SANLI ENVIRONMENTAL LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 201705316M)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

TABLE OF CONTENTS

	Page
A. Condensed interim consolidated statement of comprehensive income	2
B. Condensed interim statements of financial position	3-4
C. Condensed interim statements of changes in equity	5-6
D. Condensed interim consolidated statement of cash flows	7-8
E. Notes to the condensed interim consolidated financial statements	9-19
F. Other information pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("Catalist Rules")	20-27

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

Sanli Environmental Limited
Condensed Interim Consolidated Financial Statements
For the Six Months Ended 30 September 2026 ("1H2027")

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Group Six Months Ended		
		30 Sept 2026	30 Sept 2025	+/(-)
	Note	S$'000	S$'000	%
Revenue	4	85,263	72,078	18.3
Cost of contract works		(78,328)	(62,738)	24.8
Gross profit		6,935	9,340	(25.7)
Other income		415	2,608	(84.1)
Administrative expenses		(4,048)	(5,636)	(28.2)
Other operating expenses		(1,347)	(1,184)	13.8
Finance costs		(1,230)	(1,274)	(3.5)
Profit before tax	6	725	3,854	(81.2)
Income tax expense	7	(171)	(647)	(73.6)
Profit for the period		554	3,207	(82.7)
Other comprehensive (loss) income, net of tax:				
Exchange differences on translation of foreign operations		(10)	44	N.M.
Revaluation gain on property, plant and equipment		-	15,712	N.M.
Deferred tax on revaluation gain		-	(2,671)	N.M.
Total comprehensive income for the period		544	16,292	(96.7)
Profit for the period attributable to:				
Owners of the Company		695	3,227	(78.5)
Non-controlling interests		(141)	(20)	>100.0
		554	3,207	(82.7)
Total comprehensive income for the period attributable to:				
Owners of the Company		689	16,312	(95.8)
Non-controlling interests		(145)	(20)	> 100.0
		544	16,292	(96.7)

N.M.: Not Meaningful

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		Group		Company	
		As at 30 Sept 2026	As at 31 Mar 2026	As at 30 Sept 2026	As at 31 Mar 2026
	Note	S$'000	S$'000	S$'000	S$'000
ASSETS					
Current assets					
Cash and bank balances		12,295	8,794	56	217
Trade and other receivables		32,547	16,151	24,843	25,085
Contract assets		99,894	90,781	-	-
Total current assets		144,736	115,726	24,899	25,302
Non-current assets					
Property, plant and equipment	11	34,343	35,530	-	-
Right-of-use assets		3,052	3,114	-	-
Investment in subsidiaries	12	-	-	21,755	21,755
Total non-current assets		37,395	38,644	21,755	21,755
Total assets		182,131	154,370	46,654	47,057
LIABILITIES AND EQUITY					
Current liabilities					
Borrowings	13	38,795	37,684	10,000	10,000
Trade and other payables		62,873	33,540	193	342
Contract liabilities		617	2,132	-	-
Lease liabilities	13	51	50	-	-
Income tax payable		519	413	6	6
Total current liabilities		102,855	73,819	10,199	10,348
Non-current liabilities					
Borrowings	13	10,291	11,803	-	-
Lease liabilities	13	2,743	2,769	-	-
Provisions		395	387	-	-
Deferred tax liabilities		2,906	2,905	-	-
Total non-current liabilities		16,335	17,864	-	-

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT'D)

		Group		Company	
		As at 30 Sept 2026	As at 31 Mar 2026	As at 30 Sept 2026	As at 31 Mar 2026
	Note	S$'000	S$'000	S$'000	S$'000
Capital, reserves and non-controlling interests					
Share capital	14	34,849	34,849	34,849	34,849
Treasury shares	14	(6)	(6)	(6)	(6)
Translation reserves		(214)	(208)	-	-
Merger reserves		(6,755)	(6,755)	-	-
Revaluation reserves		13,624	13,624	-	-
Capital reserves		1,463	1,110	942	589
Retained earnings		19,639	19,587	670	1,277
Equity attributable to owners of the Company		62,600	62,201	36,455	36,709
Non-controlling interests		341	486	-	-
Total equity		62,941	62,687	36,455	36,709
Total liabilities and equity		182,131	154,370	46,654	47,057

Sanli Environmental Limited
Condensed Interim Consolidated Financial Statements
For the Six Months Ended 30 September 2026 ("1H2027")
C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	Share capital	Treasury shares	Capital reserves	Merger reserves	Translation reserves	Revaluation reserves	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance as at 1 April 2025	**21,297**	**(119)**	**531**	**(6,755)**	**(197)**	**-**	**17,956**	**32,713**	**313**	**33,026**
Total comprehensive income (loss) for the period										
Profit (loss) for the period	-	-	-	-	-	-	3,227	3,227	(20)	3,207
Other comprehensive income (loss) for the period	-	-	-	-	(7)	13,041	51	13,085	-	13,085
Total	-	-	-	-	(7)	13,041	3,278	16,312	(20)	16,292
Transaction with owners, recognised directly in equity:										
Issuance of share capital (net of transaction costs)	3,926	-	-	-	-	-	-	3,926	-	3,926
Re-purchase of shares	-	(202)	-	-	-	-	-	(202)	-	(202)
Dividends paid to the owners of the Company	-	-	-	-	-	-	(522)	(522)	-	(522)
Performance share awarded	-	315	(315)	-	-	-	-	-	-	-
Share-based payments	-	-	894	-	-	-	-	894	-	894
	3,926	113	579	-	-	-	(522)	4,096	-	4,096
Balance as at 30 September 2025	**25,223**	**(6)**	**1,110**	**(6,755)**	**(204)**	**13,041**	**20,712**	**53,121**	**293**	**53,414**
Balance as at 1 April 2026	**34,849**	**(6)**	**1,110**	**(6,755)**	**(208)**	**13,624**	**19,587**	**62,201**	**486**	**62,687**
Total comprehensive income (loss) for the period										
Profit (loss) for the period	-	-	-	-	-	-	695	695	(141)	554
Other comprehensive loss for the period	-	-	-	-	(6)	-	-	(6)	(4)	(10)
Total	-	-	-	-	(6)	-	695	689	(145)	544
Transaction with owners, recognised directly in equity:										
Dividends paid to the owners of the Company	-	-	-	-	-	-	(643)	(643)	-	(643)
Share-based payments	-	-	353	-	-	-	-	353	-	353
	-	-	353	-	-	-	(643)	(290)	-	(290)
Balance as at 30 September 2026	**34,849**	**(6)**	**1,463**	**(6,755)**	**(214)**	**13,624**	**19,639**	**62,600**	**341**	**62,941**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Company	Share capital	Treasury shares	Capital reserves	Retained earnings	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Balance as at 1 April 2025	**21,297**	**(119)**	**10**	**1,750**	**22,938**
Total comprehensive loss for the period:					
Loss for the period	-	-	-	(816)	(816)
Transaction with owners, recognised directly in equity:					
Issuance of share capital (net of transaction costs)	3,926	-	-	-	3,926
Re-purchase of shares	-	(202)	-	-	(202)
Dividends paid to the owners of the Company	-	-	-	(522)	(522)
Performance share awarded	-	315	(315)	-	-
Share-based payments	-	-	894	-	894
Balance as at 30 September 2025	**25,223**	**(6)**	**589**	**412**	**26,218**
Balance as at 1 April 2026	**34,849**	**(6)**	**589**	**1,277**	**36,709**
Total comprehensive income for the period:					
Profit for the period	-	-	-	36	36
Transaction with owners, recognised directly in equity:					
Dividends paid to the owners of the Company	-	-	-	(643)	(643)
Share-based payments	-	-	353	-	353
Balance as at 30 September 2026	**34,849**	**(6)**	**942**	**670**	**36,455**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	Six months ended 30 Sept 2026	**Six months ended 30 Sept 2025**
	S$'000	**S$'000**
Operating activities		
Profit before tax	725	3,854
Adjustments for:		
Depreciation of property, plant and equipment	1,227	1,246
Depreciation of right-of-use assets	63	72
(Gain) Loss on disposal of property, plant and equipment	(2)	15
Gain on disposal of assets classified as held for sale	-	(2,133)
Adjustment for change in provisions	-	(84)
Share-based payment expenses	353	894
Finance costs	1,230	1,274
Interest income	(12)	(28)
Exchange differences	40	44
Operating cash flows before movements in working capital	**3,624**	**5,154**
Trade and other receivables	(16,396)	4,718
Trade and other payables	29,348	(8,942)
Contract assets	(9,113)	(8,791)
Contract liabilities	(1,515)	(217)
Cash generated from (used in) operations	5,948	**(8,078)**
Income tax paid	(65)	(108)
Net cash generated from (used in) operating activities	5,883	**(8,186)**
Investing activities		
Purchases of property, plant and equipment (Note B)	(105)	(1,104)
Proceeds from disposal of property, plant and equipment	2	40
Proceeds from disposal of assets classified as held for sale	-	5,283
Interest received	12	28
Net cash (used in) generated from investing activities	**(91)**	**4,247**
Financing activities		
Dividends paid	(643)	(522)
Proceeds on issuance of shares (net of transaction costs)	-	3,926
Proceeds from unsecured loans from directors	-	3,000
Proceeds from borrowings	4,561	3,187
Repayment of borrowings	(4,962)	(6,377)
Repayment of lease liabilities	(25)	(41)
Purchase of treasury shares	-	(202)
Interest paid	(1,222)	(1,270)
Net cash (used in) generated from financing activities	**(2,291)**	**1,701**
Net increase (decrease) in cash and cash equivalents	3,501	(2,238)
Cash and cash equivalents at beginning of the financial period	8,794	3,580
Cash and cash equivalents at end of financial period (Note A)	**12,295**	**1,342**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

Note A:

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprised:

	Group	
	Six months ended 30 Sept 2026	**Six months ended 30 Sept 2025**
	S$'000	**S$'000**
Cash at bank and on hand	12,295	1,036
Fixed deposits	-	4,117
	12,295	5,153
Less: Pledged fixed deposits	-	(3,811)
Cash and cash equivalents as per consolidated statement of cash flows	**12,295**	**1,342**

Note B:

Payments for the purchase of property, plant and equipment include S$15,000 (2025: S$Nil) in respect of amounts recognised in trade and other payables as at 31 March 2026, which were subsequently settled during the current financial period.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Sanli Environmental Limited (the "Company") is incorporated in Singapore (Registration No. 201705316M) with its principal place of business and registered office at 22 Chin Bee Drive, Singapore 619870. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on June 8, 2017.

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiaries are disclosed in Note 12 to the condensed interim consolidated financial statements.

2. Basis of preparation

The condensed interim consolidated financial statements have been prepared in accordance with Singapore Financial Reporting Standard (International) ("SFRS(I)") 1-34 *Interim Financial Reporting*.

The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to understanding the changes in the financial position and financial performance of the Group since the last financial statements for the financial year ended 31 March 2026.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s. The adoption of new and amended standards is set out in Note 2.1.

The condensed interim consolidated financial statements are presented in Singapore dollar, the functional currency of the Company. All financial information presented in Singapore dollars is rounded to the nearest thousand (S$'000) except otherwise indicated.

2.1 New and revised standards adopted by the Group

The Group and the Company adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new and revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior periods.

The following new standards, interpretations and amendments to standards that are relevant to the Group and the Company were issued but not effective during the financial year:

<u>Effective for annual periods beginning on or after January 1, 2027</u>

- SFRS(I) 18: Presentation and Disclosure in Financial Statements
- SFRS(I) 19 Subsidiaries without Public Accountability: Disclosures (including November 2025 Amendments to SFRS(I) 19)
- SFRS(I) 1-21: Translation to a Hyperinflationary Presentation Currency

<u>Effective date is deferred indefinitely</u>

- Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between Investor and its Associate or Joint Venture

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

2.1 New and revised standards adopted by the Group (cont'd)

Management anticipates that the adoption of the above SFRS(I)s, SFRS(I) INTs and amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption except for the following:

SFRS(I) 18: ***Presentation and Disclosure in Financial Statements***

SFRS(I) 18 will replace SFRS(I) 1-1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after January 1, 2027. SFRS(I) 18 carries forward many of the requirements from SFRS(I) 1-1 unchanged but introduces newly defined subtotals to be presented in the Consolidated Income Statement, disclosure of management-defined performance measures and requirements for grouping of information. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Group's financial statements as management is in the process of assessing.

2.2 Use of judgements and estimates

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements and key sources of estimation uncertainty are consistent with those applied in the audited financial statements for the financial year ended 31 March 2026.

3. Seasonal operations

The Group's businesses were not affected significantly by seasonal or cyclical factors during the financial period reported on.

4. Segment and revenue information

For purposes of resource allocation and assessment of segment performance, the Group's Chief Operating Decision Makers ("CODM") have focused on the business operating units which are segregated based on the type of services supplied. This forms the basis of identifying the segments of the Group under SFRS(I) 8 *Operating Segments*. The CODM comprises the Group's Chief Executive Officer and the Executive Directors.

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristics, such as long-term average gross margins, and are similar in respect of the nature of services and process, type of customers, and if applicable, the nature of the regulatory environment.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4. Segment and revenue information (cont'd)

For management purposes, the Group is currently organised into three operating segments:

- Engineering, Procurement and Construction ("EPC") - provision of engineering, procurement and construction services relating to water and waste management and air pollution control.

- Operations and Maintenance ("O&M") - provision of operations and maintenance services relating to water and waste management systems.

- Emerging Business Segments ("EBS") - this segment encompasses a range of growth-focused businesses, including (i) Chemical Manufacturing ("CHM") – the production and supply of magnesium hydroxide slurry for environmental applications such as wastewater treatment, flue gas desulphurisation, and other industrial processes; (ii) Industrial & Gasification ("IND") – the provision of integrated environmental engineering solutions for industrial facilities, covering water and wastewater treatment, air pollution control, and solid waste management; as well as (iii) Renewable Energy Solutions ("RES") – the development, ownership, and operation of solar power assets, including the delivery of EPC services for solar energy systems.

4.1. Reportable segments

Segment revenue and results

	Group	
	Six months ended 30 Sept 2026	**Six months ended 30 Sept 2025**
	S$'0000	**S$'000**
Revenue - EPC	68,235	46,109
Revenue - O&M	16,012	25,416
Revenue - EBS	1,016	553
Total revenue	85,263	72,078
Gross profit - EPC	3,394	8,782
Gross profit - O&M	4,004	1,089
Gross loss - EBS	(463)	(531)
Total gross profit	6,935	9,340
Unallocated administrative expenses	(3,702)	(2,922)
Depreciation	(1,290)	(1,318)
Interest income	12	28
Finance costs	(1,230)	(1,274)
Profit before tax	725	3,854
Income tax expense	(171)	(647)
Profit for the period	554	3,207

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4. Segment and revenue information (cont'd)

4.1. Reportable segments (cont'd)

Geographical segments

The Group's information about the segment revenue by geographical location is detailed below:

	Group	
	Revenue	
	Six months ended 30 Sept 2026	Six months ended 30 Sept 2025
	S$'000	S$'000
Singapore	83,348	70,502
Myanmar	1,797	1,453
Malaysia	66	98
Thailand	52	25
Total revenue	85,263	72,078

The Group's information about the segment non-current assets by geographical location is detailed below:

	Group	
	Non-current assets	
	As at 30 Sept 2026	As at 31 Mar 2026
	S$'000	S$'000
Singapore	35,704	36,916
Myanmar	75	78
Malaysia	39	42
Thailand	1,577	1,608
Total non-current assets	37,395	38,644

4.2. Disaggregation of revenue

	Group	
	Six months ended 30 Sept 2026	Six months ended 30 Sept 2025
	S$'000	S$'000
Over time:		
EPC	68,235	46,109
O&M	16,012	25,416
EBS	238	245
At a point in time:		
EBS	778	308
Total revenue	85,263	72,078

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

5. Financial instruments

The following table sets out the financial assets and liabilities as at the end of the reporting period:

	Group		Company	
	As at 30 Sept 2026	As at 31 Mar 2026	As at 30 Sept 2026	As at 31 Mar 2026
	S$'000	S$'000	S$'000	S$'000
Financial assets				
- amortised cost	41,943	22,868	24,886	25,297
Financial liabilities				
- amortised cost	111,858	82,926	10,193	10,342
- lease liabilities	2,794	2,819	-	-

5.1. Fair value of financial assets and liabilities

The carrying amounts of cash and cash equivalents, trade and other receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments. Management is of the view that the carrying amounts of borrowings and lease liabilities approximate their respective fair values as the interest rates approximate the prevailing market rates.

The Group and the Company have no financial assets and financial liabilities that are measured at fair value on a recurring basis.

6. Profit before taxation

6.1 Significant items

	Group		
	Six months ended 30 Sept 2026	Six months ended 30 Sept 2025	+/(-)
	S$'000	S$'000	%
Income			
Gain on disposal of assets classified as held for sale	-	2,133	N.M.
Gain on disposal of property, plant and equipment	2	-	N.M.
Government grant income	29	16	81.3
Interest income	12	28	(57.1)
Net (loss) gain on foreign exchange	(106)	114	> (100.0)
Expenses			
Bonus to employees	(406)	(1,024)	(60.4)
Loss on disposal of property, plant and equipment	-	(15)	N.M.
Depreciation of property, plant and equipment	(1,227)	(1,246)	(1.5)
Depreciation of right-of-use assets	(63)	(72)	(12.5)
Interest expense	(1,230)	(1,274)	(3.5)

N.M.: Not Meaningful

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

6. Profit before taxation (cont'd)

6.2. Related party transactions

During the six months ended 30 September 2025 ("1H2026"), the Company received interest-free and unsecured loans of S$1,000,000 each from Mr. Kew Boon Kee (Deputy Chairman and Executive Director), Mr. Sim Hock Heng (Chief Executive Officer and Executive Director), and Mr. Lee Tien Chiat (Executive Director) to support the Group's working capital requirements. As at 30 September 2026, an aggregate amount of S$1,000,000 remained outstanding and is repayable on demand.

There were no other material related party transactions during the six months ended 30 September 2026.

7. Income tax expense

The Group calculates income tax expenses for the financial period using the tax rates prevailing in the relevant jurisdiction. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group	
	Six months ended 30 Sept 2026	**Six months ended 30 Sept 2025**
	S$'000	**S$'000**
Income tax expense for the period	171	647

8. Dividend

	Group	
	Six months ended 30 Sept 2026	**Six months ended 30 Sept 2025**
	S$'000	S$'000
Dividends paid during the financial period in respect of the preceding financial year	643*	522

*First and final dividend of 0.189 cents per share for FY2026 (FY2025: 0. 173 cents per share)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

9. Net asset value

Net asset value (for the Company and the Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year:

	Group		Company	
	As at 30 Sept 2026	As at 31 Mar 2026	As at 30 Sept 2026	As at 31 Mar 2026
Net asset value per share (cents)	18.24	18.27	10.62	10.78
Net asset value attributable to owners of the Company (S$'000)	62,600	62,201	36,455	36,709
Number of ordinary shares	343,227,035	340,400,000	343,227,035	340,400,000

10. Earnings per share

Earnings per ordinary share excluding treasury shares of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

	Group	
	Six months ended 30 Sept 2026	Six months ended 30 Sept 2025
Profit attributable to owners of the Company (S$'000)	695	3,227
Weighted average number of ordinary shares	340,878,897	282,059,126
Earnings per share (basic and diluted) (cents)	0.20	1.14

The basic and diluted earnings per share are the same as there were no potentially dilutive ordinary shares in issue as at 30 September 2026 and 30 September 2025.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

11. Property, plant and equipment

During the six-month period ended 30 September 2026, the Group acquired assets amounting to S$90,000 (30 September 2025: S$1,104,000) and disposed of assets with net book value amounting to S$Nil (30 September 2025: S$55,000).

12. Investment in subsidiaries

	Company	
	As at 30 Sept 2026	As at 31 Mar 2026
	S$'000	S$'000
Unquoted equity shares, at cost	21,755	21,755

Details of the Group's subsidiaries are as follows:

Name of subsidiary	Principal activities	Country of incorporation and operation	Effective equity interest of the Group	
			As at 30 Sept 2026	As at 31 Mar 2026
			%	%
Sanli M&E Engineering Pte. Ltd. ("Sanli M&E")	Engineering, procurement and construction solutions and services in the field of water and waste management.	Singapore	100	100
Held by Sanli M&E				
Sanli E&C Pte. Ltd.	Engineering, procurement and construction solutions and services in the field of water and waste management.	Singapore	90	90
Enviro Plant & Engineering Pte. Ltd. ("Enviro")	General contractors and environmental engineering design and consultancy services.	Singapore	90	90
Mag Chemical Pte. Ltd.	Manufacture of water treatment, waste treatment and oilfield chemicals.	Singapore	100	100
Sanli M&E Engineering Sdn. Bhd.	Project management, contracting and M&E engineering services in the water treatment industry.	Malaysia	100	100
Sanli Environmental (Myanmar) Co. Ltd. ("Sanli Myanmar")	Engineering, procurement and construction solutions and services in the field of water and waste management.	Myanmar	60	60

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

12. Investment in subsidiaries (cont'd)

Name of subsidiary	Principal activities	Country of incorporation and operation	Effective equity interest of the Group	
			As at 30 Sept 2026	As at 31 Mar 2026
			%	%
Held by Sanli M&E (cont'd)				
Sanli-Engreen Co., Ltd.	Engineering, procurement and construction solutions and services in solar power generation systems.	Thailand	51*	51*
Sanli Bina (M) Sdn. Bhd.	Comprehensive engineering solutions and waste treatment services.	Malaysia	100	100
WSH360 Solutions Pte. Ltd.	Consultancy and provision of comprehensive safety training programs.	Singapore	100	100
Held by Sanli Myanmar				
Link Control Co. Ltd.	Business support and administrative activities.	Myanmar	86*	86*
Held by Enviro				
Zaison Energy Pte. Ltd.	Engineering, procurement and construction solutions and services for waste-to-energy gasification projects.	Singapore	58.5	58.5

* Includes shares under contractual arrangement with the other respective shareholders.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

13. Borrowings

	Group			
	As at 30 Sept 2026		As at 31 Mar 2026	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Amount repayable in one year or less, or on demand				
Borrowings	38,795	-	37,684	-
Lease liabilities	51	-	50	-
Amount repayable after one year				
Borrowings	10,291	-	11,803	-
Lease liabilities	2,743	-	2,769	-
Total	51,880	-	52,306	-

Details of collaterals:

Bank borrowings are secured by legal mortgages over a leasehold building and motor vehicles, corporate guarantees provided by the Company and assignments of securities.

Lease liabilities are secured by lessors' title to the leasehold property.

14. Share capital

14.1 Details of any changes in the Company's issued share capital (excluding treasury shares)

	Group and Company			
	As at 30 Sept 2026	As at 31 Mar 2026	As at 30 Sept 2026	As at 31 Mar 2026
	Number of ordinary shares ('000)		S$'000	S$'000
Issued and paid up:				
At beginning of financial period/year	340,400	267,047	34,849	21,297
Issuance of share capital	2,827	71,826	-	14,008
Share issue expenses	-	-	-	(456)
Purchase of treasury shares	-	(1,980)	-	-
Transfer from treasury shares	-	3,507	-	-
At end of financial period/year	343,227	340,400	34,849	34,849

On 31 August 2026, the Company allotted and issued 2,827,035 new ordinary shares pursuant to share awards granted to certain eligible employees under the Sanli Performance Share Plan 2023.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

14. Share capital (cont'd)

14.1 Details of any changes in the Company's issued share capital (excluding treasury shares) (cont'd)

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

The Company does not hold any convertible instruments as at 30 September 2026, 31 March 2026 and 30 September 2025.

The Company's subsidiaries do not hold any shares in the Company as at 30 September 2026, 31 March 2026 and 30 September 2025.

14.2 Details of any changes in the Company's treasury shares

	Group and Company			
	As at 30 Sept 2026	As at 31 Mar 2026	As at 30 Sept 2026	As at 31 Mar 2026
	Number of ordinary shares ('000)		S$'000	S$'000
At the beginning of the financial period/year	84	1,611	6	119
Purchase of treasury shares	-	1,980	-	202
Transfer to ordinary shares	-	(3,507)	-	(315)
At the end of the financial period/year	84	84	6	6
Percentage of treasury shares against total number of issued shares (excluding treasury shares and subsidiary holdings)	0.02%	0.02%		

15. Contingent Liability

With regards to the Company's announcement dated 5 January 2026 relating to the receipt of a Liquidated Damages ("LD") letter against a subsidiary of the Group, management has assessed the potential exposure arising from the matter.

The subsidiary has submitted extensions of time ("EOT") claims to the customer, which have been evaluated with the assistance of an independent consultant engaged by the subsidiary.

As at the date of this announcement, the assessment of the EOT claims remains ongoing and no final determination has been made by the customer in respect of the LD matter. Accordingly, no provision for LD has been recognised in the financial statements as management does not reasonably consider an outflow of economic resources to be probable at this stage.

Management will continue to monitor developments relating to the EOT assessment and will reassess the accounting treatment and disclosures should there be any material developments in the matter.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

16. Subsequent events

There are no known subsequent events that have led to adjustments to this set of condensed interim financial statements.

F. OTHER INFORMATION PURSUANT TO APPENDIX 7C OF THE CATALIST RULES

1. Whether the figures have been audited or reviewed and in accordance with which auditing standard

The condensed interim consolidated statement of financial position of the Group and the condensed interim statement of financial position of the Company as at 30 September 2026, and the condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows of the Group and the condensed interim statement of changes in equity of the Company for the six-months period ended 30 September 2026, and certain explanatory notes have not been audited or reviewed by the Company's auditors.

2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The Group's latest audited financial statements for the financial year ended 31 March 2026 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

3. Review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

F. OTHER INFORMATION PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

3.1 Review of the Group's financial performance

Revenue
Revenue increased by S$13.2 million or 18.3%, from S$72.1 million in 1H2026 to S$85.3 million in 1H2027.

The increase was mainly due to higher contributions from the Engineering, Procurement and Construction ("EPC") and Environmental & Building Solutions ("EBS") segments, partially offset by a decrease in the Operations and Maintenance ("O&M") segment.

EPC revenue increased by S$22.1 million or 47.9%, from S$46.1 million in 1H2026 to S$68.2 million in 1H2027, mainly due to the higher revenue recognition from new projects awarded in FY2026.

O&M revenue decreased by S$9.4 million or 37.0%, from S$25.4 million in 1H2026 to S$16.0 million in 1H2027, mainly due to lower client orders for spare parts during the period, as well as the completion of existing projects while their replacement or renewal projects had yet to commence.

EBS revenue increased by S$0.4 million, from S$0.6 million in 1H2026 to S$1.0 million in 1H2027, primarily due to the higher sales and production of magnesium hydroxide slurry.

Cost of contract works, gross profit and gross profit margin
Cost of contract works for EPC and EBS increased in line with higher segment revenue while cost of contract works for O&M decreased as a result of lower segment revenue.

Gross profit decreased by S$2.4 million, from S$9.3 million in 1H2026 to S$6.9 million in 1H2027, mainly driven by lower profit contributions from the EPC segment.

EPC gross profit decreased by S$5.4 million, from S$8.8 million in 1H2026 to S$3.4 million in 1H2027, mainly due to a higher proportion of lower-margin projects recognised in the current period compared to the previous corresponding period.

O&M gross profit increased by S$2.9 million, from S$1.1 million in 1H2026 to S$4.0 million in 1H2027, mainly due to lower material and spare parts costs relative to revenue recognised during the period.

EBS gross loss narrowed by approximately S$0.1 million, from S$0.53 million in 1H2026 to S$0.46 million in 1H2027, with higher sales and production of magnesium hydroxide slurry contributing to the improvement during the period.

Consequently, the Group's overall gross profit margin decreased from 13.0% in 1H2026 to 8.1% in 1H2027.

Other income
Other income decreased by S$2.2 million, from S$2.6 million in 1H2026 to S$0.4 million in 1H2027, mainly due to the absence of the S$2.1 million gain on disposal of the property at 28 Kian Teck Drive, which was recognised in the previous corresponding financial period. No property disposals were recorded during the current financial period.

F. OTHER INFORMATION PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

3.1 Review of the Group's financial performance (cont'd)

Administrative expenses

Administrative expenses decreased by S$1.6 million, from S$5.6 million in 1H2026 to S$4.0 million in 1H2027. The decrease was mainly attributable to a reduction in the bonus of S$0.6 million granted to eligible employees, as well as lower remuneration expenses for project directors and managers (S$0.8 million), agent commissions (S$0.1 million), and petrol and diesel expenses (S$0.1 million).

Other operating expenses

Other operating expenses increased marginally by S$0.1 million, from S$1.2 million in 1H2026 to S$1.3 million in 1H2027, mainly due to an adverse foreign exchange movement of S$0.2 million, reflecting a shift from a net foreign exchange gain in the prior corresponding period to a net foreign exchange loss in the current period. This was partially offset by a decrease in depreciation expenses of approximately S$0.1 million.

Finance costs

Finance costs decreased slightly by S$0.1 million, from S$1.3 million in 1H2026 to S$1.2 million in 1H2027, mainly attributable to lower facility fees incurred during the current financial period.

Profit for the period

As a result of the above factors, the Group recorded a profit of S$0.6 million in 1H2027, representing a decrease of S$2.6 million from S$3.2 million in 1H2026.

F. OTHER INFORMATION PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

3.2. Review of the Group's financial position

Current assets

Current assets increased by S$29.0 million, from S$115.7 million as at 31 March 2026 to S$144.7 million as at 30 September 2026. The increase was mainly attributable to an increase of S$3.5 million in cash and bank balances, S$16.4 million in trade and other receivables and S$9.1 million in contract assets.

Contract assets increased by S$9.1 million, from S$90.8 million to S$99.9 million, mainly due to higher unbilled revenue from ongoing EPC projects, where work had been performed but had yet to be billed as at 30 September 2026.

Trade and other receivables increased by S$16.4 million, from S$16.1 million to S$32.5 million, primarily due to outstanding customer balances pending collection as at 30 September 2026.

Non-current assets

Non-current assets decreased by S$1.2 million, from S$38.6 million as at 31 March 2026 to S$37.4 million as at 30 September 2026, mainly due to depreciation of property, plant and equipment and right-of-use assets during the financial period.

Current liabilities

Current liabilities increased by S$29.0 million, from S$73.8 million as at 31 March 2026 to S$102.8 million as at 30 September 2026. The increase was mainly attributable to higher trade and other payables of S$29.3 million, tax payable of S$0.1 million and borrowings of S$1.1 million, partially offset by a decrease of S$1.5 million in contract liabilities during the period.

Trade and other payables increased by S$29.3 million, from S$33.5 million as at 31 March 2026 to S$62.8 million as at 30 September 2026, mainly due to higher outstanding supplier invoices and subcontractor claims relating to major EPC projects.

Borrowings increased by S$1.1 million, from S$37.7 million as at 31 March 2026 to S$38.8 million as at 30 September 2026, mainly due to the reclassification of borrowings due within the next 12 months from non-current to current liabilities, together with an increase in short-term borrowings during the period.

Contract liabilities decreased by S$1.5 million, from S$2.1 million to S$0.6 million, mainly reflecting the recognition of revenue from customer advances received in prior periods as the Group fulfilled its performance obligations during the period.

Non-current liabilities

Non-current liabilities decreased by S$1.6 million, from S$17.9 million as at 31 March 2026 to S$16.3 million as at 30 September 2026, mainly due to the reclassification of borrowings due within the next 12 months to current liabilities during the period.

F. OTHER INFORMATION PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

3.3. Review of the Group's cash flows

Net cash generated from operating activities amounted to S$5.8 million, comprising positive operating cash flows before movements in working capital of S$3.6 million, a net cash inflow from working capital changes of S$2.3 million and income tax paid of S$0.1 million.

The net cash inflow from working capital was mainly due to:

(a) an increase in trade and other payables of S$29.3 million, mainly due to higher outstanding supplier invoices and subcontractor claims relating to major EPC projects;

(b) an increase in contract assets of S$9.1 million, reflecting higher unbilled revenue from ongoing projects;

(c) a decrease in contract liabilities of S$1.5 million, in line with the timing of customer advance receipts; partially offset by

(d) an increase in trade and other receivables of S$16.4 million, mainly due to outstanding customer balances pending collection during the period.

Net cash used in investing activities amounted to S$0.1 million, mainly attributable to capital expenditure on property, plant and equipment during the period.

Net cash used in financing activities amounted to S$2.3 million, primarily attributable to cash outflows from the repayment of bank borrowings of S$5.0 million, interest and lease payments of S$1.2 million, and dividends paid of S$0.6 million, partially offset by proceeds from bank borrowings of S$4.5 million during the financial period.

As a result, cash and cash equivalents increased by a net amount of S$3.5 million during 1H2027, bringing the balance to S$12.3 million as at 30 September 2026.

4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was previously made to shareholders.

F. OTHER INFORMATION PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months.

Expansion of EPC

The Group's revenue for 1H2027 stood at S$85.3 million, compared to S$72.1 million in 1H2025, comprising predominantly ongoing EPC water and wastewater treatment as well as transport infrastructure projects, which form the core of the Group's municipal business in Singapore. Major projects within the Group's order book are scheduled for progressive completion between FY2027 to FY2032.

Looking ahead, the Group remains focused on the timely execution of its existing projects and will continue to actively participate in relevant tenders, while exploring potential business opportunities within its core EPC water and wastewater treatment and transport infrastructure segments.

Expansion of O&M

The Group's O&M business segment provides a stable and recurring source of revenue, supported by the resilient nature of the industry. Building on its established engineering expertise and proven track record, the Group will continue to expand this segment by pursuing new long-term contracts for the operation and maintenance of water and wastewater treatment plants and public utilities.

Expansion of CHM

Building on the solid performance of the previous year, the Group achieved improved revenue from its magnesium hydroxide business in the current half-year period, reflecting strong demand and continued commercial momentum.

Looking ahead, the Group remains confident in the long-term prospects of this business segment. The Group will focus on accelerating market penetration and expanding its portfolio into broader water and wastewater treatment chemical applications. These strategic efforts aim to diversify its product offerings, broaden its industrial customer base, and unlock new revenue streams to support sustainable, long-term growth.

Expansion of IND

The Group continues to explore tender opportunities across the region, particularly in Singapore and Malaysia, where demand for sustainable industrial environmental solutions is expected to remain resilient, providing potential avenues for future business growth.

Expansion of RES

Sanli-Engreen Co., Ltd. ("Sanli-Engreen"), the Group's subsidiary specialising in engineering, procurement and construction solutions and services for solar power generation systems, continues to contribute to the Group's stable and recurring revenue stream, supporting its growth and expansion in the renewable energy sector.

Looking ahead, the Group will continue to pursue strategic growth opportunities across ASEAN, with a focus on solar energy and waste-to-energy solutions. Through these initiatives, the Group aims to broaden its renewable energy portfolio, strengthen revenue diversification and build a resilient base of recurring income to support sustainable long-term growth.

F. OTHER INFORMATION PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

Outlook

Despite the encouraging pipeline of opportunities, the Group remains mindful of the broader macroeconomic environment. Ongoing geopolitical tensions, global supply chain disruptions, and inflationary pressures continue to present challenges, which may impact project costs, material availability, and overall operational efficiency.

At the same time, the Group will continue to leverage its engineering expertise, established track record and operational capabilities to pursue growth opportunities across its core business segments, including water and wastewater treatment, industrial solutions and renewable energy. The Group will also seek to strengthen strategic partnerships and secure new projects to expand its market presence, diversify its revenue streams and create sustainable long-term value for shareholders.

6. Dividend information

6a. Current financial period reported on

Any interim dividend recommended for the current financial period reported on?

No interim dividend has been declared or recommended for the current financial period under review.

6b. Corresponding period of the immediate preceding financial year

Any interim dividend declared for the corresponding period of the immediately preceding financial year?

No.

6c. Date payable

Not applicable.

6d. Date on which registrable transfers received by the Company will be registered before entitlements to the dividend are determined

Not applicable.

7. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the financial period ended 30 September 2026 in view of the Group's operational and financial cash needs.

F. OTHER INFORMATION PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

8. Interested person transactions

The Group does not have a general mandate from shareholders for interested person transactions.

In previous financial year, the Company received interest-free and unsecured loans of S$1,000,000 each from Mr. Kew Boon Kee (Deputy Chairman and Executive Director), Mr. Sim Hock Heng (Chief Executive Officer and Executive Director), and Mr. Lee Tien Chiat (Executive Director) to support the Group's working capital requirements. Since the loans are interest-free, there is no amount at risk to the Group. As at 30 September 2026, an aggregate amount of S$1,000,000 remained outstanding and repayable on demand.

Apart from the above, there were no interested person transactions of S$100,000 or more for the six months ended 30 September 2026.

9. Updates on use of proceeds

The Company has raised net cash proceeds amounting to approximately S$9,589,000 ("**Net Proceeds**") from the Placement completed on 1 December 2025 and the Net Proceeds have been partially utilised for general working capital purposes (including funding the execution of ongoing EPC projects, in accordance with the intended use as disclosed in the Company's announcement dated 24 November 2025. Further details on the use of proceeds are available in the Company's FY2026 annual report released on 16 July 2026.

10. Disclosure of acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period pursuant to Rule 706A of the Catalist Rules

Not applicable. There were no acquisitions (including incorporations) or realisations of shares in any of the Group's subsidiary or associated company since the end of the previous reporting period.

11. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company confirms that all the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

12. Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules

The Board of Directors of the Company confirms that, to the best of its knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited condensed interim consolidated financial statements for the six months ended 30 September 2026 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Sim Hock Heng
Chief Executive Officer
13 November 2026