste and its environmental footprint, the Group has in place comprehensive waste management practices. These include optimal storage, careful handling, responsible disposal and consistent monitoring practices. Hazardous waste is securely contained in separate and locked areas at all sites. Our proactive approach includes engaging authorised schedule waste contractors for regular collection and management of hazardous waste disposal, encompassing recycling, treatment or disposal once containers are full. We maintain strict adherence to local regulations, ensuring all scheduled waste is disposed of within 6 months of generation and does not exceed 20 tonnes. Continuous monitoring of waste levels at our sites ensures consistent regulatory compliance.

SUSTAINABILITY REPORT

Waste Management (cont'd)

The graphs below provides an overview of the Group’s waste generated and managed, as well as intensity over the last 3 financial reporting years.



Note:

(a) Intensity ratio is calculated based on production volume in WMT for FY2025, FY2024 and FY2023.

Waste Management	
Performance and Targets for FY2025	Targets for FY2026 onwards
<p>Reduction of waste production intensity year on year.</p> <p>Progress: In FY2025, the Group generated approximately 27.80 tonnes of waste, a 17.70% decrease from the 33.78 tonnes of waste generated in FY2024. This reduction was primarily observed at the Bukit Besi mining site and can be attributed to the increased production driven by higher sales volume.</p>	<ul style="list-style-type: none"> Reduce waste production intensity by 1% year on year. Reduce waste production intensity by 10% by FY2030, from the baseline year of FY2024.

Emissions

The Group recognises that its energy-intensive mining activities contribute to climate change through the generation of GHG emissions. The Group is actively pursuing emission reduction strategies to reduce its carbon footprint.

The primary sources of our operational GHG emissions stem from diesel fuel usage and the consumption of purchased electricity. Beyond the Group’s direct operations, we are monitoring some of the activities that generate GHG emissions which are embedded within our supply chain, including the transportation of goods to customers, waste generated from our activities and business travel by our personnel. The tangible effects of climate change, such as shifting weather patterns, rising sea levels and increased extreme weather events, underscores the urgency of this commitment. To address these challenges, the Group is exploring emission reduction strategies. Our approach involves a thorough assessment of decarbonisation pathways, including considering investments in cleaner technologies, optimisation of energy consumption and promotion of sustainable practices across all our operations.

Sustainability Report

Emissions (cont'd)

GHG emissions and the associated activities across the Group



To provide a clear framework for our emissions management, we categorise GHG emissions according to established standards. The Group's GHG emissions are categorised into Scopes 1, 2, and 3. Direct Scope 1 GHG emissions encompass those sources owned or controlled by the Group, primarily from the use of diesel in our own heavy mining machinery, such as excavators and dump trucks, as well as in generators used for on-site electricity production at our mining locations. Scope 2 energy indirect GHG emissions are associated with our consumption of purchased electricity at our Bukit Besi site. Recognising our broader responsibility, we also account for Scope 3 indirect GHG emissions, which result from activities in our value chain but occur from sources we do not own or directly control. These include emissions from the transportation of our goods in external vehicles, waste generated from our operational processes, and emissions associated with business travel undertaken by our personnel.

The table below provides an overview of the Group's GHG emissions profile over the last 3 financial years.

	FY2025	FY2024	FY2023
Direct Scope 1 GHG emissions (tCO ₂ e) ^(a)	17,487	15,854	12,855
Scope 1 emissions intensity (CO ₂ e/WMT) ^(c)	25.17	26.12	21.47
Energy indirect Scope 2 GHG emissions (tCO ₂ e) ^{(a),(b)}	23,230	18,184	18,195
Scope 2 emissions intensity (CO ₂ e/WMT) ^(c)	33.43	29.96	30.39
Other indirect Scope 3 GHG emissions (tCO ₂ e) ^(a)	34,712	39,925	23,581
Scope 3 emissions intensity (CO ₂ e/WMT) ^(c)	49.95	65.79	39.38
Total GHG Emissions (tCO ₂ e) ^(b)	75,429	73,962	54,631
Total GHG emissions intensity (CO ₂ e/WMT) ^(c)	108.55	121.88	91.24

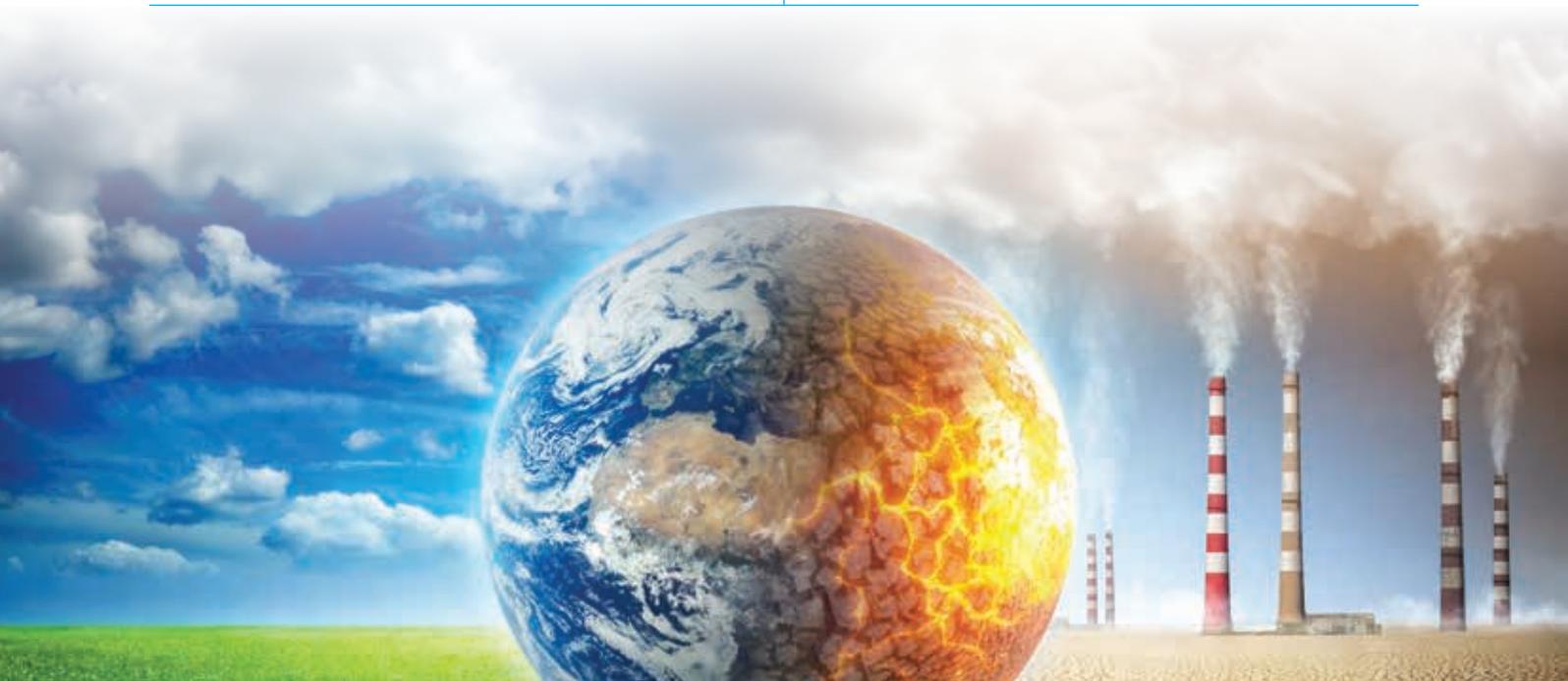
Notes:

- (a) Carbon emission factors were sourced from U.S. Environmental Protection Agency's ("U.S. EPA") Emission Factors for GHG, www.epa.gov/climateleadership. Only CO₂, CH₄ and N₂O emissions are included in the calculations of the GHG emissions.
- (b) Restatements of data for FY2024 and FY2023 due to the revised emission factor adopted in FY2025, which references latest grid emission factor published by the Malaysian Energy Commission for Peninsular Malaysia.
- (c) Intensity ratio is calculated based on production volume in WMT for FY2025, FY2024 and FY2023.

SUSTAINABILITY REPORT

Emissions (cont'd)

Emissions	
Performance and Targets for FY2025	Targets for FY2026 onwards
<p>Reduce GHG emissions intensity by 1% year on year.</p> <p>Progress: In FY2025, the Group recorded a rise in Scope 1 GHG emissions due to increased production driven by higher sales volume. The increased production necessitated the Group to scale-up its mining operations, which required greater use of diesel-powered machinery and the on-site generators. Despite an absolute increase in the Scope 1 GHG emissions, Scope 1 GHG emissions intensity reduced as the production value increased significantly at a higher rate than the Scope 1 GHG emissions.</p> <p>To improve the accuracy in the methodology used to calculate Scope 2 GHG emissions, we have restated the Scope 2 GHG emissions in the last 2 previous years to align with the local emission factors published by the Malaysian Energy Commission. This has led to an increase in the reported emissions for this category.</p> <p>The Group’s overall Scope 3 GHG emissions and intensity decreased in FY2025 compared to the previous year. This reduction coincided with a decrease in the export shipments, with only 2 recorded in FY2025, down from the 3 recorded in FY2024. While the lower number of export shipments may be a contributing factor to this emissions reduction, we are continuing to analyse the data to gain a better understanding of all influencing factors.</p> <p>Overall GHG emissions intensity reduced by 10.9% in FY2025, compared to FY2024.</p>	<ul style="list-style-type: none"> • Reduce GHG emissions intensity by 1% year on year. • Reduce GHG emissions intensity by 20% by 2030, from the baseline year of FY2024.



Sustainability Report

Climate-Related Disclosures

The pressing global risks associated with “extreme weather events” underscores the critical importance of addressing climate change. For the mining sector, this urgency is amplified by the potential impacts on our operations, supply chains and the communities where we operate. Globally, the climate disclosures landscape is evolving from voluntary to mandatory driven by increasing investor demand for quality, comparable and transparent information on how companies are managing climate risks and preparing for a low-carbon future.

Fortress will continue to enhance its climate-related disclosures as we work to build a more robust climate reporting framework. In preparation for the adoption of the ISSB’s IFRS S2 standards, we continue to reference the core pillars from the TCFD recommendations as part of the Group’s reporting on climate change in this Report. Fortress is committed to adhering to all applicable local climate disclosure requirements in Singapore, ensuring our stakeholders have a comprehensive understanding of our approach to climate-related issues.

The table below provides an overview of Fortress’ climate reporting based on the 4 core pillars of Governance, Strategy, Risk Management and Metrics and Targets:

Core Pillars	Initiatives and Next Steps
<p>Governance <i>Fortress governance around climate-related risks and opportunities</i></p>	<p>Fortress has in place a robust governance structure with effective processes. The Board provides oversight on sustainability matters at Fortress.</p> <p>As part of the Board’s meeting agenda, ESG has been included for discussion. This includes updates on the GHG emissions and its progress for the Group.</p> <p>The Senior Management team continues to assess and recommends to the Board the climate-related risks and opportunities.</p> <p>The Board will continue to provide continuous oversight in reviewing the identified climate-risks and opportunities.</p>
<p>Strategy <i>Actual and potential impacts of climate-related risks and opportunities on Fortress’ businesses, strategy, and financial planning</i></p>	<p>In FY2025, the Board has considered sustainability issues and continued to review the key climate-related risks as part of its strategic formulation and commitment to transition to a lower carbon economy. The risks associated with climate change include transition risks relating to the transition to a lower carbon global economy and physical risks from changing weather patterns.</p> <p>In FY2025, the Senior Management team considered and updated the Board on the key climate-related risks and opportunities.</p> <p>Some potential measures considered to manage these risks and opportunities include:</p> <ul style="list-style-type: none"> – Transition to lower carbon intensive technologies – Operational efficiency <p>The Group does not currently have a system in place to calculate the financial implications or costs due to climate change. As previously reported, we are continuing to explore the most applicable and beneficial systems for our operations.</p> <p>The Group is evaluating and analysing the potential impacts of climate-related risks and opportunities as part of the Group’s ongoing review of all ESG risks and opportunities, across short, medium or long-term horizons. This evaluation will enable the Group to assess the extent of its impacts and develop a suitable resilient climate change strategy relevant to its business and operations. Further, scenario analysis may be conducted as the strategy is developed.</p>

SUSTAINABILITY REPORT

Climate-Related Disclosures (cont'd)

Core Pillars	Initiatives and Next Steps
<p>Risk Management <i>How Fortress identifies, assesses and manages climate-related risks</i></p>	<p>The Group's risk assessment and risk control framework are aligned to the business objectives, goals and vision to enable us to deliver leading performance and to effectively manage risks.</p> <p>We have identified climate change as a significant area of risks and opportunities for the Group's operations in Malaysia, focusing on transition and physical risk elements.</p> <p>Transition Risks Transitional risks and opportunities are associated with the societal and economic transition towards a low-carbon future, such as policy, legal, regulatory, technological, market, behavioural and reputational developments. The Group's potential transition risks include:</p> <ul style="list-style-type: none"> – Legal/Regulatory risks: increased regulatory costs, carbon tax, potential exposure to litigation. – Technology risks: slow pace of technology and significant costs to transition to lower carbon intensive technologies. – Market risks: increased costs from suppliers, reduction in commodities pricing due to poor market perception of mining industries. – Reputation risks: decline in share prices, inability to attract or retain employees due to poor reputation. <p>Physical Risks</p> <p>The Group may be exposed to physical risks arising from the increasing frequency and intensity of extreme weather events such as floods, landslides, cyclones, wildfires and hot and cold extremes. They also include chronic climate change risks from sustained shifts in climate patterns such as higher average temperatures causing droughts, sea level rise, increasing and decreasing regional long-term precipitation.</p> <p><i>Acute Risks:</i> Flash floods, soil erosion and potential landslides from flood.</p> <p><i>Chronic Risks:</i> Rise in temperature, spread of vector-borne diseases and negative impact to health of the workforce.</p> <p>The Group is committed to continuously reviewing and integrating the identified risks and opportunities into the overall risks management processes to ensure such risks are considered alongside other business risks. Climate-related issues are further discussed under the Environmental topics in this Report.</p>

Sustainability Report

Climate-Related Disclosures (cont'd)

Core Pillars	Initiatives and Next Steps
<p>Metrics and Targets <i>Report on the metrics and targets used to assess and manage climate-related risks and opportunities</i></p>	<p>We currently track the Group's climate-related performance on the following areas and where applicable, targets are set:</p> <ul style="list-style-type: none"> (a) Scope 1, 2 and 3 GHG emissions (b) Energy consumption (c) Water consumption (d) Waste generation <p>Please refer to pages 28 to 36 of this Report for further details on the metrics and targets monitored and reported by the Group. The Group is currently assessing possible avenues to develop its decarbonisation strategy in line with its available resources to reduce GHG emissions across the Group.</p> <p>Our targets have yet to be validated by a third party.</p>



Social responsibility is central to our core values. We prioritise the well-being and safety of our employees, foster diversity and equal opportunities and are dedicated to serving the best interests of our communities where we operate. This commitment shapes our actions to create a meaningful and positive impact on the lives of our workforce and our communities.

SOCIAL



Sustainability Report

Employment Practices

We recognise our employees and the value each individual brings. Our commitment includes fostering a safe, inclusive and supportive workplace where high-performing individuals are recruited, developed and retained.

The human resources (“HR”) department is responsible for all the HR-related matters across the Group. The Group’s Employment Policy and Handbook outlines the terms and conditions of service for all employees within the Group. All employees are guided by the Group’s Code of Conduct in the Employee Handbook which reinforces what the employees can and cannot do during the course of their employment. A list of minor and major misconduct is provided under section 11 of the Employee Handbook.

As reflected in the Group Sustainability Policy, we are committed to uphold human rights principles across all our operations in accordance with the relevant laws where we operate, ensuring that all employees and communities are treated with dignity and fairness.

The Group is committed to adhere to all the local labour and employment-related laws in our HR practices and management. In FY2025, there was no material breach of any employment-related laws recorded against the Group.



Hari Raya Luncheon



Monthly Birthday Celebrations



Team-building Workshops

The table below outlines key employment practices that underpin the Group’s supportive and engaging work environment.

Area of Focus	How We Approach
Onboarding	We have in place standardised onboarding processes when new employees join any of the companies within the Group. Onboarding programmes are designed to facilitate transition of new hires and internal transfers. New joiners participate in comprehensive orientation covering the Group’s processes, the Group’s Employee Handbook terms and how the Group operates. This includes a specific briefing on the Group’s anti-corruption practices.
Performance Management	At Fortress, we conduct a year end performance review for all our employees. The process includes self-assessment, feedback from supervisors and opportunities for coaching and support. Performance discussions cover job challenges, task completion and identification of skill gaps. The HODs are responsible for identifying training needs based on the performance reviews.
Compensation and Benefits	We recognise and reward our employees through bonuses and promotions. Opportunities for career growth and advancement are actively encouraged within the Group. Our employees are entitled to comprehensive benefit packages including leave, medical coverage and insurance, which are competitive and benchmarked against industry standards.
Employee Engagement	<p>Various gatherings and team-building activities are organised at the mining operations and headquarters. These initiatives aim to foster closer working relationships and camaraderie within the Group.</p> <p>Festive occasions, including the annual Hari Raya celebration and monthly birthday events, are celebrated across the organisation.</p>

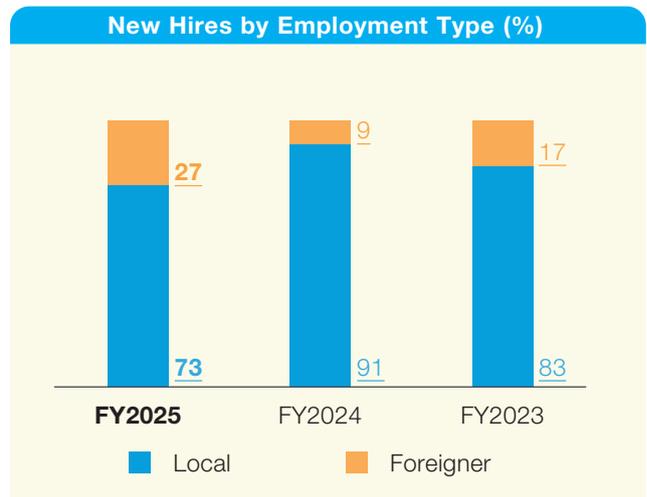
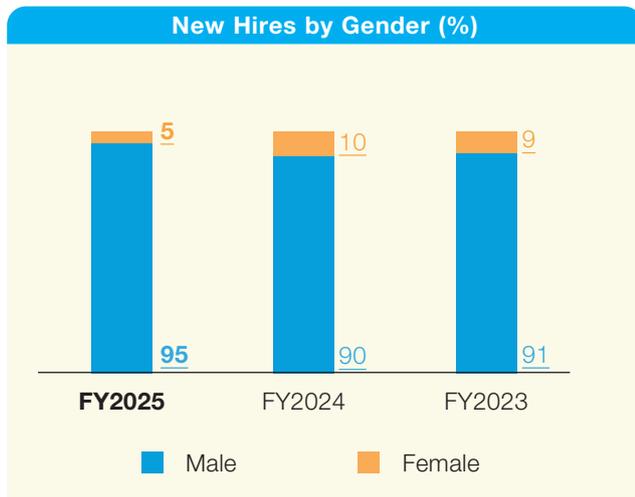
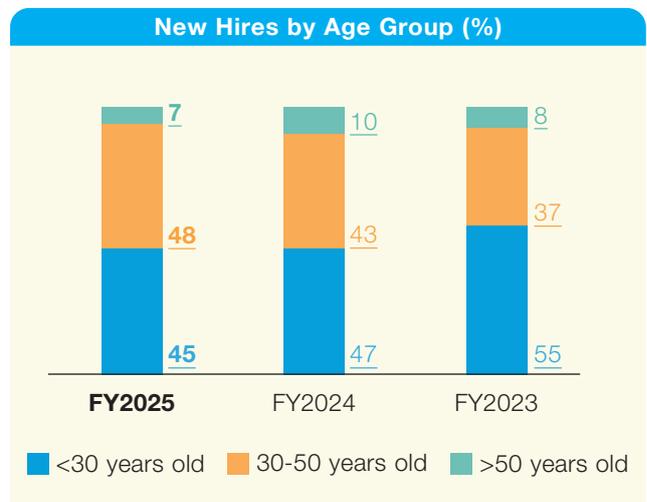
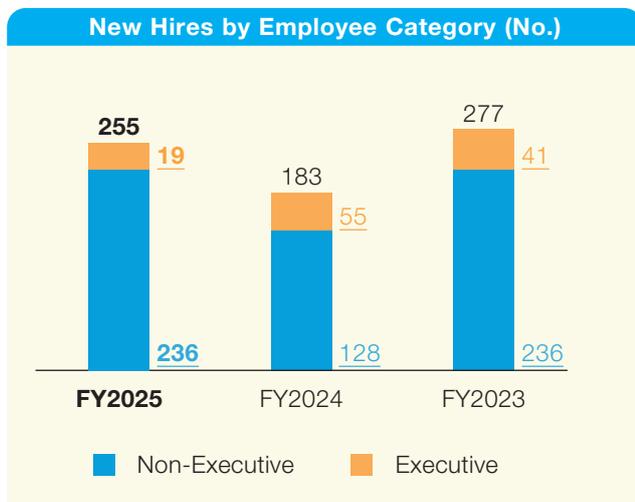
SUSTAINABILITY REPORT

Employment Practices (cont'd)

Total Workforce

The Group's average workforce in FY2025 was 496 employees across its operations in Malaysia, with a gender distribution of 9% female and 91% male employees. The average employee headcount is 22.5% higher when compared to the previous reporting period. The new hire rate for the Group in FY2025 is 51% and the turnover rate for the Group is 41%, which remain the same as the rate recorded in FY2024.

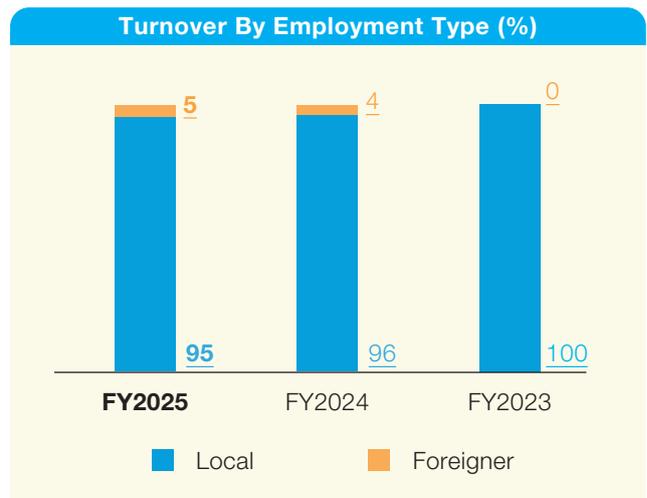
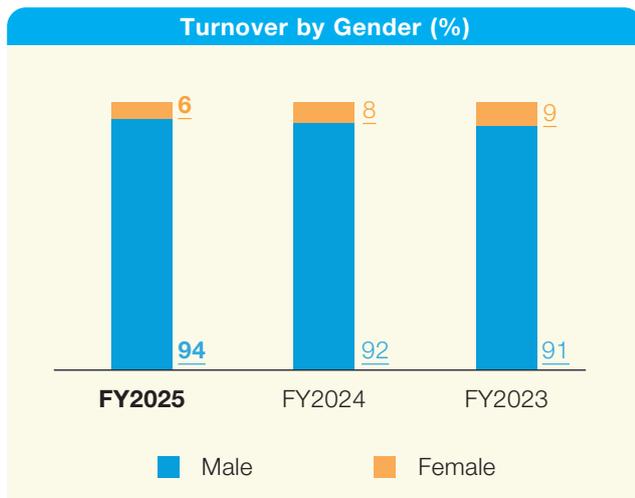
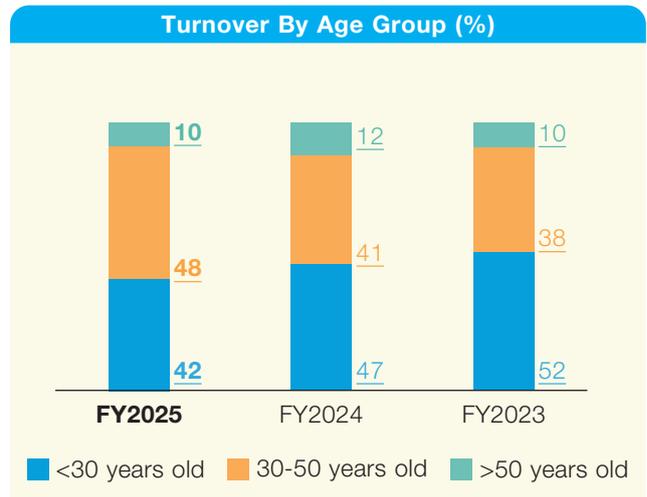
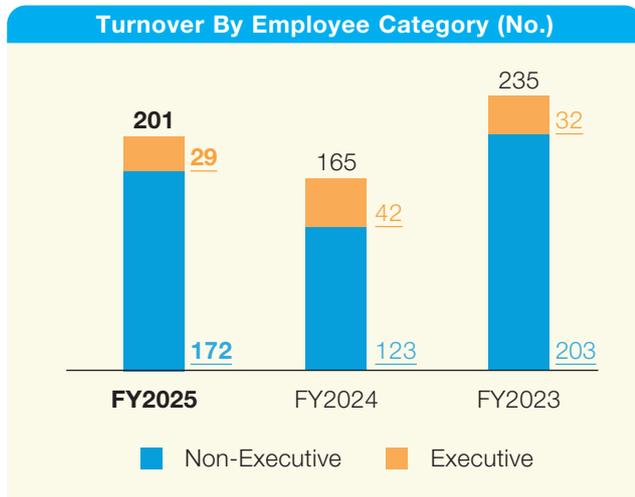
Overview of the new hires rate for the Group



Sustainability Report

Employment Practices (cont'd)

Overview of turnover rate for the Group



Employment Practices	
Performance and Targets for FY2025	Targets for FY2026 onwards
<p>No material breach of employment laws.</p> <p>Progress: On track.</p>	<ul style="list-style-type: none"> No material breach of employment laws.
<p>Conduct annual performance appraisal for all employees.</p> <p>Progress: On track. Achieved 100% engagement rate.</p>	<ul style="list-style-type: none"> Conduct performance appraisal for all employees annually.
<p>Maintain or reduce employee (including site labourers) turnover rate to below 50%.</p> <p>Progress: 41% turnover rate recorded in FY2025.</p>	<ul style="list-style-type: none"> Maintain or reduce employee turnover rate to below 50%. Maintain or reduce employee (including site labourers) turnover rate to below 30% by FY2030.

SUSTAINABILITY REPORT

Diversity and Equal Opportunities

Cultivating a workforce that reflects a right mix of people are core tenets of our organisational values and essential drivers for innovation and growth. We believe that having diverse backgrounds and experiences fosters broader perspectives, strengthens teamwork and ultimately contributes to our global achievements.

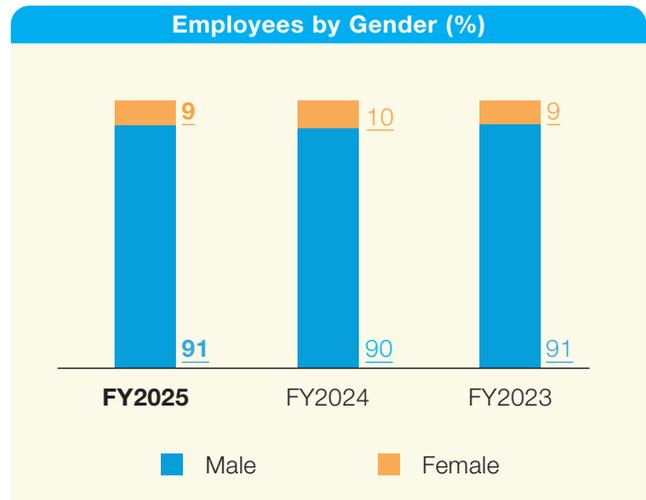
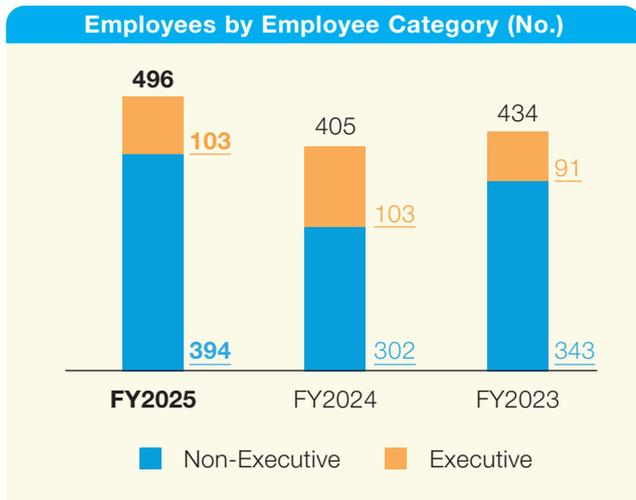
Our commitment to diversity and inclusion is embedded in the Group Sustainability Policy and the Group’s Employee Handbook, guiding us in creating a workplace where every employee feels safe, valued and respected. We uphold fair employment practices with a zero-tolerance policy for unlawful discrimination, including harassment and bullying.

Our hiring and recruitment practices are designed to provide equal opportunities to all candidates irrespective of race, religion, colour, age, gender, sexual orientation, gender identity and expression, ethnicity, national origin, religion, disability, pregnancy, political affiliation, union membership, covered veteran status, protected generic information or marital status. This commitment to equality extends to all employment decisions regarding wages (free from gender discrimination), promotions, rewards and access to training, which are consistently based on individual performance and merit.

In FY2025, the Group’s total average workforce was 496, with a gender distribution of 9% female and 91% male employees. This represents an increase from the average workforce in FY2024. Given the operational demands of the mining sectors, our workforce is primarily male dominated. While recognising potential challenges for female employees in this environment, the Group provides opportunities for women to participate in mining operations for those who are willing and able to work in such conditions. We aim to maintain female representation rate of 25% in our executive and managerial positions. In FY2025, 25% of the female workforce held executive and managerial positions within the Group.

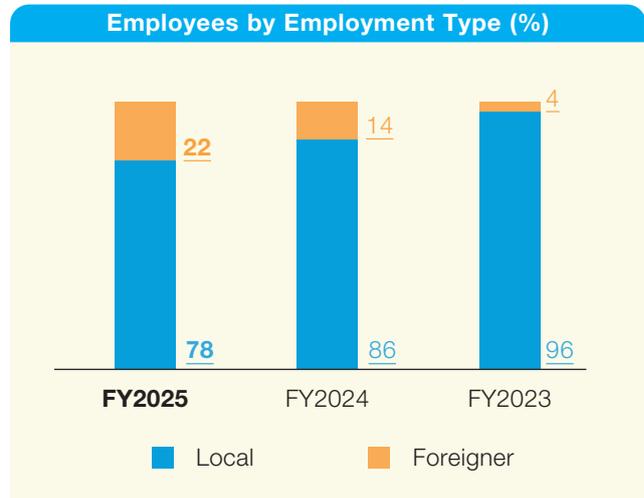
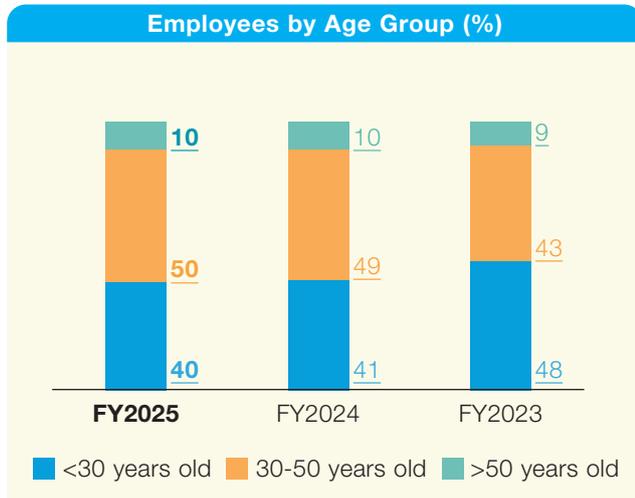
Overview of the Group’s workforce profile and performance

Employee Composition



Sustainability Report

Diversity and Equal Opportunities (cont'd)



Board Composition

Our Board comprises of diverse individuals from various backgrounds. Committed to ensuring Board diversity to mitigate groupthink and foster constructive debate, the Board adheres to an established Board Diversity Policy. This Policy addresses diversity in terms of experience, skills, knowledge, gender and age and other relevant aspects of diversity.

The current Board consists of 3 female Directors and 6 male Directors. Female representation on the Board is 1/3 (33.3%), which remains the same with the previous reporting period. 1/3 of the Board is comprised of independent directors, who have no management or business relationships with the Company or any substantial shareholder of the Company.

Further details on the Board's composition including its size, diversity and independence are outlined in the Corporate Governance Report on page 71 of the Annual Report 2025.

Diversity and Equal Opportunities	
Performance and Targets for FY2025	Targets for FY2026 onwards
<p>Maintain 1/3 female representation at Board level.</p> <p>Progress: Female representation at the Board sits at 1/3.</p>	<p>Maintain 1/3 female representation at Board level.</p>
<p>Maintain over 25% female employment in the business (Executive and managerial levels).</p> <p>Progress: 25% female representation in the executive and managerial positions, a reduction in women representation as compared to 27% recorded in FY2024.</p>	<p>Maintain over 25% female employment in the business (Executive and managerial levels).</p>
<p>Maintain at least 80% of local employment.</p> <p>Progress: The local workforce reduced to 78% in FY2025 from 86% in FY2024, while the number of the foreign employees increased during the year to fill in roles requiring specific skills and expertise.</p>	<p>Maintain at least 80% of local employment.</p>

SUSTAINABILITY REPORT

Training and Development

A robust learning and development culture is key for our business' future. Our training programmes are designed to enhance employee skills, knowledge and capabilities. These initiatives ensure our workforce remains current with industry best practices and equipped to reach their full potential, fostering the resilience needed to stay ahead in our dynamic business environment.

Training needs are identified annually through the performance appraisal process, facilitated by the HR department and the respective HODs. During FY2025, the Group offered a wide array of learning opportunities through internal and external training programmes. These initiatives were designed to enhance a broad spectrum of skills and knowledge.

Training Programmes in FY2025

- Professional courses focused on environmental topics
- Leadership development
- Health and safety
- Tax and compliance
- Anti-bribery and corruption risks and management systems
- Technical skills development
- Emergency readiness
- HR and employment



Fire Safety and Extinguisher Training



Tool Handling and Safety Awareness Training

Training Profile

Year	HRDF ^(a) yearly contributions	HRDF ^(a) actual utilisation	Total Training	Average Training
	US\$	US\$	Hours	Hours per employee
FY2025	41,662	(67,774)	3,843.0	7.7
FY2024	37,818	(17,954)	3,498.0	8.6
FY2023	38,728	(12,176)	1,317.5	3.0

Note:

(a) HRDF refers to the Human Resources Development Fund, a Malaysian statutory body under the Ministry of Human Resources.

Sustainability Report

Training and Development (cont'd)

MALE	FEMALE
3.0 average training hours	7.8 average training hours

Training and Development	
Performance and Targets for FY2025	Targets for FY2026 onwards
<p>Maintain or increase average training hours per employee year on year.</p> <p>Progress: Average training hours decreased by 10.5% in FY2025 as compared to FY2024. More training programmes were made available and the number of employees who received training during the year increased proportionately with the increase in the workforce, supported by continuous improvements in planning to address training needs.</p>	<p>Maintain or increase average training hours per employee year on year.</p>
<p>Maintain or increase training investments per year for employees.</p> <p>Progress: On track.</p>	<p>Maintain or increase training investments per year for employees year on year from the previous reporting period.</p>

Occupational Health and Safety

Prioritising a culture of health and safety

We are dedicated to fostering a culture of safety across our operations and ensuring a safe and healthy work environment. We strive to protect our employees, contractors and communities by adhering to stringent health and safety standards. Understanding the potential hazards within our mining operations, the Group maintains robust health and safety protocols that are regularly reviewed and enhanced to meet regulatory requirements. Our goal is to achieve zero harm through a deeply embedded culture that prioritises safety at every level.

The Group Health and Safety Policy provides the framework to prevent accidents, injuries and illnesses across the operations. To address site-specific risks effectively, each mining site develops and implements its own health and safety policies and procedures. For example, Bukit Besi mining site operates under a Health, Safety and Environmental Policy, while the CASB mining site adheres to an Occupational Safety and Health Policy.

Employee engagement in safety management

At each mining site, Occupational Health and Safety Committees have been established in accordance with the OSHA guidelines. These committees, comprising of representatives from various departments and management, meet quarterly to facilitate open discussions and engagement on health and safety matters at all levels. The committees play a key role in identifying potential hazards, conducting risk assessments and developing effective strategies to minimise risk exposures. In addition, we strive to utilise the Committees to foster a safety culture at work. The Group will continually seek to improve its sustainability performance by measuring and monitoring progress in our health and safety initiatives.

Training and awareness building

All our employees receive thorough health and safety training, starting from recruitment and continuing with on-the-job instructions and regular refresher courses for existing employees. An annual health and safety training schedule and awareness plan guides our training efforts each year.

SUSTAINABILITY REPORT

Occupational Health and Safety (cont'd)

In FY2025, the Group's health and safety training encompassed essential areas such as basic first-aid, fire drill and fire-fighting, safe use of power and hand tools, chemical safety awareness and safe machinery handling. We actively encourage all our employees to participate in the mandatory safety training sessions during the year.

A total of 408 employees across the Group received various training related to health and safety standards, a significant increase from 330 employees who received training in the previous reporting cycle, reflecting the Group's continued commitment to fostering a safe working environment and the expansion of training coverage to include more site personnel and new hires.

Beyond formal training, we employ proactive measures to maintain safety awareness. Prominent safety signages are installed throughout our operational sites to continuously remind all personnel of potential hazards. Furthermore, weekly toolbox meetings, led by site health safety officers, actively foster a safety-conscious culture by encouraging employees to prioritise safety and openly discuss any concerns.



Preventing and managing work-related injuries

The Group is committed to preventing all fatalities and reducing work-related injuries and incidents. We conduct detailed risk identification assessments at our mining operations to determine and address the potential impacts of any fatalities or injuries.

Any incident involving employees or contractors triggers a detailed internal investigation and report, followed by official notification to DOSH. While there are no on-site medical facilities present at our mining operations, trained first aiders are readily available to provide immediate care before arranging transport to the nearest medical clinic for the required treatment.

In FY2025, 4 work-related injuries were recorded which included both major and minor injuries.

Sustainability Report

Occupational Health and Safety (cont'd)

Health and Safety Performance

Details	FY2025	FY2024	FY2023
Fatalities	0	0	1
High-consequence injuries^(a)	4	3	3
Recordable injuries^(b)	4	4	4
Near misses^(c)	0	0	0
Recordable work-related ill health cases^(d)	4	0	0
Total LTI Days^(e)	133	101	6,110

Notes:

- (a) High-consequence work-related injuries include major accidents that cause employees to be on medical leave for more than 4 days (excluding fatalities during the reporting period).
- (b) Recordable work-related injuries include both major and minor accidents. Minor accidents are recorded for those accidents that cause employees to be on medical leave for 4 days and below or without any injuries.
- (c) Near misses are incidents that have the potential to cause but does not result in human injury, environmental or equipment damage, or interruption to the Group's normal operations.
- (d) This is a new indicator to align with the SGX Core metrics. Recordable work-related illnesses or health conditions arising from exposure to hazards at work during reporting period.
- (e) Total LTI days includes both Bukit Besi and CASB mining operations. Fatal accident represents lost-time injury of 6,000 days.

Health and Safety	
Performance and Targets for FY2025	Targets for FY2026 onwards
Continuously monitor and reduce the number of accident cases as compared to the previous reporting period. Progress: 4 accident cases reported in FY2025, similar to the number of cases reported in FY2024.	<ul style="list-style-type: none"> Continuously monitor and reduce the number of accidents from the previous reporting period.
Continuously monitor and maintain or reduce the number of LTI days from the previous reporting period. Progress: Total LTI 133 days.	<ul style="list-style-type: none"> Continuously monitor and maintain or reduce the number of LTI days from the previous reporting period.
Continuously monitor and maintain or reduce the total recordable injury frequency ("TRIF") per 200,000 hours worked from the previous reporting period. Progress: TRIF of 0.79 per 200,000 hours worked recorded in FY2025, compared to 0.91 per 200,000 hours worked in FY2024.	<ul style="list-style-type: none"> Continuously monitor and maintain or reduce the TRIF per 200,000 hours worked from the previous reporting period.
Maintain zero work-related fatalities or permanent disabilities. Progress: Zero work-related fatalities recorded in FY2025.	<ul style="list-style-type: none"> Zero work-related fatalities or permanent disabilities.

SUSTAINABILITY REPORT

Occupational Health and Safety (cont'd)

Health and Safety	
Performance and Targets for FY2025	Targets for FY2026 onwards
<p>Maintain zero significant incidents of non-compliance resulting in regulatory breaches under OSHA.</p> <p>Progress: No significant incidents of non-compliance of OSHA recorded in FY2025.</p>	<ul style="list-style-type: none"> Zero significant incidents of non-compliance resulting in regulatory breaches under OSHA.

Local Community

Recognising our role within the communities where we operate, we actively engage in initiatives that support the underprivileged through educational, religious, welfare, health care initiatives including aid for flood victims. The Group also provides sponsorships for various community events, including family days and charity bazaars via donations. The Group is committed to promoting responsible practices that yield positive, long-term impacts for these communities thereby, fostering stronger more collaborative relationships.



Charity Bazaar and Blood Donation Initiative

A breakdown of the Group's community investments made to the local communities and organisations in Malaysia and Singapore are as follows:

Country	FY2025		FY2024		FY2023	
	Amount (US\$)	%	Amount (US\$)	%	Amount (US\$)	%
Malaysia	256,784	94.5	188,285	100.0	112,990	83.8
Singapore	14,940	5.5	–	–	21,813	16.2
Total	271,724	100.0	188,285	100.0	134,803	100.0

Local Community	
Performance and Targets for FY2025	Target for FY2026 onwards
<p>Continue to engage with local communities.</p> <p>Progress: The Group furthered its positive impact on the local communities by increasing its investments in FY2025 to US\$271,724, specifically aimed at improving the livelihoods of underprivileged communities in Malaysia.</p>	<ul style="list-style-type: none"> Continue to engage with local communities.

We firmly believe that accountability, integrity and transparency are core to how Fortress operates. Upholding these principles is not only essential for building and maintaining the trust of our stakeholders but also crucial for the long-term sustainability and success of our business.

GOVERNANCE



SUSTAINABILITY REPORT

Compliance with Laws and Regulations

At Fortress, we strictly adhere to all applicable laws and regulations fundamental to our operations. We are committed to upholding the highest standards of compliance across all aspects of our business, ensuring we meet our obligations under environmental protection, health and safety, ethical business practices and labour standards.

Our compliance framework is designed to proactively identify and mitigate potential compliance risks through internal controls and monitoring mechanisms. These measures are crucial in minimising potential impacts, particularly concerning environmental issues. In FY2025, the Group did not record any significant instances of non-compliance with laws and regulations for which fines or non-monetary sanctions were imposed.

We believe that effective corporate governance reinforces our standing as a responsible organisation among our stakeholders. Further details regarding the Group's corporate governance framework can be found in the Corporate Governance Report in the Annual Report 2025.

Compliance with laws and regulations	
Performance and Targets for FY2025	Target for FY2026 onwards
Zero incidents of non-compliance with the Catalist Rules or Code of Corporate Governance. Progress: On track.	<ul style="list-style-type: none"> No significant instances of non-compliance with laws and regulations for which fines or non-monetary sanctions are imposed.
Zero incidents of environmental non-compliance year on year. Progress: The Group achieved zero incidents of environmental non-compliance that resulted in fines or non-monetary sanctions being imposed on the Group.	

Anti-corruption

Upholding ethical conduct: Our anti-corruption commitment

At the Group, we are committed to conducting all business activities and operations with the highest ethical standards, integrity and accountability.

The Group's Anti-Bribery and Corruption Policy has formally affirmed the Group's commitment to preventing all forms of bribery and corruption involving our employees or any individuals acting on our behalf.

Complementing this policy, the Group has also established an Anti-Bribery and Corruption Code of Conduct to provide guidance to all employees on the required ethical conduct in all business dealings and transactions. This Code also applies to our business associates and intermediaries for the Group.

Reinforcing Fortress' stand against bribery, our management, employees and business associates are collectively responsible for establishing and nurturing an ethical business culture that effectively manages bribery risks.

Governance and Board oversight

The Board is primarily responsible for ensuring that the Group effectively manages its key corruption risks. The Board believes in a robust and embedded risk assessment process at all organisational levels to regularly evaluate corruption risks, such as through annual assessments or when necessary.

Non-compliance with the Anti-Bribery and Corruption Code of Conduct may lead to significant legal and financial consequences for both the individual as well as the Group. Both the Policy and the Code of Conduct are available on Fortress' corporate website at www.fortress.sg.

Sustainability Report

Anti-corruption (cont'd)

All the Malaysian entities within the Group are required to comply with the provisions in accordance with the Guidelines on Adequate Procedures pursuant subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission Act 2009 (“**MACC Act**”). This provision under the MACC Act requires companies to have in place adequate procedures to prevent any associated persons from committing any acts of corruption.

Anti-corruption training

All our employees receive training on the anti-bribery and anti-corruption practices upon joining the Group. Additional refresher training is provided to existing employees from time to time to remind them of the activities that constitute bribery and the consequences for those who are involved in such activities. In FY2025, 63 (13%) employees (inclusive of executive and non-executive employees) received anti-corruption refresher training. In FY2024, only 82 executive employees, representing 20% of the total executive employees, received refresher training on anti-corruption.

Whistleblowing

In line with Fortress’ commitment to transparency and ethical business practices, we have established a robust whistleblowing mechanism. This system encourages and protects individuals who report suspected inappropriate behaviour or misconduct, including fraud, corrupt practices and abuse of the Group’s resources.

The Group’s Whistle-blowing Policy and Procedures ensures strict confidentiality and provides comprehensive protection against any reprisals or retaliation for those who raise legitimate concerns. The AC is responsible for the administration and oversight of this policy and procedures, which are available on Fortress corporate website at www.fortress.sg.

The whistle-blowing channel is accessible to all employees, vendors, contractors or the general public. By fostering a culture that values integrity and accountability, we aim to maintain trust of our stakeholders and uphold our commitment to responsible practices.

Anti-corruption	
Performance and Targets for FY2025	Targets for FY2026 onwards
<p>Zero incidents of corruption.</p> <p>Progress: On track.</p>	<ul style="list-style-type: none"> Zero incidents of non-compliance with anti-corruption laws and regulations.
<p>Zero reports of whistleblower complaints.</p> <p>Progress: Several whistleblowing reports were received in FY2025 through the Company’s whistleblowing channel. The AC conducted special reviews and investigations in the areas relating to the allegations. These reviews and investigations have been completed and no misappropriations were noted. The handling of these reports adhered to the procedures as set out in the Whistle-blowing Policy.</p>	<ul style="list-style-type: none"> Zero reports of whistle-blower complaints.

SUSTAINABILITY REPORT

Financial Performance

Driving sustainable economic value

Fortress is committed to responsible financial management, not only to ensure profitability and long-term sustainability but also to create meaningful economic value for our stakeholders and the communities where we operate. The Board, with the support of the AC, reviews the financial performance for the Group on a regular basis.

The Group also contributes to economic development in operating regions through job creation, prioritising local procurement and strategic community investment initiatives.

FY2025 Economic Performance Highlights

This year, the Group recorded a total revenue of US\$56,253,961 (FY2024: US\$53,932,963).

Further details of our full economic performance can be found in the audited financial statements on page 117 of the Annual Report 2025.

Supply Chain Management

Supporting local economies through strategic procurement

The Group is dedicated to promoting responsible procurement practices and strengthening the resilience of our supply chain. The Group actively supports local businesses and driving economic growth within the communities where we operate in. During the reporting year, we prioritised sourcing from local suppliers wherever we can.

Our procurement activities include acquiring project materials, tools and parts, chemicals, machinery, and equipment such as laboratory, geological and electrical equipment from various suppliers.

In FY2025, a significant portion of our procurement spend, amounting to 87.6% of the total US\$30.1 million was directed towards local Malaysian suppliers for raw materials, equipment and services. While this is a slight reduction from FY2024, the Group remains steadfast in its continued commitment to local sourcing.

The Group's procurement spend with the local community over the last 3 financial reporting periods is summarised in the table below.

Year	FY2025		FY2024		FY2023	
	Amount (US\$'000)	%	Amount (US\$'000)	%	Amount (US\$'000)	%
Singapore	269	0.9	341	1.2	969	3.5
Malaysia	26,397	87.6	26,161	90.3	22,719	83.0
Others	3,462	11.5	2,464	8.5	3,692	13.5
Total	30,128	100.0	28,966	100.0	27,380	100.00

* Others include countries such as Australia, China, Indonesia, Thailand and United States of America.

Responsible supplier selection and management

The Group employs standard operating procedures within the purchasing department to ensure responsible sourcing from suppliers. These procedures provide a clear control framework to ensure purchases are made with approved suppliers who meet the Group's defined requirements.

When engaging with new, unapproved suppliers, a thorough due diligence review is conducted. This process includes the supplier completing a "New Business Partner Registration" form and an anti-bribery and corruption declaration.

Sustainability Report

Supply Chain Management (cont'd)

Supplier assessment and performance

We conduct an annual evaluation of supplier performance. Suppliers who do not conform to the requirements may be replaced and where necessary, removed from the Group's approved supplier list. Moving forward, we are committed to re-evaluating our assessment process for both existing and new suppliers to more explicitly integrate our sustainability requirements. The Group is committed to continually seek ways to improve its procurement processes.

Our supplier selection is based on a set of criteria, including:

- Suitability of required specifications
- Quality of product/service
- Timeliness in delivery
- Price

All our suppliers are expected to adhere to our Anti-Bribery and Corruption Policy and Code of Conduct.

Supply Chain Management	
Performance and Targets for FY2025	Targets for FY2026 onwards
<p>Minimum 80% of goods and services to be procured locally.</p> <p>Progress: On track. 88.5% of raw materials, equipment and services are sourced locally in the region where the Group operates.</p>	<ul style="list-style-type: none"> • Maintain a minimum of 80% of goods and services to be procured locally.
<p>At least 80% annual evaluation rating for key suppliers.</p> <p>Progress: On track.</p>	<ul style="list-style-type: none"> • Maintain at least 80% annual evaluation rating for key suppliers.



SUSTAINABILITY REPORT

SUSTAINABILITY PERFORMANCE DATA

ESG Indicators	Unit	FY2025	FY2024	FY2023
Water and Effluents				
Water consumption	m ³	45,275	42,210	29,298
Water consumption intensity	m ³ /employee	118.21	144.06	87.98
Energy Management				
Purchased electricity consumption	kWh	29,947,885	23,442,486	23,457,056
Purchased electricity consumption intensity	kWh/WMT	43.10	38.63	39.18
Diesel consumption	litre	6,374,550	5,779,410	4,678,949
Diesel consumption intensity	litre/WMT	9.17	9.52	7.81
Energy consumption	MWh	93,906	81,429	70,403
Energy consumption intensity	MWh/WMT	0.14	0.13	0.12
Waste Management				
Non-hazardous waste	t	Not available	Not available	Not available
Hazardous waste	t	27.80	33.78	34.34
Total waste generated	t	27.80	33.78	34.34
Waste intensity	kg/WMT	0.04	0.06	0.06
Emissions				
Scope 1 GHG emissions	tCO ₂ e	17,487	15,854	12,855
Scope 1 emissions intensity	CO ₂ e/WMT	25.17	26.12	21.47
Scope 2 GHG emissions	tCO ₂ e	23,230	18,184	18,195
Scope 2 emissions intensity	CO ₂ e/WMT	33.43	29.96	30.39
Scope 3 GHG emissions	tCO ₂ e	34,712	39,925	23,581
Scope 3 emissions intensity	CO ₂ e/WMT	49.95	65.79	39.38
Total GHG emissions	tCO ₂ e	75,429	73,962	54,631
Total GHG emissions intensity	CO ₂ e/WMT	108.55	121.88	91.24
Employment Practices				
Total Workforce	No.	496	405	434
Total New Hires	No.	255	183	277
New Hires Rate	%	51	45	64
<i>New Hires By Employee Category</i>				
Non-Executive	No.	236	128	236
Executive	No	19	55	41
<i>New Hires By Gender</i>				
Male	%	95	90	91
Female	%	5	10	9
<i>New Hires By Age Group</i>				
<30 years old	%	45	47	55
30-50 years old	%	48	43	37
>50 years old	%	7	10	8

Sustainability Report

ESG Indicators	Unit	FY2025	FY2024	FY2023
<i>New Hires By Employment Type</i>				
Local	%	73	91	83
Foreigner	%	27	9	17
Total Turnover	No.	201	165	235
Turnover Rate	%	41	41	54
<i>Turnover By Employee Category</i>				
Non-executive	No.	172	123	203
Executive	No.	29	42	32
<i>Turnover By Gender</i>				
Male	%	94	92	91
Female	%	6	8	9
<i>Turnover By Age Group</i>				
<30 years old	%	42	47	52
30-50 years old	%	48	41	38
>50 years old	%	10	12	10
<i>Turnover By Employment Type</i>				
Local	%	95	96	100
Foreigner	%	5	4	0
Board Composition				
Male	No.	6	6	5
Female	No.	3	3	3
Diversity and Equal Opportunities				
<i>Employees by Employee Category</i>				
Non-executive	No.	394	302	343
Executive	No.	103	103	91
<i>Employees by Gender</i>				
Male	%	91	90	91
Female	%	9	10	9
<i>Employees by Age Group</i>				
<30 years old	%	40	41	48
30-50 years old	%	50	49	43
>50 years old	%	10	10	9
<i>Employees by Employment Type</i>				
Local	%	78	86	96
Foreigner	%	22	14	4

SUSTAINABILITY REPORT

ESG Indicators	Unit	FY2025	FY2024	FY2023
Training and Development				
Total training contributions	US\$	41,662	37,818	38,728
Total training hours	Hours	3,843.0	3,498.0	1,317.5
Average training hours per employee	Hours	7.7	8.6	3.0
<i>Average training hours by gender</i>				
Male	Hours	3.0	7.3	Not available
Female	Hours	7.8	5.3	Not available
Occupational Health and Safety				
Fatalities	No.	0	0	1
High-consequence injuries	No.	4	3	3
Recordable injuries	No.	4	4	4
Near misses	No.	0	0	0
Recordable work-related ill health cases	No.	4	0	0
Total LTI Days	No	133	101	6,110
TRIF per 200,000 hours worked	Rate	0.79	0.91	1.18
Total employees who received health and safety training	No.	408	330	35
Local Community				
Community Investments	US\$	271,724	188,285	134,803
Compliance with Laws and Regulations				
Significant instances of non-compliance with laws and regulations for which fines or non-monetary compliance sanctions are imposed.	No.	0	0	0
Anti-corruption				
Employees who received training on anti-bribery and corruption	No.	63	82	37
Supply Chain Management				
Percentage of procurement spend on local suppliers	%	89	92	87

Sustainability Report

GRI CONTENT INDEX

Statement of Use	Fortress Minerals Limited has reported the information cited in this GRI content index for the period 1 March 2024 to 28 February 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Section	Location
GRI 2: General Disclosures 2021			
1. The Organisation and its Reporting Practices			
2-1	Organisational details	Annual Report 2025 (“AR”): Corporate Information AR: Corporate Profile Sustainability Report 2025 (“SR”): About The Report	Page 2 Page 1 Pages 20-21
2-2	Entities included in the organisation’s sustainability reporting	AR: Group Structure SR: About The Report	Page 13 Pages 20-21
2-3	Reporting period, frequency and contact point	SR: About The Report	Pages 20-21 Reporting period aligns with the Company’s financial reporting period.
2-4	Restatements of information	–	As stated in the relevant sections of the SR.
2-5	External Assurance	SR: About The Report	Pages 20-21
2. Activities and workers			
2-6	Activities, value chain and other business relationships	AR: Corporate Profile SR: Supply Chain Management	Page 1 Pages 54-55
2-7	Employees	SR: Employment Practices SR: Diversity and Equal Opportunities	Pages 41-43 Pages 44-45
2-8	Workers who are not employees	–	Not available
3. Governance			
2-9	Governance structure and composition	AR: Board of Directors AR: Corporate Governance Report	Pages 15-17 Pages 63-98
2-10	Nomination and selection of the highest governance body	AR: Corporate Governance Report	Pages 63-98
2-11	Chair of the highest governance body	AR: Board of Directors AR: Corporate Governance Report	Pages 15-17 Pages 63-98
2-12	Role of the highest governance body in overseeing the management of impacts	SR: Sustainability Governance	Page 23
2-13	Delegation of responsibility for managing impacts	SR: Sustainability Governance	Page 23
2-14	Role of the highest governance body in sustainability reporting	SR: Board Statement SR: Sustainability Governance	Page 19 Page 23

SUSTAINABILITY REPORT

GRI Standard	Disclosure	Section	Location
3. Governance (cont'd)			
2-15	Conflicts of interest	AR: Corporate Governance Report	Pages 63-98
2-16	Communication of critical concerns	SR: Anti-corruption	Pages 52-53
2-17	Collective knowledge of the highest governance body	SR: Sustainability Governance	Page 23
2-18	Evaluation of the performance of the highest governance body	AR: Corporate Governance Report	Pages 63-98
2-19	Remuneration policies	AR: Corporate Governance Report	Pages 63-98
2-20	Process to determine remuneration	AR: Corporate Governance Report	Pages 63-98
2-21	Annual total compensation ratio	–	Not available
4. Strategy, policies and practices			
2-22	Statement on sustainable development strategy	AR: CEO's Message SR: Board Statement	Pages 5-11 Page 19
2-23	Policy commitments	SR: Risk Management SR: Employment Practices	Page 24 Pages 41-43
2-24	Embedding policy commitments	–	Not available
2-25	Processes to remediate negative impacts	SR: Anti-corruption	Pages 52-53
2-26	Mechanisms for seeking advice and raising concerns	SR: Anti-corruption	Pages 52-53
2-27	Compliance with laws and regulations	SR: Compliance with laws and regulations	Page 52
2-28	Membership associations	SR: Membership Associations	Page 25
5. Stakeholder Engagement			
2-29	Approach to stakeholder engagement	SR: Stakeholder Engagement	Pages 24-25
2-30	Collective bargaining agreements	–	No collective bargaining agreements in place or trade unions established.
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	SR: Materiality Assessment	Page 26
3-2	List of material topics	SR: Materiality Assessment SR: GRI Content Index	Page 26 Pages 59-62
3-3	Management of material topics	SR: Materiality Assessment SR: Environmental, Social and Governance pillars	Page 26 Pages 27-55
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	AR: Financial Performance SR: Local Community	Page 54 Page 50
201-2	Financial implications and other risks and opportunities due to climate change	SR: Climate Change	Pages 37-39

Sustainability Report

GRI Standard	Disclosure	Section	Location
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	SR: Supply Chain Management	Pages 54-55
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	SR: Anti-corruption	Pages 52-53
205-2	Communication and training about anti-corruption policies and procedures	SR: Anti-corruption	Pages 52-53
205-3	Confirmed incidents of corruption and actions taken	SR: Anti-corruption	Pages 52-53
GRI 302: Energy 2016			
302-1	Energy consumption within the organisation	SR: Energy Management	Pages 31-32
302-3	Energy intensity	SR: Energy Management	Pages 31-32
GRI 303: Water and Effluents 2018			
303-5	Water Consumption	SR: Water and Effluents	Pages 28-29
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	SR: Emissions	Pages 34-36
305-2	Energy indirect (Scope 2) GHG emissions	SR: Emissions	Pages 34-36
305-3	Other indirect (Scope 3) GHG emissions	SR: Emissions	Pages 34-36
305-4	GHG emissions intensity	SR: Emissions	Pages 34-36
305-5	Reduction of GHG emissions	SR: Emissions	Pages 34-36
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	SR: Waste Management	Pages 33-34
306-2	Management of significant waste-related impacts	SR: Waste Management	Pages 33-34
306-3	Waste Generated	SR: Waste Management	Pages 33-34
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	SR: Employment Practices	Pages 41-43
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR: Employment Practices	Pages 41-43
GRI 403: Occupational Health and Safety 2018			
403-2	Hazard identification, risk assessment, and incident investigation	SR: Occupational Health and Safety	Pages 47-50
403-3	Occupational health services	SR: Occupational Health and Safety	Pages 47-50
403-4	Worker participation, consultation, and communication on occupational health and safety	SR: Occupational Health and Safety	Pages 47-50

SUSTAINABILITY REPORT

GRI Standard	Disclosure	Section	Location
GRI 403: Occupational Health and Safety 2018 (cont'd)			
403-5	Worker training on occupational health and safety	SR: Occupational Health and Safety	Pages 47-50
403-9	Work-related injuries	SR: Occupational Health and Safety	Pages 47-50
403-10	Work-related ill health	SR: Occupational Health and Safety	Pages 47-50
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	SR: Training and Development	Pages 46-47
404-2	Programs for upgrading employee skills and transition assistance programs	SR: Training and Development	Pages 46-47
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	AR: Corporate Governance Report SR: Diversity and Equal Opportunities	Pages 63-98 Pages 44-45
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	SR: Local Community	Page 50



CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**”) is committed to ensure that high standards of corporate governance are practiced throughout the Group, as a fundamental part of its responsibilities to protect and enhance shareholders’ value and the financial performance of the Group.

This report outlines the Group’s corporate governance practices that were in place during the financial year ended 28 February 2025 (“**FY2025**”) with specific reference made to the Principles of Code of Corporate Governance 2018 (“**Code 2018**”) and the disclosure guide developed by SGX-ST in January 2015 (the “**Guide**”). The Group strives to comply with the provisions set out in Code 2018 and the Guide and where it has deviated from the Code 2018 and/or the Guide, appropriate explanations are provided.

The Group also ensures that all applicable laws, rules and regulations including the Securities and Futures Act 2001 of Singapore (“**Securities and Futures Act**”) and the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) are duly complied with.

Provision	Code Description	Company’s Compliance or Explanation
General	(a) Has the Company complied with all the principles and provisions of the new Code? If not, please state the specific deviations and alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.	The Company has complied with the principles and provisions as set out in Code 2018 and the Guide, where applicable. Appropriate explanations have been provided in the relevant sections below where there are deviations from Code 2018 and/or the Guide.
	(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the provisions of the Code?	Not applicable. The Company did not adopt any alternative corporate governance practices in FY2025.

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
BOARD MATTERS		
The Board's Conduct of Affairs		
<i>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</i>		
1.1	Directors' duties and responsibilities	<p>All Directors objectively discharge their duties and responsibilities as fiduciaries and take decisions in the best interests of the Group at all times. The Board puts in place a code of conduct and ethics, sets desired organisational culture and ensures proper accountability within the Group. The Board has clear policies and procedures for dealing with conflicts of interest. Where the Director faces a conflict of interest, he or she would recuse himself or herself from discussions and decisions involving the issues of conflict.</p> <p>The Board is entrusted to lead and oversee the Company, with the fundamental principle to act in the best interests of the Company. In addition to its statutory duties, the Board oversees the management staff of the Company (the "Management") and affairs of the Group's business and oversees processes for evaluating the adequacy and effectiveness of the Group's internal controls and risk management systems. It focuses on the strategies and policies, with particular attention paid to growth and financial performance. The Board works with the Management to achieve this and the Management remains accountable to the Board. Each individual Director has objectively discharged his duties and responsibilities at all times as fiduciaries in the interests of the Company.</p> <p>During FY2025, Directors are provided with briefings and updates on (i) the developments in financial reporting and governance standards by the Company's external auditors and (ii) changes in the relevant laws and regulations pertaining to the Group's business and changing commercial risks and business conditions of the Group by the Management during the Board Committee meetings, so as to enable them to make well-informed decisions and to properly discharge their duties as Board or Board Committee members.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation																																	
		<p>As at the date of this Report, the Board comprises nine (9) members as follows:</p> <table border="1"> <thead> <tr> <th colspan="3"><i>Table 1.1 – Composition of the Board</i></th> </tr> <tr> <th>Name of Director</th> <th>Designation</th> <th>Date of Appointment</th> </tr> </thead> <tbody> <tr> <td>Mr Chew Wai Chuen</td> <td>Independent and Non-Executive Chairman</td> <td>19 February 2019</td> </tr> <tr> <td>Dato' Sri Ivan Chee Yew Fei (“Dato' Sri Ivan Chee”)</td> <td>Executive Director and Chief Executive Officer (“CEO”)</td> <td>13 November 2017</td> </tr> <tr> <td>Mr Ng Mun Fey</td> <td>Executive Director and Chief Operating Officer (“COO”)</td> <td>19 February 2019</td> </tr> <tr> <td>Mr Edmund Chee Ji Kang (“Mr Edmund Chee”)</td> <td>Executive Director</td> <td>1 August 2023</td> </tr> <tr> <td>Mr Goh Kah Im</td> <td>Independent Director</td> <td>19 February 2019</td> </tr> <tr> <td>Ms Anita Chew Cheng Im (“Ms Anita Chew”)</td> <td>Independent Director</td> <td>19 February 2019</td> </tr> <tr> <td>Ms Teh Lip Kim</td> <td>Non-Executive and Non-Independent Director</td> <td>19 February 2019</td> </tr> <tr> <td>Mr Loong Ching Hong</td> <td>Non-Executive and Non-Independent Director</td> <td>19 February 2019</td> </tr> <tr> <td>Ms Willa Chee Keng Fong (“Ms Willa Chee”)</td> <td>Non-Executive and Non-Independent Director</td> <td>19 February 2019</td> </tr> </tbody> </table>	<i>Table 1.1 – Composition of the Board</i>			Name of Director	Designation	Date of Appointment	Mr Chew Wai Chuen	Independent and Non-Executive Chairman	19 February 2019	Dato' Sri Ivan Chee Yew Fei (“ Dato' Sri Ivan Chee ”)	Executive Director and Chief Executive Officer (“ CEO ”)	13 November 2017	Mr Ng Mun Fey	Executive Director and Chief Operating Officer (“ COO ”)	19 February 2019	Mr Edmund Chee Ji Kang (“ Mr Edmund Chee ”)	Executive Director	1 August 2023	Mr Goh Kah Im	Independent Director	19 February 2019	Ms Anita Chew Cheng Im (“ Ms Anita Chew ”)	Independent Director	19 February 2019	Ms Teh Lip Kim	Non-Executive and Non-Independent Director	19 February 2019	Mr Loong Ching Hong	Non-Executive and Non-Independent Director	19 February 2019	Ms Willa Chee Keng Fong (“ Ms Willa Chee ”)	Non-Executive and Non-Independent Director	19 February 2019
<i>Table 1.1 – Composition of the Board</i>																																			
Name of Director	Designation	Date of Appointment																																	
Mr Chew Wai Chuen	Independent and Non-Executive Chairman	19 February 2019																																	
Dato' Sri Ivan Chee Yew Fei (“ Dato' Sri Ivan Chee ”)	Executive Director and Chief Executive Officer (“ CEO ”)	13 November 2017																																	
Mr Ng Mun Fey	Executive Director and Chief Operating Officer (“ COO ”)	19 February 2019																																	
Mr Edmund Chee Ji Kang (“ Mr Edmund Chee ”)	Executive Director	1 August 2023																																	
Mr Goh Kah Im	Independent Director	19 February 2019																																	
Ms Anita Chew Cheng Im (“ Ms Anita Chew ”)	Independent Director	19 February 2019																																	
Ms Teh Lip Kim	Non-Executive and Non-Independent Director	19 February 2019																																	
Mr Loong Ching Hong	Non-Executive and Non-Independent Director	19 February 2019																																	
Ms Willa Chee Keng Fong (“ Ms Willa Chee ”)	Non-Executive and Non-Independent Director	19 February 2019																																	

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
1.2	Induction, Training and Development	<p>The Company provides a comprehensive orientation programme to familiarise the new Directors with the Group's businesses, accounting control policies, procedures and internal control policies and procedures, including an overview of the written policies and procedures in relation to the financial, operational and compliance controls; as well as the Group's history, core values, strategic direction and industry-specific knowledge so as to assimilate them into their new roles.</p> <p>For newly appointed Directors who do not have prior experience as a director of a public listed company in Singapore, they will attend relevant training courses organised by the Singapore Institute of Directors, and the Institute of Singapore Chartered Accountants and SAC Capital pursuant to Catalist Rule 406(3)(a) and Practice Note 4D of the Catalist Rules within one year from the date of their appointment, as well as other courses relating to accounting, legal and industry-specific knowledge, where appropriate, organised by other training institutions, in connection with their duties, and such training will be funded by the Company.</p> <p>As a first-time Director of SGX-ST listed company, Mr. Edmund Chee, who was appointed on 1 August 2023, has within a year from the date of his appointment, completed the training courses conducted by the Singapore Institute of Directors ("SID"), as prescribed by the SGX-ST pursuant to Practice Note 4D of the Catalist Rules.</p> <p>The Directors are updated regularly when there are changes to the Catalist Rules, Code of Corporate Governance, insider trading and the key changes in the relevant regulatory requirements and international financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as Board or Board Committees members. New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("ACRA") which are relevant to the Directors are circulated to the Board. At the Board meetings of the Company, the external auditors ("EA") had briefed the AC and the Board on changes and amendments to the accounting standards.</p> <p>The Company Secretary would also inform the Directors of the upcoming conferences and seminars relevant to their roles as Directors of the Company. The Directors are encouraged to attend seminars and training to update themselves in the discharge of Directors' duties and responsibilities, at the expense of the Company. Changes to regulations and accounting standards are monitored closely by the Management. In addition, the Management regularly updates and familiarises the Directors on the business activities of the Company during Board and Board Committees' meetings.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation												
		<p>Table 1.2 – Training and Development</p> <table border="1"> <thead> <tr> <th>Name of directors</th> <th>Training attended</th> </tr> </thead> <tbody> <tr> <td>Mr Edmund Chee</td> <td> <ol style="list-style-type: none"> 1) LED 4: Stakeholder Engagement 2) Practitioner Certificate in Personal Data Protection (Singapore) 3) The Big 5 Personality Traits 4) SharePoint Master Training 5) Graduate Certificate in Business Administration 6) Leadership Training & Retreat </td> </tr> <tr> <td>Mr Goh Kah Im</td> <td> <ol style="list-style-type: none"> 1) MIA webinar Series: e-Invoicing Latest Updates 2) Mandatory Accreditation Programme Part II: Leading for Impact (LIP) </td> </tr> <tr> <td>Ms Anita Chew</td> <td> <ol style="list-style-type: none"> 1) CMDP Module 1: Director as Gatekeepers or Market Participant 2) CMDP Module 2A: Business Challenged and Regulatory Expectations – What Directors Need to Know (Equities and Future Broking) 3) CMDP Module 3: Risk Oversight and Compliance – Action Plan for Board Directors 4) CMDP Module 4: Emerging and Current Regulatory Issues in the Capital Market 5) Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 6) AOB Conversation with Audit Committee members by the Security Commission 7) Anti Money Laundering Compliance 8) Cybersecurity Awareness Training </td> </tr> <tr> <td>Ms Teh Lip Kim</td> <td> <ol style="list-style-type: none"> 1) Directors Training - Recent Developments with the LR, Including COI Amendments 2) SLDP Program 1: Leading In Control Series: Reimagine Leadership Fundamental & Transformational Leadership 3) SDB Leadership Development Program 4) Mandatory Accreditation Programme Part II; Leading for Impact (LIP) </td> </tr> <tr> <td>Mr Loong Ching Hong</td> <td> <ol style="list-style-type: none"> 1) Directors Training - Recent Developments with the LR, Including COI Amendments 2) E-Invoicing Implementation: A Comprehensive Guide and Practical Insights 3) Implementation of e-invoicing in Malaysia </td> </tr> </tbody> </table>	Name of directors	Training attended	Mr Edmund Chee	<ol style="list-style-type: none"> 1) LED 4: Stakeholder Engagement 2) Practitioner Certificate in Personal Data Protection (Singapore) 3) The Big 5 Personality Traits 4) SharePoint Master Training 5) Graduate Certificate in Business Administration 6) Leadership Training & Retreat 	Mr Goh Kah Im	<ol style="list-style-type: none"> 1) MIA webinar Series: e-Invoicing Latest Updates 2) Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 	Ms Anita Chew	<ol style="list-style-type: none"> 1) CMDP Module 1: Director as Gatekeepers or Market Participant 2) CMDP Module 2A: Business Challenged and Regulatory Expectations – What Directors Need to Know (Equities and Future Broking) 3) CMDP Module 3: Risk Oversight and Compliance – Action Plan for Board Directors 4) CMDP Module 4: Emerging and Current Regulatory Issues in the Capital Market 5) Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 6) AOB Conversation with Audit Committee members by the Security Commission 7) Anti Money Laundering Compliance 8) Cybersecurity Awareness Training 	Ms Teh Lip Kim	<ol style="list-style-type: none"> 1) Directors Training - Recent Developments with the LR, Including COI Amendments 2) SLDP Program 1: Leading In Control Series: Reimagine Leadership Fundamental & Transformational Leadership 3) SDB Leadership Development Program 4) Mandatory Accreditation Programme Part II; Leading for Impact (LIP) 	Mr Loong Ching Hong	<ol style="list-style-type: none"> 1) Directors Training - Recent Developments with the LR, Including COI Amendments 2) E-Invoicing Implementation: A Comprehensive Guide and Practical Insights 3) Implementation of e-invoicing in Malaysia
Name of directors	Training attended													
Mr Edmund Chee	<ol style="list-style-type: none"> 1) LED 4: Stakeholder Engagement 2) Practitioner Certificate in Personal Data Protection (Singapore) 3) The Big 5 Personality Traits 4) SharePoint Master Training 5) Graduate Certificate in Business Administration 6) Leadership Training & Retreat 													
Mr Goh Kah Im	<ol style="list-style-type: none"> 1) MIA webinar Series: e-Invoicing Latest Updates 2) Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 													
Ms Anita Chew	<ol style="list-style-type: none"> 1) CMDP Module 1: Director as Gatekeepers or Market Participant 2) CMDP Module 2A: Business Challenged and Regulatory Expectations – What Directors Need to Know (Equities and Future Broking) 3) CMDP Module 3: Risk Oversight and Compliance – Action Plan for Board Directors 4) CMDP Module 4: Emerging and Current Regulatory Issues in the Capital Market 5) Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 6) AOB Conversation with Audit Committee members by the Security Commission 7) Anti Money Laundering Compliance 8) Cybersecurity Awareness Training 													
Ms Teh Lip Kim	<ol style="list-style-type: none"> 1) Directors Training - Recent Developments with the LR, Including COI Amendments 2) SLDP Program 1: Leading In Control Series: Reimagine Leadership Fundamental & Transformational Leadership 3) SDB Leadership Development Program 4) Mandatory Accreditation Programme Part II; Leading for Impact (LIP) 													
Mr Loong Ching Hong	<ol style="list-style-type: none"> 1) Directors Training - Recent Developments with the LR, Including COI Amendments 2) E-Invoicing Implementation: A Comprehensive Guide and Practical Insights 3) Implementation of e-invoicing in Malaysia 													

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
1.3	Matters reserved for the Board	<p>The Board has put in place internal guidelines for matters reserved for the Board's approval. Specifically, matters and transactions that require the Board's approval include, among others, the following:</p> <ul style="list-style-type: none"> • release of the quarterly and full year results announcements; • annual report and financial statements; • annual budgets and financial plans of the Company; • business, strategy and capital expenditure budgets; • convening of shareholders' meetings, circulars to shareholders and related announcements to be submitted to the SGX-ST; • overall corporate strategy and changes to the corporate structure; • acquisitions, investments and disposals of assets exceeding a certain threshold; • share issuances; • recommendation/declaration of dividends; • appointment of Directors and key executives, Company Secretary of the Company and terms of reference for the Board Committees; • review of Directors and key executives' performance and remuneration packages; • interested person transactions; • material regulatory matters or litigation; and • compliance matters associated with the Catalist Rules, Securities and Futures Act or other relevant laws and regulations.
1.4/Rule 406(3)(e) of the Catalist Rules	Board Committees	<p>To assist in the execution of its responsibilities, the Board is supported by three board committees, namely the Audit Committee ("AC"), Nominating Committee ("NC") and the Remuneration Committee ("RC") (collectively "Board Committees"). As the Board retains ultimate responsibility on all decisions, all matters discussed at the Board Committee meetings are presented and reported to the Board for approval prior to its implementation. The Board Committees function within clearly defined terms of reference and operating procedures, and play an important role in ensuring good corporate governance in the Company and within the Group. The terms of reference of the Board Committees are reviewed by the Board on a regular basis to enhance the effectiveness of these Board Committees. The terms of reference of the respective Board Committees, as well as other relevant information on the Board Committees, can be found in the subsequent sections of this Report.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation																				
1.4/Rule 406(3)(e) of the SGX-ST	Board Committees	<p>The compositions of the Board Committees as at the date of this Report are as follows:</p> <table border="1"> <thead> <tr> <th colspan="4">Table 1.4 – Composition of the Board Committees</th> </tr> <tr> <th></th> <th>AC⁽¹⁾</th> <th>NC⁽²⁾</th> <th>RC⁽³⁾</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>Mr Goh Kah Im</td> <td>Ms Anita Chew</td> <td>Mr Chew Wai Chuen</td> </tr> <tr> <td>Member</td> <td>Mr Chew Wai Chuen</td> <td>Mr Chew Wai Chuen</td> <td>Ms Anita Chew</td> </tr> <tr> <td>Member</td> <td>Ms Anita Chew</td> <td>Dato' Sri Ivan Chee</td> <td>Mr Loong Ching Hong</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) The AC comprised three (3) members, all of whom (including the Chairman) are independent.</p> <p>(2) The NC comprised three (3) members, the majority of whom (including the Chairman) are independent.</p> <p>(3) The RC comprised three (3) members, all non-executive and the majority of whom (including the Chairman) are independent.</p>	Table 1.4 – Composition of the Board Committees					AC⁽¹⁾	NC⁽²⁾	RC⁽³⁾	Chairman	Mr Goh Kah Im	Ms Anita Chew	Mr Chew Wai Chuen	Member	Mr Chew Wai Chuen	Mr Chew Wai Chuen	Ms Anita Chew	Member	Ms Anita Chew	Dato' Sri Ivan Chee	Mr Loong Ching Hong
Table 1.4 – Composition of the Board Committees																						
	AC⁽¹⁾	NC⁽²⁾	RC⁽³⁾																			
Chairman	Mr Goh Kah Im	Ms Anita Chew	Mr Chew Wai Chuen																			
Member	Mr Chew Wai Chuen	Mr Chew Wai Chuen	Ms Anita Chew																			
Member	Ms Anita Chew	Dato' Sri Ivan Chee	Mr Loong Ching Hong																			
1.5	Board and Board Committees meeting	<p>The Board will meet at least quarterly, and on an ad-hoc basis, if required, as deemed appropriate by the Board members, to review and discuss the performance of the Group, to approve the quarterly and full year results announcements as well as to oversee the business affairs of the Group. The calendar of all the Board and Board Committees meetings are scheduled in advance. The Board is free to seek clarification and information from the Management on all matters within their purview. Ad-hoc meetings are convened as may be necessary to address any specific significant matters that may arise. The Constitution of the Company and terms of reference for each individual Board Committee allow the Directors to participate in Board and Board Committees meetings to be held by means of telephonic, video conferencing or other communication facilities to communicate with each other simultaneously and instantaneously. Important matters concerning the Group are also put to the Board for its decision by way of written resolutions.</p>																				

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation																																																																											
		<p>During FY2025, the number of Board and Board Committee meetings held and the attendance of each Board member at such meetings are set out below:</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th rowspan="2">Board</th> <th colspan="3">Board Committees</th> <th rowspan="2">Annual General Meeting</th> </tr> <tr> <th>AC</th> <th>NC</th> <th>RC</th> </tr> </thead> <tbody> <tr> <td>Number of meetings held</td> <td>4</td> <td>4</td> <td>1</td> <td>2</td> <td>1</td> </tr> <tr> <td>Directors in service as at 28 February 2025</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Mr Chew Wai Chuen</td> <td>4</td> <td>4</td> <td>1</td> <td>2</td> <td>√</td> </tr> <tr> <td>Dato' Sri Ivan Chee</td> <td>4</td> <td>3*</td> <td>1</td> <td>1*</td> <td>√</td> </tr> <tr> <td>Mr Ng Mun Fey</td> <td>4</td> <td>4*</td> <td>–</td> <td>–</td> <td>√</td> </tr> <tr> <td>Mr Edmund Chee</td> <td>4</td> <td>4*</td> <td>–</td> <td>–</td> <td>√</td> </tr> <tr> <td>Mr Goh Kah Im</td> <td>4</td> <td>4</td> <td>–</td> <td>–</td> <td>√</td> </tr> <tr> <td>Ms Anita Chew</td> <td>4</td> <td>4</td> <td>1</td> <td>2</td> <td>√</td> </tr> <tr> <td>Ms Teh Lip Kim</td> <td>4</td> <td>–</td> <td>–</td> <td>–</td> <td>√</td> </tr> <tr> <td>Mr Loong Ching Hong</td> <td>4</td> <td>–</td> <td>–</td> <td>2</td> <td>√</td> </tr> <tr> <td>Ms Willa Chee</td> <td>4</td> <td>–</td> <td>–</td> <td>–</td> <td>√</td> </tr> </tbody> </table> <p>* By invitation</p>		Board	Board Committees			Annual General Meeting	AC	NC	RC	Number of meetings held	4	4	1	2	1	Directors in service as at 28 February 2025						Mr Chew Wai Chuen	4	4	1	2	√	Dato' Sri Ivan Chee	4	3*	1	1*	√	Mr Ng Mun Fey	4	4*	–	–	√	Mr Edmund Chee	4	4*	–	–	√	Mr Goh Kah Im	4	4	–	–	√	Ms Anita Chew	4	4	1	2	√	Ms Teh Lip Kim	4	–	–	–	√	Mr Loong Ching Hong	4	–	–	2	√	Ms Willa Chee	4	–	–	–	√
	Board	Board Committees			Annual General Meeting																																																																								
		AC	NC	RC																																																																									
Number of meetings held	4	4	1	2	1																																																																								
Directors in service as at 28 February 2025																																																																													
Mr Chew Wai Chuen	4	4	1	2	√																																																																								
Dato' Sri Ivan Chee	4	3*	1	1*	√																																																																								
Mr Ng Mun Fey	4	4*	–	–	√																																																																								
Mr Edmund Chee	4	4*	–	–	√																																																																								
Mr Goh Kah Im	4	4	–	–	√																																																																								
Ms Anita Chew	4	4	1	2	√																																																																								
Ms Teh Lip Kim	4	–	–	–	√																																																																								
Mr Loong Ching Hong	4	–	–	2	√																																																																								
Ms Willa Chee	4	–	–	–	√																																																																								
	Multiple board representation	Directors with multiple Board representations would ensure that sufficient time and attention are given to the affairs of the Company.																																																																											
1.6	Board information	The Management provides the Board with key information that is complete, adequate and in advance to enable the Directors to make timely decisions, effectively discharge their duties and make a balanced and informed assessment of the performance, position and prospects of the Company. Key information comprises, among others, properly organised board papers (with background or explanatory information relating to the matters brought before the Board, where necessary), updates to Group operations and the markets in which the Group operates, budgets and/or forecasts, management accounts, EA reports and reports on on-going or planned corporate actions. Where the situation requires, Directors are entitled to request for additional information from Management and such information are provided to the Directors in a timely manner.																																																																											

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
1.7	Board's access	<p>The Board has separate and independent access to the Senior Management team, external advisers (where necessary) and the Company Secretary at all times.</p> <p>The Company Secretary and/or her representative(s) attend all Board and Board Committees meetings. The responsibilities of the Company Secretary include advising the Board on governance matters, facilitating the process of appointment of new Directors and assisting the Chairman of the Board in ensuring information flows within the Board and its Board Committees and between the Management and the Directors. The Company Secretary will also provide the Board with updates to regulations and legislations that the Company are required to comply with, as required. The appointment and removal of the Company Secretary is to be decided by the Board as a whole.</p> <p>Where decisions to be taken by the Board require specialised knowledge or expert opinion, the Directors may direct the Company to appoint external advisers to enable the Board and/or the Independent Directors to discharge the responsibilities effectively, the cost of which will be borne by the Company.</p>
<p>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</p>		
2.1 Rule 1204(10B) of the Catalist Rules	Board composition – independence and diversity	<p>As at the date of this report, the Company is in compliance with Provision 2 of Code 2018.</p> <p>The Board comprises 9 members, out of which three (3) are Executive Directors, three (3) are Independent Directors and three (3) are Non-Executive Non-Independent Directors. Non-Executive Directors make up majority of the Board.</p> <p>Mr Chew Wai Chuen – Chairman and Independent Director Dato' Sri Ivan Chee – Executive Director and CEO Mr Ng Mun Fey – Executive Director and COO Mr Edmund Chee – Executive Director Mr Goh Kah Im – Independent Director Ms Anita Chew – Independent Director Ms Teh Lip Kim – Non-Executive and Non-Independent Director Mr Loong Ching Hong – Non-Executive and Non-Independent Director Ms Willa Chee – Non-Executive and Non-Independent Director</p> <p>The Chairman of the Board (the “Chairman”) is an Independent Director and not part of the Management team. The Chairman and the CEO are also not immediate family members nor related.</p> <p>The Board assesses the independence of each Director in accordance with the guidance provided in Code 2018 as well as Rule 406(3)(d) of the Catalist Rules. An Independent Director is one who is independent in conduct, character and judgement and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his/her independent business judgement in the best interests of the Company.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>On an annual basis, each Independent Director is required to complete a "Confirmation of Independence" form to confirm his/her independence. The said form was drawn up based on the definitions and guidelines set forth in the Code 2018. The Directors are required to disclose to the Board any such relationship as and when it arises and the Board will state the reasons if it determines that a director is independent notwithstanding the existence of a relationship or circumstances which may appear relevant to the Board's determination.</p> <p>The NC will also examine the different relationships identified by Code 2018 that might impair each Independent Director's independence and objectivity and concluded that all the Independent Directors are able to exercise independent business judgement in the best interests of the Company and its shareholders.</p> <p>The Independent Directors have confirmed their independence in accordance with the Code 2018 and Rule 406(3)(d) of the Catalist Rules.</p> <p>As at the date of this Report, the NC has reviewed the independence status of the Independent Directors and is satisfied that Mr Chew Wai Chuen, Mr Goh Kah Im and Ms Anita Chew are independent in accordance with the Provision 2.1 of the Code 2018 and Rule 406(3)(d) of the Catalist Rules.</p> <p>There is no Director who is deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code 2018 that would otherwise deem him not to be independent. There is currently no Independent Director who has served on the Board for more than nine years.</p>
2.2	Independent Directors	As the Chairman of the Board is independent, the Company need not comply with Provision 2.2 of the Code 2018. The Company has three (3) Independent Directors.
2.3	Non-Executive Directors	To facilitate a more effective review of Management, the Non-Executive Directors will communicate on an ad-hoc basis without the presence of the Management and Executive Directors to discuss the performance of the Management and any matters of concern. The current Board composition complies with Provision 2.3 of the Code 2018 where Non-Executive Directors make up a majority of the Board.
2.4	Board size and diversity	The size and composition of the Board is reviewed at least annually to ensure that the Board has the appropriate mix of expertise, skills, knowledge, experience and gender diversity for effective decision-making. The Board, in concurrence with the NC, is of the view that the current number of nine (9) Directors and the composition are appropriate and effective, taking into consideration the scope and nature of the Company's operations. No individual or small group of individuals dominate the Board's decision-making.

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>The Board is committed to ensuring diversity on the Board including but not limited to appropriate balance and mix of skills, knowledge, experience, gender, age and the core competencies of accounting or finance, legal and regulatory, business or management experience, industry knowledge, and strategic planning to avoid groupthink and foster constructive debate.</p> <p>As at the date of this report, the Company has formalised and adopted a Board Diversity Policy (“Policy”) that addresses diversity in terms of experience, skills, gender, age, tenure, and qualities, as well as any other relevant aspects of diversity. The Policy also sets out the approach which the Company takes towards diversity on its Board. The Company believes in diversity and values the benefits diversity can bring to the Board in its deliberations and the Board’s effectiveness – in particular, it believes that a balance and mix of skills, experiences and individual attributes of Board members which shape the composition and promote the effectiveness of the Board as a whole and that of the Board committees, will support the Company’s achievement of strategic objectives and long-term sustainable development and success.</p> <p>The Board observes and applies the Policy to ensure that the Board will have an appropriate level of diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company. In this regard, the Board, supported by the NC, encourages the emergence of diverse candidates by ensuring that the Board is made up of a diversity of candidates (including consideration of a diversity of skills, knowledge, experience, gender, ethnicity and age).</p> <p>The current Board comprises three (3) female Directors and six (6) male Directors with an age group ranging from 25 to 59 years old. Female Directors represent 33.3% of the Board. Each director has been appointed based on the strength of his or her calibre, experience, grasp of corporate strategy and potential to contribute to the Company and its businesses. The Board provides diversity of expertise and knowledge in areas such as accounting, finance, strategic planning, investment, business management and administration, industry knowledge, engineering technology and economics. This diversity facilitates constructive debate on the business activities of the Company and enables Management to benefit from a diverse and objective set of perspectives on issues that are brought before the Board. The Board, in concurrence of the NC, is of the view that the current Directors possess the necessary competencies to provide the Management with a diverse and objective perspective on issues so as to lead and govern the Company effectively.</p> <p>In line with the Board Diversity Policy, the Board has met its objectives in ensuring a diverse of skills and experience given that the existing Board members comprises Directors with a mix of expertise and knowledge and diverse background. The Company has also met its objectives in ensuring a diversity of age and gender on the Board.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>The Board will seek to incorporate further diversity aspects as and when the opportunity and/or need arises, instead of adhering to a fixed timeline for diversity targets. The Board will ensure that it has the flexibility to improve its diversity without compromising board efficiency. The NC will deliberately determine, from time to time, the results of its review on rejuvenating and refreshing the Board composition in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors, bearing in mind the salient factors set out under the provisions in the Code as well as all other relevant circumstances.</p> <p>As at the date of this Report, the Board, taking into account the views of the NC, considers that the current composition of the Board and Board committees comprise a balance and mix of skills, experiences and individual attributes which promote the effectiveness of the Board as a whole and that of its Board committees. During the financial year under review, the Board has maintained its policy, in relation to skills & experiences, gender, age and tenure diversity of the Directors.</p> <p>The key information of the Directors, including their appointment dates, academic and professional qualifications, Board Committees served on, principal commitment(s) and directorships in other listed company(ies) are set out on pages 99 to 105 of this Annual Report.</p>
2.5	Regular meetings for Independent and Non-Executive Directors	<p>Where appropriate, the Independent and Non-Executive Directors meet periodically without the presence of the Executive Directors to discuss concerns or matters such as the effectiveness of the Management and provides feedback to the Board and/or Chairman of the Board, as appropriate, after such meetings.</p> <p>During FY2025, the Independent Directors met at least once in the absence of Key Management Personnel.</p> <p>Independent Directors fulfil a pivotal role in corporate accountability. Their presence is particularly important as they provide unbiased and independent views, advice and judgement to take care of the interests, not only of the Company but also of the shareholders, employees, customers, suppliers and the many communities with which the Company conducts business with.</p>
<p>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</p>		
3.1 3.2 3.3	The Chairman and CEO are separate persons	<p>Mr Chew Wai Chuen is the Chairman of the Board and Dato Sri Ivan Chee is the CEO of the Company. As the Chairman and the CEO are separate persons, with the Chairman being independent, the Company does not have a lead independent director.</p> <p>Mr Chew Wai Chuen and Dato' Sri Ivan Chee are not related to each other and do not have any business relationship between them.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>The roles of the Chairman and the CEO are separate and distinct, each having their own areas of responsibilities. The distinctive separation of responsibilities between the Chairman and the CEO had ensured an appropriate balance of power, increased accountability and greater capacity for the Board to exercise independent decision-making. There is a clear division of responsibilities, as set out in writing and agreed by the Board, between the leadership of the Board and the executives responsible for managing the Company's business.</p> <p>The Chairman is responsible for ensuring the effectiveness and integrity of the governance process. He exercises control over the quality, quantity and timeliness of information flow between the Board and the Management and effective communication with the shareholders. His responsibilities in respect of the Board proceedings include:</p> <ul style="list-style-type: none"> (a) in consultation with the CEO, setting the agenda (with the assistance of the Company Secretary) and ensuring that adequate time is available for discussion of all agenda items; (b) ensuring that all agenda items are adequately and openly debated at the Board meetings; (c) ensuring that all Directors receive complete, adequate and timely information; and (d) assisting in ensuring that the Group complies with the Code of Corporate Governance and maintains high standards of corporate governance. <p>The CEO is responsible for the overall management, operations, strategic planning and business expansion of the Group. He oversees the execution of the Group's corporate and business strategies and the day-to-day operations of the Group. His performance and appointment to the Board will be reviewed by the NC and his remuneration package is reviewed by the RC periodically.</p> <p>The Board is of the view that there is a clear division of responsibilities between the Independent Chairman and the CEO in order to ensure that there is an appropriate balance of power, increased accountability and sufficient capacity of the Board for independent decision making.</p>
<p>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</p>		
4.1	Nominating Committee role	<p>The NC is guided by key terms of reference as follows:</p> <ul style="list-style-type: none"> (a) to review the structure, size and composition of the Board and the Board committees; (b) to review the succession plans for the Chairman of the Board, the CEO, COO and key management personnel of the Company;

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>(c) to propose and implement objective performance criteria to be used in the assessment of the performance of the Board, the Board committees and each individual Director;</p> <p>(d) to review the training and professional development programmes for the Board;</p> <p>(e) to make recommendations to the Board on the appointment and re-appointment of all Directors (including alternate directors, if applicable) including making recommendations on the composition of the Board and the balance between Executive and Non-Executive Directors appointed to the Board;</p> <p>(f) to review and assess the independence of each Director; and</p> <p>(g) deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly when he has multiple board representations and/or a conflict of interest.</p>
4.2	Nominating Committee composition	<p>The Board has established the NC that comprises two (2) Independent Directors and one (1) Executive Director who have been tasked with the authority and responsibility to devise an appropriate process to review and evaluate the performance of the Board as a whole and each of the Board Committees. As at the date of this CG Report, an appropriate process has been established and implemented. The Chairman of the NC is Ms Anita Chew, who is an Independent Director.</p> <p>The composition of the NC is as follows:</p> <p>Ms Anita Chew – Chairman Mr Chew Wai Chuen – Member Dato' Sri Ivan Chee – Member</p>
4.3 4.4 Rule 720(4) of the Catalist Rules	Director appointment and re-appointment	<p>The NC conducts an annual review of the balance, diversity and size of the Board to determine whether any changes are required in relation to the Board composition. Where new directors are required, the NC will identify the key attributes that an incoming director should have, which is based on a matrix of the attributes of the existing Board and the requirements of the Group. After the Board endorsed the key attributes, the NC taps on the resources of the Directors' contacts and/or engage external consultants to source for potential candidates. The NC will review and shortlist candidates and provide a recommendation for Board approval.</p> <p>The NC also conducts an annual review of the independence of a director having regard to the circumstances set forth in Provision 2.1 of the Code 2018 and Rule 406(3)(d) of the Catalist Rules. Sufficient information will accompany all resolutions for the Directors' appointments and re-appointments to enable the Board to make informed decisions.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>Pursuant to Rule 720(4) of the Catalist Rules, all Directors must submit themselves for re-nomination and re-appointment at least once every three (3) years. Pursuant to Regulation 98 of the Company's Constitution, at each AGM, at least one-third of the Directors for the time being, or if their number is not three or multiple of three, then the number nearest to one-third but not less than one-third shall retire by rotation and that all Directors shall retire at least once every three years and such retiring Director shall be eligible for re-election. In addition, pursuant to Regulation 97 of the Company's Constitution, new Directors appointed during the financial year, either to fill a casual vacancy or as an additional Director, are required to submit themselves for re-election at the next AGM.</p> <p>Accordingly, the NC has recommended to the Board that Mr Chew Wai Chuen, Mr Ng Mun Fey and Ms Teh Lip Kim ("Retiring Directors") be nominated for re-election at the forthcoming AGM. Pursuant to Regulation 98, the Retiring Directors have offered themselves for re-election at the forthcoming AGM.</p> <p>The Board had accepted the NC's recommendation. Please refer to the Notice of AGM for the resolutions put forth in relation to the respective re-elections and details of the Retiring Directors including the information required under Appendix 7F of the Catalist Rules disclosed in pages 99 to 105 of this Annual Report.</p> <p>Mr Chew Wai Chuen will, upon re-election as a Director, remain as an Independent Director, the Chairman of the Board and the RC, and a member of the AC and NC of the Company. The Board, with the concurrence of the NC, has also considered Mr Chew Wai Chuen to be independent for the purposes of Rule 704(7) of the Catalist Rules.</p> <p>Mr Ng Mun Fey will, upon re-election as a Director, remain as the Executive Director and Chief Operating Officer of the Company.</p> <p>Ms Teh Lip Kim will, upon re-election as a Director, remain as a Non-Executive and Non-Independent Director of the Company.</p> <p>Mr Chew Wai Chuen, being a member of the NC, has abstained from making any recommendation and/or participating in any deliberation of the NC in respect of the assessment of his own contributions and/or re-election as a Director.</p>
4.5	Multiple Directorships	<p>The NC is responsible for reviewing the ability of Directors to devote sufficient time and attention to the affairs of the Company and in particular to take into account multiple directorships and significant principal commitments held by the Directors.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>The NC requires each Director to declare any new additional directorships or significant principal commitments during the year to enable the ongoing monitoring of the time commitment, attendance and contributions of the Directors to the Company. The Board has not imposed any limit as it is of the view that the number of directorships and principal commitments that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors. The NC also does not wish to omit from considering outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as members of the Board.</p> <p>In FY2025, only one (1) of the Directors hold more than two (2) but not more than five (5) directorships in other listed companies.</p> <p>Based on its assessment, the NC and the Board concluded that the nature of the organisations in which the Directors with multiple directorships hold appointments and the Board Committees on which they serve are of different complexities. Accordingly, each Director would personally determine the demands of his/her competing directorships and obligations and assess the number of listed directorships they could hold and serve effectively.</p> <p>During FY2025, all the Directors and Board Committee members had also attended all Board and Board Committees meetings respectively. Please refer to the Directors' meeting attendance at page 70. Overall, they have dedicated sufficient time and attention and also discharged their responsibilities towards the affairs of the Company.</p> <p>The NC is satisfied that the other directorships and principal commitments of the Directors did not impede their respective performance nor hindered them from carrying out their duties as Directors of the Company and each of them is able to and has diligently and adequately carried out his/her duties as a Director of the Company since their appointments.</p> <p>The key information of the Directors, including their appointment dates, academic and professional qualifications, Board Committees served on, principal commitment(s) and directorships in other listed company(ies) are set out on pages 99 to 105 of this Annual Report.</p>
Practice Guidance 4	Alternate Directors	The Company does not have any alternate Directors.
Board Performance <i>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</i>		
5.1	Performance criteria and process for evaluation of the effectiveness of the Board	As recommended by Provision 5.1 of Code 2018, the NC has implemented a self-assessment process that requires each Director to assess the performance and effectiveness of the Board as a whole, and each of the Board Committees and for assessing the contribution by the Chairman and each individual Directors to the effectiveness of the Board, for each financial year.

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
5.2	<p>Disclosure of assessment of the Board, Board Committees and each Director</p>	<p>The Board assessment questionnaire has been developed for the Board to implement a formal annual process for assessing the effectiveness of the Board as a whole and the contribution of each of the Board Committees and each individual Director to the effectiveness of the Board.</p> <p>The Company Secretary will collate the results and the summary of the assessment will be presented to the Chairman of the Board and the NC for review and collective discussion with other Board members to address or recommend any areas for improvement and follow-up actions. The appraisal process focuses on a set of performance criteria for the Board, Board Committees and individual Directors' assessment which includes the evaluation of the size and composition of the Board, the Board's access to information, the Board processes and accountability, Board performance in relation to discharging its principal responsibilities, communication with Key Management Personnel and the Directors' standards of conduct.</p> <p>The NC makes recommendations to the Board aimed at helping the Board to discharge its duties effectively. The Chairman of the Board acts on the results of the performance evaluation and the recommendation of the NC, and where appropriate, in consultation with the NC, new members may be appointed or resignation of directors may be sought. The NC has full authority to engage an external facilitator to assist the NC to carry out the evaluation process, if the need arises.</p> <p>The NC has reviewed the overall performance of the Board, Board Committees and individual Director for FY2025 and is satisfied that the Board as a whole and Board Committees have met the performance evaluation criteria and objectives and each Director has contributed effectively and demonstrated commitment to their respective roles, including commitment of time for the Board and Board Committee meetings and any other duties in FY2025.</p> <p>All NC members have abstained from the voting or review process of any matters in connection with the assessment of his/her performance or re-appointment as a Director of the Company.</p> <p>The Board has considered the use of external facilitators and it is of the view that there was no need to engage an external facilitator for FY2025 as the NC has a sufficient level of objectivity in its evaluation process.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
REMUNERATION MATTERS Procedures for developing remuneration policies <i>Principle 6: There should be 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</i>		
6.1	Remuneration Committee role	<p>The RC is established for the purposes of ensuring that there is a formal and transparent process for fixing the remuneration packages of individual Directors and key executives and makes recommendations to the Board on all remuneration matters. The RC has a formal set of terms of reference approved by the Board. A summary of the RC's key responsibilities includes:</p> <ul style="list-style-type: none"> (a) reviewing and recommending to the Board a comprehensive remuneration policy framework and guidelines for remuneration of the Directors and Key Management Personnel; (b) periodic review and recommending to the Board the specific remuneration packages for each individual Director and Key Management Personnel to maintain attractiveness, retain and motivate Directors and Key Management Personnel to manage the Company with the alignment of the level and structure of remuneration with the long-term interest and risk policies of the Company; (c) reviewing the Company's obligations arising in the event of termination of the Executive Directors' and Key Management Personnel's contracts of services to ensure that such contracts contain fair and reasonable termination clauses which are not overly generous, with a view to being fair and avoiding the reward of poor performance; (d) implement and administer any share incentive scheme(s) adopted by the Company in accordance with the rules of such scheme; and (e) review and approve the granting of share options and/or performance shares to Directors and employees.
6.2	Remuneration Committee composition	<p>The Board has established the RC that comprises two (2) Independent Directors and one (1) Non-Executive Director who have been tasked with the authority and responsibility to determine and recommend Directors and Key Management Personnel's remuneration packages for the Board's consideration and approval.</p> <p>The Chairman of the RC is Mr Chew Wai Chuen, who is an Independent Director.</p> <p>The composition of the RC is as follows:</p> <p>Mr Chew Wai Chuen – Chairman Ms Anita Chew – Member Mr Loong Ching Hong – Member</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
6.3	Termination clauses	<p>The RC reviews and considers all aspects of remuneration including termination terms, to ensure they are fair and not overly generous.</p> <p>Termination clauses are included in the service agreements for Directors and Key Management Personnel. The RC has reviewed and recommended to the Board and the Board concurred that the termination clauses are fair and reasonable, and are not overly generous. There was no termination of any Directors and Key Management Personnel during FY2025.</p>
6.4	Remuneration experts	<p>The RC has access to expert professional advice on human resource matters whenever there is a need to consult externally. In its deliberations, the RC takes into consideration industry practices and norms in compensation, in addition to the Group's relative performance to the industry and the performance of the individual Directors.</p> <p>The Company has not engaged any remuneration consultants for FY2025 and will continue to monitor the need to engage external remuneration consultants going forward and where applicable, will review the independence of the external firm before any engagement.</p>
<p>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</p>		
7.1 7.3	Remuneration framework	<p>The Company advocates a performance-based remuneration system for Executive Directors and Key Management Personnel that is flexible and responsive to the market, comprising a base salary and other fixed allowances, as well as variable performance bonus structured so as to link rewards to the sustainable performance and value creation of the Company.</p> <p>Our Executive Director and CEO, Dato' Sri Ivan Chee, is entitled to receive an annual incentive bonus of a sum calculated based on the consolidated audited profit before income tax (before non-recurring exceptional items and minority interests for the relevant financial year) of the Group, subject to the terms and conditions in his Service Agreement. Key Management Personnel are entitled to a variable performance bonus calculated based on the enterprise value added framework which measures value creation by Key Management Personnel taking into consideration the Company's cost of working capital.</p> <p>Save for the above and the ESOS as defined below under "Long-term incentives", there are no bonus or profit sharing plans or any other profit-linked agreements or arrangements between the Company and any of the Directors or Key Management Personnel.</p> <p>In determining such remuneration packages, the RC will ensure that they are adequate by considering, in consultation with the Chairman of the Board, the respective individual's responsibilities, skills, expertise and contribution to the Company's performance, and whether they are competitive and sufficient to ensure that the Company is able to attract and retain the best available executive talent, without being excessively generous and be able to motivate the Directors to provide good stewardship of the Company and Key Management Personnel to successfully manage the Company for the long term.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
	Long-term incentives	<p>The Company has also adopted the Fortress Employee Share Option Scheme (“ESOS”). The ESOS had been approved by the Shareholders at the general meeting of the Company held on 20 February 2019. The objectives of the ESOS include retention of key employees of the Group whose contributions are essential to the long-term growth and profitability of the Group, instilling loyalty and a stronger identification by participants with the long-term goals of the Company and attraction of potential employees with relevant skills to contribute to our Group creating value for the shareholders so as to align the interests of participants to the interests of the shareholders. Under the ESOS, the aggregate number of shares to be issued shall not exceed 15% of the total issued share capital (excluding treasury shares and subsidiary holdings) and will be in force for a maximum period of ten (10) years commencing from 20 February 2019.</p> <p>The selection of a participant and the number of shares to be granted in accordance to the ESOS is determined in the absolute discretion of the RC, taking into consideration criteria such as his/her rank, job performance during the performance period, potential for future development, his/her future contribution to the success and development of the Group and the extent of effort to achieve the performance target(s) within the performance period. Controlling Shareholders of the Group are not eligible to participate in the ESOS.</p> <p>No share options have been granted pursuant to the ESOS since its adoption and as at the date of issuance of this Annual Report.</p>
7.2	Non-Executive Director remuneration	<p>The RC has adopted a framework which consists of a base fee to remunerate Independent Directors, and Non-Executive and Non-Independent Directors based on their appointments and roles in the respective Board Committees, taking into account the level of contribution and factors such as effort, time spent and responsibilities and the fees paid by comparable companies. Directors’ fees to be paid to the Independent Directors, and Non-Executive and Non-Independent Directors will be tabled for shareholders’ approval. The Directors’ fees are reviewed annually to ensure that the Independent Directors are not overcompensated to the extent that their independence may be compromised.</p>
	Contractual provisions to reclaim incentives	<p>The Company does not have and is of the view that there is presently no urgent need to initiate any contractual provisions in the terms of employment that allow for the reclaiming of incentive components from the Executive Directors and Key Management Personnel in the exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. The Executive Directors and Key Management Personnel owe fiduciary duties to the Company. Furthermore, the Company believes that there are alternative legal avenues to these specific contractual provisions that will enable the Company to recover financial losses arising from such exceptional events from the Executive Directors and Key Management Personnel.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
<p>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</p>		
<p>8.1</p>	<p>Company's remuneration policy and criteria for setting remuneration</p>	<p>The Group's remuneration policy (which covers all aspects of remuneration, including directors' fees, salaries, allowances and bonuses, grant of share options, and benefits-in-kind) is to ensure that the remuneration offered is competitive and sufficient to attract, retain and motivate Directors and Key Management Personnel of the required experience and expertise. The policy articulates to staff the link that total compensation has to the achievement of organisational and individual performance objectives, and benchmarked against relevant and comparative compensation in the market or the industry.</p> <p>The remuneration package of Key Management Personnel comprises a base fixed cash component, including the base salary and compulsory employer contribution to the Key Management Personnel's employee pension funds account, and a variable cash component. The variable cash component is dependent on a Key Management Personnel's ability to achieve the performance targets, both personal and that of the Group. This aligns the compensation of Key Management Personnel with that of the shareholders in terms of value creation. Key performance indicators for Key Management Personnel are aligned to the interests and value creation to all stakeholders.</p> <p>Though the ESOS is in place, the Company had not granted share options to any employees and Directors under the ESOS since its adoption.</p> <p>The Board believes that the current remuneration framework allows the Company to attract sufficiently qualified talent.</p> <p>Dato' Sri Ivan Chee, the Executive Director and CEO of the Company, has a service agreement with the Company for an initial period of three (3) years with effect from 28 February 2019. The service agreement is automatically renewed for a further two (2) years on the same terms upon expiry unless terminated in accordance with the provisions of the service agreement.</p> <p>The payment of Directors' fees to the Executive Directors was endorsed by the RC on the basis that apart from contributing their time and commitment significantly since the listing of the Company, towards managing the business operations of the Company, at the same time, the Executive Directors have and are expected to perform and undertake the same level of directorial duties and responsibilities that are expected from the Independent and Non-Executive Directors of the Company. The RC is of the view that the payment of the Directors' fees to the Executive Directors is fair and reflective of the duties, responsibilities and the amount of work performed and are expected to be performed by each of them.</p> <p>The Board has recommended the aggregate Directors' fees of S\$658,000 for FY2025 which will be tabled for approval by Shareholders at the forthcoming AGM.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation																																																		
8.1(a) and 8.3	A breakdown showing the level and mix of each Director's and Key Management Personnel's remuneration	<p>A breakdown (in absolute amounts), showing the level and mix of each individual Director's remuneration for FY2025 is as follows:</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Salary and statutory contributions (S\$)*</th> <th>Bonus & variable performance bonus (S\$)*</th> <th>Benefits-in-kind (S\$)*</th> <th>Directors' fee (S\$)</th> </tr> </thead> <tbody> <tr> <td>Mr Chew Wai Chuen</td> <td>–</td> <td>–</td> <td>–</td> <td>90,000</td> </tr> <tr> <td>Dato' Sri Ivan Chee</td> <td>1,769,323</td> <td>2,525,208</td> <td>8,459</td> <td>72,000</td> </tr> <tr> <td>Mr Ng Mun Fey</td> <td>299,969</td> <td>206,635</td> <td>7,235</td> <td>66,000</td> </tr> <tr> <td>Mr Edmund Chee</td> <td>43,123</td> <td>4,531</td> <td>–</td> <td>66,000</td> </tr> <tr> <td>Mr Goh Kah Im</td> <td>–</td> <td>–</td> <td>–</td> <td>76,000</td> </tr> <tr> <td>Ms Anita Chew</td> <td>–</td> <td>–</td> <td>–</td> <td>84,000</td> </tr> <tr> <td>Ms Teh Lip Kim</td> <td>–</td> <td>–</td> <td>–</td> <td>66,000</td> </tr> <tr> <td>Mr Loong Ching Hong</td> <td>–</td> <td>–</td> <td>–</td> <td>72,000</td> </tr> <tr> <td>Ms Willa Chee</td> <td>–</td> <td>–</td> <td>–</td> <td>66,000</td> </tr> </tbody> </table> <p>*An exchange rate of S\$1.00 to RM3.3102 is applied.</p> <p>The RC recommends Directors' fees for the Board's endorsement and approval by shareholders at the Company's AGM and the fees are determined having regard to the scope and extent of the responsibilities and obligation to the Company. Directors' fees will be paid after approval is obtained from shareholders at the AGM.</p> <p>No Director is involved in deciding his/her own remuneration. Each RC member has abstained from participating in the deliberations of and voting on any resolution in respect of his/her remuneration package or that of employees related to him/her.</p> <p>The RC recommends Directors' fees for the Board's endorsement and approval by shareholders at the Company's AGM and the fees are determined having regard to the scope and extent of the responsibilities and obligation to the Company. Directors' fees will be paid after approval is obtained from shareholders at the AGM.</p> <p>No Director is involved in deciding his/her own remuneration. Each RC member has abstained from participating in the deliberations of and voting on any resolution in respect of his/her remuneration package or that of employees related to him/her.</p>	Name	Salary and statutory contributions (S\$)*	Bonus & variable performance bonus (S\$)*	Benefits-in-kind (S\$)*	Directors' fee (S\$)	Mr Chew Wai Chuen	–	–	–	90,000	Dato' Sri Ivan Chee	1,769,323	2,525,208	8,459	72,000	Mr Ng Mun Fey	299,969	206,635	7,235	66,000	Mr Edmund Chee	43,123	4,531	–	66,000	Mr Goh Kah Im	–	–	–	76,000	Ms Anita Chew	–	–	–	84,000	Ms Teh Lip Kim	–	–	–	66,000	Mr Loong Ching Hong	–	–	–	72,000	Ms Willa Chee	–	–	–	66,000
Name	Salary and statutory contributions (S\$)*	Bonus & variable performance bonus (S\$)*	Benefits-in-kind (S\$)*	Directors' fee (S\$)																																																
Mr Chew Wai Chuen	–	–	–	90,000																																																
Dato' Sri Ivan Chee	1,769,323	2,525,208	8,459	72,000																																																
Mr Ng Mun Fey	299,969	206,635	7,235	66,000																																																
Mr Edmund Chee	43,123	4,531	–	66,000																																																
Mr Goh Kah Im	–	–	–	76,000																																																
Ms Anita Chew	–	–	–	84,000																																																
Ms Teh Lip Kim	–	–	–	66,000																																																
Mr Loong Ching Hong	–	–	–	72,000																																																
Ms Willa Chee	–	–	–	66,000																																																

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation																				
8.1(b) and 8.3	Remuneration of top 5 key management personnel (who are not directors or CEO)	<p>As at the date of this Report, the Company has only one (1) top Key Management Personnel i.e. the Financial Controller (“FC”). The disclosure for the remuneration of the Company’s Key Management Personnel (who are not Directors or the CEO) for FY2025 is as follows:</p> <table border="1"> <thead> <tr> <th colspan="5"><i>Table 8.1(b) – Remuneration of Key Management Personnel</i></th> </tr> <tr> <th>Name</th> <th>Base/Fixed Salary and Statutory Contributions (%)</th> <th>Variable or Performance Related Income/Bonuses (%)</th> <th>Benefits In-Kind (%)</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td colspan="5">Remuneration Band below S\$250,000</td> </tr> <tr> <td>Fionne Chua</td> <td>76</td> <td>24</td> <td>–</td> <td>100</td> </tr> </tbody> </table> <p>The Company believes that it should not disclose the remuneration paid to Key Management Personnel in absolute amount due to the highly competitive market and in the interest of maintaining good morale and building team work within the Group.</p> <p>For the same reason above, as there is only one (1) top Key Management Personnel, the aggregate total remuneration paid to the Key Management Personnel for FY2025 will not be disclosed.</p> <p>There were no termination, retirement and post-employment benefits granted to Directors and Key Management Personnel during FY2025.</p>	<i>Table 8.1(b) – Remuneration of Key Management Personnel</i>					Name	Base/Fixed Salary and Statutory Contributions (%)	Variable or Performance Related Income/Bonuses (%)	Benefits In-Kind (%)	Total	Remuneration Band below S\$250,000					Fionne Chua	76	24	–	100
<i>Table 8.1(b) – Remuneration of Key Management Personnel</i>																						
Name	Base/Fixed Salary and Statutory Contributions (%)	Variable or Performance Related Income/Bonuses (%)	Benefits In-Kind (%)	Total																		
Remuneration Band below S\$250,000																						
Fionne Chua	76	24	–	100																		
8.2	Remuneration of employees who are substantial shareholders, immediate family members of Director, CEO or substantial shareholder	<p>Ms Willa Chee, the daughter of our Executive Director and CEO, Dato’ Sri Ivan Chee, is a Non-Executive and Non-Independent Director of the Company.</p> <p>Mr Yeow Boon Ban, the brother-in-law of our Executive Director and CEO, Dato’ Sri Ivan Chee, is a maintenance manager of Fortress Shared Services Sdn Bhd, the wholly owned subsidiary of the Company.</p> <p>Mr Tan Seng Kim, the brother-in-law of our Executive Director and CEO, Dato’ Sri Ivan Chee, is a person responsible for license (“OBTL”) and radiation protection officer (“RPO”) of Fortress Mining Sdn Bhd, the wholly owned subsidiary of the Company.</p> <p>Ms Chee Sook Ping, the sister of our Executive Director and CEO, Dato Sri Ivan Chee, is a Director of Fortress Resources Pte Ltd, a wholly-owned subsidiary of the Company.</p> <p>Mr Edmund Chee, the son of our Executive Director and CEO, Dato’ Sri Ivan Chee, is an Executive Director of the Company and the IT Transformation Director of Fortress Shared Services Sdn Bhd, a wholly-owned subsidiary of the Company.</p>																				

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation																		
		<table border="1"> <thead> <tr> <th colspan="2"><i>Table 8.2 – Remuneration of Related Employees</i></th> </tr> <tr> <th>Name</th> <th>Relationship</th> </tr> </thead> <tbody> <tr> <td colspan="2">Remuneration Band S\$100,001 to S\$150,000</td> </tr> <tr> <td>Mr Yeow Boon Ban</td> <td>Brother-in-law of Dato' Sri Ivan Chee, the Executive Director and CEO</td> </tr> <tr> <td>Mr Edmund Chee Ji Kang</td> <td>Son of Dato' Sri Ivan Chee, the Executive Director and CEO</td> </tr> <tr> <td colspan="2">Remuneration Band below S\$100,000</td> </tr> <tr> <td>Mr Tan Seng Kim</td> <td>Brother-in-law of Dato' Sri Ivan Chee, the Executive Director and CEO</td> </tr> <tr> <td>Ms Chee Sook Ping</td> <td>Sister of Dato' Sri Ivan Chee, the Executive Director and CEO</td> </tr> <tr> <td>Ms Willa Chee Keng Fong</td> <td>Daughter of Dato' Sri Ivan Chee, the Executive Director and CEO</td> </tr> </tbody> </table> <p>Save as disclosed, there is no employee of the Group who is a substantial shareholder, or an immediate family member of a Director, CEO or substantial shareholder who are paid more than S\$100,000 during FY2025.</p>	<i>Table 8.2 – Remuneration of Related Employees</i>		Name	Relationship	Remuneration Band S\$100,001 to S\$150,000		Mr Yeow Boon Ban	Brother-in-law of Dato' Sri Ivan Chee, the Executive Director and CEO	Mr Edmund Chee Ji Kang	Son of Dato' Sri Ivan Chee, the Executive Director and CEO	Remuneration Band below S\$100,000		Mr Tan Seng Kim	Brother-in-law of Dato' Sri Ivan Chee, the Executive Director and CEO	Ms Chee Sook Ping	Sister of Dato' Sri Ivan Chee, the Executive Director and CEO	Ms Willa Chee Keng Fong	Daughter of Dato' Sri Ivan Chee, the Executive Director and CEO
<i>Table 8.2 – Remuneration of Related Employees</i>																				
Name	Relationship																			
Remuneration Band S\$100,001 to S\$150,000																				
Mr Yeow Boon Ban	Brother-in-law of Dato' Sri Ivan Chee, the Executive Director and CEO																			
Mr Edmund Chee Ji Kang	Son of Dato' Sri Ivan Chee, the Executive Director and CEO																			
Remuneration Band below S\$100,000																				
Mr Tan Seng Kim	Brother-in-law of Dato' Sri Ivan Chee, the Executive Director and CEO																			
Ms Chee Sook Ping	Sister of Dato' Sri Ivan Chee, the Executive Director and CEO																			
Ms Willa Chee Keng Fong	Daughter of Dato' Sri Ivan Chee, the Executive Director and CEO																			
8.3	Other payments and benefits and details of the employee share scheme(s)	Information on the Fortress Employee Share Option Scheme (“ESOS”) are set out on page 82 of this Annual Report and further information can be found in the Company’s Offer Document dated 19 March 2019.																		
ACCOUNTABILITY AND AUDIT Risk Management and Internal Controls <i>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</i>																				
9.1	Risk governance	The Company does not have a Board Risk Committee. The Board, with the support of the AC, is responsible for the overall governance of the risk management of the Company, establishing risk management policies and tolerance strategies that set the direction for the Group and overseeing the implementation of risk management framework to ensure that risks are identified and managed.																		
	Annual review	<p>The Board with the support of the AC, oversees the design, implementation and monitoring of the Risk Management and internal control systems.</p> <p>The Enterprise Risk Management (“ERM”) framework developed by PKF Risk Management Sdn Bhd (“PKF”) in FY2020 shall help the Board formally identify, assess and treat the Group’s enterprise risks and to establish a risk register and risk map covering financial, operational, compliance and information technology risks. These risks will be prioritised based on risk appetite and risk tolerance levels that the Board adopts. Key risks will be escalated to, and discussed at, the Board level while all the other risks are handled at Management level and reported to the Board on an exceptional basis.</p>																		

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>The Management, the internal auditor Baker Tilly Monterio Heng Governance Sdn Bhd ("Baker Tilly"), and the external auditor, BDO LLP ("BDO") conduct reviews and audits on a regular basis that involve testing the adequacy and effectiveness of material internal controls on key risks. Any material non-compliance or lapses in internal controls and its corresponding mitigating actions will be reported to the AC. At least annually, the Board, with the assistance from the AC, will review the adequacy and effectiveness of the Company's Risk Management and internal control systems, including financial, operational, compliance and information technology risks.</p>
<p>9.2(a) 9.2(b)</p>	<p>CEO and FC assurance</p>	<p>For FY2025, the Board has also received assurance from the CEO and the FC:</p> <ul style="list-style-type: none"> (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and (b) on the adequacy and the effectiveness of the Group's risk management systems and internal control systems, including financial, operational, compliance and information technology controls.
	<p>Board conclusion</p>	<p>The Board has received assurance from the CEO and our FC (a) that the financial records have been properly maintained and the financial statements for FY2025 give a true and fair view of the Group's operations and finances; and (b) regarding the adequacy and effectiveness of the Group's risk management and internal controls system.</p> <p>In addition, the external auditors will also highlight internal control weaknesses which have come to their attention in the course of their statutory audit. All external and internal audit findings and recommendations will be reported to the AC and discussions were held between the AC and auditors in the absence of the key management personnel to review and address any potential concerns. The Board noted there were no major adverse findings on risk management and internal control systems relating to the agreed internal audit scope.</p> <p>Based on the assurance from the CEO and our FC referred to in the preceding paragraph, the internal controls established and maintained by the Group, the review performed by the Management and the AC, the work performed by the internal auditors and the review undertaken by the external auditors as part of their statutory audit, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems, were adequate and effective as at FY2025.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
Audit Committee		
Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively		
10.1	Duties of the AC	<p>In performing its functions in accordance with a set of terms of reference, the AC's principal responsibilities include, amongst others the followings:</p> <ul style="list-style-type: none"> (a) to review 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) to review the adequacy and effectiveness of the Company's internal controls and risk management systems; (c) to review the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function; (d) to make recommendations to the Board of Directors regarding the appointment, removal, remuneration and terms of engagement of the external auditors; (e) to establish and review, on an ongoing basis, the whistleblowing policies, processes and reporting procedures of the Company; (f) to monitor the Company's compliance with legal, regulatory and company policies; (g) to deal with matters relating to interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual (as defined hereunder), as well as related party transactions; (h) to review the assurance from the CEO and the FC on the financial records and financial statements; and (i) to undertake generally such other functions and duties as may be required by law or the Catalist Rules. <p>The AC has authority to investigate any matter within its term of reference and have been given full access to the Management and reasonable resources to enable it to discharge its functions properly. The AC has full discretion to invite any Director or key management personnel to attend its meetings.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
10.2 10.3	AC composition	<p>All members of the AC are Independent Directors who do not have any management and business relationships with the Company or any substantial shareholder of the Company. None of the AC members were previously partners or directors of the Company's external audit firm within a period of two (2) years commencing on the date of him/her ceasing to be a partner or director of the external audit firm or hold any financial interest in the external audit firm.</p> <p>The composition of the AC is as follows:</p> <p>Mr Goh Kah Im – Chairman Mr Chew Wai Chuen – Member Ms Anita Chew – Member</p> <p>The AC Chairman, Mr Goh Kah Im and AC member, Mr Chew Wai Chuen have relevant accounting and related financial management background and experience.</p> <p>The AC assesses the independence of the external auditors annually. The aggregate amount of fees paid/payable to the external auditors for audit services rendered for the audit of the financial statements of the Group for FY2025 is US\$123,162 (92%). The non-audit fees paid/payable to the external auditors for FY2025 is US\$10,047 (8%).</p> <p>The AC has reviewed the non-audit services provided by the external auditors for FY2025 and is satisfied that the nature and extent of such services would not prejudice the independence and objectivity of the external auditors.</p> <p>Having reviewed, amongst others, the scope and quality of the audit and independence of the external auditor, the AC has recommended and the Board has approved the nomination for re-appointment of BDO as the external auditors of the Company at the forthcoming AGM.</p>
10.4	Internal Audit function	<p>The Group has engaged Baker Tilly as the internal auditors who reports directly to the AC and administratively to the FC. The AC has approved the engagement, evaluation, and compensation of Baker Tilly as the internal auditors of the Company. The role of Baker Tilly is to provide independent assurance to the AC that the Group maintains adequate and effective Risk Management and internal control systems.</p> <p>The AC reviews and approves the internal audit plan to ensure the adequacy of the scope of audit. The internal audit plan complements that of the external auditors and together forms a robust risk-based audit approach to facilitate the AC's review of the adequacy and effectiveness of the Group's risk management and internal control systems.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>For FY2025, the AC is satisfied that Baker Tilly had been able to discharge its duties effectively as the internal auditor. Baker Tilly has unfettered access to all documents, records, properties and personnel, including access to the AC. Baker Tilly has adequate resources to perform its functions effectively and it is independent from the activities that it audits and has appropriate standing within the Group. In assessing the engagement of Baker Tilly for the internal audit function, the Board and the AC ensured that the internal audit function is sufficiently resourced and internal audits are to be performed by competent professional staff with the relevant qualifications and experience.</p> <p>The scope of the internal audit covers key aspects of the Group's internal controls established to address financial, operational, compliance and information technology risks. The internal auditor's activities are guided by Baker Tilly's global internal auditing methodology which is in line with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. For FY2025, after having reviewed the internal audit reports and remedial actions implemented by the Management, the AC is satisfied that the internal audit function is independent, effective and adequately resourced.</p>
10.5	Independent Session with the EA & IA	The AC meets with the internal and external auditors at least once annually to discuss audit findings and recommendations, without the presence of the Management. For FY2025, the AC has met with the IA twice and with the EA once without the presence of the Management.
Rule 712, 715	Auditors	The Group has complied with Rules 712 and 715 of the Catalist Rules in relation to the appointment of external auditors.
	Whistleblowing	<p>The Company has put in place a whistleblowing policy which sets out the procedures for a whistleblower to make a report on misconduct or wrongdoing relating to the Company and its officers. The AC has reviewed the whistleblowing policy that the Group has established and is responsible for the oversight and monitoring of whistleblowing. The Company publicly discloses through its website, and clearly communicates with employees, the existence of the whistleblowing policy which is in compliance with Catalist Rule 1204(18B) as elaborated below.</p> <p>(a) The Company has procedures for raising such concerns to the AC Chairman at whistleblow@fortress.sg and has an independent function comprising the AC Chairman and AC members to investigate whistleblowing reports made in good faith;</p> <p>(b) The Company has clear channels through which staff and other persons may, in confidence, raise their concerns about possible improprieties, fraudulent activities or malpractices within the Company in a responsible and effective manner;</p> <p>(c) The Company has arrangements and processes to facilitate independent investigation of such concerns and for appropriate follow-up action;</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>(d) The Company has confidentiality clauses that protect identification of the whistleblower and ensures that the identity of the whistleblower is kept confidential; and</p> <p>(e) The Company is committed to ensuring the protection of the whistleblower against any detrimental and unfair treatment.</p> <p>There were several whistleblowing reports received in FY2025 through the Company's whistleblowing channel. The AC had carried out special reviews and investigations in the areas relating to the allegations. The reviews and investigations had been completed and no misappropriations were noted. The procedures as set out in the whistleblowing policy have been adhered to in the handling of this report.</p>
	<p>Summary of Audit and Risk Management Committee activities</p>	<p>The AC has reviewed the annual financial statements of the Group, the quality and reliability of information for inclusion in financial reports, policies and practices put in place by the Management, reviewed the volume and nature of Interested Person Transactions, nominated and recommended the re-appointment of the external auditors and reviewed the adequacy, effectiveness and independence of the internal and external auditors. The AC has assisted the Board in reviewing the adequacy and effectiveness of the Risk Management and internal control systems, addressing financial, operational, compliance and information technology risks of the Group.</p> <p>Changes to the accounting standards and issues that have direct impact on financial statements were reported to and discussed with the AC by the external auditors, in order for the AC members to keep abreast of changes to such accounting standards and issues.</p> <p>In the review of the Group's financial statements, the AC had discussed with the Management on the accounting principles that were applied and considered the clarity of key disclosures in the financial statements.</p>
<p>SHAREHOLDER RIGHTS AND ENGAGEMENT Shareholder Rights and Conduct of General Meetings <i>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</i></p>		
<p>11.1</p>	<p>Shareholder rights</p>	<p>All Shareholders are treated fairly and equitably, and the Group strives to disclose information on all major developments that could materially impact the Group in a timely manner. Shareholders are entitled to attend the general meetings of shareholders and are afforded the opportunity to participate effectively in and vote at general meetings of shareholders.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
11.2	Resolutions	Each distinct issue is proposed as a separate resolution at general meetings. All resolutions proposed at general meetings shall be put to vote by way of a poll pursuant to Rule 730A(2) of the Catalist Rules. All votes cast, for or against or abstain, and the respective percentages, in respect of each resolution are tallied and disclosed at the meeting and an announcement with the detailed results showing the numbers of votes cast for and against for each resolution and the respective percentage will be released via SGXNet after the general meetings.
11.3	Attendance at general meetings	All Directors, in particular the Chairman of the Board, the respective Chairman of the AC, NC and RC, will be present and available to address shareholders' queries at the general meetings. The external auditor will also be present to address queries regarding the conduct of the audit and the preparation and content of the auditor's report. The attendance of the Board for the Company's annual general meeting held on 24 June 2024 is disclosed under Table 1.5 of this report.
11.4	Voting procedures	<p>At general meetings, all shareholders are encouraged to attend, participate effectively and vote in person or by proxy. The Company's Constitution provides for a shareholder or a depositor to appoint not more than two (2) proxies to attend and vote at the general meetings of the Company. Where the member is Central Depository (Pte) Ltd (or its nominee as notified in writing to the Company), it can appoint more than two (2) proxies. Proxies need not be a shareholder of the Company. Shareholders are informed of such meetings through the annual report or circulars sent to all shareholders, notices published in the newspapers and announcements released via SGXNet. Shareholders will be briefed on the rules governing such meetings and voting procedures of the general meetings. An independent polling agent is appointed by the Company for general meetings who will explain the voting procedures that govern the general meetings of shareholders. Results of voting are announced on a timely manner via SGXNet.</p> <p>Voting in absentia by email, mail or fax is not implemented due to authentication and other security related concerns.</p>
11.5	Minutes of general meetings	<p>Minutes of general meetings which include the substantial and relevant comments and queries relating to the agendas of the general meetings raised by shareholders, together with responses from the Board and Management, are prepared by the Company Secretary. The Company will publish the minutes of the general meetings on the Company's website and SGXNet within one month from the date of the respective meeting.</p> <p>The Company will publish the minutes of the AGM to be held on 30 June 2025 on SGXNet and the Company's website at URL https://www.fortress.sg within one month after the AGM.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
11.6	Dividend Policy	<p>The Company does not have a fixed dividend policy. The form, frequency and amount of future dividends on the Company's shares will depend on the Group's earnings, general financial condition, results of operations, capital requirements, cash flow, general business condition, development plans and other factors as the Directors may, in their absolute discretion, deem appropriate ("Dividend Factors"). Therefore, there is no assurance that dividends will be paid in the future or of the amount or timing of any future dividends. The Company may declare an annual dividend subject to the approval of the shareholders in a general meeting but the amount of such dividend shall not exceed the amount recommended by our Directors. The Directors may also declare an interim dividend without the approval of our shareholders.</p> <p>The Board is pleased to recommend a final one-tier tax exempt dividend of 0.46 Singapore cents per share for FY2025 ("Final Dividend") which represents a payout ratio of 30.80% against the Group's net profit after tax for FY2025. The Final Dividend amounting to S\$2.407 million is subject to shareholders' approval at the forthcoming AGM to be held on 30 June 2025.</p>
<p>Engagement with Shareholders <i>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</i></p>		
12.1	Communication	<p>The Company believes in high standards of transparent corporate disclosure and is committed to disclose to its shareholders, the information in a timely and fair manner via SGXNet and the Company's website. Where there is inadvertent disclosure made to a selected group, the Company would make the same disclosure publicly to all stakeholders as soon as practicable. Communication is made through:</p> <ul style="list-style-type: none"> (a) Annual report is prepared and issued to all shareholders. The Board ensures that the annual report includes all relevant information of the Company and the Group, including future developments, if any, and other disclosures required by the Companies Act 1967 of Singapore, Singapore Financial Reporting Standards and the Catalist Rules; (b) Quarterly announcements containing a summary of the financial information and affairs of the Group for the corresponding period; (c) Press releases on major developments of the Group; and (d) Analysts briefings and roadshow. <p>Subject to the prevailing laws, the notice of AGM is also advertised in a national newspaper within the mandatory period.</p> <p>The AGM of the Company is held within four months after the end of the financial year. The Company will be holding its AGM for FY2025 on 30 June 2025, details of which are as disclosed in the Notice of AGM.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>In line with the Company's corporate social responsibility initiatives and environmental sustainability efforts, annual reports and circulars to shareholders will be published on the Company's corporate website https://www.fortress.sg/ and at SGXNet https://www.sgx.com/securities/company-announcements and available for viewing or downloading by the shareholders. Printed copies will only be mailed to shareholders upon their request via a request form. Shareholders of the Company will receive the AGM notice, proxy form and request form (to request for hard copy annual reports including the Appendix relating to the Renewal of the Share Buy-Back Mandate) via mail.</p> <p>Shareholders can access financial information, corporate announcements, press releases, annual reports and profile of the Group on the Company's website at https://www.fortress.sg/, as well as via SGXNet at https://www.sgx.com.</p>
	<p>Conduct of Shareholder meeting</p>	<p>At general meetings, shareholders are given opportunities to voice their views and direct their questions to the Directors or the Management regarding the Company. The Chairman of the Board, members of the AC, NC and RC are present and available to address questions at general meetings. The External Auditors are also present.</p> <p>For the forthcoming AGM, shareholders may submit questions relating to resolutions to be tabled for approval at the AGM by no later than 2.00 p.m. on 16 June 2025. The Company shall only address relevant and substantial questions (which are related to the resolutions to be tabled for approval at the AGM) and will publish its response to those questions on the SGXNet and the Company's website by 25 June 2025. In relation to any subsequent clarifications sought, or substantial and relevant follow-up questions in respect of such questions (which are related to the resolutions to be tabled for approval at the AGM) received after 2.00 p.m. on 16 June 2025 which have not already been addressed prior to the AGM, the Company will address them at the AGM itself. Minutes of the proceedings of the AGM will be published via the SGXNet within one (1) month from the date of the AGM.</p> <p>Shareholders who are attending the AGM may also raise their substantial and relevant queries relating to the agenda of the meeting during the course of the meetings, which the Management and the Board of Directors will address accordingly.</p> <p>All resolutions are put to vote by poll in all the Company's general meetings and is integral in the enhancement of corporate governance. For cost effectiveness, the voting of the resolutions at the general meetings are conducted by manual polling and their detailed results are announced at the meeting. The voting results of each of the resolutions tabled are announced on the same day after the general meeting via SGXNet.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
12.2	Investor Relations Policy	<p>The Company solicits feedback from and addresses the concerns of shareholders (including institutional and retail investors) via investors/analyst briefings and the corporate email address on its website. The Company participated in 4 interview sessions with research analysts during FY2025.</p> <p>The Group will provide shareholders and prospective investors with pertinent information necessary to make well-informed investment decisions. Such material information will also be announced via SGXNet. By providing shareholders with reliable and timely information, the Company is able to strengthen the relationship with its shareholders based on trust and accessibility. The Company's investor relations (IR) team is led by the Financial Controller who is responsible for integrating finance, accounting, corporate communications and legal compliance to enable effective communication between the Company and the investors.</p>
12.3	Investor engagement	<p>The Company conducts briefings to present its financial results to the media and analysts. Outside of the financial result announcement periods, when necessary and appropriate, the IR team will meet investors and analysts who wish to seek a better understanding of the Group's business and operations. This effort enables the Company to solicit feedback from the investment community on a range of strategic and topical issues which provide valuable insights to the Company from investors' views. Shareholders may raise questions to the Company through the Company's website of which the Company may respond to such questions.</p>
<p>MANAGING STAKEHOLDERS RELATIONSHIPS Engagement with Stakeholders <i>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</i></p>		
13.1, 13.2 and 13.3	–	<p>The Board considers the Company's obligations to its shareholders and also the needs and interests of its material stakeholders as the relationships with material stakeholders may have an impact on the Company's long-term sustainability. Stakeholders are parties who may be affected by the Company's activities or whose actions can affect the ability of the Company to conduct its activities. The Board has identified its stakeholders as customers, employees, suppliers, landlords, investors, media, government institutions and the communities. The Company maintains its Company's website to communicate and engage with the stakeholders.</p> <p>In addition, to keep stakeholders informed on the commitment made by the Company in fostering the creation of long-term value for the stakeholders and sustainable development of the global economy, the Group has prepared its sustainability report for financial year ended 28 February 2025, details of which is set out in pages 19 to 62 of this Annual Report.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
		<p>Communication with shareholders is managed by the Board. All announcements are released via SGXNet, including the quarterly and full-year financial results, distribution of notices, press releases, analyst briefings, presentations, and announcement on acquisitions, corporate development and other material developments. The Company does not practise selective disclosure and price sensitive information is publicly released on an immediate basis where required under the Catalist Rules. In addition, the Company's annual reports together with the notices of AGM are also accessible at the Company's corporate website and at SGXNet.</p> <p>The notice of AGM is also advertised in major newspapers.</p> <p>Apart from the SGXNet announcements and its annual report, the Company will also conduct media interviews as and when appropriate to give shareholders and the public deeper insights of the Group's business and strategies when opportunities present themselves. Further, the Company may, if it considers necessary and appropriate, release press releases or organise media/analyst briefings to keep shareholders informed of its corporate development.</p> <p>The Company's Executive Directors and FC are responsible for the Company's communication with shareholders.</p> <p>The Company maintains a corporate website where shareholders can access financial information, corporation announcements, press releases, annual reports and profile of the Group at https://www.fortress.sg/ as well as via SGXNet at https://www.sgx.com.</p>
COMPLIANCE WITH APPLICABLE CATALIST RULES		
712, 715, or 716	Appointment of Auditors	The Company confirms its compliance with Catalist Rules 712 and 715.
1204(8)	Material Contracts	There was no material contracts entered into by the Group involving the interest of the CEO, any Director, or controlling shareholder, which are either still subsisting at the end of FY2025 or if not then subsisting, entered into since the end of the previous financial year.
1204(10)	Confirmation of adequacy of internal controls	The Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems, were adequate and effective as at FY2025 based on the assurance from the CEO and our FC set out in page 87 of this Annual Report, the internal controls established and maintained by the Group, the review performed by the Management and the AC, the work performed by the internal auditors and the review undertaken by the external auditors as part of their statutory audit.

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation
1204(17)	Interested Persons Transaction ("IPT")	<p>The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and that the transactions are conducted at arm's length basis and on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.</p>
		<p>The Group has not obtained a general mandate from shareholders for IPT. There were no interested person transactions of S\$100,000 and above during FY2025.</p> <p>The Group maintains a register to record the list of interested persons and their associates (which is to be updated immediately if there are any changes) to enable identification of interested persons. The list of interested persons shall be reviewed on a quarterly basis by the Company's FC and subject to such verifications or declarations as required by the AC for such period as determined by them.</p> <p>The AC shall review all IPTs at least on a quarterly basis to ensure that they are carried out on normal commercial terms and in accordance with the procedures and to ensure that the prevailing rules and regulations in particular, Chapter 9 of the Catalist Rules are complied with.</p>
1204(19)	Dealing in Securities	<p>The Company has adopted an internal compliance code of conduct to guide and advise Directors and all executives of the Company with regard to dealings in the Company's securities in compliance with Rule 1204(19) of the Catalist Rules. The Company, Directors and executives shall not deal in the Company's shares on short-term considerations or if they are in possession of price sensitive information and during the period commencing one (1) month prior to release of the full-year financial results announcement and 2 weeks prior to its interim financial results announcements and ending on the date of the announcement of the results. Directors and senior management are also expected to observe insider-trading laws at all times even when dealing in securities within permitted trading periods while in possession of price-sensitive information.</p> <p>In general, the Group's policy encourages Directors and employees of the Group to hold the Company's securities and not deal in the Company's securities on short term considerations. The policy is to ensure that the Company's Directors, officers and employees of the Group are aware of their legal obligations towards the dealing of securities of the Company. Persons who are in possession of unpublished material price sensitive information and use such information for their own material gain are committing an offence of insider trading.</p>

CORPORATE GOVERNANCE REPORT

Provision	Code Description	Company's Compliance or Explanation																				
	Use of Proceeds	<p>On 10 April 2023, our Company received S\$8.7 million (net of placement expenses of S\$0.3 million) as placement net proceeds.</p> <p>As at the date of this report, the status on the use of the placement net proceeds is as follows:</p> <table border="1"> <thead> <tr> <th>Use of proceeds</th> <th>Amount allocated S\$'000</th> <th>Amount re-allocated S\$'000</th> <th>Amount utilised S\$'000</th> <th>Balance S\$'000</th> </tr> </thead> <tbody> <tr> <td>Further development of the CASB mine, including continuing and future exploration and geology work, as well as addition of a new integrated processing plant</td> <td>5,200</td> <td>(800)</td> <td>(2,636)⁽¹⁾</td> <td>1,764</td> </tr> <tr> <td>Prospecting expenditures in relation to the two prospecting licenses in Sabah</td> <td>3,500</td> <td>800</td> <td>(4,241)⁽²⁾</td> <td>59</td> </tr> <tr> <td>Total</td> <td>8,700</td> <td>–</td> <td>(6,812)</td> <td>1,823</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) Utilised for payment for purchase of machinery parts and initial design fees for the new integrated processing plant.</p> <p>(2) Utilised for payment for purchase of plant and equipment, licensing fees, operating expenses and employee benefit expenses.</p> <p>The above utilisation of the placement net proceeds is in accordance with the intended use as stated in the Company's announcement dated 17 July 2024 in relation to the change in and update on the use of proceeds from the placement of 23,316,100 new ordinary shares in the capital of the Company.</p> <p>At the appropriate juncture, our Group will deploy the remaining placement proceeds as the Group intends to further develop the CASB mine and undertake exploration activities in Sabah. Pending such deployment, funds have been placed in interest bearing deposits with licensed banks in Singapore and Malaysia.</p> <p>The Company will make periodic announcements on the utilisation of the proceeds from the placement as and when the proceeds are materially disbursed and provide a status report on such use in its annual report and its quarterly and full year financial statements.</p>	Use of proceeds	Amount allocated S\$'000	Amount re-allocated S\$'000	Amount utilised S\$'000	Balance S\$'000	Further development of the CASB mine, including continuing and future exploration and geology work, as well as addition of a new integrated processing plant	5,200	(800)	(2,636) ⁽¹⁾	1,764	Prospecting expenditures in relation to the two prospecting licenses in Sabah	3,500	800	(4,241) ⁽²⁾	59	Total	8,700	–	(6,812)	1,823
Use of proceeds	Amount allocated S\$'000	Amount re-allocated S\$'000	Amount utilised S\$'000	Balance S\$'000																		
Further development of the CASB mine, including continuing and future exploration and geology work, as well as addition of a new integrated processing plant	5,200	(800)	(2,636) ⁽¹⁾	1,764																		
Prospecting expenditures in relation to the two prospecting licenses in Sabah	3,500	800	(4,241) ⁽²⁾	59																		
Total	8,700	–	(6,812)	1,823																		
711A	Sustainability Report	The Group has issued its sustainability report for FY2025 to keep stakeholders informed on the commitment made by the Company in fostering the creation of long-term value for the stakeholders and sustainable development of the global economy. The sustainability report is set out in pages 19 to 62 of this Annual Report.																				
1204(21)	Non-sponsor fees	There was no non-sponsor fees paid/payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. during FY2025.																				

KEY INFORMATION

Key information regarding the Retiring Directors who have been nominated for re-election as Directors of the Company are set out below:

Name of Director	Chew Wai Chuen	Ng Mun Fey	Teh Lip Kim
Date of Initial Appointment	19 February 2019	19 February 2019	19 February 2019
Date of last re- appointment (if applicable)	22 June 2022	28 June 2023	22 June 2022
Age	50	46	57
Country of principal residence	Singapore	Malaysia	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Chew Wai Chuen (" Mr Chew ") as an Independent Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr Chew's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr Ng Mun Fey (" Mr Ng ") as the Executive Director and Chief Operating Officer of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr Ng's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Ms Teh Lip Kim (" Ms Teh ") as a Non-Executive and Non-Independent Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Ms Teh's qualifications, expertise, past experiences and overall contribution since she was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	No	Executive. Mr Ng is responsible for the overall management, and day-to-day operations of our Group's mining activities, including but not limited to heading our Group's marketing, geology, mining, processing and other supporting divisions.	No
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chairman of the Board, Independent Director, Chairman of the Remuneration Committee and a member of each of the Audit Committee and Nominating Committee.	Executive Director and Chief Operating Officer.	Non-Executive and Non-Independent Director.
Professional qualifications	<ul style="list-style-type: none"> Postgraduate Diploma in Marketing Bachelor's Degree in Business Administration 	<ul style="list-style-type: none"> Bachelor in Engineering Technology 	<ul style="list-style-type: none"> Bachelor of Science (Honours) in Accounting and Economics Master in Shipping, Trade and Finance
Working experience and occupations during the past 10 years	2011 to Present – Managing Partner, Precious Capital Pte. Ltd.	2015 to Present – Chief Operating Officer, Fortress Group of Companies	1998 to Present – Managing Director, Selangor Dredging Berhad
Shareholding interest in the listed issuer and its subsidiaries	Nil	Mr Ng is deemed interested in 37,603,950 ordinary shares of the Company held through Greger International Sdn. Bhd. as he holds 30% of the issued share capital of Greger International Sdn. Bhd.	Ms Teh holds a direct interest in 1,679,300 ordinary shares in the Company. Ms Teh is deemed interested in 7,328,125 ordinary shares, 154,937,500 ordinary shares and 4,200,000 ordinary shares in the Company held through Smith St Investment Pte. Ltd., SDB Mining Sdn. Bhd. and Teh Wan Sang & Sons Sdn. Bhd. respectively.

KEY INFORMATION

Name of Director	Chew Wai Chuen	Ng Mun Fey	Teh Lip Kim
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	Mr Ng holds 30% of the issued share capital of Greger International Sdn. Bhd. which is substantial shareholder of the Company. Mr Ng is the director of Greger International Sdn. Bhd.	Ms Teh is the Managing Director of Selangor Dredging Berhad, a substantial shareholder of the Company. Selangor Dredging Berhad is deemed interested in the shares of the Company held through SDB Mining Sdn. Bhd. as SDB Mining Sdn. Bhd. is 100% owned by Selangor Dredging Berhad. Ms Teh holds approximately 60.81% (directly and indirectly) of the issued share capital of Selangor Dredging Berhad.
Conflict of interest (including any competing business)	No	No	Ms Teh is a director of Extra Diligent Sdn Bhd (“EDSB”). EDSB has been granted the sole and exclusive right to explore and mine for iron ore within the land measuring in area of approximately 1,050 ha in Mukim Pulai, Daerah Galas, Jajahan Gua Musang, Kelantan (“Kelantan Mine”). The Company has entered into a Call Option Agreement dated 28 February 2019 with EDSB and the shareholders of EDSB, pursuant to which a call option was granted to the Group to acquire or purchase the mining right over some or all of the mining area(s) within the Kelantan Mine or EDSB Shares (as the case may be) at any time from the period commencing on the date of the Call Option Agreement and for so long as the Call Option Agreement had not been terminated pursuant to the termination clause, by serving a notice of exercise on the relevant shareholder of EDSB (as the case may be). Please refer to page 227 to page 235 of the Company’s Offer Document dated 19 March 2019 for further details on the above potential conflict of interest and the undertakings provided by Ms Teh to the Group.
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

KEY INFORMATION

Name of Director	Chew Wai Chuen	Ng Mun Fey	Teh Lip Kim
<p>Present Principal Commitments* including directorships</p> <p>**Principal Commitments" has the same meaning as defined in the Code, and includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations.</p>	<ol style="list-style-type: none"> Precious Capital Pte. Ltd. Tungsten Mining NL 	<ol style="list-style-type: none"> Cheroh Mining PNG Limited FM Gold Sdn. Bhd. Fortress Minerals Limited Fortress Ni Sdn. Bhd. Fortress Transport Sdn. Bhd. (f.k.a. Fortress Sio2 Sdn. Bhd.) Gemilang Mining Sdn. Bhd. Greger International Sdn. Bhd. Juara Suria Sdn. Bhd. Kencana Primary Sdn. Bhd. Kota Suria Sdn. Bhd. Saga Mineral Sdn. Bhd. Sejati Lombong Sdn. Bhd. Sinar Mining Sdn. Bhd. (f.k.a. FM Nickel Sdn. Bhd.) SMA Mineral Sdn. Bhd. Tempest Geothermal Energy Sdn. Bhd. Tempest Solar Energy Sdn. Bhd. Tempest Wind Energy Sdn. Bhd. 	<ol style="list-style-type: none"> Champsworth Development Pte. Ltd. Champsworth Development Sdn. Bhd. Chedstone Investment Holdings Pte. Ltd. Crescent Consortium Sdn. Bhd. Extra Diligent Sdn. Bhd. Fortress Mining Sdn. Bhd. Hayat Abadi Sdn. Bhd. Northern Radiants Sdn. Bhd. (f.k.a SDB Teambuild Sdn. Bhd.) Prestij Permai Sdn. Bhd. SDB Ampang Sdn. Bhd. SDB Asia Pte. Ltd. SDB Damansara Sdn. Bhd. SDB Green Energy Pte. Ltd. SDB Host Sdn. Bhd. SDB Inclusion Sdn. Bhd. (f.k.a. Seldredge Industries Sdn. Bhd.) SDB Interiors Sdn. Bhd. SDB International Sdn. Bhd. SDB Mining Sdn. Bhd. SDB Properties Sdn. Bhd. SDB Property Management Sdn. Bhd. SDB SS2 Development Sdn. Bhd. SDB Subang Development Sdn. Bhd. Selangor Dredging Berhad Smith St Investment Pte. Ltd. Supergreen Solutions Sdn. Bhd. Teh Kien Toh Sdn. Berhad Teh Wang Sang & Sons Housing Development Sdn. Bhd. Teh Wang Sang & Sons Sdn. Bhd. Tiara Land Pte. Ltd.
<p>Past Principal Commitments for the last 5 years, including directorships</p>	<ol style="list-style-type: none"> HCY International Private Limited Parkway Minerals NL 	<ol style="list-style-type: none"> Contour Vista Development Sdn. Bhd. Greger International Pte. Ltd. 	<ol style="list-style-type: none"> SDB Kuantan Development Sdn. Bhd. Teratai Investment Holdings Ltd. Robotic ODM Investment Pte. Ltd.

KEY INFORMATION

Name of Director	Chew Wai Chuen	Ng Mun Fey	Teh Lip Kim
(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
(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

KEY INFORMATION

Name of Director	Chew Wai Chuen	Ng Mun Fey	Teh Lip Kim
(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
(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

KEY INFORMATION

Name of Director	Chew Wai Chuen	Ng Mun Fey	Teh Lip Kim
<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 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

KEY INFORMATION

Name of Director	Chew Wai Chuen	Ng Mun Fey	Teh Lip Kim
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No
<p>Any prior experience as a director of an issuer listed on the Exchange? (Yes/No)</p> <p>If yes, please provide details of prior experience.</p> <p>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.</p> <p>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).</p>	<p>Not Applicable</p> <p>This is a re-election of a director.</p>	<p>Not Applicable</p> <p>This is a re-election of a director.</p>	<p>Not Applicable</p> <p>This is a re-election of a director.</p>

DIRECTORS' STATEMENT

The Directors of Fortress Minerals Limited (the "Company") present their statement to the members together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 28 February 2025 and the statement of financial position of the Company as at 28 February 2025.

1. Opinion of the Directors

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company together with the notes thereon are drawn up so as to give a true and fair view of the financial positions of the Group and of the Company as at 28 February 2025, and of the financial performance, changes in equity and cash flows of the Group for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

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

Chew Wai Chuen
Chee Yew Fei
Ng Mun Fey
Edmund Chee Ji Kang
Willa Chee Keng Fong
Teh Lip Kim
Loong Ching Hong
Anita Chew Cheng Im
Goh Kah Im

3. Arrangements to enable Directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose 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.

4. Directors' interests in shares or debentures

The Directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), except as follows:

	Shareholdings registered in the name of Directors		Shareholdings in which Directors are deemed to have an interest	
	Balance at 1 March 2024	Balance at 28 February 2025	Balance at 1 March 2024	Balance at 28 February 2025
Ordinary shares				
Company:				
Chee Yew Fei	530	530	254,144,370	254,259,670
Ng Mun Fey	–	–	37,488,650	37,603,950
Teh Lip Kim	1,679,300	1,679,300	166,465,625	166,465,625
Loong Ching Hong	2,056,000	2,056,000	5,234,375	5,234,375

DIRECTORS' STATEMENT

4. Directors' interests in shares or debentures (Continued)

By virtue of Section 7 of the Act, Chee Yew Fei and Teh Lip Kim are deemed to have interests in all related corporations of the Company at the end of the financial year.

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), according to the register of directors' shareholdings, the directors' interest as at 21 March 2025 in the shares of the Company are as follows:

	Shareholdings registered in the name of Directors		Shareholdings in which Directors are deemed to have an interest	
	Balance at 28 February 2025	Balance at 21 March 2025	Balance at 28 February 2025	Balance at 21 March 2025
Ordinary shares				
Company:				
Chee Yew Fei	530	530	254,259,670	254,259,670
Ng Mun Fey	–	–	37,603,950	37,603,950
Teh Lip Kim	1,679,300	1,679,300	166,465,625	166,465,625
Loong Ching Hong	2,056,000	2,056,000	5,234,375	5,234,375

5. Share options

There were no share options granted by the Company or its subsidiary corporations during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

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

Employee Share Option Scheme

The Company had implemented an Employee Share Option Scheme known as the Fortress Employee Share Option Scheme ("Fortress ESOS"). The Fortress ESOS was approved by the shareholders at a General Meeting of the Company held on 20 February 2019. The Fortress ESOS has been adopted with effect from the date of listing. No options have been granted pursuant to the Fortress ESOS as at the date of this report.

6. Audit committee

The Audit Committee of the Company is chaired by Mr Goh Kah Im, an Independent Director, and includes Ms Anita Chew Cheng Im and Mr Chew Wai Chuen, who are both Independent Directors. The Audit Committee has met four (4) times since the last Annual General Meeting ("AGM") and has carried out its functions in accordance with section 201B(5) of the Act, including the following, where relevant, with the executive Directors and external and internal auditors of the Company:

- (i) reviewing the audit plans of the internal and external auditors and the results of the auditors' examination and evaluation of the Group's systems of internal accounting controls;
- (ii) reviewing the quarterly and full-year announcements as well as related on the results and financial position of the Group;

DIRECTORS' STATEMENT

6. Audit committee (Continued)

- (iii) reviewing the annual financial statements and external auditor's report on the annual financial statements of the Group for the financial year ended 28 February 2025 and the statements of financial position of the Company as at 28 February 2025 before submission to the Board of Directors for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory or regulatory requirements;
- (iv) reviewing the effectiveness and adequacy of the Group's internal control and procedures, including financial, operational, compliance and information technology risks and ensure coordination between the Group's internal and external auditors, and management; reviewing the assistance given by the management to the auditors and discuss concerns and problems, if any, arising from the audit, and any matters which the auditors may wish to discuss (in the absence of the management where necessary);
- (v) reviewing and discussing with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;
- (vi) reviewing the scope and results of the internal audit procedures where applicable;
- (vii) reviewing any potential conflicts of interest (if any) and to set out a framework to resolve or mitigate any potential conflicts of interests;
- (viii) conducting periodic review and approval of foreign exchange transactions and hedging policies (if any) undertaken by the Group;
- (ix) making recommendation to the Board of Directors on the proposals to shareholders on the appointment and re-appointment of the internal and external auditors, and approving the remuneration and terms of engagement of the internal and external auditors;
- (x) reviewing transactions falling within the scope of Chapter 10 of Catalist Rules;
- (xi) reviewing the effectiveness and adequacy of our Group's administrative, operating, internal accounting and financial control procedures;
- (xii) reviewing arrangements by which our Group's staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up;
- (xiii) reviewing Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time;
- (xiv) undertaking such other reviews and projects as may be requested by the Board of Directors and report to the Board of Directors its findings from time to time on matters arising and requiring the attention of the Audit Committee;
- (xv) reviewing and approving any proposed repayment of the shareholders' loans (or any part thereof); and
- (xvi) generally undertaking such other functions and duties as may be required by law or the Catalist Rules, and by such amendments made thereto from time to time.

DIRECTORS' STATEMENT

6. **Audit committee** (Continued)

The Audit Committee confirmed that it has undertaken a review of all non-audit services provided by the external auditors to the Group and is satisfied that the nature and extent of such services would not affect the independence of the external auditors.

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

The Audit Committee has recommended to the Board of Directors the nomination of BDO LLP, for re-appointment as external auditors of the Company at the forthcoming Annual General Meeting.

7. **Independent auditors**

The independent auditors, BDO LLP, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors,

Chee Yew Fei

Director

Singapore

6 June 2025

Ng Mun Fey

Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FORTRESS MINERALS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fortress Minerals Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 116 to 170, which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 28 February 2025;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the financial year then ended; and
- notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position 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)") 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 28 February 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.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FORTRESS MINERALS LIMITED

KEY AUDIT MATTER	AUDIT RESPONSE
<p>1 Impairment assessment of mining assets of Bukit Besi mine</p> <p>The Group operates mining and production of iron ore at Bukit Besi mine located in Terengganu, Malaysia.</p> <p>As at 28 February 2025, the mining assets of Bukit Besi mine mainly comprise the plant and equipment, mining properties and right-of-use assets. The total carrying amount of the mining assets of Bukit Besi mine represents a significant portion of the Group's total assets.</p> <p>Management has determined that there are no indications of impairment on the Group's mining assets of Bukit Besi mine, taking into consideration the remaining estimated mining resources, production costs, iron ore prices and continuation of the production activities.</p> <p>We focused on the impairment assessment of mining assets of Bukit Besi mine as a key audit matter because these assets contribute significantly to the Group's financial statements.</p> <hr/> <p>Refer to Notes 2.4, 2.5, 2.7, 3.1, 6, 7 and 8 to the financial statements.</p>	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> • Evaluated management's assessment of whether there was any indication that mining assets of Bukit Besi mine may be impaired; • Perused the reports issued by management's external expert to understand the basis for the estimated mining resources, and assessed the competence, capabilities and objectivity of that expert; obtained an understanding of the work of that expert; evaluated the appropriateness of that expert's work; • Performed physical sighting of plant and equipment and mining properties on a sample basis; and • Evaluated the adequacy of disclosures in the financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FORTRESS MINERALS LIMITED

KEY AUDIT MATTER	AUDIT RESPONSE
<p>2 Impairment assessment of goodwill arising from the acquisition of Fortress Mengapur Sdn. Bhd. ("FMeSB") and its subsidiaries (the "FMeSB Group")</p> <p>As at 28 February 2025, the Group's goodwill amounted to US\$3,023,271 which had been allocated to a single cash-generating-unit ("CGU") which is Fortress Mengapur Sdn. Bhd. ("FMeSB") and its subsidiaries (the "FMeSB Group"). The FMeSB Group operates Mengapur mine located in Pahang, Malaysia.</p> <p>Under SFRS(I) 1-36 <i>Impairment of Assets</i>, the Group is required to test goodwill for impairment annually, or more frequently if there are indications that goodwill may be impaired.</p> <p>For impairment assessment, management applied the value-in-use (discounted cash flow forecasts) method to determine the recoverable amounts for the CGU to which the goodwill belong. Shortfall (if any) between the recoverable amount and the carrying amount of the CGU would be recognised as an impairment loss. Arising from the above assessment, no impairment loss of goodwill was recognised during the financial year.</p> <p>We have determined the impairment assessment of goodwill to be a key audit matter as the impairment assessment involved significant judgements and estimates with regard to the key assumptions used in estimating the discounted future cash flows, such as the anticipated annual production volume (including iron concentrate and copper concentrate), the anticipated economic life of the Mengapur mine, anticipated average realised selling prices, earnings before interest and tax ("EBIT") margins and the discount rate.</p> <hr/> <p>Refer to Notes 2.6, 2.7, 3.2(ii) and 10 to the financial statements.</p>	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> • Conducted site visit to Mengapur mine, discussed with site management and observed the current operation of the mine, understood management's process related to impairment assessment of goodwill; • Evaluated the reasonableness of the key assumptions used by management, including referencing to historical performance, estimated mining resources, anticipated average realised selling prices and mining rights period, as appropriate; • Perused the report issued by management's external expert to understand the basis for the estimated mining resources, and assess the competence, capabilities and objectivity of that expert; obtain an understanding of the work of that expert; evaluate the appropriateness of that expert's work; • Evaluated, with the involvement of our internal valuation specialist, the appropriateness of the value-in-use calculation model and reasonableness of the discount rate used by management; • Performed sensitivity analysis on the key assumptions used in cash flow forecasts; and • Evaluated the adequacy of disclosure in the financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FORTRESS MINERALS LIMITED

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FORTRESS MINERALS LIMITED

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FORTRESS MINERALS LIMITED

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company, and by the subsidiary corporation 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 auditors' report is Liang Hongzhou.

BDO LLP

Public Accountants and
Chartered Accountants

Singapore
6 June 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2025

	Note	Group		Company	
		2025	2024	2025	2024
		US\$	US\$	US\$	US\$
ASSETS					
Non-current assets					
Investments in subsidiaries	4	–	–	43,014,878	43,014,921
Exploration and evaluation assets	5	3,342,203	4,977,668	–	–
Mining properties	6	42,800,000	41,589,686	–	–
Plant and equipment	7	23,883,089	21,211,697	–	–
Right-of-use assets	8	132,712	1,436,973	–	–
Intangible asset	10	3,023,271	2,834,372	–	–
		73,181,275	72,050,396	43,014,878	43,014,921
Current assets					
Inventories	11	6,176,861	3,135,168	–	–
Trade receivables	12	6,242,535	7,205,929	–	–
Other receivables, deposits and prepayments	13	7,987,530	4,197,106	59	–
Amounts due from subsidiaries	14	–	–	13,328,803	13,372,073
Current income tax receivable		745,588	754,860	–	–
Financial assets at fair value through profit or loss	15	1,040,510	2,196,115	799,451	2,196,115
Cash and bank balances	16	7,850,163	7,681,409	308,998	2,073,664
		30,043,187	25,170,587	14,437,311	17,641,852
Total assets		103,224,462	97,220,983	57,452,189	60,656,773
EQUITY AND LIABILITIES					
Equity					
Share capital	17	28,995,034	28,995,034	28,995,034	28,995,034
Other reserves	18	(7,717,854)	(11,389,901)	–	–
Retained earnings	19	57,921,200	54,639,963	26,331,932	23,130,320
Equity attributable to owners of the Company		79,198,380	72,245,096	55,326,966	52,125,354
Non-controlling interest		(326,199)	1,496	–	–
Total equity		78,872,181	72,246,592	55,326,966	52,125,354
Non-current liabilities					
Bank borrowings	20	2,610,666	1,918,301	–	986,994
Lease liabilities	21	40,989	205,331	–	–
Deferred tax liabilities	9	3,830,229	3,543,846	–	–
Other payables	23	2,050,071	2,309,552	2,050,071	2,309,552
		8,531,955	7,977,030	2,050,071	3,296,546
Current liabilities					
Bank borrowings	20	3,462,281	6,939,565	–	4,947,974
Lease liabilities	21	94,049	1,270,384	–	–
Trade payables	22	1,864,835	1,180,197	–	–
Other payables and accruals	23	10,297,930	7,593,013	67,892	245,618
Amounts due to directors	24	–	1,529	–	–
Amounts due to subsidiaries	25	–	–	817	41,199
Current income tax payables		101,231	12,673	6,443	82
		15,820,326	16,997,361	75,152	5,234,873
Total liabilities		24,352,281	24,974,391	2,125,223	8,531,419
Total equity and liabilities		103,224,462	97,220,983	57,452,189	60,656,773

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

	Note	2025 US\$	2024 US\$
Revenue	26	56,253,961	53,932,963
Cost of sales		(23,044,776)	(20,671,393)
Gross profit		33,209,185	33,261,570
Other income	27	906,681	416,461
Selling and distribution expenses		(6,339,951)	(6,687,629)
Other operating expenses		(12,667,842)	(9,863,224)
Administrative expenses		(1,314,665)	(1,574,279)
Impairment losses on financial assets	13	–	(663,402)
Impairment losses on non-financial assets	5	(2,999,627)	–
Fair value changes on contingent consideration		298,138	(53,256)
Finance costs	29	(598,005)	(962,524)
Profit before income tax	30	10,493,914	13,873,717
Income tax expense	31	(4,719,063)	(3,835,711)
Profit for the financial year		5,774,851	10,038,006
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		3,672,679	(3,423,345)
Other comprehensive income for the financial year, net of tax		3,672,679	(3,423,345)
Total comprehensive income for the financial year		9,447,530	6,614,661
Profit/(Loss) for the financial year attributable to:			
– Owners of the Company		6,324,165	10,047,877
– Non-controlling interest		(549,314)	(9,871)
		5,774,851	10,038,006
Total comprehensive income for the financial year attributable to:			
– Owners of the Company		9,996,212	6,622,607
– Non-controlling interest		(548,682)	(7,946)
		9,447,530	6,614,661
Earnings per share attributable to owners of the Company (cents)			
– Basic and diluted	32	1.21	1.93

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

Note	Share capital US\$	Capital reserve US\$	Merger reserve US\$	Foreign currency translation reserve US\$	Retained earnings US\$	Total attributable to owners of the Company US\$	Non-controlling interest US\$	Total equity US\$
Balance at 1 March 2024	28,995,034	383,615	(3,565,976)	(8,207,540)	54,639,963	72,245,096	1,496	72,246,592
Profit/(Loss) for the financial year	-	-	-	-	6,324,165	6,324,165	(549,314)	5,774,851
Other comprehensive income for the financial year	-	-	-	3,672,047	-	3,672,047	632	3,672,679
Exchange differences on translating foreign operations								
Total comprehensive income for the financial year	-	-	-	3,672,047	6,324,165	9,996,212	(548,682)	9,447,530
Total transactions with owners, recognised directly in equity								
Acquisition of additional interests in a subsidiary with no change in control	-	-	-	-	(640,242)	(640,242)	(258)	(640,500)
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	-	149,355	149,355
Issuance of shares to non-controlling interest of a subsidiary	-	-	-	-	-	-	71,890	71,890
Dividends	-	-	-	-	(2,402,686)	(2,402,686)	-	(2,402,686)
Total transactions with owners	-	-	-	-	(3,042,928)	(3,042,928)	220,987	(2,821,941)
Balance at 28 February 2025	28,995,034	383,615	(3,565,976)	(4,535,493)	57,921,200	79,198,380	(326,199)	78,872,181

33

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

Note	Share capital US\$	Capital reserve US\$	Foreign currency translation reserve US\$			Retained earnings US\$	Total attributable to owners of the Company US\$	Non-controlling interest US\$	Total equity US\$
			Merger reserve US\$	Foreign currency translation reserve US\$	Retained earnings US\$				
Balance at 1 March 2023	22,463,273	383,615	(3,565,976)	(4,782,270)	47,741,243	62,239,885	(25,183)	62,214,702	
Profit/(Loss) for the financial year	-	-	-	-	10,047,877	10,047,877	(9,871)	10,038,006	
Other comprehensive income for the financial year	-	-	-	(3,425,270)	-	(3,425,270)	1,925	(3,423,345)	
Exchange differences on translating foreign operations	-	-	-	(3,425,270)	-	(3,425,270)	1,925	(3,423,345)	
Total comprehensive income for the financial year	-	-	-	(3,425,270)	10,047,877	6,622,607	(7,946)	6,614,661	
Total transactions with owners, recognised directly in equity	-	-	-	-	-	-	34,625	34,625	
Issuance of shares to non-controlling interest of a subsidiary	6,531,761	-	-	-	-	6,531,761	-	6,531,761	
Issuance of new ordinary shares	-	-	-	-	(3,149,157)	(3,149,157)	-	(3,149,157)	
Dividends	-	-	-	-	-	-	-	-	
Total transactions with owners	6,531,761	-	-	-	(3,149,157)	3,382,604	34,625	3,417,229	
Balance at 29 February 2024	28,995,034	383,615	(3,565,976)	(8,207,540)	54,639,963	72,245,096	1,496	72,246,592	

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

	2025 US\$	2024 US\$
Operating activities		
Profit before income tax	10,493,914	13,873,717
Adjustments for:		
Amortisation of mining properties	780,502	898,437
Depreciation of plant and equipment	3,695,937	3,487,364
Depreciation of right-of-use assets	778,724	1,995,646
(Gain)/Loss on modification of lease contracts	(37,074)	10,407
Interest income from financial institutions	(162,449)	(45,866)
Distribution from financial assets at FVTPL	(112,007)	(128,353)
Fair value gain on financial assets at FVTPL	(7,248)	(46,184)
Interest expense	598,005	962,524
Deposits written off	4,855	426
Impairment losses on financial assets	–	663,402
Impairment losses on non-financial assets	2,999,627	–
Fair value (gain)/loss on contingent consideration	(298,138)	53,256
Plant and equipment written off	5,665	–
Loss/(Gain) on disposal of plant and equipment	39,348	(158,501)
Gain on disposal of a subsidiary	(3,982)	–
Unrealised foreign exchange gain	(706,842)	(175,281)
Operating cash flows before working capital changes	18,068,837	21,390,994
Working capital changes:		
Inventories	(1,768,539)	2,277,503
Trade and other receivables	(865,507)	(5,222,120)
Trade and other payables	2,205,343	787,783
Cash generated from operations	17,640,134	19,234,160
Income tax paid	(4,398,096)	(4,610,447)
Income tax refunded	883	48,018
Net cash flow from operating activities	13,242,921	14,671,731
Investing activities		
Additions of exploration and evaluation assets	(1,000,184)	(1,993,769)
Additions of mining properties	(209,660)	(630,535)
Additions of plant and equipment	(2,179,665)	(2,894,229)
Acquisition of additional interests in a subsidiary with no change in control	(640,500)	–
Proceeds from disposal of plant and equipment	450,488	289,040
Settlement/(Placement) of financial asset at fair value through profit or loss	1,162,853	(683,554)
Interest received	162,449	45,866
Distribution income received	112,007	128,353
Net cash used in investing activities	(2,142,212)	(5,738,828)
Financing activities		
Repayment of bank borrowings (Note A)	(7,287,214)	(7,365,432)
Interest paid on bank borrowings (Note A)	(572,564)	(927,267)
Repayment of principal portion of lease liabilities (Note A)	(965,896)	(2,224,891)
Repayment of interest portion of lease liabilities (Note A)	(26,445)	(36,767)
Proceed from issuance of new ordinary shares	–	6,531,761
Proceed from issuance of new ordinary shares to non-controlling interest by a subsidiary	71,890	34,625
Movement in short-term deposit pledged	2,002,749	(978)
Dividends paid	(2,402,686)	(3,149,157)
Net cash flow used in financing activities	(9,180,166)	(7,138,106)
Net change in cash and cash equivalents	1,920,543	1,794,797
Effect of exchange rate changes on cash and cash equivalents	250,960	216,038
Cash and cash equivalents at beginning of financial year	5,678,660	3,667,825
Cash and cash equivalents at end of financial year (Note 16)	7,850,163	5,678,660

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

Note A: Reconciliation of liabilities arising from financing activities

	Non-cash changes								
	At 1 March 2024 US\$	Cash flows US\$	Additions of plant and equipment under bank borrowings US\$	Additions of right-of-use assets US\$	Reassessment and modification of lease US\$	Accretion of interest US\$	Amortisation of borrowing cost US\$	Foreign currency translation US\$	At 28 February 2025 US\$
Bank borrowings	8,857,866	(7,859,778)	4,264,452	–	–	499,911	72,653	237,843	6,072,947
Lease liabilities	1,475,715	(992,341)	–	532,458	(984,630)	26,445	–	77,391	135,038
	10,333,581	(8,852,119)	4,264,452	532,458	(984,630)	526,356	72,653	315,234	6,207,985

	Non-cash changes								
	At 1 March 2023 US\$	Cash flows US\$	Additions of plant and equipment under bank borrowings US\$	Additions of right-of-use assets US\$	Reassessment and modification of lease US\$	Accretion of interest US\$	Amortisation of borrowing cost US\$	Foreign currency translation US\$	At 29 February 2024 US\$
Bank borrowings	14,864,500	(8,292,699)	1,566,738	–	–	865,282	61,985	(207,940)	8,857,866
Lease liabilities	680,118	(2,261,658)	–	1,789,640	1,295,873	36,767	–	(65,025)	1,475,715
	15,544,618	(10,554,357)	1,566,738	1,789,640	1,295,873	902,049	61,985	(272,965)	10,333,581

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

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

1. General corporate information

Fortress Minerals Limited (the “Company”) is a public limited liability company incorporated and domiciled in Singapore and its registered office and principal place of business are located at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896 and 9-1, Jalan PJS 8/18, Dataran Mentari, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia respectively. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The registration number of the Company is 201732608K.

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries are set out in Note 4 to the financial statements.

The Company’s ultimate controlling party is Chee Yew Fei, who is a Director of the Company as at 28 February 2025.

2. Material accounting policy information

2.1 Basis of preparation of financial statements

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

The individual financial statements of each entity within the Group are measured and presented in the currency of the primary economic environment in which the entity operates (“functional currency”). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in United States dollar (“US\$”), which is the functional currency of the Company and the presentation currency for the consolidated financial statements and all values presented are expressed in US\$, unless otherwise stated.

The preparation of financial statements in compliance with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the Group’s application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have significant effect on the financial statements are disclosed in Note 3 to the financial statements.

Changes in accounting policies

New standards, amendments and interpretations effective from 1 March 2024

On 1 March 2024, the Group adopted the new or amended SFRS(I) and interpretations to SFRS(I) that are mandatory for application for the financial year. The adoption of these standards did not result in significant changes to the Group’s accounting policies and had no material impact to the Group’s financial statements.

New standards, amendments and interpretations issued but not yet effective

There are a number of standards, amendments to standards, and interpretations that are effective in future accounting periods and the Group has not decided to early adopt. The Group does not expect any of these standards upon adoption will have a material impact to the Group, except as discussed below.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

2. Material accounting policy information (Continued)

2.1 Basis of preparation of financial statements (Continued)

Changes in accounting policies (Continued)

New standards, amendments and interpretations issued but not yet effective (Continued)

SFRS(I) 18 Presentation and Disclosure in Financial Statements

The SFRS(I) 18 replaces SFRS(I) 1-1 *Presentation of Financial Statements* and provides guidance on presentation and disclosure in financial statements, focus on the statement of profit or loss.

SFRS(I) 18 introduces:

- New structure on statement of profit or loss with defined subtotals;
- Disclosure related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by accounting standards with adjustments made (e.g. 'adjusted profit or loss'). A reconciliation of MPMs to the nearest total or subtotal calculated in accordance with accounting standards; and
- Enhanced principles on aggregation and disaggregation of financial information which apply to the primary financial statements and notes in general.

SFRS(I) 18 will take effect on 1 January 2027 and management anticipates that the new requirements will change the current presentation and disclosure in the financial statements. An impact assessment regarding the adoption of SFRS(I) 18 is still underway and has not yet been completed.

2.2 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration transferred for the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. Consideration transferred also includes any contingent consideration measured at the fair value at the acquisition date. Subsequent changes in fair value of contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

2. Material accounting policy information (Continued)

2.2 Business combinations (Continued)

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

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

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

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

Goodwill (Note 10) is initially recognised at cost and subsequently measured at cost less any accumulated impairment losses.

2.3 Exploration and evaluation assets

Exploration and evaluation activities involve the search for mineral resources, the determination of technical feasibility and the assessment of the commercial viability of an identified resource. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in profit or loss, unless the Group concludes that a future economic benefit is more likely than not to be realised. Exploration and evaluation costs are capitalised in respect of each area of interest for which the rights to tenure are current and where:

- (i) the exploration and evaluation costs are expected to be recouped through successful development and exploitation of the area of interest; or alternatively, by its sale; or
- (ii) exploration and evaluation activities in the area of interest have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable resources, and active and significant operations in, or in relation to, the areas of interest are continuing.

Exploration and evaluation assets are initially measured at cost less any impairment loss that has been recognised in profit or loss. Costs include the cost of acquiring exploration rights, researching and analysing existing exploration data, gathering exploration data through topographical, geochemical and geophysical studies, exploratory drilling, trenching and sampling, determining and examining the volume and grade of the resource, examining and testing extraction and treatment methods, surveying transportation and infrastructure requirements, compiling pre-feasibility and feasibility studies, gaining access to areas of interest including occupancy and relocation compensation and/or amortisation and depreciation charges in respect of assets consumed during the exploration and evaluation activities. The carrying values of capitalised evaluation expenditure for undeveloped mining projects (projects for which the decision to mine has not yet been approved at the appropriate authorisation level within the Group) are reviewed at each reporting date for indicators of impairment in accordance with SFRS(I) 6 *Exploration for and Evaluation of Mineral Resources*, and when indicators are identified are tested in accordance with SFRS(I) 1-36 *Impairment of Assets*.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

2. Material accounting policy information (Continued)

2.3 Exploration and evaluation assets (Continued)

General and administrative costs are allocated to, and included in, the cost of exploration and evaluation asset only to the extent that those costs can be related directly to operational activities in the area of interest to which the exploration and evaluation asset relates. In all other cases, these costs are expensed as incurred.

No amortisation is charged during exploration and evaluation phase. Exploration and evaluation assets are transferred to mining properties when the resources are established and development is sanctioned.

2.4 Mining properties

All items of mining properties are recognised at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is calculated based on unit-of-production method over the economically recoverable resources of the mine concerned, except in the case of the mining property whose useful life is shorter than the life of the mine, in which case, the straight-line method is applied. Amortisation of mining properties is capitalised under inventories and subsequently recognised in the profit or loss under cost of sales.

Mining properties are not amortised until the construction is completed and the assets are available for their intended use. This is signified by the formal commissioning of the mine for production.

At the end of each reporting period, the carrying amount of an item of mining properties is assessed for impairment annually and wherever there is an indication that the carrying amount may be impaired.

Management assesses the estimated recoverable resource of mine at each reporting period and the actual result may vary due to actual production is different from forecast production based on economical recoverable resources or impacted by present assessment of economically recoverable resources of the mine property at which the asset is located. If expectation differ from previous estimates, the changes are accounted for as a change in accounting estimates and are accounted for prospectively.

A mining property is derecognised on disposal or when no future economic benefits are expected from its use. The gain or loss arising from derecognition determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset is recognised in profit or loss when the asset is derecognised.

During the production phase of a mine, stripping costs are accounted for as production costs and included in the cost of inventory produced during the period except for stripping costs incurred to provide access to sources of resources that will be produced in future periods and would not otherwise have been accessible, which are capitalised to the cost of mining properties and amortised based on a unit-of-production method over the economically recoverable resources that directly benefit from the stripping activity.

2.5 Plant and equipment

All items of plant and equipment are initially recognised at cost. The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

2. Material accounting policy information (Continued)

2.5 Plant and equipment (Continued)

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

Plant and equipment are subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on plant and equipment is calculated using the straight-line method to allocate the depreciable amounts over their estimated useful life, on the following bases:

	<u>Years</u>
Furniture and fittings	5
Office equipment	5
Site equipment	5
Plant and machinery	5 to 10
Motor vehicles	5
Renovation	5

Capital work-in progress represents installation of equipment in progress. No depreciation is charged on capital work-in-progress as they are not yet ready for their intended use as at the end of reporting period. Capital work-in-progress is classified to the appropriate category of plant and equipment when the assets are completed and ready for use. The depreciation of capital work-in-progress commences when they are available for use, i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management.

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

The estimated useful lives, residual values and depreciation method are reviewed, and adjusted as appropriate, at the end of each reporting period.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.6 Intangible assets

Goodwill

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) 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 (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the entity sold.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

2. Material accounting policy information (Continued)

2.7 Impairment of non-financial assets except for exploration and evaluation assets

Assets other than goodwill

The carrying amounts of non-financial assets except for exploration and evaluation assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment loss and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups of assets. Impairment loss is recognised in profit or loss.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. Recoverable amount is determined for individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the recoverable amount is determined for the cash-generating unit to which the assets belong. The fair value less costs to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable willing parties less costs of disposal. Value in use is the present value of estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life, discounted at pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the asset or cash-generating unit for which the future cash flow estimates have not been adjusted.

An assessment is made at the end of each reporting date as to whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. An impairment loss recognised in prior periods is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment loss are recognised in profit or loss. After such a reversal, the depreciation or amortisation is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Goodwill

Goodwill is recognised separately as intangible assets and is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

Goodwill is allocated on initial recognition to each of the Group's cash-generating units expected to benefit from the synergies of the combination. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

2. Material accounting policy information (Continued)

2.8 Financial guarantee contracts

The Company has issued corporate guarantees to banks for borrowings of certain subsidiaries and these guarantees qualify as financial guarantees because the Company is required to reimburse the banks if these subsidiaries breach any repayment term.

Financial guarantee contract liabilities are measured initially at their fair values, net of transaction costs. Financial guarantee contracts are 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 loss allowance determined in accordance with SFRS(I) 9.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on a first-in, first-out basis. The cost of iron ores comprises direct labour, other direct cost, direct attributable expenses and related production overheads. While the cost of consumables includes all of cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price at which inventories can be realised in the ordinary course of business, less estimated costs to be incurred to make the sale. Where necessary, allowance is made for obsolete, slow-moving and defective inventories to adjust the carrying value of those inventories to the lower of cost and net realisable value.

2.10 Revenue recognition

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on consideration of which the Group expects to be entitled in exchange for transferring promised good or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes), if any. The consideration promised in the contracts with customers may include fixed amounts and variable amounts. Most of the Group's revenue is derived from fixed price contracts and therefore, the amount of revenue earned for each contract is determined by reference to those fixed prices.

Sales of goods

The Group's sales of goods comprised mainly sales of iron ores to customers. Revenue from the sales of these products is recognised at point in time when the products are delivered to customers. Performance obligations are satisfied when the controls of products (i.e. risk of obsolescence and loss of shipment) are transferred to the customers. There is limited judgement needed to identify when the point of control passes to customers. There is no element of significant financing component as the Group either obtains the letter of credit from its customers or is on a credit term at the range of seven (7) to fourteen (14) days from invoice date which coincide when control transfers to the customer.

Revenue from these sales is recognised based on the price for the quotation period as stipulated in the contract, net of price adjustment for the products impurities and specification adjustments as stipulated in the contract. The effect of product impurities and specification does not impact on the passing of control to the customers as the effects have been insignificant historically.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

3. Critical accounting judgements and key sources of estimation uncertainty

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the application of the Group's accounting policies, which are described in Note 2 to the financial statement, management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

3.1 Critical judgements made in applying the accounting policies

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Group's and the Company's accounting policies and which have a significant effect on the amounts recognised in the financial statements.

Impairment assessment of mining assets

The Group's mining assets mainly comprise the plant and equipment, mining properties and right-of-use assets. The Group assesses these assets at each reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is determined as the higher of fair value less costs to sell and value in use. In determining if there are indicators of impairment of these assets, judgement is used to consider if there are external and internal sources of information that indicates these assets may be impaired. The Group has determined that there are no indications of impairment on mining assets taking into consideration the remaining estimated mining resource, production costs, iron ore prices and continuation of the production activities.

3.2 Key sources of estimation uncertainty

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

(i) Amortisation of mining properties

Mining properties are amortised on a unit of production basis over the economically recoverable resources of the mine concerned except for the mining rights which are amortised over the term of permit. Management have engaged an external expert to review and revise the estimates of the recoverable resources of the mines and remaining useful life and residual values of mining properties at the end of each reporting date. Any changes in estimates of the recoverable resource of the mine, the useful life, and residual values of the mining properties would impact the amortisation charges and consequently affect the Group's financial performance. The carrying amount of mining properties as at 28 February 2025 was US\$42,800,000 (2024: US\$41,589,686).

(ii) Impairment of goodwill arising from acquisition of FMeSB and its subsidiaries ("FMeSB Group")

Management determines whether goodwill is impaired at least on an annual basis and whenever there is an indication that they are impaired. The process of evaluating potential impairment of goodwill requires significant judgements and assumptions. Management estimates the recoverable amount of the cash-generating-unit ("CGU") to which the goodwill has been allocated. The recoverable amount of the CGU is determined based on value-in-use calculations. The value-in-use calculations are based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows. Any excess of the carrying value over the discounted future cash flows are recognised as impairment loss in profit or loss. The carrying amount of the Group's goodwill as at 28 February 2025 was US\$3,023,271 (2024: US\$2,834,372). The details of the goodwill and the impairment test are set out in Note 10 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(iii) Expected credit loss (“ECL”) allowance on other receivables and deposits

Management monitors and assess at each reporting date on any indicator of significant increase in credit risk on other receivables and deposits, by considering forward looking information using industry market data and customer profile. For those where the credit risk has not increased significantly since initial recognition, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised. The Group’s credit risk exposure for other receivables and deposits was disclosed in Note 37.1 to the financial statements. The carrying amount of the other receivables and deposits are disclosed in Note 13 to the financial statements.

(iv) Impairment of exploration and evaluation assets

Management assesses the exploration and evaluation assets for impairment in accordance with SFRS(I) 6 when facts and circumstances suggest that the carrying amount of the exploration and evaluation assets may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, management shall measure, present, and disclose any resulting impairment loss in accordance with SFRS(I) 1-36. The realisation of the carrying amount of exploration and evaluation assets is dependent on the Group’s ability and intention to continue with the exploration. The carrying amount may also be impacted by the results of exploration work indicating that the exploration and evaluation assets may hold mineral resources that are commercially viable for extraction.

As at 28 February 2025, management identified an indicator for impairment exists in the Group’s exploration and evaluation assets in Sabah, Malaysia, as the related exploration licenses had expired. Management has carried out a review of the recoverable amount of the exploration and evaluation assets and impairment loss of US\$2,999,627 (2024: US\$Nil) was recognised. The carrying amount of the Group’s exploration and evaluation assets as at 28 February 2025 was disclosed in Note 5 to the financial statements.

4. Investments in subsidiaries

	Company	
	2025	2024
	US\$	US\$
Unquoted equity investments, at cost	43,830,191	43,830,234
Allowance for impairment loss	(815,313)	(815,313)
	<u>43,014,878</u>	<u>43,014,921</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

4. Investments in subsidiaries (Continued)

Movements in unquoted equity investment, at cost were as follows:

	Company	
	2025 US\$	2024 US\$
Balance at beginning of financial year	43,830,234	43,618,432
Incorporation of subsidiaries	1	44
Disposal of subsidiaries	(44)	(21)
Additional capital contribution	–	211,779
Balance at end of financial year	<u>43,830,191</u>	<u>43,830,234</u>

Movements in allowance for impairment loss were as follows:

	Company	
	2025 US\$	2024 US\$
Balance at beginning of financial year	(815,313)	(416,271)
Impairment loss during the financial year	–	(399,042)
Balance at end of financial year	<u>(815,313)</u>	<u>(815,313)</u>

As at the end of the reporting period, the Company carried out a review of the investment in subsidiaries, having regard for indicators of impairment on investments in subsidiaries based on the existing performance of subsidiaries. Following the review, an impairment loss of US\$399,042 was recognised in the Company's profit or loss in the previous financial year. The recoverable amount of the impaired subsidiary was determined based on the fair value less cost of disposal ("FVLCO"). The FVLCO of the impaired subsidiary was assessed to be the expected cash flow recoverable in the event of disposal. The fair value measurement is categorised as a level 3 in the fair value hierarchy.

(a) During the current financial year ended 28 February 2025:

(i) Incorporation of Strategic Pinnacle Holdings Pte. Ltd. ("SPH")

On 3 September 2024, the Company incorporated a wholly-owned subsidiary in Singapore known as Strategic Pinnacle Holdings Pte. Ltd. ("SPH"), with an issued and paid-up capital of SGD1 (equivalent to US\$1) comprising one (1) ordinary share. The principal activity of this company is investment holding.

(ii) Disposal of Sinar Mining Sdn. Bhd. ("SinarM") (formerly known as FM Nickel Sdn. Bhd.)

The Company has, on 19 September 2024, changed the name of a wholly-owned subsidiary in Malaysia known as FM Nickel Sdn. Bhd. to Sinar Mining Sdn. Bhd. ("SinarM").

On 23 September 2024, the Company transferred 51% shareholding in SinarM with an issued and paid-up capital of MYR100 (equivalent to US\$22) comprising one hundred (100) ordinary shares to another wholly-owned subsidiary in Malaysia known as Fortress Logistics Sdn. Bhd. ("FLSB"). The remaining 49% shareholding was disposed to a third-party individual, not related to any of the Directors or substantial shareholders of the Company at consideration of MYR49 (equivalent to US\$11). Consequently, the Company's effective interest in SinarM's ordinary shares decreased from 100% to 51%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

4. Investments in subsidiaries (Continued)

(a) During the current financial year ended 28 February 2025: (Continued)

(iii) Disposal of FM Gold Sdn. Bhd. ("FMGold")

On 19 February 2025, the Company transferred the entire shareholding in FMGold with an issued and paid-up capital of MYR100 (equivalent to US\$22) comprising one hundred (100) ordinary shares to another wholly-owned subsidiary in Malaysia known as Fortress Mining Sdn. Bhd. ("FMSB"). Consequently, the Company's effective interest in FMGold's ordinary shares remained at 100%.

(b) In the previous financial year ended 29 February 2024:

(i) Incorporation of FM Nickel Sdn. Bhd. ("FMNickel")

On 18 April 2023, the Company incorporated a wholly-owned subsidiary in Malaysia known as FM Nickel Sdn. Bhd. ("FMNickel"), with an issued and paid-up capital of MYR100 (equivalent to US\$22) comprising one hundred (100) ordinary shares. The principal activity of this company is investment holding.

(ii) Incorporation of FM Gold Sdn. Bhd. ("FMGold")

On 7 June 2023, the Company incorporated a wholly-owned subsidiary in Malaysia known as FM Gold Sdn. Bhd. ("FMGold"), with an issued and paid-up capital of MYR100 (equivalent to US\$22) comprising one hundred (100) ordinary shares. The principal activity of this company is investment holding.

(iii) Disposal of Fortress Transport Sdn. Bhd. ("FTSB") (formerly known as Fortress SiO2 Sdn. Bhd.)

The Company has, on 11 October 2023, changed the name of a wholly-owned subsidiary in Malaysia known as Fortress SiO2 Sdn. Bhd. to Fortress Transport Sdn. Bhd. ("FTSB").

On 19 October 2023, the Company transferred the entire shareholding in FTSB with an issued and paid-up capital of MYR100 (equivalent to US\$21) comprising one hundred (100) ordinary shares to another wholly-owned subsidiary in Malaysia known as Fortress Mining Sdn. Bhd. ("FMSB").

On 27 October 2023, FMSB and a third-party company, not related to any of the Directors or substantial shareholders of the Company, subscribed to an additional 152,900 and 147,000 new ordinary shares in FTSB, respectively. Consequently, the issued and paid-up capital of FTSB had increased from MYR100 to MYR300,000 (equivalent US\$22 to US\$64,889). The Company's effective interest in FTSB's ordinary shares decreased from 100% to 51%.

On 24 April 2024, Fortress Transport Sdn. Bhd. issued an additional 700,000 ordinary shares to its shareholders for MYR700,000 (equivalent to US\$146,580) where the cash contribution was received in accordance with their portion of equity interests. As such, there is no change in the shareholding in Fortress Transport Sdn. Bhd.

(iv) Additional share capital in a subsidiary – Fortress Drilltech Sdn. Bhd. ("FDTSB")

On 10 November 2023, the Company further injected MYR999,900 (equivalent to US\$211,779) of capital into an existing subsidiary, FDTSB. The capital injection contribution was satisfied through full cash settlement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

4. Investments in subsidiaries (Continued)

The details of the subsidiaries are as follows:

Name of subsidiaries (Country of incorporation and principal place of business)	Principal activities	Proportion of ownership interest held by the Company		Proportion of ownership interest held by non-controlling interest	
		2025	2024	2025	2024
		%	%	%	%
Fortress Resources Pte. Ltd. ⁽¹⁾ (Singapore)	Wholesale trade of a variety of goods without dominant product	100	100	–	–
Strategic Pinnacle Holdings Pte. Ltd. ^{(1),(5)} (Singapore)	Investment holding	100	–	–	–
Fortress Mining Sdn. Bhd. ⁽²⁾ (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and dealings in minerals	100	100	–	–
Fortress Dredging Sdn. Bhd. ⁽²⁾ (Malaysia)	Business of extraction, dredging and dealing of industrial sand, acquisition of mines, mining rights, metalliferous land, quarries and dealing in minerals	100	100	–	–
Fortress Metals Sdn. Bhd. ⁽²⁾ (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	100	100	–	–
Fortress Mengapur Sdn. Bhd. ⁽²⁾ (Malaysia)	Investment holding	100	100	–	–
Fortress Shared Services Sdn. Bhd. ⁽²⁾ (Malaysia)	Function as the centre of excellence and provide support across the Group's financial accounting, payroll, information technology, purchasing, corporate services and other shared service centre functions	100	100	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

4. Investments in subsidiaries (Continued)

The details of the subsidiaries are as follows: (Continued)

Name of subsidiaries (Country of incorporation and principal place of business)	Principal activities	Proportion of ownership interest held by the Company/ respective subsidiaries		Proportion of ownership interest held by non-controlling interest	
		2025	2024	2025	2024
		%	%	%	%
Fortress Drilltech Sdn. Bhd. ⁽²⁾ (Malaysia)	To carry on business as contractors for drilling and blasting works, other site preparation activities and mining work of any kind	100	100	–	–
Fortress Cu Sdn. Bhd. ⁽²⁾ (Malaysia)	Investment holding	100	100	–	–
Fortress Ni Sdn. Bhd. ⁽²⁾ (Malaysia)	Investment holding	100	100	–	–
Sinar Mining Sdn. Bhd. (formerly known as FM Nickel Sdn. Bhd.) ⁽²⁾ (Malaysia)	Investment holding	–	100	–	–
FM Gold Sdn. Bhd. ⁽²⁾ (Malaysia)	Investment holding	–	100	–	–
Held by Fortress Mining Sdn. Bhd.					
Fortress Logistics Sdn. Bhd. ⁽²⁾ (Malaysia)	Transport of iron ore and minerals, renting of transport equipment and vehicles and supporting services for transport equipment and vehicles; and investment holding	100	100	–	–
Fortress Industries Sdn. Bhd. ⁽²⁾ (Malaysia)	Processing and pelletising of iron ore concentrate and other minerals and trading in minerals	100	100	–	–
Fortress FE Sdn. Bhd. ^{(2),(3)} (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	75	75	25	25

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

4. Investments in subsidiaries (Continued)

The details of the subsidiaries are as follows: (Continued)

Name of subsidiaries (Country of incorporation and principal place of business)	Principal activities	Proportion of ownership interest held by the respective subsidiaries		Proportion of ownership interest held by non-controlling interest	
		2025	2024	2025	2024
		%	%	%	%
Held by Fortress Mining Sdn. Bhd. (Continued)					
Fortress Transport Sdn. Bhd. ^{(2),(3)} (Malaysia)	Transport of iron ore and minerals, renting of transport equipment and vehicles and supporting services for transport equipment and vehicles	51	51	49	49
FM Gold Sdn. Bhd. ⁽²⁾ (Malaysia)	Investment holding	100	–	–	–
Gemilang Mining Sdn. Bhd. ^{(2),(3),(4)} (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	60	–	40	–
Sejati Lombong Sdn. Bhd. ^{(2),(3),(4)} (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	60	–	40	–
Ecomines Global Sdn. Bhd. ^{(2),(3),(6)} (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	70	–	30	–
Held by Fortress Cu Sdn. Bhd.					
Saga Mineral Sdn. Bhd. ⁽²⁾ (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	65	65	35	35
Held by Fortress Ni Sdn. Bhd.					
Kencana Primary Sdn. Bhd. ^{(2),(7)} (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	65	51	35	49

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

4. Investments in subsidiaries (Continued)

The details of the subsidiaries are as follows: (Continued)

Name of subsidiaries (Country of incorporation and principal place of business)	Principal activities	Proportion of ownership interest held by the respective subsidiaries		Proportion of ownership interest held by non-controlling interest	
		2025	2024	2025	2024
		%	%	%	%
Held by Fortress Logistics Sdn. Bhd.					
Sinar Mining Sdn. Bhd. (formerly known as FM Nickel Sdn. Bhd.) ^{(2),(3)} (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	51	–	49	–
SMA Mineral Sdn. Bhd. ^{(2),(3),(4)} (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	51	–	49	–
Held by FM Gold Sdn. Bhd.					
Alfa Wijaya Sdn. Bhd. ^{(2),(3),(8)} (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	–	65	–	35
Juara Suria Sdn. Bhd. ^{(2),(3),(4)} (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	65	–	35	–
Held by Fortress Mengapur Sdn. Bhd.					
Cermat Aman Sdn. Bhd. ⁽²⁾ (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	100	100	–	–
Star Destiny Sdn. Bhd. ⁽²⁾ (Malaysia)	Acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals	100	100	–	–

(1) Audited by BDO LLP, Singapore

(2) Audited by BDO PLT, Malaysia

(3) The non-controlling interests that are not 100% owned by the Group are considered to be insignificant.

(4) Acquisition of Gemilang Mining Sdn. Bhd. ("GMSB"), Sejati Lombong Sdn. Bhd. ("SLSB"), SMA Mineral Sdn. Bhd. ("SMAM") and Juara Suria Sdn. Bhd. ("JSSB")

The Group entered into an agreement with third parties to partially acquire the equity interest of GMSB, SLSB, SMAM and JSSB. These acquisitions relates to the Group's exploration of the prospecting areas in Terengganu, Malaysia. They have been accounted for as acquisition of assets and liabilities because they do not meet the definition of a business combination. The details of the acquisitions are as follows:

On 29 March 2024, Fortress Mining Sdn. Bhd. acquired 60% equity interest of GMSB from a third party for a cash consideration of MYR300,000 (equivalent to US\$63,390).

On 29 March 2024, Fortress Mining Sdn. Bhd. acquired 60% equity interest of SLSB from a third party for a cash consideration of MYR300,000 (equivalent to US\$63,390).

On 21 October 2024, Fortress Logistics Sdn. Bhd. acquired 51% equity interest of SMAM from a third party for a cash consideration of MYR400,000 (equivalent to US\$93,000).

On 18 February 2025, FM Gold Sdn. Bhd. acquired 65% equity interest of JSSB from a third party for a cash consideration of MYR350,000 (equivalent to US\$78,713).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

4. Investments in subsidiaries (Continued)

- (5) On 3 September 2024, Strategic Pinnacle Holdings Pte. Ltd., a wholly owned subsidiary in the Group was incorporated in Singapore with a paid-up capital of SGD1 (equivalent to US\$1).
- (6) On 6 January 2025, Ecomines Global Sdn. Bhd., a 70% equity owned subsidiary in the Group was incorporated in Malaysia with a paid-up capital of MYR1,000 (equivalent to US\$224).
- (7) On 13 March 2024, Fortress Ni Sdn. Bhd. acquired 14% of Kencana Primary Sdn. Bhd. from a third party for consideration amounting to MYR3,000,000 (equivalent to US\$640,500). The Group's effective equity interest in Kencana Primary Sdn. Bhd. increased from 51% to 65%.
- (8) On 27 December 2024, FM Gold Sdn. Bhd. disposed 100% shares of Alfa Wijaya Sdn. Bhd. to a third party for consideration of MYR195,000 (approximately US\$42,000).

Non-controlling interests

The summarised financial information before intra-group elimination of the subsidiaries that have material non-controlling interests as at each reporting date are as follows:

	Saga Mineral Sdn. Bhd.		Kencana Primary Sdn. Bhd.	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Non-current assets	18,286	1,147,764	–	453,658
Current assets	545,174	167,327	42,840	910,933
Non-current liabilities	–	(22,993)	–	(18,108)
Current liabilities	(1,950,110)	(1,285,971)	(638,937)	(1,344,668)
Net (liabilities)/assets	(1,386,650)	6,127	(596,097)	1,815
Percentage of effective non-controlling interest	35%	35%	35%	49%
Accumulated effective non-controlling interests	(485,328)	2,144	(208,634)	889
Revenue	–	–	–	–
(Loss)/Profit for the financial year	(1,372,893)	(1,476)	(589,322)	4,404
(Loss)/Profit allocated to non-controlling interests	(480,513)	(517)	(206,263)	2,158
Net cash used in operating activities	(140,385)	50,063	(1,729)	(78,426)
Net cash used in investing activities	(593,327)	124,409	(148,993)	489,718
Net cash used in financing activities	635,532	(22,181)	(270,297)	(3,983)
Net change in cash and cash equivalents	(98,180)	152,291	(421,019)	407,309

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

5. Exploration and evaluation assets

	Group	
	2025	2024
	US\$	US\$
Balance at beginning of financial year	4,977,668	6,501,873
Additions	1,123,512	2,421,908
Reclassification to mining properties (Note 6)	–	(3,636,865)
Impairment loss during the financial year	(2,999,627)	–
Exchange translation differences	240,650	(309,248)
Balance at end of financial year	<u>3,342,203</u>	<u>4,977,668</u>

The carrying amount of the exploration and evaluation assets relates to the exploration of new areas of interest in the Mengapur mine and the prospecting areas in Sabah, Malaysia. Recoverability of exploration and evaluation assets is dependent on successful development and commercial exploitation of the mineral resources, or alternatively sale of the respective areas. In the previous financial year, the Group started developing and mining the exploration area at Bukit Besi mine. Consequently, the related exploration and evaluation assets were reclassified to mining properties.

Impairment loss

During the financial year, management identified an indicator for impairment exists in the Group's exploration and evaluation assets relating to the exploration activities in Sabah, due to the expiry of the prospecting licenses in December 2024 and as at the date of these financial statements, management is in the process of renewing the prospecting licenses. Management determined the recoverable amount of relevant exploration and evaluation assets by estimating fair value less costs of disposal (level 3 fair value hierarchy). Accordingly, an impairment loss amounting to US\$2,999,627 was recognised.

For the purpose of the consolidated statement cash flows, the Group's additions to exploration and evaluation assets during the financial year were financed as follows:

	Group	
	2025	2024
	US\$	US\$
Additions of exploration and evaluation assets	1,123,512	2,421,908
Non-cash item due to capitalisation of:		
– depreciation of right-of-use assets	(22,649)	(27,322)
– depreciation of plant and equipment	(99,676)	(73,572)
– finance costs	(1,003)	(1,511)
– reclassification from prepayments	–	(325,734)
Cash payments to additions of exploration and evaluation assets	<u>1,000,184</u>	<u>1,993,769</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

6. Mining properties

	Group	
	2025	2024
	US\$	US\$
Cost		
Balance at beginning of financial year	44,833,811	42,500,902
Additions	209,660	630,535
Reclassification from exploration and evaluation assets (Note 5)	–	3,636,865
Exchange translation differences	2,221,382	(1,934,491)
Balance at end of financial year	<u>47,264,853</u>	<u>44,833,811</u>
Amortisation		
Balance at beginning of financial year	3,244,125	2,372,245
Charge for the financial year	997,547	1,036,185
Exchange translation differences	223,181	(164,305)
Balance at end of financial year	<u>4,464,853</u>	<u>3,244,125</u>
Carrying amount		
Balance at end of financial year	<u>42,800,000</u>	<u>41,589,686</u>

The carrying amount of the mining properties relates to costs that are directly attributable to the development of Bukit Besi and Mengapur mines, which are reclassified as mining properties when mineral reserves are proven and the mines are commissioned. All subsequent development expenditure on the mines is capitalised and classified under mining properties, provided that the conditions for commercial viability continue to be satisfied.

The Group's amortisation charges for the financial years are allocated as follows:

	Group	
	2025	2024
	US\$	US\$
Charged to profit or loss	780,502	898,437
Capitalised as inventories	217,045	137,748
	<u>997,547</u>	<u>1,036,185</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

7. Plant and equipment

	Furniture and fittings US\$	Office equipment US\$	Site equipment US\$	Plant and machinery US\$	Motor vehicles US\$	Renovation US\$	Capital work-in-progress US\$	Total US\$
Group Cost								
Balance at 1 March 2024	98,366	360,214	1,468,420	20,481,246	10,113,458	48,288	2,722,445	35,292,437
Additions	12,650	24,703	260,166	856,687	3,563,283	71,527	1,209,900	5,998,916
Reclassification	-	-	-	360,385	-	2,210	(362,595)	-
Disposal	-	-	-	(249,372)	(542,152)	-	(158,891)	(950,415)
Written off	-	-	-	-	(29,792)	(7,898)	-	(37,690)
Exchange translation differences	6,718	24,179	90,692	1,376,717	688,834	4,145	373,766	2,565,051
Balance at 28 February 2025	117,734	409,096	1,819,278	22,825,663	13,793,631	118,272	3,784,625	42,868,299
Accumulated depreciation								
Balance at 1 March 2024	(37,108)	(154,186)	(807,971)	(7,250,119)	(5,824,042)	(7,314)	-	(14,080,740)
Depreciation for the financial year	(18,337)	(71,061)	(202,680)	(2,197,487)	(1,933,927)	(14,858)	-	(4,438,350)
Disposal	-	-	-	72,733	387,845	-	-	460,578
Written off	-	-	-	-	29,792	2,233	-	32,025
Exchange translation differences	(2,719)	(11,064)	(53,540)	(513,911)	(376,828)	(661)	-	(958,723)
Balance at 28 February 2025	(58,164)	(236,311)	(1,064,191)	(9,888,784)	(7,717,160)	(20,600)	-	(18,985,210)
Net carrying amount								
Balance at 28 February 2025	59,570	172,785	755,087	12,936,879	6,076,471	97,672	3,784,625	23,883,089

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

7. Plant and equipment (Continued)

	Furniture and fittings US\$	Office equipment US\$	Site equipment US\$	Plant and machinery US\$	Motor vehicles US\$	Renovation US\$	Capital work-in-progress US\$	Total US\$
Group Cost								
Balance at 1 March 2023	43,679	258,592	1,262,628	19,712,677	9,575,362	–	3,696,232	34,549,170
Additions	58,972	120,210	283,323	471,284	2,507,131	10,758	924,983	4,376,661
Reclassification	–	–	–	1,507,227	–	38,989	(1,546,216)	–
Disposal	–	–	–	–	(1,388,788)	–	–	(1,388,788)
Exchange translation differences	(4,285)	(18,588)	(77,531)	(1,209,942)	(580,247)	(1,459)	(352,554)	(2,244,606)
Balance at 29 February 2024	98,366	360,214	1,468,420	20,481,246	10,113,458	48,288	2,722,445	35,292,437
Accumulated depreciation								
Balance at 1 March 2023	(23,551)	(97,481)	(677,541)	(5,485,064)	(5,353,572)	–	–	(11,637,209)
Depreciation for the financial year	(15,386)	(64,196)	(174,145)	(2,148,659)	(1,770,651)	(7,534)	–	(4,180,571)
Disposal	–	–	–	–	978,475	–	–	978,475
Exchange translation differences	1,829	7,491	43,715	383,604	321,706	220	–	758,565
Balance at 29 February 2024	(37,108)	(154,186)	(807,971)	(7,250,119)	(5,824,042)	(7,314)	–	(14,080,740)
Net carrying amount								
Balance at 29 February 2024	61,258	206,028	660,449	13,231,127	4,289,416	40,974	2,722,445	21,211,697

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

7. Plant and equipment (Continued)

The carrying amounts of plant and equipment of the Group secured to bank borrowings (Note 20) as at 28 February 2025 were US\$5,717,325 (2024: US\$3,047,236).

For the purpose of the consolidated statement cash flows, the Group's additions to plant and equipment during the financial year were financed as follows:

	Group	
	2025 US\$	2024 US\$
Additions of plant and equipment	5,998,915	4,376,661
Acquired under bank borrowings	(4,264,452)	(1,566,738)
Depreciation of plant and equipment	–	(15,623)
Recognised in other payables	445,202	99,929
Cash payments to acquire plant and equipment	<u>2,179,665</u>	<u>2,894,229</u>

The Group's depreciation charges for the financial years are allocated as follows:

	Group	
	2025 US\$	2024 US\$
Charged to profit or loss	3,695,937	3,487,364
Capitalised in inventories	642,737	604,012
Capitalised in plant and equipment	–	15,623
Capitalised in exploration and evaluation assets	99,676	73,572
	<u>4,438,350</u>	<u>4,180,571</u>

8. Right-of-use assets

	Premises	Motor	Total
	US\$	vehicles US\$	
Group			
At 1 March 2024	46,854	1,390,119	1,436,973
Additions	80,100	452,358	532,458
Depreciation	(99,711)	(864,829)	(964,540)
Reassessment and modification of leases	101,142	(1,048,698)	(947,556)
Exchange translation differences	4,327	71,050	75,377
At 28 February 2025	<u>132,712</u>	<u>–</u>	<u>132,712</u>
At 1 March 2023	72,483	610,287	682,770
Additions	55,153	1,734,487	1,789,640
Depreciation	(78,389)	(2,178,580)	(2,256,969)
Reassessment and modification of leases	1,201	1,284,265	1,285,466
Exchange translation differences	(3,594)	(60,340)	(63,934)
At 29 February 2024	<u>46,854</u>	<u>1,390,119</u>	<u>1,436,973</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

8. Right-of-use assets (Continued)

The carrying amounts of premises and motor vehicles of the Group were secured over the lease liabilities (Note 21) as at reporting date. These assets will be seized and returned to lessor in the event of default by the Group.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate the depreciable amounts over their estimated useful life, on the following bases:

	<u>Years</u>
Premises	1 to 2
Motor vehicles	1 to 2

The Group's depreciation charges for the financial years are allocated as follows:

	Group	
	2025	2024
	US\$	US\$
Charged to profit or loss	778,724	1,995,646
Capitalised in inventories	163,167	234,001
Capitalised in exploration and evaluation assets	22,649	27,322
	964,540	2,256,969

In the current financial year, the Group renegotiated and modified an existing lease contract for premises and motor vehicles by extending the lease term with revised lease payments and shortening the lease contract respectively. In the previous financial years, the Group renegotiated and modified an existing lease contract for certain motor vehicles by extending the lease term with revised lease payments. As this revised lease payment is not part of the terms and conditions of the original lease contract, it is accounted for as a lease modification with increase/(decrease) (2024: increase) to the right-of-use assets. The corresponding remeasurement to lease liability is disclosed under Note 21 to the financial statements.

9. Deferred tax

	Group	
	2025	2024
	US\$	US\$
Deferred tax liabilities	3,830,229	3,543,846

The movements in deferred tax position are as follows:

	Group	
	2025	2024
	US\$	US\$
Balance at beginning of financial year	3,543,846	3,577,057
Recognised in profit or loss (Note 31)	175,771	66,756
Exchange translation differences	110,612	(99,967)
Balance at end of financial year	3,830,229	3,543,846

The deferred tax liabilities are attributable to temporary differences arising from plant and equipment and mining properties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

10. Intangible asset

	Group	
	2025	2024
	US\$	US\$
<u>Goodwill</u>		
Cost		
Balance at beginning of financial year	2,834,372	3,010,462
Exchange translation differences	188,899	(176,090)
Balance at end of financial year	<u>3,023,271</u>	<u>2,834,372</u>

Goodwill is allocated to a single cash-generating-unit (“CGU”) which is the FMeSB Group acquired by the Group in financial year ended 28 February 2022. The FMeSB Group operates the Mengapur mine located in Pahang, Malaysia.

The recoverable amount of the CGU is determined from value in use calculations based on cash flow forecasts for the next eight (8) years (2024: eight (8) years) taking into account the life-of-mine (“LOM”) and development plans for the Mengapur mine as part of the long-term planning process. The key assumptions for these value in use calculations are follows:

- (i) The anticipated annual production volume used in the cash flow projections of the CGU ranged from 0 to 152,000 wet metric tonne (“WMT”) per annum (2024: 60,000 WMT to 240,000 WMT per annum) of iron concentrate and 3,000 tonne to 49,000 tonne per annum (2024: 7,000 tonne to 44,000 tonne) of copper concentrate.
- (ii) The anticipated economic life of the Mengapur mine is estimated to be for the next eight (8) years (2024: eight (8) years), with the assumption that the mining rights will be renewed successfully throughout the economic life of the Mengapur mine. Subsequent to the financial year end, the Group obtained confirmation of the renewal of the mining rights in principle, with the renewal process currently pending finalisation by the relevant authorities.
- (iii) The anticipated average realised selling price projected based on historical S&P Global Commodity Platts Price for iron concentrate and LME Copper Price for copper concentrate with adjustment to account for prices applied to the local market.
- (iv) Earnings before interest and tax (“EBIT”) margins ranged from 33% to 54% (2024: 32% to 50%).
- (v) Discount rate is determined to be 13.70% (2024: 12.30%).

Based on these assumptions, management is of the view that no impairment loss is required in relation to goodwill.

Sensitivity analysis

The maximum movement made to the key assumptions before an impairment charge is recognised are as follows:

	Group	
	2025	2024
Anticipated annual production volume of copper decreased by	17%	30%
Anticipated economic life of the Mengapur mine decreased by	0.5 year	2 years
Anticipated average realised selling price for copper concentrate	12%	29%
EBIT margins decreased by	5% to 9%	0% to 12%
Discount rate increased by	<u>2.40%</u>	<u>6.10%</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

11. Inventories

	Group	
	2025 US\$	2024 US\$
Iron ores	5,756,439	2,815,328
Consumables	420,422	319,840
	<u>6,176,861</u>	<u>3,135,168</u>

The cost of inventories recognised as expense and included in “cost of sales” amounted to US\$23,044,776 (2024: US\$20,671,393).

12. Trade receivables

	Group	
	2025 US\$	2024 US\$
Trade receivables		
– third parties	<u>6,242,535</u>	<u>7,205,929</u>

Trade receivables are unsecured, non-interest bearing and is on a credit term of 7 to 14 days (2024: 7 to 14 days). Trade receivables for the current and previous financial years are all current and not overdue.

The Group provides for lifetime expected credit losses for trade receivables based on the Group’s historical observed default rates which are adjusted with forward-looking information. At the end of each reporting date, management had assessed and determined that the expected credit losses to be insignificant as these trade receivables are fully settled subsequent to the financial year end.

The currency exposure profile of the trade receivables as at the end of each reporting date is in United States dollar.

13. Other receivables, deposits and prepayments

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Other receivables	994,673	934,098	59	–
Deposits	2,938,451	1,903,741	–	–
Less: Loss allowance on deposits	(686,860)	(643,944)	–	–
	<u>3,246,264</u>	<u>2,193,895</u>	<u>59</u>	<u>–</u>
Prepayments	4,741,266	2,003,211	–	–
	<u>7,987,530</u>	<u>4,197,106</u>	<u>59</u>	<u>–</u>
Less:				
Prepayments	(4,741,266)	(2,003,211)	–	–
Add:				
Trade receivables (Note 12)	6,242,535	7,205,929	–	–
Cash and bank balances (Note 16)	7,850,163	7,681,409	308,998	2,073,664
Amount due from subsidiaries (Note 14)	–	–	13,328,803	13,372,073
Total financial assets carried at amortised cost	<u>17,338,962</u>	<u>17,081,233</u>	<u>13,637,860</u>	<u>15,445,737</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

13. Other receivables, deposits and prepayments (Continued)

Prepayments pertained mainly to advance payments to non-related vendors and considerations paid in advance for the Group's investment in potential mining projects.

The Group assesses expected credit losses for other receivables and deposits based on the historical observed default rates which is adjusted with forward-looking information. At each reporting date, management had assessed the expected credit loss to be insignificant, except for the impairment loss recognised as at the end of the reporting period, which represents allowance made for deposits with indication of significant increase in credit risk existing for certain counterparty. There is no change in the estimation techniques made in assessing loss allowance during the financial year.

Movement in allowance for impairment losses on deposits of the Group are as follows:

	2025 US\$	2024 US\$
Balance at beginning of financial year	(643,944)	–
Impairment losses recognised in profit or loss	–	(663,402)
Exchange translation differences	(42,916)	19,458
Balance at end of financial year	<u>(686,860)</u>	<u>(643,944)</u>

The currency exposure profiles of other receivables and deposits as at the end of each reporting date are as follows:

	Group	
	2025 US\$	2024 US\$
Malaysian ringgit	6,838,799	3,330,841
United States dollar	871,451	866,265
Chinese Yuan	277,280	–
	<u>7,987,530</u>	<u>4,197,106</u>

14. Amounts due from subsidiaries

	Company	
	2025 US\$	2024 US\$
Amounts due from subsidiaries (non-trade)	15,241,755	13,372,073
Loss allowance	(1,912,952)	–
	<u>13,328,803</u>	<u>13,372,073</u>

The non-trade amounts due from subsidiaries are unsecured, non-interest bearing and repayable on demand.

Movement in loss allowance for non-trade amounts due from subsidiaries are as follows:

	Company	
	2025 US\$	2024 US\$
Balance at beginning of financial year	–	–
Loss allowance	1,912,952	–
Balance at end of financial year	<u>1,912,952</u>	<u>–</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

14. Amounts due from subsidiaries (Continued)

For non-trade amounts due from subsidiaries of US\$1,912,952, management identified significant increase in credit risk due to the expiry of these subsidiaries' prospecting licenses in December 2024 for the exploration activities in Sabah (Note 5). Accordingly, management recognised loss allowance on these non-trade amounts due from subsidiaries based on lifetime expected credit loss.

The currency exposure profile of the amounts due from subsidiaries as at the end of each reporting date are as follows:

	Company	
	2025 US\$	2024 US\$
Malaysian ringgit	–	2,814
Singapore dollar	538,893	2,690,250
United States dollar	12,789,910	10,679,009
	<u>13,328,803</u>	<u>13,372,073</u>

15. Financial assets at fair value through profit or loss

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Financial assets at FVTPL	<u>1,040,510</u>	<u>2,196,115</u>	<u>799,451</u>	<u>2,196,115</u>

Financial assets at FVTPL comprise money market funds with weighted average annual yields of 4.89% (2024: 5.35%). The fair value of the money market funds is classified as level 2 based on the quoted closing market prices on the last market day of the financial year.

The currency exposure profile of the financial assets at FVTPL as at the end of each reporting date are as follows:

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Singapore dollar	97,889	372,927	97,889	372,927
United States dollar	942,621	1,823,188	701,562	1,823,188
	<u>1,040,510</u>	<u>2,196,115</u>	<u>799,451</u>	<u>2,196,115</u>

16. Cash and bank balances

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Cash at banks	7,824,067	4,549,852	308,998	70,915
Cash on hand	26,096	27,657	–	–
Short-term deposits	–	3,103,900	–	2,002,749
	<u>7,850,163</u>	<u>7,681,409</u>	<u>308,998</u>	<u>2,073,664</u>

In the previous financial year, short-term deposits bear interest from 0.05% to 4.45% per annum with maturity ranging from five days to one month from the end of each reporting date, except for the short-term deposits pledged to a bank to secure credit facilities (Note 20), amounting to US\$2,002,749.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

16. Cash and bank balances (Continued)

The currency exposure profiles of cash and bank balances as at the end of each reporting date are as follows:

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Malaysian ringgit	5,482,766	5,376,655	209,372	6,343
Singapore dollar	68,759	35,874	42,458	29,313
United States dollar	2,298,638	2,268,880	57,168	2,038,008
	7,850,163	7,681,409	308,998	2,073,664

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following as at the end of each reporting period:

	Group	
	2025 US\$	2024 US\$
Cash and bank balances	7,850,163	7,681,409
Less: Short-term deposits pledged	–	(2,002,749)
Cash and cash equivalents per consolidated statement of cash flows	7,850,163	5,678,660

17. Share capital

	Group and Company			
	2025 Number of ordinary shares	US\$	2024 Number of ordinary shares	US\$
Issued and fully paid:				
Balance at beginning of financial year	523,316,100	28,995,034	500,000,000	22,463,273
Issuance of new ordinary shares*	–	–	23,316,100	6,531,761
Balance at end of financial year	523,316,100	28,995,034	523,316,100	28,995,034

The ordinary shares have no par value, carry one vote per share without restrictions and their holders are entitled to receive dividends when declared by the Company.

* Placement of up to 23,316,100 new ordinary shares

The Company had on 20 March 2023 entered into a Placement Agreement with Stirling Coleman Capital Limited ("Placement Agent"), pursuant to which the Placement Agent has agreed to procure placees to subscribe for up to 23,316,100 placement shares at the placement price of S\$0.386 (US\$0.280) per placement share (the "Placement Shares"), on a best-efforts basis, by way of a placement, upon the terms and subject to the conditions set out in the Placement Agreement (the "Proposed Placement").

When the Placement Shares are fully subscribed, the Placement Shares will represent approximately 4.66% of the existing issued and paid-up shares in the capital of the Company (excluding treasury shares and subsidiary holdings, if any) and approximately 4.46% of the enlarged issued and paid-up shares in the capital of the Company (excluding treasury shares and subsidiary holdings, if any) immediately after the completion of the Proposed Placement. The Proposed Placement will increase the issued and paid-up shares in the capital of the Company from 500,000,000 ordinary shares in the capital of the Company to 523,316,100 ordinary shares. The Proposed Placement will amount to an aggregate consideration of up to approximately S\$9.0 million (equivalent to approximately US\$6.5 million).

On 29 March 2023, SGX-ST had granted its approval in-principle ("AIP") for the listing and quotation of the Placement Shares on the Catalist board of the SGX-ST.

The Company had on 10 April 2023 completed the Proposed Placement and an aggregate of 23,316,100 Placement Shares have been allotted and issued to the placees by the Company on the same day, in accordance with the terms of the Placement Agreement.

Following completion of the Placement Agreement, the total number of issued shares of the Company had increased from 500,000,000 shares to 523,316,100 shares. The Placement Shares rank in all respects pari passu with, and carry all rights similar to, the existing issued shares, save for any dividend, rights, allotment or other distributions, the record date for which is on or before 10 April 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

18. Other reserves

	Group	
	2025 US\$	2024 US\$
Capital reserve	383,615	383,615
Merger reserve	(3,565,976)	(3,565,976)
Foreign currency translation reserve	(4,535,493)	(8,207,540)
	<u>(7,717,854)</u>	<u>(11,389,901)</u>

Capital reserve

Capital reserve is non-distributable and arose from the difference between fair value of the interest-free loan from the FMSB's previous ultimate holding company and the loan amount at inception.

Merger reserve

Merger reserve represents the difference between the consideration paid and the issued and fully paid share capital of subsidiaries acquired under common control that are accounted for by applying the "pooling-of-interest" method.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

19. Retained earnings

Movements of retained earnings of the Company are as follows:

	Company	
	2025 US\$	2024 US\$
Balance at beginning of financial year	23,130,320	17,152,427
Total comprehensive income for financial year	5,604,298	9,127,050
Dividends (Note 33)	(2,402,686)	(3,149,157)
Balance at end of financial year	<u>26,331,932</u>	<u>23,130,320</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

20. Bank borrowings

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Non-current				
<u>Secured:</u>				
Term loans	-	1,000,000	-	1,000,000
Asset financing	2,610,666	931,307	-	-
	2,610,666	1,931,307	-	1,000,000
Less: Unamortised transaction costs	-	(13,006)	-	(13,006)
	2,610,666	1,918,301	-	986,994
Current				
<u>Secured:</u>				
Term loans	-	6,000,000	-	5,000,000
Asset financing	2,001,564	998,841	-	-
Trade financing	1,460,717	-	-	-
	3,462,281	6,998,841	-	5,000,000
Less: Unamortised transaction costs	-	(59,276)	-	(52,026)
	3,462,281	6,939,565	-	4,947,974
Total borrowings				
Term loans	-	7,000,000	-	6,000,000
Asset financing	4,612,230	1,930,148	-	-
Trade financing	1,460,717	-	-	-
	6,072,947	8,930,148	-	6,000,000
Less: Unamortised transaction costs	-	(72,282)	-	(65,032)
	6,072,947	8,857,866	-	5,934,968

The maturity analysis of bank borrowings of the Group at the end of the reporting date are as follows:

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Payable				
- No later than one financial year	3,462,281	6,939,565	-	4,947,974
- Between one and two financial years	1,653,838	1,645,901	-	986,994
- Between two and five financial years	956,828	272,400	-	-
	6,072,947	8,857,866	-	5,934,968

The carrying amounts of non-current bank borrowings as at end of reporting period approximates its fair values. The interest rates of bank borrowings ranged from 2.15% to 5.80% (2024: 2.20% to 7.66%).

The Group's asset financing is secured by plant and equipment (Note 7), which will revert to the lessors in the event of default by the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

20. Bank borrowings (Continued)

The currency exposure profile of bank borrowings as at the end of each reporting date are as follows:

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Malaysian ringgit	6,072,947	1,930,148	-	-
United States dollar	-	6,927,718	-	5,934,968
	<u>6,072,947</u>	<u>8,857,866</u>	<u>-</u>	<u>5,934,968</u>

21. Lease liabilities

	Group		Total US\$
	Premises US\$	Motor vehicles US\$	
As at 1 March 2024	47,659	1,428,056	1,475,715
Additions	80,100	452,358	532,458
Interest expense	6,727	19,718	26,445
Reassessment and modification of leases	100,720	(1,085,350)	(984,630)
Lease payments			
– Principal portion	(97,843)	(868,053)	(965,896)
– Interest portion	(6,727)	(19,718)	(26,445)
Exchange translation differences	4,402	72,989	77,391
At 28 February 2025	<u>135,038</u>	<u>-</u>	<u>135,038</u>
As at 1 March 2023	78,906	601,212	680,118
Additions	55,153	1,734,487	1,789,640
Interest expense	2,992	33,775	36,767
Reassessment and modification of leases	(4,827)	1,300,700	1,295,873
Lease payments			
– Principal portion	(77,762)	(2,147,129)	(2,224,891)
– Interest portion	(2,992)	(33,775)	(36,767)
Exchange translation differences	(3,811)	(61,214)	(65,025)
At 29 February 2024	<u>47,659</u>	<u>1,428,056</u>	<u>1,475,715</u>

The maturity analysis of lease liabilities of the Group at the end of the reporting date are as follows:

	Group	
	2025 US\$	2024 US\$
Contractual undiscounted cash flows		
– No later than one financial year	98,401	1,292,694
– Between one and two financial years	41,430	208,041
	<u>139,831</u>	<u>1,500,735</u>
Less: Future interest expense	(4,793)	(25,020)
Present value of lease liabilities	<u>135,038</u>	<u>1,475,715</u>
Presented in consolidated statement of financial position		
– Non-current	40,989	205,331
– Current	94,049	1,270,384
	<u>135,038</u>	<u>1,475,715</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

21. Lease liabilities (Continued)

The Group leases office space, hostels and motor vehicles (2024: office space, hostels and motor vehicles) in Malaysia with only fixed payment over the lease terms.

The Group also leases certain hostels, office equipment, motor vehicles and machineries on short-term basis (i.e. less than 12 months) in order to support the production deadlines. The election of short-term leases is made by class of underlying assets with similar nature and use in the Group's operation whereas the low-value lease exemption is made on lease-by-lease basis.

Total cash outflow for all the leases was US\$2,310,657 (2024: US\$2,304,825).

As at 28 February 2025, the weighted average incremental borrowing rate applied was 5.04% per annum (2024: 3.18% per annum).

The currency exposure profile of lease liabilities as at the end of the reporting date is in Malaysian ringgit.

22. Trade payables

Trade payables are unsecured, interest free and repayable within the credit terms of 30 days (2024: 30 days). These payables are to be settled in cash.

The currency exposure profile of trade payables as at the end of each reporting date are as follows:

	Group	
	2025	2024
	US\$	US\$
Malaysian ringgit	1,849,927	1,164,930
United States dollar	14,908	15,267
	<u>1,864,835</u>	<u>1,180,197</u>

23. Other payables and accruals

	Group		Company	
	2025	2024	2025	2024
	US\$	US\$	US\$	US\$
Non-current				
Contingent consideration* (Note 37.5)	2,050,071	2,309,552	2,050,071	2,309,552
Current				
Other payables	3,033,165	2,081,546	7,472	51,000
Accruals	7,264,765	5,444,295	60,420	127,446
Contingent consideration* (Note 37.5)	-	67,172	-	67,172
	<u>10,297,930</u>	<u>7,593,013</u>	<u>67,892</u>	<u>245,618</u>
Add:				
Trade payables (Note 22)	1,864,835	1,180,197	-	-
Bank borrowings (Note 20)	6,072,947	8,857,866	-	5,934,968
Lease liabilities (Note 21)	135,038	1,475,715	-	-
Amounts due to directors (Note 24)	-	1,529	-	-
Amounts due to subsidiaries (Note 25)	-	-	817	41,199
Less:				
Contingent consideration* (Note 37.5)	<u>(2,050,071)</u>	<u>(2,376,724)</u>	<u>(2,050,071)</u>	<u>(2,376,724)</u>
Total financial liabilities carried at amortised cost	<u>18,370,750</u>	<u>19,041,148</u>	<u>68,709</u>	<u>6,154,613</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

23. Other payables and accruals (Continued)

* As part of the acquisition of the entire issued and paid-up share capital in FMeSB Group from Monument Mining Limited (the "Vendor") in 2021, the Company had also on the same date entered into a royalty agreement with the Vendor for the payment of royalties by the Company at the rate of 1.25% of gross revenue on all mineral products produced in forms ready for sale from the area within the boundaries of the entire tenements held by the subsidiaries namely CASB and SDSB, save for free digging oxide magnetite iron materials contained on the top soil at certain areas of the tenement held by CASB in accordance with the terms thereof. This portion of the consideration was determined to be contingent, as it is based on the performance of FMeSB Group.

At the end of each reporting period, the condition of FMeSB Group showed that it is highly probable that the performance indicator would be achieved due to continuous development of mining activities. Hence, the fair value of the contingent consideration determined at the end of each reporting period reflected this development.

The fair value is determined using the discounted cash flow method. This is a level 3 fair value measurement.

The currency exposure profiles of other payables and accruals as at the end of the reporting date are as follows:

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Malaysian ringgit	10,214,322	7,326,677	2,965	–
United States dollar	2,050,071	2,469,791	2,050,071	2,459,597
Singapore dollar	83,608	106,097	64,927	95,573
	<u>12,348,001</u>	<u>9,902,565</u>	<u>2,117,963</u>	<u>2,555,170</u>

24. Amounts due to directors

The amounts due to directors are non-trade related, unsecured, interest-free and repayable on demand in cash.

The currency exposure profile of amounts due to directors as at the end of the reporting date is in Malaysian ringgit.

25. Amounts due to subsidiaries

The amounts due to subsidiaries were non-trade related, unsecured, interest-free and repayable on demand in cash.

The currency exposure profile of amounts due to subsidiaries as at the end of the reporting date is in Malaysian ringgit.

26. Revenue

The Group has disaggregated revenue into various categories in the following table which is intended to depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic data.

	Group	
	2025 US\$	2024 US\$
<i>Primary geographical market</i>		
China	4,143,561	5,674,367
Malaysia	52,110,400	48,258,596
	<u>56,253,961</u>	<u>53,932,963</u>
<i>Timing of transfer of goods and services</i>		
Point in time	<u>56,253,961</u>	<u>53,932,963</u>

Revenue represents revenue derived from sale of iron ore which is the Group's only segment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

27. Other income

	Group	
	2025	2024
	US\$	US\$
Interest income from financial institutions	162,449	45,866
Distribution from financial assets at FVTPL	112,007	128,353
Fair value gain on financial assets at FVTPL	7,248	46,184
Gain on disposal of plant and equipment, net	–	158,501
Gain on disposal of a subsidiary	3,982	–
Gain on modification of lease contracts	37,074	–
Foreign exchange gain, net	136,361	–
Proceeds from termination of a contract	331,024	–
Sale of spare parts	50,363	–
Others	66,173	37,557
	906,681	416,461

28. Employee benefits expenses

	Group	
	2025	2024
	US\$	US\$
Wages, salaries, bonuses and other emoluments	10,137,426	8,947,116
Contributions to defined contribution plans	802,949	629,412
Social security contributions	83,205	60,134
Other benefits	573,405	446,814
	11,596,985	10,083,476

The employee benefits expenses are recognised in the following line items of financial statements:

	Group	
	2025	2024
	US\$	US\$
Profit or Loss		
– Cost of sales	4,061,643	3,941,917
– Selling and distribution expenses	186,275	61,908
– Other operating expenses	5,093,064	4,167,359
	9,340,982	8,171,184
Capitalised		
– Exploration and evaluation assets	698,209	803,545
– Plant and equipment	–	6,220
– Inventories	1,348,196	555,401
– Mining properties	209,598	547,126
	2,256,003	1,912,292
	11,596,985	10,083,476

Employee benefit expenses relating to key management personnel are disclosed in Note 35 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

29. Finance costs

	Group	
	2025	2024
	US\$	US\$
Interest expense on:		
– amortisation of transaction costs of bank borrowings	72,653	61,985
– bank borrowings	499,911	865,282
– lease liabilities	25,441	35,257
	<u>598,005</u>	<u>962,524</u>

30. Profit before income tax

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

	Group	
	2025	2024
	US\$	US\$
<i>Selling and distribution expenses</i>		
Handling and transportation charges	2,173,527	2,351,850
Commission expense	431,817	1,001,309
Royalty expense	3,528,136	3,261,920
<i>Other operating expenses</i>		
Travelling and accommodation	248,959	268,407
Tools and small equipment	114,747	506,445
Upkeep of site	70,046	148,771
Upkeep of machineries	2,439,888	2,257,976
Lease expenses on:		
– short-term leases	1,318,316	43,167
<i>Administrative expenses</i>		
Audit fee paid/payable to:		
– auditors of the Company	74,155	67,609
– other auditors	49,212	35,791
Non-audit fee paid/payable to:		
– auditors of the Company	4,781	21,936
– other auditors	–	20,743
Loss on modification of lease contracts	–	10,407
Foreign exchange loss, net	–	424,182
	<u>–</u>	<u>424,182</u>

31. Income tax expense

	Group	
	2025	2024
	US\$	US\$
Current income tax		
– current financial year	4,411,919	3,698,184
– under provision in respect of prior financial years	131,373	70,771
	<u>4,543,292</u>	<u>3,768,955</u>
Deferred tax		
– current financial year	180,373	142,175
– over provision in respect of prior financial years	(4,602)	(75,419)
	<u>175,771</u>	<u>66,756</u>
Income tax expense recognised in profit or loss	<u>4,719,063</u>	<u>3,835,711</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

31. Income tax expense (Continued)

Reconciliation of effective income tax rate

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

	Group	
	2025 US\$	2024 US\$
Profit before income tax	<u>10,493,914</u>	<u>13,873,717</u>
Income tax calculated using applicable tax rate of 17% (2024: 17%)	1,783,965	2,358,532
Add/(Less):		
Effect of different tax rate of overseas operations	702,673	1,083,829
Effect of non-allowable items	2,045,116	807,849
Effect of income not subject to tax	(213,526)	(177,885)
Deferred tax assets not recognised	325,814	14,028
Corporate tax rebate and incentive	(22,057)	(13,082)
Utilisation of previously unrecognised deferred tax assets	(25,147)	(232,912)
Under provision of current income tax in prior financial years	131,373	70,771
Over provision of deferred tax in prior financial years	(4,602)	(75,419)
Others	(4,546)	–
	<u>4,719,063</u>	<u>3,835,711</u>

At the end of the reporting period, the Group has unabsorbed tax losses of approximately US\$4,875,848 (2024: US\$3,355,736) for which no deferred tax assets were recognised, which are available for offset against future taxable profits. These unutilised tax losses can be utilised for set-off against future taxable profits with expiry dates ranging from Year of Assessment 2028 to 2035.

32. Earnings per share

The calculation for earnings per share is based on:

	Group	
	2025	2024
Profit for the financial year attributable to owners of the Company (US\$)	<u>6,324,165</u>	<u>10,047,877</u>
Weighted-average number of ordinary shares	<u>523,316,100</u>	<u>520,704,187</u>
<i>Earnings per share (in cents)</i>		
– Basic and diluted	<u>1.21</u>	<u>1.93</u>

The Group did not have any dilutive potential ordinary shares in the current or previous financial years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

33. Dividends

	Company	
	2025	2024
	US\$	US\$
Ordinary dividends paid:		
In respect of financial year ended 29 February 2024		
– Final one-tier tax exempt dividend of 0.60 Singapore cents (equivalent to 0.46 US cents) per ordinary share	2,402,686	–
In respect of financial year ended 28 February 2023		
– Final one-tier tax exempt dividend of 0.80 Singapore cents (equivalent to 0.60 US cents) per ordinary share	–	3,149,157
	<u>2,402,686</u>	<u>3,149,157</u>

For the financial year ended 28 February 2025, the Board recommended a one-tier tax exempt final cash dividend of S\$2.4 million; equivalent to 0.46 Singapore cents per ordinary share (US\$1.8 million; equivalent to 0.34 US cents per ordinary share), subject to the approval of shareholders at the forthcoming annual general meeting.

These financial statements do not reflect this dividend payable, which will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 28 February 2026.

34. Capital commitments

As at the end of reporting period, commitments in respect of capital expenditures are as follows:

	Group	
	2025	2024
	US\$	US\$
Capital expenditures contracted but not provided for		
– Plant and equipment	161,400	310,329

35. Significant related party transactions

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

During the financial year, in addition to the information disclosed elsewhere in the financial statements, the Group and the Company entered into the following transactions with related parties at rates and terms agreed between the parties:

	Group		Company	
	2025	2024	2025	2024
	US\$	US\$	US\$	US\$
With subsidiaries				
Dividends received and receivable	–	–	8,271,121	11,111,800
Management fee	–	–	50,658	63,896
With related parties				
Lease payments	52,964	51,911	–	–
Lease commitment	71,662	16,796	–	–
Purchase of plant and equipment	63,336	–	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

35. Significant related party transactions (Continued)

Related parties comprise mainly companies which are controlled by the Group's key management personnel and their close family members.

The outstanding balances as at 28 February 2025 and 29 February 2024 in respect of the above transactions with related parties are disclosed in Notes 14 and 25 to the financial statements and are unsecured, interest free and repayable on demand and are to be settled in cash, unless otherwise stated.

Key management personnel remuneration

Key management personnel are directors of the Company and subsidiaries and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly, or indirectly. The details of their remunerations are as follows:

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Directors' fees	690,183	667,143	505,426	467,583
Salaries and other emoluments	3,123,908	3,067,044	–	–
Contributions to defined contribution plans	375,323	248,702	–	–
Social security contributions	1,088	1,085	–	–
	<u>4,190,502</u>	<u>3,983,974</u>	<u>505,426</u>	<u>467,583</u>
Comprised amounts paid to:				
– Directors of the Company	3,923,396	3,702,557	505,426	467,583
– Directors of subsidiaries	267,106	281,417	–	–
	<u>4,190,502</u>	<u>3,983,974</u>	<u>505,426</u>	<u>467,583</u>

36. Segment information

Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

The Group has one (1) reportable segment being iron ore. The Group's reportable segment is as follows:

- (i) Iron ore – Exploration, mining, production and sale of iron ore.
- (ii) Others – Group's remaining minor trading and investment holding activities which are not included within reportable segments as they are not separately reported to the chief operating decision maker and they contribute minor amounts of income to the Group.

Except as indicated above, no operating segment has been aggregated to form the above reportable segments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

36. Segment information (Continued)

	Iron ore US\$	Other US\$	Total US\$
2025			
Revenue			
External customers, representing total revenue	56,253,961	–	56,253,961
Results:			
Amortisation of mining properties	(780,502)	–	(780,502)
Depreciation of right-of-use assets	(778,724)	–	(778,724)
Depreciation of plant and equipment	(3,695,937)	–	(3,695,937)
Loss on disposal of plant and equipment	(39,348)	–	(39,348)
Interest income from financial institutions	162,449	–	162,449
Distribution from financial assets at FVTPL	112,007	–	112,007
Fair value gain on financial assets at FVTPL	7,248	–	7,248
Interest expense	(598,005)	–	(598,005)
Segment profit/(loss)	11,305,271	(811,357)	10,493,914
Assets:			
Additions to non-current assets	7,864,546	–	7,864,546
Segment assets	102,666,404	558,058	103,224,462
Segment liabilities	(24,273,371)	(78,910)	(24,352,281)
	Iron ore US\$	Other US\$	Total US\$
2024			
Revenue			
External customers, representing total revenue	53,932,963	–	53,932,963
Results:			
Amortisation of mining properties	(898,437)	–	(898,437)
Depreciation of right-of-use assets	(1,995,646)	–	(1,995,646)
Depreciation of plant and equipment	(3,487,364)	–	(3,487,364)
Gain on disposal of plant and equipment	158,501	–	158,501
Interest income from financial institutions	45,866	–	45,866
Distribution from financial assets at FVTPL	128,353	–	128,353
Fair value gain on financial assets at FVTPL	46,184	–	46,184
Interest expense	(962,524)	–	(962,524)
Segment profit/(loss)	14,720,243	(846,526)	13,873,717
Assets:			
Additions to non-current assets	9,218,744	–	9,218,744
Segment assets	97,150,067	70,916	97,220,983
Segment liabilities	(24,795,861)	(178,530)	(24,974,391)

Geographical information

Non-current assets consist of exploration and evaluation assets, mining properties, plant and equipment, right-of-use assets, and intangible assets, which are located in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

36. Segment information (Continued)

Major customer

The Group's revenue from iron ore segment of US\$56,253,961 (2024: US\$53,932,963) is derived from various customers in People's Republic of China and Malaysia (2024: People's Republic of China, and Malaysia). The Group derives revenue from two (2) (2024: two (2)) major customers from the iron ore segment who contributed revenue amounting more than 10% of the Group's total revenue. The total revenue from these customers amounted to US\$52,110,400 (2024: US\$48,260,751).

37. Financial instruments, financial risks and capital management

The Group's activities expose it to credit risks, market risks (including foreign currency risks, interest rate risks and price risks) and liquidity risks. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. Management then establishes the detailed policies such as authority level, oversight responsibilities, risk identification and measurement and exposure limits, in accordance with the objectives and underlying principles approved by the Board of Directors. The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in foreign exchange rates.

There has been no change to the Group's exposure to these financial risks or the manner in which it managed and measures the risk.

37.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk to each class of financial instrument is the carrying amount of these financial instruments presented in the statements of financial position except for the financial guarantees given by the Company to the banks for the borrowings of the subsidiaries as disclosed under financial guarantee contracts.

Trade receivables

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require collaterals.

The Group do not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics except from two (2) (2024: three (3)) trade receivables which accounted for 100% (2024: 100%) of the total trade receivables as at 28 February 2025.

Trade receivables that are neither past due nor impaired are substantially companies with good collection track record with the Group. As at the end of the reporting period, there is no trade receivables past due but not impaired. The details of the Group's trade receivables are set out in Note 12 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

37. Financial instruments, financial risks and capital management (Continued)

37.1 Credit risk (Continued)

Other receivables, deposits and amounts due from subsidiaries

For amounts due from subsidiaries (Note 14), the Board of Directors has taken into account information that it has available internally about these subsidiaries' past, current and expected operating performance and cash flow position. The Board of Directors monitors and assesses at each reporting date on any indicator of significant increase in credit risk on the amounts due from the subsidiaries, by considering their performance ratio and any default in external debts. The risk of default is considered to be minimal as the subsidiaries have sufficient liquid assets and cash to repay their debts, except for the amount described in Note 14 to the financial statements where there is indication that credit risk on these receivables have increased significantly. Therefore, amounts due from subsidiaries has been measured based on 12-month expected credit loss model and subject to insignificant credit losses, except for as disclosed in Note 14 to the financial statements.

For other receivables and deposits, the Board of Directors adopts a policy of dealing with high credit quality counterparties. The Board of Directors monitors and assesses at each reporting date on any indicator of significant increase in credit risk on these other receivables. At the end of each reporting period, there is no indication that credit risk on these receivables has increased significantly, except for the amount described in Note 13 to the financial statements where there is indication that credit risk on the receivable have increased significantly in which the Group has provided for lifetime expected credit losses.

Cash and banks balances

Credit risk also arises from bank balances with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A+" are accepted and hence, subjected to insignificant credit losses. As at the end of the reporting period, the Group and the Company did not expect any credit losses from non-performance by the counterparty.

Financial guarantee contracts

In addition, the Company is exposed to credit risk in relation to financial guarantees given to financial institutions for subsidiaries' borrowings. The Company's maximum exposure is the maximum amount the Company could have to pay if the guarantee is called on. As at 28 February 2025, subsidiaries' borrowings of US\$5,615,388 (2024: US\$2,650,396) was guaranteed by the Company. The borrowings guaranteed by Company mature between 1 to 5 years (2024: 1 to 3 years). For the financial guarantee issued, the Company have assessed that these subsidiaries have sufficient financial capabilities to meet its contractual cash flows obligation in the near future, hence, does not expect any material loss allowance under the 12-month expected credit loss model.

37.2 Market risk

Foreign currency risk

Foreign exchange risk arises when individual entities within the Group enters into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow individual entities within the Group to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where individual entities within the Group have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group. The Group is primarily exposed to United States dollar ("USD"), Singapore dollar ("SGD") and Malaysian ringgit ("MYR"). The Company is primarily exposed to Singapore dollar ("SGD") and Malaysian ringgit ("MYR").

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

37. Financial instruments, financial risks and capital management (Continued)

37.2 Market risk (Continued)

Foreign currency risk (Continued)

As at the end of the reporting period, the Group's and the Company's net exposure to foreign currency risk is as follows:

	USD US\$	Group MYR US\$	SGD US\$	Company MYR US\$	SGD US\$
2025					
Other receivables and deposits (excluding prepayments)	249,000	2,997,264	-	59	-
Amounts due from subsidiaries	-	-	538,893	-	538,893
Financial assets at fair value through profit or loss	241,058	-	97,889	-	97,889
Cash and bank balances	2,298,638	5,482,766	68,759	209,372	42,458
Bank borrowings	-	(5,881,551)	-	-	-
Trade payables	(14,908)	(1,849,927)	-	-	-
Other payables and accruals	-	(10,214,323)	(83,608)	(2,965)	(64,927)
Amounts due to subsidiaries	-	-	-	(817)	-
Intragroup balances	(12,789,910)	-	(538,893)	-	-
Lease liabilities	-	(135,038)	-	-	-
Net financial (liabilities)/assets	<u>(10,016,122)</u>	<u>(9,600,809)</u>	<u>83,040</u>	<u>205,649</u>	<u>614,313</u>
Less:					
Net financial liabilities denominated in the respective entities' functional currency	<u>(490,058)</u>	<u>9,806,606</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net currency exposure	<u>(10,506,180)</u>	<u>205,797</u>	<u>83,040</u>	<u>205,649</u>	<u>614,313</u>
Sensitivity analysis					
Effect on profit after income tax and retained earnings	<u>(872,013)</u>	<u>17,081</u>	<u>6,892</u>	<u>17,069</u>	<u>50,988</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

37. Financial instruments, financial risks and capital management (Continued)

37.2 Market risk (Continued)

Foreign currency risk (Continued)

	USD US\$	Group MYR US\$	SGD US\$	Company MYR US\$	SGD US\$
2024					
Other receivables and deposits (excluding prepayments)	–	1,767,867	–	–	–
Amounts due from subsidiaries	–	2,814	2,690,250	2,814	2,690,250
Financial assets at fair value through profit or loss	–	–	372,927	–	372,927
Cash and bank balances	221,714	5,376,655	35,874	6,343	29,313
Bank borrowings	(992,750)	(1,930,148)	–	–	–
Trade payables	–	(1,164,930)	–	–	–
Other payables and accruals	–	(7,326,677)	(106,097)	–	(95,573)
Amounts due to directors	–	(1,529)	–	–	–
Amounts due to subsidiaries	–	–	–	(41,199)	–
Intragroup balances	(10,679,009)	(2,814)	(2,690,250)	–	–
Lease liabilities	–	(1,475,715)	–	–	–
Net financial (liabilities)/assets	(11,450,045)	(4,754,477)	302,704	(32,042)	2,996,917
Less:					
Net financial liabilities denominated in the respective entities' functional currency	–	4,760,984	–	–	–
Net currency exposure	(11,450,045)	6,507	302,704	(32,042)	2,996,917
Sensitivity analysis					
Effect on profit after income tax and retained earnings	(950,354)	540	25,124	(2,659)	248,744

A 10% strengthening of SGD and MYR against USD at the end of each reporting dates would increase/ (decrease) profit after income tax and retained earnings by the amounts shown above. This analysis assumes that all other variables remain constant.

A 10% weakening of SGD and MYR against USD would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

Price risks

The Group is exposed to price risk arising from its sales of iron ore and investments held by the Group which are classified as financial assets at FVTPL.

Prices of the iron ore and financial assets may fluctuate depending on the market situation and factors such as government policy and the global economic environment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

37. Financial instruments, financial risks and capital management (Continued)

37.2 Market risk (Continued)

Price risk sensitivity analysis

At the end of the financial year, had the iron ore average selling prices been 10% (2024: 10%) higher or lower, with all variables held constant, profit before income tax would have been higher or lower by US\$5,625,396 (2024: US\$5,393,296).

The Group does not have any significant exposure to price risk arising from the financial assets at FVTPL and therefore the sensitivity analysis is not presented.

37.3 Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk is managed by matching the payment and receipt cycle.

The Group actively manages its operating cash flows so as to ensure that all payment needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash to meet its working capital requirements.

Contractual maturity analysis

The following table details the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earlier of the contractual date or when the Group and the Company are expected to pay. The table includes both expected interest and principal cash flows.

	Within 1 financial year US\$	Within 2 to 5 financial years US\$	After 5 financial years US\$	Total US\$
Group				
At 28 February 2025				
Trade payables	1,864,835	–	–	1,864,835
Other payables and accruals	10,297,930	793,755	1,256,316	12,348,001
Bank borrowings	3,684,668	2,753,454	–	6,438,122
Lease liabilities	98,401	41,430	–	139,831
	<u>15,945,834</u>	<u>3,588,639</u>	<u>1,256,316</u>	<u>20,790,789</u>
At 29 February 2024				
Trade payables	1,180,197	–	–	1,180,197
Other payables and accruals	7,593,013	1,390,090	919,462	9,902,565
Bank borrowings	7,403,065	1,976,386	–	9,379,451
Lease liabilities	1,292,694	208,041	–	1,500,735
	<u>17,468,969</u>	<u>3,574,517</u>	<u>919,462</u>	<u>21,962,948</u>
Company				
At 28 February 2025				
Other payables and accruals	<u>67,892</u>	<u>793,755</u>	<u>1,256,316</u>	<u>2,117,963</u>
At 29 February 2024				
Other payables and accruals	245,618	1,390,090	919,462	2,555,170
Bank borrowings	5,268,796	1,006,119	–	6,274,915
	<u>5,514,414</u>	<u>2,396,209</u>	<u>919,462</u>	<u>8,830,085</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

37. Financial instruments, financial risks and capital management (Continued)

37.3 Liquidity risk (Continued)

Contractual maturity analysis (Continued)

Financial guarantee

The Company is exposed to liquidity risk in relation to financial guarantees given to banks on subsidiaries' borrowings in respect of asset financing and trade financing. The Company's maximum exposure is the maximum amount the Company could have to pay if the guarantee is called on within a year. As at 28 February 2025, subsidiaries' borrowings of US\$5,615,388 (2024: US\$2,650,396) was guaranteed by the Company. The loans guaranteed by Company mature between 1 to 5 years (2024: 1 to 3 years).

37.4 Capital management policies and objectives

The Group and the Company manage capital to ensure that the Group and the Company are able to continue as a going concern and maintain an optimal capital structure so as to maximise shareholders' values.

The Group and the Company manage the capital structure and make adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issues new shares or sell assets to reduce debts.

The capital structure of the Group and the Company consist of equity attributable to owners of the Company, comprising issued share capital, other reserves and retained earnings as disclosed in Notes 17, 18 and 19 to the financial statements.

Management reviews the capital structure to ensure that the Group and the Company are able to service any debt obligations (including principal repayment and interest) based on operating cash flows. The Group and the Company overall strategy remains unchanged during the financial years ended 28 February 2025 and 29 February 2024.

Management monitors capital based on a gearing ratio, which is calculated as net debts divided by total equity plus net debts. The Group and the Company's net debts include bank borrowings, lease liabilities, payables and accruals, amounts due to directors and amounts due to subsidiaries less cash and cash equivalents. Equity attributable to the owners of the Company comprises share capital, other reserves and retained earnings.

	Group		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Trade payables	1,864,835	1,180,197	–	–
Other payables and accruals	12,348,001	9,902,565	2,117,963	2,555,170
Bank borrowings	6,072,947	8,857,866	–	5,934,968
Lease liabilities	135,038	1,475,715	–	–
Amounts due to directors	–	1,529	–	–
Amounts due to subsidiaries	–	–	817	41,199
Less: Cash and bank balances	(7,850,163)	(7,681,409)	(308,998)	(2,073,664)
Net debts	12,570,658	13,736,463	1,809,782	6,457,673
Equity attributable to the owners of the Company	79,198,380	72,245,096	55,326,966	52,125,354
Total capital	91,769,038	85,981,559	57,136,748	58,583,027
Gearing ratio (%)	13.70%	15.98%	3.17%	11.02%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

37. Financial instruments, financial risks and capital management (Continued)

37.4 Capital management policies and objectives (Continued)

During the current financial year, the Group are subject to externally imposed capital requirements comprising a loan covenant imposed by a bank in respect of trade financing granted to a subsidiary (Note 20), which requires more than 50% of shareholding of the Company to be held by two substantial shareholders of the Company collectively throughout the tenure of the facility.

During previous financial year, the Group and the Company were subjected to externally imposed capital requirements in relation to the Company's term loans.

The Group and the Company have complied with all externally imposed capital requirements during financial years ended 28 February 2025 and 29 February 2024.

37.5 Fair value of financial assets and financial liabilities

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and other financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

37. Financial instruments, financial risks and capital management (Continued)

37.5 Fair value of financial assets and financial liabilities (Continued)

Fair value hierarchy (Continued)

The following presented the financial asset and liability measured at fair value.

	Fair value measurement using			Total US\$
	Level 1 US\$	Level 2 US\$	Level 3 US\$	
Group				
28 February 2025				
<u>Financial asset</u>				
Financial asset at FVTPL	-	1,040,510	-	1,040,510
<u>Financial liability</u>				
Contingent consideration (Note 23)	-	-	2,050,071	2,050,071
29 February 2024				
<u>Financial asset</u>				
Financial asset at FVTPL	-	2,196,115	-	2,196,115
<u>Financial liability</u>				
Contingent consideration (Note 23)	-	-	2,376,724	2,376,724
	Fair value measurement using			Total US\$
	Level 1 US\$	Level 2 US\$	Level 3 US\$	
Company				
28 February 2025				
<u>Financial asset</u>				
Financial asset at FVTPL	-	799,451	-	799,451
<u>Financial liability</u>				
Contingent consideration (Note 23)	-	-	2,050,071	2,050,071
29 February 2024				
<u>Financial asset</u>				
Financial asset at FVTPL	-	2,196,115	-	2,196,115
<u>Financial liability</u>				
Contingent consideration (Note 23)	-	-	2,376,724	2,376,724

The following table presents the changes in level 3 instrument:

	2025 US\$	2024 US\$
Contingent consideration		
At beginning of the financial year	2,376,724	2,383,258
Fair value changes on contingent consideration	(298,138)	53,256
Royalties paid during the year	(28,515)	(59,790)
At end of the financial year	2,050,071	2,376,724

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

37. Financial instruments, financial risks and capital management (Continued)

37.5 Fair value of financial assets and financial liabilities (Continued)

Fair value hierarchy (Continued)

Valuation technique and input used in Level 3 fair value measurement:

Description	Fair value at 28 February 2025 US\$	Unobservable inputs	Range of unobservable inputs 2025	Range of unobservable inputs 2024	Relationship of unobservable inputs to fair value
Contingent consideration (Note 23)	2,050,071 (2024: 2,376,724)	Discount rate	13.70%	12.30%	The higher the discount rate, the lower the fair value.
		The anticipated annual production volume of the FMeSB Group	0 to 152,000 WMT of iron concentrate and 3,000 to 49,000 tonne of copper concentrate.	60,000 to 240,000 WMT of iron concentrate and 7,000 to 44,000 tonne of copper concentrate.	The higher the anticipated annual production volume, the higher the fair value.
		The anticipated economic life of the Mengapur mine	Next 8 years	Next 8 years	The higher the anticipated economic life, the higher the fair value.
		The anticipated average realised selling price	Based on historical S&P Global Commodity Platts Price and LME Copper Price with adjustment to account for prices applied to the local market.	Based on historical S&P Global Commodity Platts Price and LME Copper Price with adjustment to account for prices applied to the local market.	The higher the anticipated average realised selling price, the higher the fair value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

37. Financial instruments, financial risks and capital management (Continued)

37.5 Fair value of financial assets and financial liabilities (Continued)

Fair value hierarchy (Continued)

Management of the Group oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts to perform the valuation. Management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 *Fair Value Measurement* guidance. Significant changes in fair value measurements from period to period are evaluated by the management for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate. For valuations performed by external valuation experts, the management reviews the appropriateness of the valuation methodologies and assumptions adopted. The management also evaluates the appropriateness and reliability of the inputs used in the valuations.

Fair value of financial instruments that are not measured at fair value

Financial instruments not measured at fair value includes cash and bank balances, trade receivables, other receivables and deposits, amounts due from subsidiaries, trade payables, other payables and accruals (excluding contingent considerations), amounts due to directors, amounts due to subsidiaries, bank borrowings and lease liabilities.

The carrying amounts of the current financial assets and current financial liabilities approximate their respective fair values as at the end of the reporting period due to the relatively short-term maturity of these financial instruments.

The fair values of non-current financial liabilities that are not carried at fair value in relation to bank borrowings approximate their carrying amounts as disclosed in Note 20 to financial statements.

38. Events subsequent to the reporting date

38.1 Acquisition of Kota Suria Sdn. Bhd. ("KSSB")

On 12 March 2025, an indirect wholly-owned subsidiary of the Company, FM Gold Sdn. Bhd. had entered into a conditional share purchase agreement (the "SPA") with a third party for the acquisition of 65% equity interest of KSSB for a cash consideration of MYR350,000 (approximately US\$79,000). The intended principal activity of KSSB is for the acquisition of mines, mining rights, quarries and trading in minerals in Sabah, Malaysia. Management has accounted for the purchase as an acquisition of assets and liabilities because they do not meet the definition of a business combination.

38.2 Subscription of Shares in Norwest Minerals Limited

On 30 April 2025, the Company entered into an agreement with Norwest Minerals Limited ("NML"), a company listed on the Australian Securities Exchange, to subscribe for up to 130 million new ordinary shares in NML at AUD0.01 per share, together with 130 million free attaching options exercisable at AUD0.03 per option, pursuant to a non-renounceable rights issue by NML. The subscription is subject to the under-subscription of the rights issue and other conditions as set out in the agreement. The maximum subscription consideration is up to AUD1.3 million.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

38. Events subsequent to the reporting date (Continued)

38.2 Subscription of Shares in Norwest Minerals Limited (Continued)

The objective of the proposed subscription is to invest in gold mining in Australia and diversify the Group's resource base.

Subsequently, on 29 May 2025, the Company was allocated and subscribed for 60,235,692 Shortfall Shares, representing its 43.33% allocation, for a total consideration of AUD602,357. The subscription was made in accordance with the terms of the agreement.

38.3 Proposed Acquisition of Shares in Strategic Venture Pte. Ltd. ("SVPL")

On 7 May 2025, the Company entered into a conditional sale and purchase agreement with a substantial shareholder of the Company to acquire 10 ordinary shares in Strategic Venture Pte. Ltd. ("SVPL"), representing 10% of its issued and paid-up share capital, for a total cash consideration of US\$3,000,000. The consideration will be satisfied entirely in cash and funded through internally generated funds.

The objective of the acquisition was to invest in bauxite mining in Papua New Guinea to allow the Group to diversify its resource base.

38.4 Acquisition of Additional Shares in Ecomines Global Sdn. Bhd. ("EcoGlobal")

On 3 June 2025, a wholly-owned subsidiary of the Company, Fortress Mining Sdn. Bhd. acquired the remaining 30% of shares held by a third party for a consideration amounting to MYR300 (equivalent to US\$67). Consequently, the Group's effective equity interest in EcoGlobal increased from 70% to 100%.

39. Authorisation of financial statements

The statement of financial position of the Company as at 28 February 2025 and the consolidated financial statements of the Group for the financial year ended 28 February 2025 were authorised for issue in accordance with a Directors' resolution dated 6 June 2025.

STATISTICS OF SHAREHOLDINGS

AS AT 13 MAY 2025

ANALYSIS OF SHAREHOLDINGS

ISSUED AND FULLY PAID-UP CAPITAL	:	S\$40,429,342.60
NO. OF SHARES ISSUED	:	523,316,100
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE PER SHARE
NO. OF TREASURY SHARES AND SUBSIDIARY HOLDINGS	:	NIL

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF HOLDERS	NO. OF SHARES	% OF SHARES
1 – 99	0	0.00	0	0.00
100 – 1,000	33	5.51	18,530	0.00
1,001 – 10,000	237	39.56	1,600,800	0.31
10,001 – 1,000,000	315	52.59	21,033,800	4.02
1,000,001 & ABOVE	14	2.34	500,662,970	95.67
TOTAL	599	100.00	523,316,100	100.00

TOP TWENTY SHAREHOLDERS AS AT 13 MAY 2024

NAME OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
RAFFLES NOMINEES (PTE) LIMITED	221,029,220	42.24
SDB MINING SDN. BHD.	154,937,500	29.61
UOB KAY HIAN PTE LTD	62,612,050	11.96
CITIBANK NOMINEES SINGAPORE PTE LTD	15,135,600	2.89
PHILLIP SECURITIES PTE LTD	14,995,600	2.87
SMITH ST INVESTMENT PTE. LTD.	7,328,125	1.40
LOH CHEN YOOK	6,073,200	1.16
WESTERN CAPITAL SDN. BHD.	5,234,375	1.00
DBS NOMINEES PTE LTD	4,858,200	0.93
LOONG CHING HONG	2,056,000	0.39
LEOW FAN SIEW	1,838,000	0.35
OCBC SECURITIES PRIVATE LTD	1,752,300	0.33
MAYBANK SECURITIES PTE. LTD.	1,516,800	0.29
YEO SOCK CHUN	1,296,000	0.25
IFAST FINANCIAL PTE LTD	921,600	0.18
MOOMOO FINANCIAL SINGAPORE PTE. LTD.	887,000	0.17
TIGER BROKERS (SINGAPORE) PTE. LTD.	834,700	0.16
ALVIN S/O S LOURUDURAJU	650,000	0.12
BPSS NOMINEES SINGAPORE (PTE.) LTD.	499,500	0.10
LIM HUI MEI OR EDWIN GOMEZ	479,400	0.09
TOTAL	504,935,170	96.49

STATISTICS OF SHAREHOLDINGS

AS AT 13 MAY 2025

SUBSTANTIAL SHAREHOLDERS

Name of Shareholder	Direct Interest		Deemed Interest	
	No. of shares	%	No. of shares	%
Y F Chee Holdings Pte. Ltd.	216,655,720 ⁽¹⁾	41.40	–	–
Greger International Sdn. Bhd.	37,603,950 ⁽²⁾	7.19	–	–
Dato' Sri Ivan Chee Yew Fei	530	0.00	254,259,670 ⁽³⁾	48.59
Ng Mun Fey	–	–	37,603,950 ⁽⁴⁾	7.19
SDB Mining Sdn. Bhd.	154,937,500	29.61	–	–
Selangor Dredging Berhad	–	–	154,937,500 ⁽⁵⁾	29.61
Teh Wan Sang & Sons Sdn. Bhd.	4,200,000 ⁽⁶⁾	0.80	154,937,500 ⁽⁵⁾⁽⁷⁾	29.61
Teh Lip Bin	–	–	159,137,500 ⁽⁵⁾⁽⁷⁾⁽⁸⁾	30.41
Teh Lip Kim	1,679,300 ⁽⁹⁾	0.32	166,465,625 ⁽⁵⁾⁽⁷⁾⁽¹⁰⁾	31.81

Notes:

- (1) The entire shares are held in the name of Raffles Nominees (Pte) Limited.
- (2) The entire shares are held in the name of UOB Kay Hian Pte Ltd.
- (3) Dato' Sri Ivan Chee Yew Fei is deemed interested in the shares of the Company held through the following companies:–
- (a) Y F Chee Holdings Pte. Ltd. – 216,655,720 (41.40%)
- (b) Greger International Sdn. Bhd. – 37,603,950 (7.19%)
- Dato' Sri Ivan Chee Yew Fei holds 100% and 70% (directly and indirectly) of the shares of Y F Chee Holdings Pte. Ltd. and Greger International Sdn. Bhd. respectively.
- (4) Ng Mun Fey is deemed interested in the shares of the Company held through Greger International Sdn. Bhd. as he holds 30% of the issued share capital of Greger International Sdn. Bhd.
- (5) Selangor Dredging Berhad is deemed interested in the shares of the Company held through SDB Mining Sdn. Bhd. as SDB Mining Sdn. Bhd. is 100% owned by Selangor Dredging Berhad.
- (6) The entire shares are held in the name of UOB Kay Hian Pte Ltd.
- (7) Teh Wan Sang & Sons Sdn. Bhd. is deemed interested in the shares of the Company held through SDB Mining Sdn. Bhd. Teh Wan Sang & Sons Sdn. Bhd. holds 21.60% of the issued share capital of Selangor Dredging Berhad.
- (8) Teh Lip Bin is deemed interested in the shares of the Company held through SDB Mining Sdn. Bhd. Teh Lip Bin holds directly and indirectly approximately 37.47% of the issued share capital of Selangor Dredging Berhad.
- Teh Lip Bin is related to Teh Wan Sang & Sons Sdn. Bhd., a company owned by members of the Teh family, which include Teh Lip Bin.
- (9) The entire shares are held in the name of Citibank Nominees Singapore Pte Ltd.
- (10) Teh Lip Kim is deemed interested in the shares of the Company held through the following companies:–
- (a) Smith St Investment Pte. Ltd. – 7,328,125 (1.40%)
- (b) SDB Mining Sdn. Bhd. – 154,937,500 (29.61%)
- (c) Teh Wan Sang & Sons Sdn. Bhd. – 4,200,000 (0.80%)
- Teh Lip Kim holds 100% of the share of Smith St Investment Pte. Ltd. and approximately 60.81% (directly and indirectly) of the shares of Selangor Dredging Berhad.
- Teh Lip Kim is related to Teh Wan Sang & Sons Sdn. Bhd., a company owned by members of the Teh family, which include Teh Lip Kim. Teh Lip Kim and Teh Lip Bin are siblings.

PUBLIC FLOAT

Based on the information available to the Company as at 13 May 2025, approximately 17.89% of the issued ordinary shares of the Company is held by the public. Accordingly, Rule 723 of the Listing Manual Section B: Rules of Catalist of the SGX-ST is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of the Company will be held at Esplanade Room 3, Level 3 of Singapore Recreation Club, B Connaught Drive, Singapore 179682 on Monday, 30 June 2025 at 2.00 p.m. for the purpose of transacting the following businesses:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 28 February 2025 together with the Directors’ Statement and the Auditor’s Report thereon. **Resolution 1**
2. To approve a tax-exempt (one-tier) final dividend of 0.46 Singapore cents per share for the financial year ended 28 February 2025. **Resolution 2**
3. To re-elect Mr Chew Wai Chuen, a Director retiring pursuant to Regulation 98 of the Company’s Constitution. *[See Explanatory Note 1(a)]* **Resolution 3**
4. To re-elect Mr Ng Mun Fey, a Director retiring pursuant to Regulation 98 of the Company’s Constitution. *[See Explanatory Note 1(b)]* **Resolution 4**
5. To re-elect Ms Teh Lip Kim, a Director retiring pursuant to Regulation 98 of the Company’s Constitution. *[See Explanatory Note 1(c)]* **Resolution 5**
6. To approve the payment of Directors’ fees of S\$658,000 for the financial year ending 28 February 2026, payable quarterly in arrears. (FY2025: S\$658,000) **Resolution 6**
7. To re-appoint Messrs BDO LLP as Auditors of the Company for the financial year ending 28 February 2026 and to authorise the Directors to fix their remuneration. **Resolution 7**
8. To transact any other ordinary business which may properly be transacted at an annual general meeting.

To consider and, if thought fit, to pass the following Ordinary Resolutions, with or without any modifications:

As Special Business

9. AUTHORITY TO ALLOT AND ISSUE SHARES

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”) and Rule 806 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), authority be and is hereby given to the Directors of the Company (the “**Directors**”) to (i) allot and 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, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and (iii) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of the Instruments made or granted by the Directors while this Resolution was in force, provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), or such other limit as may be prescribed by the Catalist Rules as at the date this Resolution is passed, of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below) or such other limit as may be prescribed by the Catalist Rules as at the date this Resolution is passed;

NOTICE OF ANNUAL GENERAL MEETING

- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of issued Shares 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:
- (a) new Shares arising from the conversion or exercise of any convertible securities;
 - (b) new Shares arising from exercising share options or vesting of share awards, provided that the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares.

Adjustments in accordance to subparagraphs (2)(a) and (2)(b) 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 of subsisting at the time of the passing of this Resolution.

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, the Constitution for the time being of the Company; and
- (4) the authority conferred by this Resolution shall, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note 2]

Resolution 8

10. AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE FORTRESS EMPLOYEE SHARE OPTION SCHEME

THAT the Directors be and are hereby authorised to offer and grant options (“**Options**”) under the Fortress Employee Share Option Scheme (the “**Scheme**”) and to allot and issue from time to time such number of new Shares in the share capital of the Company as may be required to be issued pursuant to the exercise of the Options under the Scheme, provided always that the aggregate number of Shares to be issued pursuant to the Scheme shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time, and that such authority shall, unless revoked or varied by the Company in a general meeting, 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 earlier.

[See Explanatory Note 3]

Resolution 9

11. RENEWAL OF SHARE BUY-BACK MANDATE

That:

- (1) for the purposes of the Companies Act and the Catalist Rules of the SGX-ST, the Directors of the Company be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire the Shares not exceeding in aggregate the Prescribed Limit (as hereafter defined) during the Relevant Period, at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (a) on-market purchases (“**Market Purchases**”) transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

NOTICE OF ANNUAL GENERAL MEETING

- (b) off-market purchases (“**Off-Market Purchases**”) (if 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 Act,

and otherwise in accordance with all other provisions of the Act and the Catalist Rules of the SGX-ST as may for the time being be applicable (the “**Share Buy-Back Mandate**”);

- (2) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:
- (a) the date on which the next AGM of the Company is held or required by law or the Constitution of the Company to be held;
- (b) the date on which purchases or acquisitions of Shares by the Company pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Buy-Back Mandate is varied or revoked by the shareholders of the Company in a general meeting;
- (3) in this Resolution:

“**Prescribed Limit**” means that number of Shares representing ten per cent. (10%) of the issued ordinary share capital as at the date of the passing of this Resolution, unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Act at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered;

“**Relevant Period**” means the period commencing on and from the Approval Date, up to the earliest of:

- (i) the conclusion of the next AGM or the date by which such AGM is required by law to be held;
- (ii) the date on which the Share Buy-Backs are carried out to the full extent mandated; or
- (iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Shareholders in a general meeting;

“**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: one hundred and five per cent. (105%) of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme: one hundred and twenty per cent. (120%) of the Average Closing Price,

where:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) market days, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to an Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5)-day period and the day on which the purchases are made; and

NOTICE OF ANNUAL GENERAL MEETING

“**Day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, 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; and

- (4) the Directors of the Company 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 by this Resolution.

[See Explanatory Note 4]

Resolution 10

By Order of the Board

Dato' Sri Ivan Chee Yew Fei
Executive Director and Chief Executive Officer

9 June 2025
Singapore

Explanatory Notes:

- 1(a). Mr Chew Wai Chuen (“**Mr Chew**”), an Independent Director and Non-Executive Chairman of the Company, will, upon re-election as a Director, continue to serve as the Chairman of the Board and the Remuneration Committee, and a member of each of the Audit Committee and Nominating Committee of the Company. Mr Chew is considered independent for the purposes of Rule 704(7) of the Catalist Rules. Mr Chew does not have any relationships including immediate family relationships with the other Directors, the Company and the substantial shareholders, which may affect his independence.
- 1(b). Mr Ng Mun Fey (“**Mr Ng**”), the Executive Director and Chief Operating Officer, is a substantial shareholder of the Company. Mr Ng is deemed interested in the shares of the Company held through Greger International Sdn. Bhd. as he holds 30% of the issued share capital of Greger International Sdn. Bhd. Mr Ng does not have any relationships including immediate family relationships with the other Directors, the Company and the substantial shareholders. Mr Ng will, upon re-election, remain as the Executive Director and Chief Operating Officer of the Company.
- 1(c). Ms Teh Lip Kim (“**Ms Teh**”), a Non-Executive and Non-Independent Director of the Company, is a substantial shareholder of the Company. Ms Teh is deemed interested in the shares of the Company held through the following companies:
- (a) Smith St Investment Pte. Ltd. – 7,328,125 (1.40%)
 - (b) SDB Mining Sdn. Bhd. – 154,937,500 (29.61%)
 - (c) Teh Wan Sang & Sons Sdn. Bhd. – 4,200,000 (0.80%)

Ms Teh holds 100% of the shares of Smith St Investment Pte. Ltd. and approximately 60.81% (directly and indirectly) of the issued share capital of Selangor Dredging Berhad, a company that holds the entire issued and paid-up share capital of SDB Mining Sdn. Bhd. Ms Teh is the sister of Teh Lip Bin and she is also related to Teh Wan Sang & Sons Sdn. Bhd., a company owned by the members of the Teh family, which include Ms Teh. Both Teh Lip Bin and Teh Wan Sang & Sons Sdn. Bhd. are substantial shareholders of the Company and deemed to be interested in the 154,937,500 shares held by SDB Mining Sdn. Bhd. in the Company. Save as disclosed, Ms Teh does not have any relationships including immediate family relationships between herself and the Directors, the Company and the substantial shareholders.

Ms Teh will, upon re-election as a Director, continue to serve as a Non-Executive and Non-Independent Director of the Company.

Further information on all the abovementioned directors can be found under the sections titled “Board of Directors”, “Corporate Governance Report” and “Key Information” of the Company’s Annual Report 2025 (the “**AR FY2025**”).

NOTICE OF ANNUAL GENERAL MEETING

2. Ordinary Resolution 8, if passed, will empower the Directors from the date of this AGM until the date of the next AGM or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue shares in the capital of the Company and to make or grant Instruments (such as warrants or debentures) convertible into shares, and to issue shares pursuant to such Instruments. The aggregate number of shares (including shares to be made in pursuance of Instruments made or granted pursuant to this Resolution) which the Directors may allot and issue, shall not exceed, in total, one hundred per cent (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings), of which the total number of shares issued other than on a pro-rata basis to existing shareholders of the Company, shall not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings).

For determining the aggregate number of shares that may be issued, the percentage of issued shares will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time Resolution 8 is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when Resolution 8 is passed and any subsequent consolidation or subdivision of shares.

3. Ordinary Resolution 9, if passed, will empower the Directors of the Company to offer and grant options, and allot and issue new Shares pursuant to the Scheme provided that the aggregate number of new Shares to be allotted and issued pursuant to the Scheme and other share-based incentive scheme(s) or plan(s) to be implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company on the day preceding the date of the relevant grant. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or by the date by which the next AGM of the Company is required by law to be held, whichever is earlier.
4. Ordinary Resolution 10, if passed, will empower the Directors, effective 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 or such authority is varied or revoked by the Company at a general meeting, whichever is earliest, to purchase or acquire (whether by way of Market Purchases or Off-Market Purchases on an equal access scheme) from time to time of up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at prices up to but not exceeding the Maximum Price. Details of the proposed renewal of the Share Buy-Back Mandate are set out in the Appendix accompanying this Notice of AGM.

Notes:

1. The AGM is being convened and will be held, in a wholly physical format, at Esplanade Room 3, Level 3 of Singapore Recreation Club, B Connaught Drive, Singapore 179682 on Monday, 30 June 2025 at 2.00 p.m.. There will be no option for the members to participate virtually. Printed copies of this Notice of AGM, the accompanying proxy form and the Request Form will be sent to members via post. Printed copy of the AR FY2025 will not be sent to members of the Company unless requested by the shareholder pursuant to a submitted request. Shareholders who wish to receive a printed copy of the AR FY2025 are required to complete the Request Form and to return it to the Company by post or by email no later than 17 June 2025. The AR FY2025 will also be made available to members via publication on the Company's website at the URL <https://www.fortress.sg> and on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
2. The members of the Company may participate in the AGM by:
 - (a) attending the AGM in person;
 - (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or
 - (c) voting at the AGM (i) themselves personally; or (ii) through their duly appointed proxy(ies).

Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell and consider appointing a proxy(ies) to attend the Meeting.

3. A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.
4. The proxy need not be a member of the Company.
5. In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.

NOTICE OF ANNUAL GENERAL MEETING

6. For investors who hold shares through relevant intermediaries, including Supplementary Retirement Scheme (“**SRS Investors**”) should approach their respective SRS Operators to submit their votes at least 7 working days before the AGM (by 2.00 p.m. on 19 June 2025). SRS Investors should contact their respective SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.
7. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.
8. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. The instrument appointing the proxy shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM.
9. A member who is a Relevant Intermediary 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 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 form of proxy.

“**Relevant Intermediary**” has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board (“**CPF Board**”) established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
10. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory. If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the Chairman as proxy will vote or abstain from voting at his discretion.
 11. The instrument appointing a proxy or proxies, duly executed, must be submitted to the Company in the following manner:
 - (a) if sent personally or by post, be lodged at the Company’s registered office at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - (b) if submitted by email, be received by the Company’s Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com,in either case, by 2:00 p.m. on 27 June 2025, being not less than seventy-two (72) hours before the time appointed for holding the AGM.

12. Shareholders may submit questions related to the resolutions to be tabled for approval for the AGM in advance of the AGM within 7 calendar days from the date of this Notice of AGM, i.e. no later than 2.00 p.m. on 16 June 2025:
 - (a) email to corporate@fortress.sg; or
 - (b) post to the Company’s registered office at 77 Robinson Road #06-03 Robinson 77, Singapore 068896.

The Company will address all substantial and relevant questions submitted prior to the AGM by publishing the responses to such questions on the Company’s corporate website and on SGXNet after trading hours on 24 June 2025. The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after 2.00 p.m. on 16 June 2025 which have not already been addressed prior to the AGM, at the AGM itself.

13. For questions addressed during the AGM, the responses to such questions will be included in the minutes of the AGM which will be published on the Company’s corporate website and on SGXNet within one month after the AGM.

NOTICE OF ANNUAL GENERAL MEETING

General:

The Company shall be entitled to reject the instrument appointing the proxy (including Chairman of the AGM) if it 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 appointing the proxy (including Chairman of the AGM). In addition, in the case of Shares entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM (or at any adjournment thereof), as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing the Chairman of the AGM as proxy to vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of the appointment of the Chairman of the AGM as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

APPENDIX

APPENDIX DATED 9 JUNE 2025

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY. If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.

This Appendix is issued by Fortress Minerals Limited (the “**Company**”). Its purpose is to provide the Shareholders (as defined herein) with the relevant information relating to, and seek the Shareholders’ approval for, the proposed renewal of the Share Buy-Back Mandate (as defined in this Appendix) to be tabled at the annual general meeting of the Company to be held on Monday, 30 June 2025 at 2.00 p.m. at Esplanade Room 3, Level 3 of Singapore Recreation Club, B Connaught Drive, Singapore 179682 (the “**AGM**”). The AGM will be convened in a wholly physical format. There will be no option for the members to participate virtually. Please refer to the Notice of AGM for further information, including the steps to be taken by Shareholders to participate at the AGM. Printed copies of the Notice of AGM and the Proxy Form will be sent to the members via post. Printed copy of the AR FY2025 and this Appendix will not be sent to members of the Company unless requested by the shareholder pursuant to a submitted request. Shareholders who wish to receive a printed copy of the AR FY2025 and Appendix are required to complete the Request Form and to return it to the Company by post or by email by 17 June 2025. The AR FY2025 and Appendix will also be made available to members via publication on the Company’s website at the URL <https://www.fortress.sg> and on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Appendix with the Notice of AGM and the Proxy Form to the purchaser or transferee, as arrangements will be made by CDP for a separate Appendix to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Appendix with the Notice of AGM and Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or the transferee.

This Appendix has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”). It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix. The Sponsor has also not drawn on any specific technical expertise in its review of this Appendix.

The contact person for the Sponsor is Ms Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.



fortress

FORTRESS MINERALS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201732608K)

APPENDIX TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

APPENDIX

CONTENTS

DEFINITIONS.....	182
1. INTRODUCTION.....	187
2. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE	187
3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS.....	205
4. DIRECTORS' RECOMMENDATIONS	206
5. ANNUAL GENERAL MEETING	206
6. ACTION TO BE TAKEN BY SHAREHOLDERS	206
7. ABSTENTION FROM VOTING	207
8. DIRECTORS' RESPONSIBILITY STATEMENT	207
9. DOCUMENTS AVAILABLE FOR INSPECTION	207

APPENDIX

DEFINITIONS

In this Appendix, the following definitions apply throughout unless otherwise stated:

General

- “ACRA” or “Registrar of Companies”** : The Accounting and Corporate Regulatory Authority of Singapore
- “AGM”** : The annual general meeting of the Company to be held on 30 June 2025 at 2.00 p.m.
- “Approval Date”** : The date of the AGM at which the Proposed Renewal of the Share Buy-Back Mandate is approved
- “Associate”** : (a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more; and
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more
- “Average Closing Market Price”** : The average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded before the day on which the purchases or acquisitions are made, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) day period and the day on which the purchases or acquisitions are made
- “Board” or “Board of Directors”** : The board of directors of the Company
- “Catalist Rules”** : Any or all of the rules in the Listing Manual Section B: Rules of Catalist, as the case may be, as amended, supplemented or modified from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Appendix”** : This appendix dated 9 June 2025
- “Company”** : Fortress Minerals Limited
- “Companies Act”** : The Companies Act 1967 of Singapore (2020 Revised Edition), as may be amended, supplemented or modified from time to time
- “Constitution”** : The constitutive documents of the Company for the time being in force as originally framed, or as amended or modified from time to time

APPENDIX

“Controlling Shareholder”	: A person who: <ul style="list-style-type: none">(a) holds directly or indirectly fifteen per cent. (15%) or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph (i) is not a controlling shareholder; or(b) in fact exercises control over the Company
“Council”	: The Securities Industry Council
“Depositor”	: Has the meaning ascribed to it in Section 81SF of the SFA
“Depository Agent”	: Has the meaning ascribed to it in Section 81SF of the SFA
“Depository Register”	: Has the meaning ascribed to it in Section 81SF of the SFA
“Director”	: A director of the Company as at the date of this Appendix
“EGM”	: Extraordinary general meeting
“EPS”	: Earnings per Share
“Form 2”	: Form 2 (Submission by directors and their concert parties pursuant to Appendix 2 of the Take-over Code) is the prescribed form to be submitted to the Council by a director and persons acting in concert with him pursuant to the conditions for exemption from the requirement to make a take-over offer under Rule 14 of the Take-over Code as a result of the buy-back of shares by a listed company under its share buy-back mandate
“FY” or “Financial Year”	: Financial year ending or ended 28 February or 29 February, as the case may be
“FY2025”	: Financial Year ended 28 February 2025
“Group”	: The Company and its Subsidiaries
“Latest Practicable Date”	: 26 May 2025, being the latest practicable date prior to the release of this Appendix
“Market Day”	: A day on which the SGX-ST is open for trading of securities
“Maximum Price”	: (a) In the case of an On-Market Share Buy-Back, one hundred and five per cent. (105%) of the Average Closing Market Price of the Shares; and <ul style="list-style-type: none">(b) in the case of an Off-Market Share Buy-Back, one hundred and twenty per cent. (120%) of the Average Closing Market Price of the Shares
“NAV”	: Net asset value
“Notice of AGM”	: Notice of the AGM dated 9 June 2025
“NTA”	: Net tangible assets

APPENDIX

- “Off-Market Share Buy-Back”** : Off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined in Section 76C of the Companies Act as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules
- “On-Market Share Buy-Back”** : On-market purchases transacted on the Catalist through the SGX-ST’s ready market or, as the case may be, any other stock exchange on which the Shares may, for the time being, be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose of the Share Buy-Back
- “Proposed Renewal of the Share Buy-Back Mandate”** : The proposed renewal of the Share Buy-Back Mandate
- “Proxy Form”** : The proxy form in respect of the AGM
- “Register of Directors’ Shareholdings”** : A register of the shareholdings of the directors of the Company
- “Register of Members”** : A register of the members of the Company
- “Register of Substantial Shareholders”** : A register of the Substantial Shareholders
- “Relevant Period”** : The period commencing on and from the Approval Date, up to the earliest of:
- (i) the conclusion of the next AGM or the date by which such AGM is required by law to be held;
 - (ii) the date on which the Share Buy-Backs are carried out to the full extent mandated; or
 - (iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Shareholders in a general meeting
- “Required Price”** : In relation to the offer required to be made under the provisions of Rule 14.1 of the Take-over Code, the offer shall be in cash or be accompanied by a cash alternative at a price in accordance with Rule 14.3 which is the highest of the highest price paid by the offerors and/or person(s) acting in concert with them for the Company’s Shares (i) during the offer period and within the preceding six (6) months, (ii) acquired through the exercise of instruments convertible into securities which carry voting rights within six (6) months of the offer and during the offer period, or (iii) acquired through the exercise of rights to subscribe for, and options in respect of, securities which carry voting rights within six (6) months of the offer or during the offer period; or at such price as determined by the Council under Rule 14.3 of the Take-over Code
- “Securities Accounts”** : The securities account maintained with CDP, but not including the securities accounts maintained with a Depository Agent
- “SFA”** : The Securities and Futures Act 2001 of Singapore (2020 Revised Edition), as may be amended, supplemented or modified from time to time

APPENDIX

“SGXNET”	: A system network used by listed companies to send information and announcements to the SGX-ST or any other system network prescribed by the SGX-ST
“SGX-ST” or the “Exchange”	: The Singapore Exchange Securities Trading Limited
“Share Buy-Back”	: The purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate, which can be by way of an Off-Market Share Buy-Back or an On-Market Share Buy-Back
“Share Buy-Back Guidance Note”	: The share buy-back guidance note found in Appendix 2 of the Take-over Code, as may be amended, supplemented or modified from time to time
“Share Buy-Back Mandate”	: The general mandate given by Shareholders to authorise the Directors to purchase or acquire Shares in accordance with the terms set out in this Appendix and the rules and regulations set forth in the Companies Act and the Catalist Rules
“Shareholders”	: Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” in relation to Shares held by CDP shall, where the context admits, means the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited
“Shares”	: Ordinary shares in the capital of the Company
“Subsidiary”	: Has the meaning ascribed to it in Section 5 of the Companies Act
“Subsidiary Holdings”	: Shares held by a Subsidiary in accordance with the Companies Act
“Substantial Shareholder”	: A person who has an interest or interests (directly or indirectly) in voting Shares representing not less than five per cent. (5%) of all the voting Shares
“Take-over Code”	: The Singapore Code on Take-overs and Mergers, as may be amended, supplemented or modified from time to time
“Treasury Shares”	: Issued Shares which were (or are treated as having been) purchased or acquired by the Company in circumstances which Section 76H of the Companies Act applies and have, since they were so purchased or acquired, been continuously held by the Company since such Shares were so purchased or acquired

Currencies, units and others

“US\$” and “US\$ cents”	: United States of America dollars and cents respectively, the lawful currency of the United States of America
“%” or “per cent.”	: Percentage or per centum

Any reference in this Appendix to any enactment is a reference to that enactment for the time being in force, as may be amended or re-enacted. Any word defined under the Companies Act, the Catalist Rules, the SFA, the Take-over Code or any statutory modification thereof and used in this Appendix shall have the meaning assigned to it under the Companies Act, Catalist Rules, SFA, Take-over Code or its statutory modification, as the case may be, unless the context otherwise requires.

APPENDIX

Words importing the singular number shall include the plural number where the context admits and vice versa. Words importing the masculine gender shall include the feminine gender where the context admits. Reference to persons shall, where applicable, include corporations.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference to a time of day or date in this Appendix is a reference to a time of day or date, as the case may be, in Singapore, unless otherwise stated.

Any discrepancies in this Appendix between the sum of the figures stated and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

Exchange Rates

Unless otherwise stated, the exchange rate of S\$1.00: US\$1.2818 as at the Latest Practicable Date, obtained from the website of the Monetary Authority of Singapore, accessible at the URL <https://www.mas.gov.sg/statistics/exchange-rates>. This exchange rate should not be construed as a representation that the US\$ amounts could have been, or could be, converted into S\$ at the rate stated, or at all, and vice versa.

[The rest of this page has been intentionally left blank]

APPENDIX

FORTRESS MINERALS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201732608K)

Directors:

Chew Wai Chuen (Chairman and Independent Director)
Dato' Sri Ivan Chee (Executive Director and Chief Executive Officer)
Ng Mun Fey (Executive Director and Chief Operating Officer)
Edmund Chee Ji Kang (Executive Director)
Willa Chee Keng Fong (Non-Executive and Non-Independent Director)
Teh Lip Kim (Non-Executive and Non-Independent Director)
Loong Ching Hong (Non-Executive and Non-Independent Director)
Anita Chew Cheng Im (Independent Director)
Goh Kah Im (Independent Director)

Registered Office:

77 Robinson Road,
#06-03, Robinson 77,
Singapore 068896

9 June 2025

To: The Shareholders of Fortress Minerals Limited

Dear Sir/Madam,

THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

1. INTRODUCTION

The Directors are proposing to seek Shareholders' approval at the forthcoming AGM for the proposed renewal of the Share Buy Back Mandate. The purpose of this Appendix is to provide Shareholders with information relating to, and to seek Shareholders' approval for, the proposed renewal of the Share Buy Back Mandate to be tabled at the forthcoming AGM.

Shareholders who are in any doubt as to the course of action to take should consult his/her stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

2. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

2.1 Background

The Companies Act allows a Singapore-incorporated company to purchase or otherwise acquire its issued ordinary shares, stocks and preference shares if the purchase or acquisition is permitted under the Constitution. Any purchase or acquisition of Shares by the Company must be made in accordance with, and in the manner prescribed by the Companies Act, the Constitution and such other laws and regulations as may, for the time being, be applicable. As the Company is listed on Catalist, it is also required to comply with Part XI of Chapter 8 of the Catalist Rules, which relates to the purchase or acquisition by an issuer of its own shares. Regulation 11(B) of the Constitution expressly permits the Company to purchase or otherwise acquire its issued Shares.

It is a requirement under the Companies Act and the Catalist Rules for a company that wishes to purchase or otherwise acquire its own shares to obtain the approval of its shareholders. At the EGM of the Company held on 22 June 2022, the Shareholders had approved the adoption of the Share Buy-Back Mandate which enables the Company to purchase or otherwise acquire the Shares. This Share Buy-Back Mandate was renewed at the last AGM held on 24 June 2024. The validity period of the current Share Buy-Back Mandate will expire at the upcoming AGM. Accordingly, the purpose of this Appendix is to, *inter alia*, provide Shareholders with the relevant information pertaining to, and to seek Shareholders' approval for the proposed renewal of the Share Buy-Back Mandate.

APPENDIX

If approved by Shareholders at the upcoming AGM, the Share Buy-back Mandate will take effect from the date of the AGM and continue to be in force until the date of the next AGM or such date as the next AGM is required by law to be held, whichever is earlier, unless prior thereto, Share Buy-Backs have been carried out to the full extent mandated or the Share Buy-Back Mandate is revoked or varied by Shareholders in a general meeting.

2.2 Rationale

The Share Buy-Back Mandate will give the Directors the flexibility to undertake Share Buy-Backs at any time when circumstances permit, with the objective of increasing Shareholders' value and to improve, *inter alia*, the return of equity of the Group. A Share Buy-Back made at an appropriate price level is one of the ways through which the return on equity of the Group may be enhanced.

The Directors believe that the Share Buy-Back Mandate provides the Company with a mechanism to facilitate the return of surplus cash over and above the Group's working capital requirements in an expedient and cost-efficient manner. Share Buy-Backs also allow the Directors to exercise control over the Company's share structure and, depending on market conditions, may lead to an enhancement of the EPS and/or NTA per Share. The Directors further believe that Share Buy-Backs may also help to mitigate short-term market volatility and offset the effects of share price speculation.

If and when circumstances permit, the Directors will decide whether to effect the Share Buy-Backs via On-Market Share Buy-Backs or Off-Market Share Buy-Backs, after taking into account the amount of surplus cash available, the then prevailing market conditions and the most cost effective and efficient approach. Share Buy-Backs will only be undertaken as and when the Directors consider it to be in the best interests of the Company and/or Shareholders. No Share Buy-Backs will be made in circumstances which the Directors believe will have or may have a material adverse effect on the public float, the liquidity and the orderly trading of the Shares, or the financial position, working capital requirements and gearing level of the Company and the Group.

Pursuant to the Companies Act, Shares purchased or otherwise acquired pursuant to the Share Buy-Back Mandate may be held or dealt with as treasury shares, or cancelled.

2.3 Authority and limits of the Share Buy-Back Mandate

The authority and limitations placed on the Share Buy-Backs by the Company under the Share Buy-Back Mandate, if approved at the upcoming AGM, are the same as previously approved by Shareholders at the AGM of the Company held on 24 June 2024. These are summarised below:

(1) Maximum number of Shares

Only Shares that are issued and fully paid-up may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

Pursuant to Rule 867 of the Catalist Rules, the maximum number of Shares that may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate during the Relevant Period will be limited to that number of Shares representing not more than ten per cent. (10%) of the total issued ordinary share capital of the Company (excluding Treasury Shares and Subsidiary Holdings, and as ascertained as at the date of the upcoming AGM at which the Share Buy-Back Mandate is approved by the Shareholders (the "**Approval Date**"), unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered).

APPENDIX

For illustrative purposes only, based on the existing issued and paid-up capital of the Company as at the Latest Practicable Date of US\$28,995,034 comprising 523,316,100 Shares, after disregarding nil Shares held as Treasury Shares and nil Subsidiary Holdings held, and assuming that no further Shares are issued on or prior to the AGM, not more than 52,331,610 Shares (representing ten per cent. (10%) of the issued ordinary share capital of the Company as at the date of the AGM, excluding Treasury Shares and Subsidiary Holdings) may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

However, as stated in Section 2.2 above (as well as Section 2.9 below), purchases or acquisitions pursuant to the Share Buy-Back Mandate need not be carried out to the full extent mandated, and, in any case, would not be carried out to such an extent that would result in the Company being delisted from the SGX-ST. **Thus, notwithstanding that the Share Buy-Back Mandate may enable purchases or acquisitions of up to ten per cent. (10%) of the issued Shares (excluding treasury shares and subsidiary holdings) to be carried out, in order to maintain the listing status of the Shares on the SGX-ST, the Company must ensure (pursuant to Rule 723 of the Catalyst Rules) that there is at all times a public float of not less than ten per cent. (10%) in the issued Shares.** Accordingly, assuming solely for illustrative purposes that 93,620,600 Shares (or approximately seventeen point eight nine per cent. (17.89%) of the issued Shares (excluding Treasury Shares and Subsidiary Holdings)) are held in public hands as at the Latest Practicable Date, in order to preserve the listing status of the Shares on the SGX-ST by maintaining a public float of not less than ten per cent. (10%) in the issued Shares, the Company would not purchase or acquire more than 45,876,600 Shares (or approximately eight point seven seven per cent. (8.77%) of the issued Shares as at that date) pursuant to the Share Buy-Back Mandate, which would result in the number of Shares held by the public to be reduced to 47,744,000 Shares, representing approximately (but not less than) ten per cent. (10%) of the remaining issued Shares (being 477,439,500 Shares) of the Company. Please refer Section 2.9 below for more information on the public float.

(2) Duration of authority

Under the Share Buy-Back Mandate, Share Buy-Backs may be made, at any time and from time to time, on and from the Approval Date, up to the earliest of:

- (i) the conclusion of the next AGM or the date by which such AGM is required by law to be held;
- (ii) the date on which the Share Buy-Backs are carried out to the full extent mandated; or
- (iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Shareholders in a general meeting.

The authority conferred on the Directors by the Share Buy-Back Mandate to purchase or acquire Shares may be renewed at each AGM or other general meeting of the Company.

(3) Manner of Share Buy-Backs

Share Buy-Backs may be made by way of, *inter alia*:

- (i) on-market purchases transacted on the Catalyst through the SGX-ST's trading system or, as the case may be, any other stock exchange on which the Shares may, for the time being, be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for such purpose (the "**On-Market Share Buy-Back**"); and/or
- (ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined in Section 76C of the Companies Act, as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalyst Rules (the "**Off-Market Share Buy-Back**").

APPENDIX

The Directors may impose such terms and conditions, which are not inconsistent with the Share Buy-Back Mandate, the Catalyst Rules and the Companies Act, as they consider fit, in the interests of the Company in connection with, or in relation to, any equal access scheme(s). Under the Companies Act, an equal access scheme must satisfy all of the following conditions:

- (a) offers for the Share Buy-Backs shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and
- (c) the terms of all the offers are the same, except that there shall be disregarded, where applicable:
 - (I) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
 - (II) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (III) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Catalyst Rules provides that, in making an Off-Market Share Buy-Back, the Company must issue an offer document to all Shareholders that must contain at least the following information:

- (a) the terms and conditions of the offer;
 - (b) the period and procedures for acceptances;
 - (c) the reasons for the proposed Share Buy-Back;
 - (d) the consequences, if any, of Share Buy-Backs by the Company that will arise under the Take-over Code or other applicable take-over rules;
 - (e) whether the Share Buy-Back, if made, would have any effect on the listing of the Shares on the Catalyst;
 - (f) details of any Share Buy-Back made by the Company in the previous twelve (12) months (whether by way of On-Market Share Buy-Backs or Off-Market Share Buy-Backs), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such Share Buy-Backs (where relevant) and the total consideration paid for such Share Buy-Backs; and
 - (g) whether the Shares purchased or acquired by the Company will be cancelled or kept as Treasury Shares.
- (4) Maximum purchase price to be paid for the Shares

The purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors.

However, the purchase price to be paid for a Share pursuant to a Share Buy-Back, as determined by the Directors, must not exceed:

- (i) in the case of an On-Market Share Buy-Back, one hundred and five per cent. (105%) of the Average Closing Market Price (as defined below) of the Shares; and

APPENDIX

- (ii) in the case of an Off-Market Share Buy-Back, one hundred and twenty per cent. (120%) of the Average Closing Market Price of the Shares,

(the **“Maximum Price”**) in either case, excluding related expenses of the Share Buy-Back.

For the above purposes, the **“Average Closing Market Price”** means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded before the day on which the purchases or acquisitions are made, or as the case may be, the day of the making of the offer pursuant to the Off-Market Share Buy-Back, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) day period and the day on which the purchases or acquisitions are made.

The term **“day of the making of the offer”** means the day on which the Company announces its intention to make an offer for an Off-Market Share Buy-Back, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Share Buy-Back calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Buy-Back.

2.4 Status of purchased Shares under the Share Buy-Back Mandate

A Share purchased or acquired by the Company under the Share Buy-Back Mandate is deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a Treasury Share.

2.5 Cancellation of purchased Shares

Any Share which is purchased or acquired by the Company shall, unless held as Treasury Shares to the extent permitted under the Companies Act, be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to that Share shall expire on cancellation. The total number of Shares will be diminished by such number of Shares purchased or acquired by the Company and which are not held as Treasury Shares.

Any Shares purchased or acquired by the Company (other than Treasury Shares held by the Company to the extent permitted by the Companies Act) and cancelled will be automatically de-listed by the SGX-ST and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase or acquisition.

2.6 Purchased Shares held as Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as Treasury Shares. Some of the provisions on Treasury Shares under (i) the Catalyst Rules and (ii) the Companies Act, are summarised below.

- (1) Maximum holdings

The number of Shares held as Treasury Shares cannot at any time exceed ten per cent. (10%) of the total number of issued Shares.

In the event that the Company holds more than ten per cent. (10%) of the total number of its issued Shares as Treasury Shares, the Company shall cancel or dispose of the excess Treasury Shares in the manner set out under Section 2.6.3 below within six (6) months beginning with the day on which that contravention occurs, or such further period as the Registrar of Companies may allow.

APPENDIX

(2) Voting and other rights

The Company cannot exercise any right in respect of Treasury Shares. In particular and for the purposes of the Companies Act, the Treasury Shares shall be treated as having no voting rights and as such, the Company cannot exercise any right to attend or vote at meetings. Any purported exercise of such a right is void.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made to the Company in respect of Treasury Shares. However, the allotment of Shares as fully paid bonus shares in respect of Treasury Shares is allowed. Also, a subdivision or consolidation of any Treasury Share into Treasury Shares of a smaller or larger amount is allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before.

(3) Disposal and cancellation

Where Shares are held as Treasury Shares, the Company may at any time but subject always to the Take-over Code:

- (i) sell the Treasury Shares (or any of them) for cash;
- (ii) transfer the Treasury Shares (or any of them) for the purposes of or pursuant to any share scheme, whether for its employees, Directors or other persons;
- (iii) transfer the Treasury Shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the Treasury Shares (or any of them); or
- (v) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister of Finance of Singapore.

The Shares purchased or acquired under the Share Buy-back Mandate will be held as Treasury Shares or cancelled by the Company taking into consideration the then prevailing circumstances and requirements of the Company at the relevant time.

(4) Reporting obligation under the Catalist Rules

Pursuant to the Catalist Rules, the Company shall announce all purchases or acquisitions of its Shares via SGXNET not later than 9:00 a.m.:

- (i) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (ii) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such purchases or acquisition of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe.

APPENDIX

Pursuant to Catalyst Rule 704(31), the Company must immediately announce any sale, transfer, cancellation and/or use of Treasury Shares, stating the following:

- (a) date of the sale, transfer, cancellation and/or use;
- (b) purpose of such sale, transfer, cancellation and/or use;
- (c) number of Treasury Shares sold, transferred, cancelled and/or used;
- (d) number of Treasury Shares before and after such sale, transfer, cancellation and/or use;
- (e) percentage of the number of Treasury Shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (f) value of the Treasury Shares sold, transferred, cancelled and/or used.

2.7 Source of funds for the Share Buy-Backs

In undertaking Share Buy-Backs, the Company may only apply funds legally available for such purchases or acquisitions in accordance with the Constitution of the Company, the Catalyst Rules and the applicable laws in Singapore. The Company may not purchase or acquire its Shares for a consideration other than cash or, in the case of an On-Market Share Buy-Back, for settlement other than in accordance with the trading rules of the SGX-ST.

Pursuant to the Constitution of the Company and the Companies Act, any payment made by the Company in consideration for Share Buy-Backs may only be made out of the Company's capital or profits so long as the Company is solvent. For this purpose, pursuant to Section 76F(4) of the Companies Act, a company is "solvent" if the following conditions are satisfied:

- (a) there is no ground on which the company could be found to be unable to pay its debts;
- (b) the company will be able to pay its debts as they fall due during the period of twelve (12) months immediately after the date of the payment; and
- (c) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase, acquisition, variation or release (as the case may be), become less than the value of its liabilities (including contingent liabilities).

Where the consideration paid by the Company for the Share Buy-Backs is made out of profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. However, where the consideration paid by the Company for the Share Buy-Backs is made out of capital, the amount of profits available for the distribution of cash dividends by the Company will not be reduced.

The Company intends to use its internal resources and/or external borrowings or a combination of both to finance its Share Buy-Backs. In considering the use of external borrowings to finance the Share Buy-Backs, the Directors will take into account factors such as the cost of such financing and the prevailing gearing level of the Group.

APPENDIX

2.8 Financial effects of the Share Buy-Back Mandate

It is not possible for the Company to realistically calculate or quantify the impact of Share Buy-Backs that may be made pursuant to the Proposed Renewal of the Share Buy-Back Mandate as the financial effects on the Company and the Group arising from the Share Buy-Backs will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the Share Buy-Backs are made by way of On-Market Share Buy-Backs or Off-Market Share Buy-Backs, the price at which the Share Buy-Backs are made, the amount (if any) borrowed by the Company to fund the Share Buy-Backs and whether the Shares are cancelled or held as Treasury Shares.

For illustrative purposes only, the financial effects on the Company and the Group arising from the Share Buy-Backs, based on the audited financial statements of the Company and the Group for FY2025, are prepared based on the assumptions set out below:

- (a) as at the Latest Practicable Date, the total number of issued Shares of the Company is 523,316,100 Shares (after disregarding nil Shares held as Treasury Shares and nil Subsidiary Holdings). Assuming that there will be no changes in the number of Shares on or prior to the Approval Date, the purchase or acquisition by the Company of ten per cent. (10%) of its issued Shares pursuant to the Share Buy-Back Mandate, will result in the purchase or acquisition of 52,331,610 Shares;
- (b) in the case of On-Market Share Buy-Backs, assuming the Company purchases or acquires 52,331,610 Shares at the Maximum Price of US\$0.188 per Share (being five per cent. (5%) above the average of the closing market prices of the Shares for the last five (5) Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for effecting such On-Market Share Buy-Backs (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses), would amount to approximately US\$9,838,343;
- (c) in the case of Off-Market Share Buy-Backs, assuming the Company purchases or acquires 52,331,610 Shares at the Maximum Price of US\$0.215 per Share (being twenty per cent. (20%) above the average of the closing market prices of the Shares for the last five (5) Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for effecting such Off-Market Share Buy-Backs (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses), would amount to approximately US\$11,251,296;
- (d) the Share Buy-Backs were financed by the Group's internal resources of funds available as at 28 February 2025 amounting to US\$7,850,163 and the remaining by external borrowings of US\$1,988,180 for On-Market Share Buy-Backs and US\$3,401,133 for Off-Market Share Buy-Backs;
- (e) the internal resources utilized for the purchase or acquisition of the Shares would be disbursed from the Company's subsidiaries to the Company;
- (f) the Share Buy-Backs pursuant to the Share Buy-Back Mandate had taken place on 1 March 2024 for the purpose of computing the financial effects on the EPS of the Group and the Company;
- (g) the Share Buy-Backs pursuant to the Share Buy-Back Mandate had taken place on 28 February 2025 for the purpose of computing the financial effects on the Shareholders' equity, NAV per Share and gearing of the Group and the Company;
- (h) the Company will be able to fulfil the "public float" requirement under Rule 723 of the Catalist Rules following the purchase or acquisition of the maximum number of Shares pursuant to the Share Buy-Back Mandate;
- (i) transaction costs incurred during the Share Buy-Backs pursuant to the Share Buy-Back Mandate are assumed to be insignificant and have thus been ignored for the purposes of computing the financial effects;

APPENDIX

- (j) where Shares purchased or acquired are held as Treasury Shares, the maximum number of Shares permitted under the Companies Act to be held in treasury are held in treasury; and
- (k) based on the exchange rate of S\$1.00: US\$1.2818 as at the Latest Practicable Date, obtained from the website of the Monetary Authority of Singapore, accessible at the URL <https://www.mas.gov.sg/statistics/exchange-rates>.

The illustrative financial effects of the acquisition of Shares by the Company pursuant to the Share Buy-back Mandate by way of purchases or acquisitions made out of profits are similar to that of purchases or acquisitions made out of capital. Therefore, for illustrative purposes only, based on the assumptions set out in subparagraphs (a) to (k) above, the financial effects of the purchases or acquisition of Shares by way of purchases or acquisitions made out of capital and profits are set out below in Scenario A and B.

Scenario A

Share Buy-Backs with the Shares cancelled thereafter

	Group			Company		
	Before Share Buy-Backs	After Share Buy-Backs		Before Share Buy-Backs	After Share Buy-Backs	
		On-Market Share Buy-Back	Off-Market Share Buy-Back		On-Market Share Buy-Back	Off-Market Share Buy-Back
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
As at 28 February 2025						
Share capital	28,995,034	19,156,691	17,743,738	28,995,034	19,156,691	17,743,738
Shareholders' fund ("NAV")	78,872,181	69,033,838	67,620,885	55,326,966	45,488,623	44,075,670
Current assets	30,043,187	22,193,024	22,193,024	14,437,311	14,128,313	14,128,313
Current liabilities	(15,820,326)	(17,808,506)	(19,221,459)	(75,152)	(9,604,497)	(11,017,450)
Cash and cash equivalents ⁽¹⁾	7,850,163	–	–	308,998	–	–
Total borrowings	6,072,947	8,061,127	9,474,080	–	1,988,180	3,401,133
Net borrowings ⁽²⁾	(1,777,216)	8,061,127	9,474,080	(308,998)	1,988,180	3,401,133
Profit attributable to Owners of the Company	6,324,165	6,324,165	6,324,165	5,604,298	5,604,298	5,604,298
Number of Shares as at						
28 February 2025 ('000)	523,316,100	470,984,490	470,984,490	523,316,100	470,984,490	470,984,490
Weighted average number of Shares as at 28 February 2025 ('000)	523,316,100	471,127,865	471,127,865	523,316,100	471,127,865	471,127,865
Financial Ratios						
NAV per Share (cents) ⁽³⁾	15.07	14.66	14.36	10.57	9.66	9.36
Gross gearing (times) ⁽⁴⁾	0.08	0.12	0.14	–	0.04	0.08
Net gearing (times) ⁽⁵⁾	(0.02)	0.12	0.14	(0.01)	0.04	0.08
Current ratio (times) ⁽⁶⁾	1.90	1.25	1.15	192.11	1.47	1.28
EPS (cents) ⁽⁷⁾	1.21	1.34	1.34	1.07	1.19	1.19

Notes:

- (1) Based on the assumption that the Company will partially finance the Share Buy-Backs from funds within the Group.
- (2) "Net borrowings" represents total borrowings less cash and cash equivalents.
- (3) "NAV per Share" represents NAV divided by the number of Shares as at the Latest Practicable Date.
- (4) "Gross gearing" represents total borrowings divided by total equity.
- (5) "Net gearing" represents net borrowings divided by total equity.
- (6) "Current ratio" represents current assets divided by current liabilities.
- (7) EPS represents net profit attributable to owners of the Company for FY2025 respectively divided by the weighted average number of Shares for FY2025.

APPENDIX

Scenario B

Share Buy-Backs with the Shares held as Treasury Shares

	Group			Company		
	Before Share Buy-Backs	After Share Buy-Backs		Before Share Buy-Backs	After Share Buy-Backs	
	US\$'000	On-Market Share Buy-Back US\$'000	Off-Market Share Buy-Back US\$'000	US\$'000	On-Market Share Buy-Back US\$'000	Off-Market Share Buy-Back US\$'000
As at 28 February 2025						
Share capital	28,995,034	28,995,034	28,995,034	28,995,034	28,995,034	28,995,034
Shares held in Treasury	–	(9,838,343)	(11,251,296)	–	(9,838,343)	(11,251,296)
Shareholders' fund ("NAV")	78,872,181	69,033,838	67,620,885	55,326,966	45,488,623	44,075,670
Current assets	30,043,187	22,193,024	22,193,024	14,437,311	14,128,313	14,128,313
Current liabilities	(15,820,326)	(17,808,506)	(19,221,459)	(75,152)	(9,604,497)	(11,017,450)
Cash and cash equivalents ⁽¹⁾	7,850,163	–	–	308,998	–	–
Total borrowings	6,072,947	8,061,127	9,474,080	–	1,988,180	3,401,133
Net borrowings ⁽²⁾	(1,777,216)	8,061,127	9,474,080	(308,998)	1,988,180	3,401,133
Profit attributable to Owners of the Company	6,324,165	6,324,165	6,324,165	5,604,298	5,604,298	5,604,298
Number of Shares as at 28 February 2025 ('000)	523,316,100	470,984,490	470,984,490	523,316,100	470,984,490	470,984,490
Number of Treasury Shares as at 28 February 2025 ('000)	–	52,331,610	52,331,610	–	52,331,610	52,331,610
Weighted average number of Shares as at 28 February 2025 ('000)	523,316,100	471,127,865	471,127,865	523,316,100	471,127,865	471,127,865
Financial Ratios						
NAV per Share (cents) ⁽³⁾	15.07	14.66	14.36	10.57	9.66	9.36
Gross gearing (times) ⁽⁴⁾	0.08	0.12	0.14	–	0.04	0.08
Net gearing (times) ⁽⁵⁾	(0.02)	0.12	0.14	(0.01)	0.04	0.08
Current ratio (times) ⁽⁶⁾	1.90	1.25	1.15	192.11	1.47	1.28
EPS (cents) ⁽⁷⁾	1.21	1.34	1.34	1.07	1.19	1.19

Notes:

- (1) Based on the assumption that the Company will partially finance the Share Buy-Backs from funds within the Group.
- (2) "Net borrowings" represents total borrowings less cash and cash equivalents.
- (3) "NAV per Share" represents NAV divided by the number of Shares as at the Latest Practicable Date.
- (4) "Gross gearing" represents total borrowings divided by total equity.
- (5) "Net gearing" represents net borrowings divided by total equity.
- (6) "Current ratio" represents current assets divided by current liabilities.
- (7) EPS represents net profit attributable to owners of the Company for FY2025 respectively divided by the weighted average number of Shares for FY2025.

The Directors do not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the financial condition, the liquidity and the orderly trading of the Shares, or the working capital requirements and gearing level of the Company and the Group. The Share Buy-Backs will only be effected after taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements of the Group) and non-financial factors (such as market conditions and performance of the Shares).

APPENDIX

Shareholders should note that the financial effects set out above are for illustrative purposes only. In particular, it is important to note that the above analysis is based on the audited financial statements of the Company and the Group for FY2025 and is not necessarily representative of the future financial performance of the Company and the Group.

Although the Proposed Renewal of the Share Buy-Back Mandate would authorise the Company to purchase or acquire up to ten per cent. (10%) of the Company's issued Shares (excluding Treasury Shares and Subsidiary Holdings), the Company may not necessarily buy back or be able to buy back ten per cent. (10%) of the issued Shares in full. In addition, the Company may cancel all or part of the Share Buy-Backs or hold all or part of the Share Buy-Backs as Treasury Shares.

2.9 Catalyst Rules

Under the Catalyst Rules, a listed company may only purchase or acquire shares by way of a market acquisition at a price which is not more than five per cent. (5%) above the average closing market price. The Maximum Price for a Share in relation to market purchases by the Company, referred to in Section 2.3.4 of this Appendix, conforms to this restriction.

While the Catalyst Rules does not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in compliance with Rule 1204(19)(c) of the Catalyst Rules, the Company will not purchase or acquire any Shares through Share Buy-Backs during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three (3) quarters of the Financial Year and one (1) month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the Exchange or otherwise), or one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements).

Rule 723 of the Catalyst Rules requires a listed company to ensure that at least ten per cent. (10%) of any class of its listed securities are held by public shareholders. The term “public”, as defined in the Catalyst Rules, refers to persons other than the Directors, Chief Executive Officer, Substantial Shareholders or Controlling Shareholders of the Company or its subsidiary companies, as well as the Associates of such persons.

As at the Latest Practicable Date, there are 93,620,600 Shares are in the hands of the public (as defined above), representing approximately seventeen point eight nine per cent. (17.89%) of the issued share capital of the Company (excluding Treasury Shares and Subsidiary Holdings). For illustrative purposes only, assuming the Company undertakes purchases or acquisitions of its Shares up to the full ten per cent. (10%) limit pursuant to the Share Buy-back Mandate and all such Shares purchased or acquired are held by the public, the number of Shares in the hands of the public would be reduced by 52,331,610 Shares and the resultant number of Shares held by public Shareholders would be reduced to 41,288,990, representing approximately eight point seven seven per cent. (8.77%) of the remaining issued Shares of the Company.

In order not to adversely affect the listing status of Shares on the SGX-ST, the Company will not be permitted to undertake purchases or acquisitions of its Shares to the full ten per cent. (10%) limit pursuant to the Share Buy-back Mandate if it will result in the number of Shares held by public Shareholders falling below ten per cent. (10%) of the remaining issued Shares of the Company. Accordingly, the Company is restricted to market purchases of up to 45,876,600 Shares or approximately eight point seven seven per cent. (8.77%) of the issued Shares, which would result in the number of Shares held by the public to be reduced to 47,744,000 Shares, representing approximately but not less than ten per cent. (10%) of the remaining issued Shares (being 477,439,500 Shares) of the Company. **For avoidance of doubt, the above illustration should not in any way bind the Company or be construed to imply that the Company can only buy-back up to 45,876,600 Shares.**

APPENDIX

Notwithstanding the current level of the public float, the Company believes that having the flexibility to conduct Share Buy-Backs pursuant to the Share Buy-Back Mandate (if renewed) under appropriate circumstances will be beneficial to the Company. It is also possible that the public float may also change from time to time and such flexibility will be reduced if the Company seeks a lower limit based on the current level of the public float. Accordingly, for greater flexibility, the Company is seeking Shareholders' approval to enable the Company to purchase or acquire Shares up to the maximum of ten per cent. (10%) of the total number of Shares of the Company (excluding Treasury Shares and Subsidiary Holdings). Nevertheless, the Directors will ensure that the Company will not undertake any Share Buy-Backs under the Share Buy-Back Mandate (if renewed) if the public float is below ten per cent. (10%), or if this will result in the public float falling below ten per cent. (10%). The Company will consider investor interests when maintaining a liquid market in its securities, and will at all times ensure that there is sufficient float in the hands of the public so that the purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

2.10 Tax implications

Shareholders who are in doubt as to their respective tax positions or the tax implications of the Share Buy-Backs by the Company or who may be subject to tax whether in or outside of Singapore should consult their own professional advisers.

2.11 Take-over Code implications arising from Share Buy-Backs

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

(1) Obligation to make a take-over offer

If, as a result of Share Buy-Backs, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such an increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such an increase results in the change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a mandatory take-over offer for the Company under Rule 14 of the Take-over Code.

(2) Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons will, *inter alia*, be presumed to be acting in concert:

- (i) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (ii) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the aforementioned companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least twenty per cent. (20%) but not more than fifty per cent. (50%) of the voting rights of the first-mentioned company;

APPENDIX

- (iii) a company with any of its pension funds and employee share schemes;
- (iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total ten per cent. (10%) or more of the client's equity share capital;
- (vi) directors of a company, together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts, which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (vii) partners; and
- (viii) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the aforementioned, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons for the purchase of voting rights.

The circumstances under which Shareholders (including Directors) and persons acting in concert with them, respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a Share Buy-Back by the Company are set out in Appendix 2 of the Take-over Code.

(3) Effect of Rule 14 and Appendix 2 of the Take-over Code

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to thirty per cent. (30%) or more, or, if such Shareholder holds between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Proposed Renewal of the Share Buy-Back Mandate, unless so required under the Companies Act, e.g. for a shareholder whose shares are to be bought via a selective share buy-back by an unlisted public company.

With regard to Directors and persons acting in concert with them, if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to thirty per cent. (30%) or more, or if the voting rights of such Directors and their concert parties fall between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than one per cent. (1%) in any period of six (6) months, such Directors and persons acting in concert with them will be exempted from the requirement to make a take-over offer under Rule 14 of the Take-over Code, subject to the following conditions:

- (i) this Appendix to contain advice to the effect that by voting for the Proposed Renewal of the Share Buy-Back Mandate, Shareholders are waiving their right to a general offer at the required price from Directors and parties acting in concert with them who, as a result of the Company buying back its Shares, would increase their voting rights to thirty per cent. (30%) or more, or, if they together hold between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, would increase their voting rights by more than one per cent. (1%) in any period of six (6) months; and the names of such Directors and persons acting in concert with them, their voting rights at the time of the resolution and after the proposed Share Buy-Back to be disclosed in this same Appendix;

APPENDIX

- (ii) the resolution to authorise the Proposed Renewal of the Share Buy-Back Mandate to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the Proposed Renewal of the Share Buy-Back Mandate;
- (iii) directors and/or persons acting in concert with them to abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the Proposed Renewal of the Share Buy-Back Mandate;
- (iv) within seven (7) days after the passing of the resolution to authorise the Proposed Renewal of the Share Buy-Back Mandate, each of the Directors to submit to the Council a duly signed form as prescribed by the Council;
- (v) directors and/or persons acting in concert with them not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the Share Buy-Back proposal is imminent and the earlier of:
 - (a) the date on which the authority of the Share Buy-Back Mandate expires; and
 - (b) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Buy-Back, would cause their aggregate voting rights to increase to thirty per cent. (30%) or more; and

- (vi) directors and/or persons acting in concert with them, together holding between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the Share Buy-Back proposal is imminent and the earlier of:
 - (a) the date on which the authority of the Share Buy-Back Mandate expires; and
 - (b) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Buy-Back, would cause their aggregate voting rights to increase by more than one per cent. (1%) in the preceding six (6) months.

It follows that where the aggregate voting rights held by a Director and persons acting in concert with him increase by more than one per cent. (1%) solely as a result of the Share Buy-Back and none of them has acquired any Shares during the Relevant Period, then such Director and/or persons acting in concert with him would be eligible for Council's exemption from the requirement to make a general offer under Rule 14, or where such exemption had been granted, would continue to enjoy the exemption.

Shareholders (including Directors) and their concert parties who hold more than fifty per cent. (50%) of the Company's voting rights are under no obligation to make a take-over offer if the voting rights of such Shareholders and their concert parties were to increase as a result of the Company purchasing or acquiring Shares.

If the Company decides to cease the Share Buy-Backs before it has purchased or acquired in full such number of Shares authorised by its Shareholders at the latest AGM, the Company will promptly inform its Shareholders of such cessation. This will assist Shareholders to determine if they can buy any more Shares without incurring an obligation under Rule 14 of the Take-over Code.

APPENDIX

(4) Application of the Take-over Code

The shareholdings of the Substantial Shareholders as at the Latest Practicable Date and after the purchase or acquisition by the Company (other than from the Substantial Shareholders) of the maximum of ten per cent. (10%) of the issued share capital of the Company (excluding Treasury Shares and Subsidiary Holdings) pursuant to the Share Buy-Back Mandate as the case may be, are as follows:

	Before Share Buy-Backs			After Share Buy-Backs		
	Number of Shares			Number of Shares		
	Direct Interest	Deemed Interest	% ⁽¹⁾	Direct Interest	Deemed Interest	% ⁽²⁾
Directors						
Dato' Sri Ivan Chee Yew Fei ⁽³⁾	530	254,259,670	48.59	530	254,259,670	53.98
Ng Mun Fey ⁽⁴⁾	–	37,603,950	7.19	–	37,603,950	7.98
Teh Lip Kim ⁽⁵⁾	1,679,300	166,465,625	32.13	1,679,300	166,465,625	35.70
Loong Ching Hong ⁽⁶⁾	2,056,000	5,234,375	1.39	2,056,000	5,234,375	1.55
Chew Wai Chuen	–	–	–	–	–	–
Edmund Chee Ji Kang	–	–	–	–	–	–
Willa Chee Keng Fong	–	–	–	–	–	–
Anita Chew Cheng Im	–	–	–	–	–	–
Goh Kah Im	–	–	–	–	–	–
Substantial Shareholders (other than Substantial Shareholders who are Directors)						
Y F Chee Holdings Pte. Ltd. ⁽⁸⁾	216,655,720	–	41.40	216,655,720	–	46.00
Greger International Sdn. Bhd. ⁽³⁾	37,603,950	–	7.19	37,603,950	–	7.98
Teh Lip Bin ⁽⁷⁾	–	159,137,500	30.41	–	159,137,500	33.79
SDB Mining Sdn. Bhd. ⁽⁵⁾⁽⁷⁾	154,937,500	–	29.61	154,937,500	–	32.90
Selangor Dredging Berhad ⁽⁶⁾	–	154,937,500	29.61	–	154,937,500	32.90
Teh Wan Sang & Sons Sdn. Bhd. ⁽⁹⁾	4,200,000	154,937,500	30.41	4,200,000	154,937,500	33.79

Notes:

- (1) The percentage shareholding is based on the total issued share capital of the Company of 523,316,100 Shares (excluding Treasury Shares and Subsidiary Holdings), as at the Latest Practicable Date. The Company does not have any Treasury Shares or subsidiary holdings. Percentage figures are rounded to the nearest two (2) decimal places.
- (2) The percentage shareholding is based on the total issued share capital of the Company of 523,316,100 Shares assuming (a) purchase or acquisition by the Company (other than from the Substantial Shareholders) of ten per cent. (10%) of the issued share capital of the Company pursuant to the Share Buy-Back Mandate and (b) there is no change in the number of Shares held by the Directors and the Substantial Shareholders or which they are deemed interested in.
- (3) Dato' Sri Ivan Chee Yew Fei is deemed interested in (a) the 216,655,720 Shares held by Y F Chee Holdings Pte. Ltd. as he owns one hundred per cent. (100%) of the issued share capital of Y F Chee Holdings Pte. Ltd. and (b) the 37,603,950 Shares held by Greger International Sdn. Bhd. as he holds seventy per cent. (70%) of the issued share capital of Greger International Sdn. Bhd.
In the event the Company undertakes Share Buy-Backs within the Relevant Period of up to ten per cent. (10%) of the issued share capital of the Company (excluding Treasury Shares and Subsidiary Holdings) as permitted by the Share Buy-Back Mandate, the aggregate shareholdings and voting rights held by each of Dato' Sri Ivan Chee and his concert parties may be increased as illustrated above. The aggregate shareholdings and voting rights held by Dato' Sri Ivan Chee and his concert parties may thus be increased by more than one per cent. (1%) within a six (6) month period. Accordingly, Dato' Sri Ivan Chee and his concert parties may be required to make a general offer to the other Shareholders under Rule 14.1(b) of the Take-over Code.
- (4) Ng Mun Fey is deemed interested in the 37,603,950 Shares held by Greger International Sdn. Bhd. as he holds thirty per cent. (30%) of the issued share capital of Greger International Sdn. Bhd.

APPENDIX

- (5) Teh Lip Kim is deemed interested in (a) the 7,328,125 Shares in the Company held by Smith St Investment Pte. Ltd. as she holds one hundred per cent. (100%) of the issued share capital of Smith St Investment Pte. Ltd.; (b) the 154,937,500 Shares held by SDB Mining Sdn. Bhd. as she holds (directly and indirectly) approximately sixty point eight one per cent. (60.81%) of the issued shares of Selangor Dredging Berhad, which in turn holds one hundred per cent. (100%) of the issued share capital of SDB Mining Sdn. Bhd.; and (c) the 4,200,000 Shares held by Teh Wan Sang & Sons Sdn. Bhd. which is owned by members of the Teh family which includes Teh Lip Kim. Teh Lip Kim and Teh Lip Bin are siblings.
- (6) Loong Ching Hong is deemed interested in the 5,234,375 Shares held by Western Capital Sdn. Bhd. as he owns one hundred per cent. (100%) of the issued share capital of Western Capital Sdn. Bhd.
- (7) Teh Lip Bin is deemed interested in (a) the 154,937,500 Shares held by SDB Mining Sdn. Bhd as he holds (directly and indirectly) approximately thirty-seven point four seven per cent. (37.47%) of the issued share capital of Selangor Dredging Berhad, which in turn holds one hundred per cent. (100%) of the issued share capital of SDB Mining Sdn. Bhd and (b) the 4,200,000 Shares held by Teh Wan Sang & Sons Sdn. Bhd. which is owned by members of the Teh family which includes Teh Lip Bin. Teh Lip Kim and Teh Lip Bin are siblings.
- (8) Selangor Dredging Berhad is deemed interested in the 154,937,500 Shares held by SDB Mining Sdn. Bhd. as it holds one hundred per cent. (100%) of the issued share capital of SDB Mining Sdn. Bhd.
- (9) Teh Wan Sang & Sons Sdn. Bhd. is deemed interested in the 154,937,500 Shares held by SDB Mining Sdn. Bhd. as it holds twenty-one point six zero per cent. (21.60%) of the issued share capital of Selangor Dredging Berhad, which in turn holds one hundred per cent. (100%) of the issued share capital of SDB Mining Sdn. Bhd.

Teh Lip Kim and her concert parties

As at the Latest Practicable Date:

- (a) Teh Lip Kim holds 1,679,300 Shares of the Company representing approximately zero point three two per cent. (0.32%) of the issued Shares (excluding Treasury Shares and Subsidiary Holdings) of the Company;
- (b) Teh Lip Kim's brother, Teh Lip Bin, holds NIL Shares of the Company representing approximately zero per cent. (0%) of the issued Shares (excluding Treasury Shares and Subsidiary Holdings) of the Company;
- (c) Teh Lip Kim holds (directly and indirectly) approximately sixty point eight one per cent. (60.81%) of the issued shares of Selangor Dredging Berhad, which in turn holds one hundred per cent. (100%) of the issued share capital of SDB Mining Sdn. Bhd; and
- (d) Teh Wan Sang & Sons Sdn. Bhd. is a company that is controlled by Teh Lip Kim and her close relatives.

In the event the Company undertakes Share Buy-Backs within the Relevant Period of up to ten per cent. (10%) of the issued share capital of the Company (excluding Treasury Shares and Subsidiary Holdings) as permitted by the Share Buy-Back Mandate, the aggregate shareholdings and voting rights held by each of Teh Lip Kim and her concert parties may be increased as illustrated above. The aggregate shareholdings and voting rights held by Teh Lip Kim and her concert parties may thus be increased by more than one per cent. (1%) within a six (6) month period. Accordingly, Teh Lip Kim and her concert parties may be required to make a general offer to the other Shareholders under Rule 14.1(b) of the Take-over Code.

- (5) Exemption to make a general offer pursuant to Section 3(a) of Appendix 2 entitled "Share Buy-Back Guidance Note" of the Take-over code

Section 3(a) of Appendix 2 entitled "Share Buy-Back Guidance Note" of the Take-over Code sets out the conditions for exemption from the obligation to make a general offer under Rule 14 of the Take-over Code in the case of directors and persons acting in concert with them incurring such an obligation as a result of a listed company making a market acquisition under Section 76E of the Companies Act or an off-market acquisition on an equal access scheme under Section 76C of the Companies Act. Such take-over offer, if required to be made and had not been exempted by the Council, would have to be made in cash or be accompanied by a cash alternative at the higher of, excluding stamp duty and commission, (a) the highest price paid by the Concert Parties for any Shares within the preceding six (6) months or (b) the highest price paid by the Company for its own Shares in the preceding six (6) months.

APPENDIX

Pursuant to Section 3(a) of Appendix 2, Dato' Sri Ivan Chee and Teh Lip Kim and their respective concert parties will be exempted from the obligation to make a general offer under Rule 14 of the Take-over Code as a result of a listed company making a market acquisition under Section 76E of the Companies Act or an off-market acquisition on an equal access scheme under Section 76C of the Companies Act, subject to the following conditions:

- (i) the circular on the resolution to authorise the renewal of the Share Buy-Back Mandate contains advice to the effect that by voting for the resolution for the renewal of the Share Buy-Back Mandate, Shareholders are waiving their rights to a general offer at the Required Price from Dato' Sri Ivan Chee and Teh Lip Kim and their respective concert parties who, as a result of the Company buying back its Shares, would increase their voting rights by more than one per cent. (1%) in any period of six (6) months; and the names and voting rights of Dato' Sri Ivan Chee and Teh Lip Kim and their respective concert parties at the time of the resolution and after the proposed Share Buy-Backs are disclosed in the same circular;
- (ii) the resolution to approve the Share Buy-Back Mandate is approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the Share Buy-Back;
- (iii) Dato' Sri Ivan Chee and Teh Lip Kim and their respective concert parties abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to approve the Share Buy-Back Mandate;
- (iv) within seven (7) days after the passing of the resolution to approve the Share Buy-Back Mandate, each of Dato' Sri Ivan Chee and Teh Lip Kim to submit to the Council a duly signed Form 2 as prescribed by the Council; and
- (v) Dato' Sri Ivan Chee and Teh Lip Kim and their respective concert parties not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the proposal for the Share Buy-Back Mandate is imminent and the earlier of:
 - (a) the date on which the authority of the Share Buy-Back Mandate expires; and
 - (b) the date on which the Company announces that it has bought back such number of Shares as authorised by the Share Buy-Back Mandate or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Buy-Backs, would (in each case for Dato' Sri Ivan Chee and Teh Lip Kim and their respective concert parties) cause their aggregate voting rights in the Company to increase by more than one per cent. (1%) in the preceding six (6) months,

((1) Dato' Sri Ivan Chee and his concert parties as a collective group, and (2) Teh Lip Kim and her concert parties as a collective group, hereinafter collectively referred to as the "**Relevant Groups**" and each group, a "**Relevant Group**").

If the Company ceases to buy back its Shares under the Shares Buy-Back Mandate and the increase in the voting rights held by a Relevant Group as a result of the Company buying back its Shares at such time is less than one per cent. (1%), the Relevant Group will be allowed to acquire further voting rights in the Company. However, any increase in the percentage of voting rights held by a Relevant Group as a result of the Company buying back its Shares will be taken into account together with any voting rights acquired after the cessation by the Relevant Group in determining whether the Relevant Group's aggregate voting rights in the Company have increased by more than one per cent. (1%) in any six (6)-month period.

APPENDIX

Shareholders should note that voting to approve the Share Buy-Back Mandate will constitute a waiver by the Shareholders in respect of their rights to receive a general offer by the Relevant Groups at the Required Price in the circumstances set out above. Such a takeover offer, if required to be made and had not been exempted by the Council or such exemption granted is subsequently invalidated, would have to be made in cash or be accompanied by a cash alternative at the higher of (a) the highest price paid by the directors and/or persons acting in concert with them for any Share in the preceding six (6) months or (b) the highest price paid by the Company for its own Shares in the preceding six (6) months.

As at the Latest Practicable Date, Dato' Sri Ivan Chee and Teh Lip Kim have each informed the Company that they will be submitting the Form 2 to the Council within seven (7) days after the passing of the resolution relating to the renewal of the Share Buy-Back Mandate.

Save as disclosed above, the Directors are not aware of any fact(s) or factor(s) which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting Shares should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate.

The statements herein in relation to the Take-over Code do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any Share Buy-Back pursuant to the Share Buy-Back Mandate are advised to consult their professional advisers and/or the Securities Industry Council of Singapore and/or the relevant authorities at the earliest opportunity before they acquire any Shares during the period when the Share Buy-Back Mandate is in force.

2.12 Details of Share Buy-Backs pursuant to the Share Buy-Back Mandate

No purchases or acquisitions were made by the Company by way of On-Market Share Buy Backs or Off-Market Share Buy Backs during the last twelve (12) months immediately preceding and up to the Latest Practicable Date.

2.13 Reporting requirements

Within thirty (30) days of the passing of a Shareholders' resolution to approve or renew the Share Buy-Back Mandate, the Company shall lodge a copy of such resolution with ACRA. The Company shall also lodge a notice with ACRA within thirty (30) days of a Share Buy-Back. Such notification is to include details such as the date of the Share Buy-Back, the number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Shares held as Treasury Shares, the Company's issued share capital before and after the Share Buy-Back, the amount of consideration paid by the Company for the Share Buy-Back, whether the Shares were purchased or acquired out of profits or the capital of the Company and any such other particulars that may be prescribed.

Within thirty (30) days of the cancellation or disposal of Treasury Shares in accordance with the provisions of the Companies Act, the Directors shall lodge with the Registrar the notice of cancellation or disposal of Treasury Shares in the prescribed form.

2.14 Limits on shareholdings

The Company does not have any limits on the shareholdings of the Shareholders.

APPENDIX

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of Directors and Substantial Shareholders in the Shares as recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders, respectively, as at the Latest Practicable Date, are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	No. of shares	% ⁽¹⁾	No. of shares	% ⁽¹⁾	No. of shares	% ⁽¹⁾
Directors						
Dato' Sri Ivan Chee Yew Fei ⁽²⁾	530	0.00	254,259,670	48.59	254,260,200	48.59
Ng Mun Fey ⁽³⁾	–	–	37,603,950	7.19	37,603,950	7.19
Teh Lip Kim ⁽⁴⁾	1,679,300	0.32	166,465,625	31.81	168,144,925	32.13
Loong Ching Hong ⁽⁵⁾	2,056,000	0.39	5,234,375	1.00	7,290,375	1.39
Chew Wai Chuen	–	–	–	–	–	–
Edmund Chee Ji Kang	–	–	–	–	–	–
Willa Chee Keng Fong	–	–	–	–	–	–
Anita Chew Cheng Im	–	–	–	–	–	–
Goh Kah Im	–	–	–	–	–	–
Substantial Shareholders (other than Substantial Shareholders who are Directors)						
Y F Chee Holdings Pte. Ltd.	216,655,720	41.40	–	–	216,655,720	41.40
Greger International Sdn. Bhd.	37,603,950	7.19	–	–	37,603,950	7.19
SDB Mining Sdn. Bhd. ⁽⁴⁾⁽⁶⁾	154,937,500	29.61	–	–	154,937,500	29.61
Selangor Dredging Berhad ⁽⁶⁾	–	–	154,937,500	29.61	154,937,500	29.61
Teh Wan Sang & Sons Sdn. Bhd. ⁽⁶⁾⁽⁷⁾	4,200,000	0.80	154,937,500	29.61	159,137,500	30.41
Teh Lip Bin ⁽⁸⁾	–	–	159,137,500	30.41	159,137,500	30.41

Notes:

- (1) Based on the total number of 523,316,100 Shares (excluding Treasury Shares and subsidiary holdings) as at the Latest Practicable Date. The Company does not have any Treasury Shares or subsidiary holdings. Percentage figures are rounded to the nearest two (2) decimal places.
- (2) Dato' Sri Ivan Chee Yew Fei is deemed interested in (a) the 216,655,720 Shares held by Y F Chee Holdings Pte. Ltd. as he owns one hundred per cent. (100%) of the issued share capital of Y F Chee Holdings Pte. Ltd. and (b) the 37,603,950 Shares held by Greger International Sdn. Bhd. as he holds seventy per cent. (70%) of the issued share capital of Greger International Sdn. Bhd.
- (3) Ng Mun Fey is deemed interested in the 37,603,950 Shares held by Greger International Sdn. Bhd. as he holds thirty per cent. (30%) of the issued share capital of Greger International Sdn. Bhd.
- (4) Teh Lip Kim is deemed interested in (a) the 7,328,125 Shares in the Company held by Smith St Investment Pte. Ltd. as she holds one hundred per cent. (100%) of the issued share capital of Smith St Investment Pte. Ltd.; (b) the 154,937,500 Shares held by SDB Mining Sdn. Bhd. as she holds (directly and indirectly) approximately sixty point eight one per cent. (60.81%) of the issued shares of Selangor Dredging Berhad, which in turn holds one hundred per cent. (100%) of the issued share capital of SDB Mining Sdn. Bhd; and (c) the 4,200,000 Shares held by Teh Wan Sang & Sons Sdn. Bhd. which is owned by members of the Teh family which includes Teh Lip Kim, Teh Lip Kim and Teh Lip Bin, who are siblings.
- (5) Loong Ching Hong is deemed interested in the 5,234,375 Shares held by Western Capital Sdn. Bhd. as he owns one hundred per cent. (100%) of the issued share capital of Western Capital Sdn. Bhd.
- (6) Selangor Dredging Berhad is deemed interested in the 154,937,500 Shares held by SDB Mining Sdn. Bhd. as it holds 100 per cent. (100%) of the issued share capital of SDB Mining Sdn. Bhd.
- (7) Teh Wan Sang & Sons Sdn. Bhd. is deemed interested in the 154,937,500 Shares held by SDB Mining Sdn. Bhd. as it holds twenty-one point six zero per cent. (21.60%) of the issued share capital of Selangor Dredging Berhad, which in turn holds one hundred per cent. (100%) of the issued share capital of SDB Mining Sdn. Bhd.
- (8) Teh Lip Bin is deemed interested in (a) the 154,937,500 Shares held by SDB Mining Sdn. Bhd as he holds (directly and indirectly) approximately thirty-seven point four seven per cent. (37.47%) of the issued share capital of Selangor Dredging Berhad, which in turn holds one hundred per cent. (100%) of the issued share capital of SDB Mining Sdn. Bhd and (b) the 4,200,000 Shares held by the Wan Sang & Sons Sdn. Bhd. which is owned by members of the Teh family which includes Teh Lip Bin, Teh Lip Kim and Teh Lip Bin, who are siblings.

APPENDIX

4. DIRECTORS' RECOMMENDATIONS

The Directors (other than Dato' Sri Ivan Chee and Ms. Teh Lip Kim who have each abstained from making any recommendation in view of the take-over consequences set out in Section 2.11 of this Appendix), having carefully considered the terms and rationale of the Proposed Renewal of the Share Buy-Back Mandate, are of the view that the Proposed Renewal of the Share Buy-Back Mandate is in the best interests of the Company and accordingly, recommend that Shareholders vote in favor of the ordinary resolution to approve the Proposed Renewal of the Share Buy-Back Mandate.

5. ANNUAL GENERAL MEETING

The AGM, notice of which has been announced on 9 June 2025, will be held at Esplanade Room 3, Level 3 of Singapore Recreation Club, B Connaught Drive, Singapore 179682 on 30 June 2025 at 2:00 p.m. at for the purposes of considering and, if thought fit, passing, with or without modification, the ordinary resolutions relating to the Proposed Renewal of the Share Buy-Back Mandate.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

The AGM is being convened and will be held in a wholly physical format. There will be no option for the members to participate virtually. The Notice of AGM and the Proxy Form will be sent to the members via post. Printed copy of the AR FY2025 and Appendix will not be sent to members of the Company unless requested by the shareholder pursuant to a submitted request. Shareholders who wish to receive a printed copy of the AR FY2025 and Appendix are required to complete the Request Form and to return it to the Company by post or by email by 17 June 2025. The AR FY2025 and Appendix will also be made available to members via publication on the Company's website at the URL <https://www.fortress.sg> and on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. The members of the Company may participate in the AGM by:

- (a) attending the AGM in person;
- (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or
- (c) voting at the AGM (i) themselves personally; or (ii) through their duly appointed proxy(ies).

Members will need to bring along their NRIC/passport so as to enable the Company to verify their identity.

A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon. The proxy need not be a member of the Company. In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.

A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory. If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the Chairman as proxy will vote or abstain from voting at his discretion.

The instrument appointing the Chairman of the AGM as proxy must be submitted to the Company in the following manner:

- (i) if sent personally or by post, by depositing a physical copy at the registered office of the Company at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896; or

APPENDIX

- (ii) if submitted electronically, be submitted via email to the Company's Share Registrar, B.A.C.S Private Limited at main@zicoholdings.com,

in either case, by 2:00 p.m. on 27 June 2025 (being not less than seventy-two (72) hours before the time fixed for holding the AGM).

A member who wishes to submit an instrument of proxy must first download, 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.

Shareholders should refer to the Notice of AGM for further information, including the steps to be taken by Shareholders to participate at the AGM.

7. ABSTENTION FROM VOTING

In addition, in light of the exemption under section 3(a) of Appendix 2 of the Take-over Code, each of (a) Dato' Sri Ivan Chee and his concert parties and (b) Teh Lip Kim and her concert parties, who are Shareholders of the Company, shall abstain from voting in respect of the ordinary resolution set out in the Notice of AGM relating to the Proposed Renewal of the Share Buy-Back Mandate, and will not accept any appointment as proxies or otherwise for voting on the ordinary resolution set out in the Notice of AGM unless specific instructions have been given in the proxy instrument(s) on how the votes are to be cast.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Renewal of the Share Buy-Back Mandate, the Company and its Subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

9. DOCUMENTS AVAILABLE FOR INSPECTION

The Constitution of the Company may be inspected at the registered office of the Company at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896, during normal business hours from the date of this Appendix up to and including the date of the AGM.

This Appendix is also available on the Company's corporate website at <https://www.fortress.sg> and SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

Yours faithfully
For and on behalf of the Board of Directors of
FORTRESS MINERALS LIMITED

Dato' Sri Ivan Chee Yew Fei
Executive Director and Chief Executive Officer

This page has been intentionally left blank

FORTRESS MINERALS LIMITED

(Company Registration No.: 201732608K)
(Incorporated in the Republic of Singapore)

PROXY FORM

ANNUAL GENERAL MEETING

This proxy form has been made available on SGXNet and the Company's website and may be accessed at the URL <https://www.fortress.sg>.

IMPORTANT:

This Proxy Form is not valid for use by investors who hold shares in the Company ("**Shares**") through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore), including SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including SRS investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. SRS investors should approach their respective SRS Operators at least seven working days before the AGM to specify voting instructions. SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective SRS Operators by 2.00 p.m. on 19 June 2025.

*I/We _____ (Name) _____ (NRIC/Passport/Company Registration No.)
of _____ (Address)
being a *member/members of FORTRESS MINERALS LIMITED (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)	
			No. of Shares	%

or failing him/her*, the Chairman of the Annual General Meeting ("**AGM**") as my/our* proxy/proxies* to attend and vote for me/us* on my/our* behalf, at the AGM of the Company to be held at Esplanade Room 3, Level 3 of Singapore Recreation Club, B Connaught Drive, Singapore 179682 on Monday, 30 June 2025 at 2.00 p.m., and at any adjournment thereof. All resolutions put to the vote at the AGM shall be decided by way of poll. I/We* direct my/our proxy/proxies* to vote for or against or to abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/their* discretion, as he/they* will on any other matter arising at the AGM:

No.	Ordinary Resolutions	For	Against	Abstain
1.	Adoption of the Audited Financial Statements for the financial year ended 28 February 2025 together with the Directors' Statement and the Auditors' Report thereon.			
2.	Approval of a tax-exempt (one-tier) final dividend of 0.46 Singapore cents per share for the financial year ended 28 February 2025.			
3.	Re-election of Mr Chew Wai Chuen as a Director of the Company.			
4.	Re-election of Mr Ng Mun Fey as a Director of the Company.			
5.	Re-election of Ms Teh Lip Kim as a Director of the Company.			
6.	Approval of payment of Directors' fees of S\$658,000 for the financial year ending 28 February 2026, payable quarterly in arrears.			
7.	Re-appointment of Messrs BDO LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
8.	Authority to allot and issue shares in the capital of the Company.			
9.	Authority to allot and issue shares under the Fortress Employee Share Option Scheme.			
10.	Renewal of Share Buy-Back Mandate.			

Dated this _____ day of _____ 2025.

Total no. of Shares in	No. of Shares
(a) Depository Register	
(b) Register of Members	

Signature(s) of Member(s)/Common Seal of Corporate Member(s)

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM OVERLEAF



NOTES FOR PROXY FORM

1. Please insert the total number of shares in the capital of the Company ("**Shares**") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the Chairman of the AGM as proxy shall be deemed to relate to all the Shares held by you.
2. A member (who is not a Relevant Intermediary), who is entitled to attend and vote at the AGM is entitled to appoint not more than 2 proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints more than 1 proxy, the member must specify the proportion of shareholdings (expressed as a percentage of the whole) to be represented by each proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry 100% of the shareholdings of his/her appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.
3. If the instrument appointing a proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstained as he/she thinks fit.
4. This proxy form must be under the hand of the appointor or of his/her/its attorney duly authorised in writing.
 - (i) Where this proxy form is executed by a corporation, it must be executed either under its common seal (or otherwise in accordance with its constitution) or under the hand of an officer or attorney duly authorised. The dispensation of the use of common seal pursuant to the Companies Act 1967 is applicable at this AGM.
 - (ii) Where this proxy form is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.
5. For investors who hold shares through relevant intermediaries, including SRS investors, this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS investors who wish to vote should approach their respective SRS Operators to submit their votes at least seven (7) working days before the AGM (by 2.00 p.m. on 19 June 2025) in order to allow sufficient time for their respective relevant intermediaries to submit a proxy form to vote on their behalf by the cut-off date. "Relevant intermediary" has the meaning as defined in section 181 of the Singapore Companies Act.
6. This instrument appointing a proxy or proxies, duly executed, must be submitted to the Company in the following manner:
 - (a) if sent personally or by post, be lodged at the Company's registered office at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - (b) if submitted by email, be received by the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com,in either case, by 2.00 p.m. on 27 June 2025, being not less than seventy-two (72) hours before the time appointed for holding the AGM.

General:

The Company shall be entitled to reject the instrument appointing proxy (including Chairman of the AGM) if it 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 appointing proxy (including Chairman of the AGM). In addition, in the case of Shares entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM (or at any adjournment thereof), as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting this proxy form, the member of the Company accepts and agrees to the personal data privacy terms as set out in the Notice of AGM dated 9 June 2025.



fortress

FORTRESS MINERALS LIMITED

77 Robinson Road
#06-03 Robinson 77
Singapore 068896

Tel: +603-7800 0113 • Fax: +603-7800 0115 • Investor and Media: corporate@fortress.sg

Website: www.fortress.sg