BUSINESS UPDATE
FOR THE THIRD QUARTER ENDED 30 JUNE 2026

KEY FINANCIAL HIGHLIGHTS FOR GROUP

Summarised Statement of Comprehensive Income	**9M2026** S$'000	**3Q2026** S$'000
Revenue	1,359,606	428,576
Gross profit	142,061	48,765
Profit for the period attributable to:		
Owners of the Company	79,260	27,258
Non-controlling interests	366	224
	79,626	27,482
Total comprehensive income for the period attributable to:		
Owners of the Company	81,250	27,296
Non-controlling interests	922	157
	82,172	27,453

Summarised Balance Sheet	**30.06.2026** S$'000
Non-current assets	158,253
Current assets	828,335
Total assets	986,588
Current liabilities	408,267
Non-current liabilities	22,994
Total liabilities	431,261
Net assets	555,327

Loans and Borrowings	**30.06.2026** S$'000
Current	197,188
Total loans and borrowings	197,188
Cash and cash equivalents	257,538
Net cash	60,350

Summarised Statement of Cash Flows	**9M2026** S$'000
Net cash flows generated from operating activities	100,828
Net cash flows used in investing activities	(1,369)
Net cash flows used in financing activities	(45,645)
Net increase in cash and cash equivalents	53,814
Cash and cash equivalents at beginning of period	203,121
Effects of exchange rate changes on cash and cash equivalents	603
Cash and cash equivalents at end of financial period	257,538

COMMENTARY

Singapore's construction sector continues to operate from a position of strength, supported by a robust pipeline of public infrastructure, housing and civil engineering projects. The broader economy expanded by 5.7% year-on-year in the second quarter of 2026, while the construction sector grew by 6.2% year-on-year, supported by increases in both public and private sector construction output.[1] Growth remained underpinned by continued investments in transport infrastructure, public housing, healthcare facilities and large-scale commercial developments.

The medium-term demand outlook for the built environment sector remains favourable. The Building and Construction Authority's ("BCA") forecast construction demand of S$47 billion to S$53 billion for 2026 continues to be supported by major projects including Changi Airport Terminal 5, Marina Bay Sands expansion works, MRT network extensions, public housing developments and healthcare infrastructure. Concurrently, the Housing & Development Board ("HDB") announced plans to launch approximately 7,960 Build-To-Order flats in October 2026 across Bedok, Geylang, Sembawang, Tengah, Toa Payoh and Yishun, adding to the strong pipeline of public housing projects.[2]

The private residential construction segment also remains supported by a significant development pipeline. According to the Urban Redevelopment Authority ("URA"), there were 38,556 private residential units with planning approval in the supply pipeline as at the end of the second quarter of 2026, while approximately 60,600 private residential units, including Executive Condominiums, are expected to be completed in the coming years. The Government has also maintained a high level of land supply, with 9,320 units scheduled under the 2026 Government Land Sales Confirmed List, more than 50% above the historical ten-year average annual supply.[3] These measures are intended to ensure adequate housing supply and sustain long-term construction activity.

Over the next reporting period, construction activity is expected to remain healthy as ongoing infrastructure and building projects progress into more intensive construction phases. Demand for reinforcing steel is expected to remain supported by the high volume of residential, infrastructure and civil engineering projects currently under construction. However, competitive conditions within the reinforcing steel and construction materials sector remain intense. The attractiveness of the Singapore construction market continues to encourage participation from existing competitors as well as new market entrants, while capacity additions by established players are expected to keep pricing competition keen. Consequently, margins across the sector may remain under pressure despite the healthy demand environment.

Looking ahead over the next 12 months, the Group remains cautiously optimistic on industry prospects. Singapore's economic growth remains supported by resilient domestic activity, continued government infrastructure spending and healthy construction demand. Private residential prices increased by 0.5% in the second quarter of 2026 and developer sales volumes remained healthy, with 2,141 units sold during the quarter. At the same time, public housing construction activity continues to be supported by the Government's commitment to maintaining a strong Build-To-Order programme.

[1] https://www.mti.gov.sg/newsroom/singapore-s-gdp-grew-by-5-7-per-cent-in-the-second-quarter-of-2026/
[2] https://www.hdb.gov.sg/hdb-pulse/news/2026/2nd-quarter-2026-public-housing-data-and-upcoming-flat-supply
[3] https://www.ura.gov.sg/news/media/pr26-57/

COMMENTARY (cont'd)

Nevertheless, several challenges remain. The macroeconomic outlook continues to be characterised by heightened uncertainty arising from geopolitical tensions, elevated global energy prices, and potential supply chain disruptions. The Ministry of Trade and Industry ("MTI") has highlighted risks arising from the ongoing Middle East conflict, which has contributed to higher energy and input costs globally.[4] Rising energy prices may continue to affect transportation, logistics and steel production costs, while tighter financial conditions could affect developers' project economics and investment decisions. Further competitive pressures and cost inflation may therefore continue to impact profitability across the construction supply chain.

Notwithstanding these challenges, the substantial backlog of public and private sector projects, the strong pipeline of residential developments, and continued government investment in infrastructure provide favourable demand visibility for the Singapore construction industry and reinforcing steel sector. The Group believes that these factors will continue to support business activity and order replenishment opportunities over the next reporting period and the next 12 months.

As of 30 June 2026, our sales order book stood at approximately S$1.69 billion. The duration of projects in our sales order ranges up to 5 years and may be subject to further changes.

On behalf of the Board of Directors

Seah Kiin Peng
Group Chief Executive Officer

11 August 2026

[4] https://www.mti.gov.sg/resources/economic-survey-of-singapore/economic-survey-of-singapore-and-feature-articles/economic-survey-of-singapore-first-quarter-2026/