



HGH Holdings Ltd.

(Company Registration No.: 200412064D)
(Incorporated in the Republic of Singapore)

Condensed interim financial statements For the six months ended 30 June 2025

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.

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HGH HOLDINGS LTD.
UNAUDITED RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2025

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

| | | Group | | |
|-------------------------------------------------------------------------------------|------|----------------|-------------|------------------------|
| | | Unaudited | | |
| | | 6 months ended | | |
| | Note | 30 Jun 2025 | 30 Jun 2024 | % Change + / (-) |
| | | S\$'000 | S\$'000 | |
| Revenue | | 24,135 | 8,510 | >100 |
| Cost of sales | | (18,121) | (5,985) | >100 |
| Gross profit | | 6,014 | 2,525 | >100 |
| Other income | | 129 | 72 | 79.2 |
| Distribution expenses | | (604) | (299) | >100 |
| General and administrative expenses | | (3,299) | (2,947) | 11.9 |
| Finance income | | 1 | 47 | (97.9) |
| Finance expenses | | (158) | (73) | >100 |
| Profit/(loss) before taxation | 5 | 2,083 | (675) | n.m. |
| Tax expense | 6 | (354) | (264) | 34.1 |
| Profit/(loss) for the financial period, net of tax | | 1,729 | (939) | n.m. |
| Other comprehensive income | | | | |
| Items that may be reclassified to profit or loss in subsequent periods (net of tax) | | | | |
| Currency translation differences on consolidation of foreign entities (net) | | 1 | (31) | n.m. |
| Total comprehensive income/(loss) for the period | | 1,730 | (970) | n.m. |
| Profit/(loss) attributable to: | | | | |
| - Owners of the Company | | 1,735 | (939) | n.m. |
| - Non-controlling interests | | (6) | - | n.m. |
| Total comprehensive income/(loss) attributable to: | | | | |
| - Owners of the Company | | 1,736 | (970) | n.m. |
| - Non-controlling interests | | (6) | - | n.m. |
| Profit/ (loss) per share for the period attributable to the owners of the Company: | | | | |
| Basic (SGD in cent) | | 0.10 | (0.05) | |
| Diluted (SGD in cent) | | 0.10 | (0.05) | |

n.m. = not meaningful

B. Condensed interim statements of financial position

| | | Group | | Company | |
|-----------------------------------------------|------|-------------------------------------|-----------------------------------|-------------------------------------|-----------------------------------|
| | Note | Unaudited 30 Jun 2025 S\$'000 | Audited 31 Dec 2024 S\$'000 | Unaudited 30 Jun 2025 S\$'000 | Audited 31 Dec 2024 S\$'000 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 9 | 12,712 | 9,855 | - | - |
| Investment properties | 10 | 42,597 | 44,180 | - | - |
| Right-of-use assets | | 1,532 | 1,701 | - | - |
| Intangible assets | 8 | 42 | 45 | - | - |
| Subsidiaries | | - | - | 25,600 | 25,600 |
| Total non-current assets | | 56,883 | 55,781 | 25,600 | 25,600 |
| Current assets | | | | | |
| Inventories | | 290 | 300 | - | - |
| Trade and other receivables | | 7,125 | 4,575 | - | - |
| Other current assets | | 500 | 666 | 22 | 26 |
| Contract assets | | 6,925 | 2,806 | - | - |
| Cash and cash equivalents | | 3,761 | 5,118 | 60 | 72 |
| Total current assets | | 18,601 | 13,465 | 82 | 98 |
| Total assets | | 75,484 | 69,246 | 25,682 | 25,698 |
| LIABILITIES | | | | | |
| Non-current liabilities | | | | | |
| Lease liabilities from financial institutions | | 2,587 | 957 | - | - |
| Lease liabilities | | 5,731 | 6,017 | - | - |
| Deferred tax liabilities | | 6,507 | 6,744 | - | - |
| Other liabilities | | 674 | 674 | - | - |
| Total non-current liabilities | | 15,499 | 14,392 | - | - |
| Current liabilities | | | | | |
| Trade and other payables | | 8,929 | 7,404 | 12,692 | 12,578 |
| Lease liabilities from financial institutions | | 894 | 403 | - | - |
| Lease liabilities | | 643 | 644 | - | - |
| Bank borrowing | 11 | 1,000 | - | - | - |
| Provision for defect liability | | 63 | 63 | - | - |
| Income tax payable | | 796 | 410 | - | - |
| Total current liabilities | | 12,325 | 8,924 | 12,692 | 12,578 |
| Total liabilities | | 27,824 | 23,316 | 12,692 | 12,578 |
| Net assets | | 47,660 | 45,930 | 12,990 | 13,120 |

B. Condensed interim statements of financial position (cont'd)

| | Note | Group | | Company | |
|------------------------------------------------------|------|------------------------|------------------------|------------------------|------------------------|
| | | Unaudited | Audited | Unaudited | Audited |
| | | 30 Jun 2025 S\$'000 | 31 Dec 2024 S\$'000 | 30 Jun 2025 S\$'000 | 31 Dec 2024 S\$'000 |
| EQUITY | | | | | |
| Equity attributable to equity holders of the Company | | | | | |
| Share capital | 12 | 35,225 | 35,225 | 35,225 | 35,225 |
| Reserves | | 12,541 | 10,805 | (22,235) | (22,105) |
| | | 47,766 | 46,030 | 12,990 | 13,120 |
| Non-controlling interests | | (106) | (100) | - | - |
| Total equity | | 47,660 | 45,930 | 12,990 | 13,120 |

C. Condensed interim statements of changes in equity

| | Attributable to equity holders of the Company | | | | | | Non-controlling interests S\$'000 | Total equity S\$'000 |
|---------------------------------------------------------------|-----------------------------------------------|---------------------------|--------------------------------|-------------------------------|------------------------------|------------------|--------------------------------------|-------------------------|
| | Share capital S\$'000 | Merger reserve S\$'000 | Translation reserve S\$'000 | Fair value reserve S\$'000 | Retained earnings S\$'000 | Total S\$'000 | | |
| Group | | | | | | | | |
| Balance at 1 January 2025 (Audited) | 35,225 | (6,478) | 62 | (150) | 17,371 | 46,030 | (100) | 45,930 |
| Profit/(loss) for the period | - | - | - | - | 1,735 | 1,735 | (6) | 1,729 |
| Other comprehensive income, net of tax: | | | | | | | | |
| - Currency translation differences arising from consolidation | - | - | 1 | - | - | 1 | - | 1 |
| Total comprehensive income/(loss) for the period | - | - | 1 | - | 1,735 | 1,736 | (6) | 1,730 |
| Balance at 30 June 2025 (Unaudited) | 35,225 | (6,478) | 63 | (150) | 19,106 | 47,766 | (106) | 47,660 |
| Balance at 1 January 2024 (Audited) | 35,225 | (6,478) | 111 | (150) | 17,571 | 46,279 | (67) | 46,212 |
| Loss for the period | - | - | - | - | (939) | (939) | - | (939) |
| Other comprehensive loss, net of tax: | | | | | | | | |
| - Currency translation differences arising from consolidation | - | - | (31) | - | - | (31) | - | (31) |
| Total comprehensive loss for the period | - | - | (31) | - | (939) | (970) | - | (970) |
| Balance at 30 June 2024 (Unaudited) | 35,225 | (6,478) | 80 | (150) | 16,632 | 45,309 | (67) | 45,242 |

C. Condensed interim statements of changes in equity (cont'd)

| | Share capital | Accumulated losses | Total |
|--------------------------------------------|---------------|--------------------|---------------|
| | S\$'000 | S\$'000 | S\$'000 |
| Company | | | |
| Balance at 1 January 2025 (Audited) | 35,225 | (22,105) | 13,120 |
| Total comprehensive loss for the period | - | (130) | (130) |
| Balance at 30 June 2025 (Unaudited) | 35,225 | (22,235) | 12,990 |
| Company | | | |
| Balance at 1 January 2024 (Audited) | 35,225 | (21,728) | 13,497 |
| Total comprehensive loss for the period | - | (187) | (187) |
| Balance at 30 June 2024 (Unaudited) | 35,225 | (21,915) | 13,310 |

D. Condensed interim consolidated statement of cash flows

| | Group Unaudited 6 months ended | |
|----------------------------------------------------------------------|--------------------------------------|----------------|
| | 30 Jun 2025 | 30 Jun 2024 |
| | S\$'000 | S\$'000 |
| Cash flows from operating activities | | |
| Profit/(loss) before tax | 2,083 | (675) |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 682 | 266 |
| Depreciation of right-of-use assets | 169 | 12 |
| Depreciation of investment properties | 1,583 | 1,545 |
| Amortisation of intangible assets | 3 | 2 |
| Gain on disposal of property, plant and equipment | (10) | - |
| Bad debts recovered | (23) | - |
| Provision for obsolete stock | - | 8 |
| Net foreign exchange loss/(gain)-unrealised | 1 | (31) |
| Interest income | (1) | (47) |
| Interest expense | 158 | 21 |
| Operating profit before working capital changes | 4,645 | 1,101 |
| Inventories | 10 | 24 |
| Trade and other receivables and other current assets | (2,360) | 1,210 |
| Contract assets | (4,119) | (392) |
| Trade and other payables | 1,526 | (1,201) |
| Cash (used in)/generated from operations | (298) | 742 |
| Net taxation paid | (206) | (154) |
| Net cash (used in)/generated from operating activities | (504) | 588 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (1,064) | (3,824) |
| Proceeds from disposal of property, plant and equipment | 10 | - |
| Interest received | 1 | 47 |
| Net cash used in investing activities | (1,053) | (3,777) |
| Cash flows from financing activities | | |
| Principal repayment of lease liabilities | (287) | (148) |
| Principal repayment of lease liabilities from financial institutions | (355) | (110) |
| Proceeds from bank borrowing | 1,000 | - |
| Interest paid on lease liabilities | (158) | (21) |
| Net cash generated from/(used in) financing activities | 200 | (279) |
| Net decrease in cash and cash equivalents | (1,357) | (3,468) |
| Cash and cash equivalents at beginning of the period | 5,118 | 8,781 |
| Cash and cash equivalents at end of the period | 3,761 | 5,313 |

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

HGH Holdings Ltd. (the “Company”) is a limited liability company domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”). The address of the Company’s registered office and its principal place of business is located at 60 Benoi Road #03-02, Singapore 629906.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the “Group”). The principal activity of the Company is investment holding.

The principal activities of the Group are:

- (a) Leasing and service income;
- (b) Supply and manufacturing ready-mix concrete, precast component and related products;
- (c) Supply of precast concrete products and
- (d) Provision of underground cable installation and road reinstatement services.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim 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 an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

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

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency and all values are rounded to the nearest thousand (“S\$’000”), except when otherwise indicated.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Uses of judgement and estimates

The preparation of the Group’s consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about judgement, assumptions and estimation uncertainties that could require a material adjustment on the amounts recognised in the financial statements is included in the following notes:

(a) *Impairment of investments in subsidiaries*

The Company assesses at each reporting date whether there is any objective evidence that the investments in subsidiaries are impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the subsidiaries’ financial performance and financial position and the overall economic environment.

2.2 Uses of judgement and estimates (Continued)

(b) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever there is indication that the non-financial assets may be impaired. The recoverable amount of the CGU to which non-financial assets has been allocated is based on value in use ("VIU") calculation. VIU is based on cash flow forecast, the preparation of which requires management to use assumptions and estimates relating to budgeted growth margin, revenue growth rate, perpetual growth rate and discount rate of each CGU. Changes to the assumptions and estimates used could result in changes in the carrying amount of the non-financial assets.

(c) Impairment of financial assets

Impairment allowance for financial assets measured at amortised costs are applied using the ECL model, which requires assumptions of risk of default and expected loss rates. The Group uses judgement in making these assumptions and determining key inputs to the impairment calculation, taking into account the Group's past history, existing market conditions as well as forward-looking information relating to industry, market development and macroeconomic factors. Expected loss rate is based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, geographical location, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

(d) Revenue from the contract project

Revenue from the contract project (i.e. civil and associated works, such as underground cable installation and road reinstatements) is recognised over time as it creates or enhances assets controlled by the customers, by using an output method to measure progress towards complete satisfaction of the performance obligation.

3. Segment and revenue information

The Group is organised into the following main business segments:

- (a) Engineering Manufacturing Services Pte. Ltd. ("EMS") and Germaxco Pte. Ltd. ("Germaxco")
 - Leasing and service income
- (b) W&P Precast Pte. Ltd. ("WPP") and W&P Precast Sdn. Bhd. ("WPP(M)")
 - Supply of precast concrete products
- (c) Premium Concrete Pte. Ltd. ("PC")
 - Supply and manufacturing of ready-mix concrete products
- (d) Poh Huat Heng Corporation Pte. Ltd. ("PHH")
 - Provision of underground cable installation and road reinstatement services

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3.1 Reportable segments

Group

| | Leasing and service income | Manufacturing of precast concrete products | Supply and manufacturing of ready-mix concrete products | Provision of underground cable installation and road reinstatement | Corporate | Total |
|---------------------------------------------------|-------------------------------|-----------------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------|------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 1 January 2025 to 30 June 2025 | | | | | | |
| Revenue | | | | | | |
| Total revenue | 5,907 | 1,095 | 11,768 | 6,712 | - | 25,482 |
| Inter-segment sales | (617) | (666) | (37) | (27) | - | (1,347) |
| Sales to external parties | 5,290 | 429 | 11,731 | 6,685 | - | 24,135 |
| Results: | | | | | | |
| Segment gross profit/(loss) | 2,860 | (163) | 2,517 | 800 | - | 6,014 |
| Allocated operating expenses – net | (881) | (216) | (1,529) | (1,012) | (136) | (3,774) |
| Finance income | 1 | - | - | - | - | 1 |
| Finance costs | (60) | - | (98) | - | - | (158) |
| Profit/(loss) before income tax | 1,920 | (379) | 890 | (212) | (136) | 2,083 |
| Income tax | (288) | - | (66) | - | - | (354) |
| Profit/(loss) for the period | 1,632 | (379) | 824 | (212) | (136) | 1,729 |
| Segment assets | 46,390 | 282 | 17,967 | 10,752 | 93 | 75,484 |
| Segment liabilities | 14,930 | 488 | 10,376 | 2,028 | 2 | 27,824 |
| Other material non-cash items | | | | | | |
| Gain on disposal of property, plant and equipment | - | - | - | (10) | - | (10) |
| Depreciation of property, plant and equipment | 42 | 12 | 516 | 112 | - | 682 |
| Depreciation of investment properties | 1,583 | - | - | - | - | 1,583 |
| Depreciation of right-of-use assets | - | - | 169 | - | - | 169 |
| Amortisation of intangible assets | - | - | 3 | - | - | 3 |

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3.1 Reportable segments (Continued)

Group

| | Leasing and service income | Manufacturing of precast concrete products | Supply and manufacturing of ready-mix concrete products | Provision of underground cable installation and road reinstatement | Corporate | Total |
|--------------------------------------------------|-------------------------------|-----------------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------|---------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 1 January 2024 to 30 June 2024 | | | | | | |
| Revenue | | | | | | |
| Total revenue | 5,568 | 1,306 | 1,986 | 549 | - | 9,409 |
| Inter-segment sales | (627) | (250) | (6) | (16) | - | (899) |
| Sales to external parties | 4,941 | 1,056 | 1,980 | 533 | - | 8,510 |
| Results: | | | | | | |
| Segment gross profit/(loss) | 2,661 | 316 | 208 | (660) | - | 2,525 |
| Allocated operating expenses – net | (855) | (291) | (904) | (932) | (192) | (3,174) |
| Finance income | 47 | - | - | - | - | 47 |
| Finance costs | (63) | - | (10) | - | - | (73) |
| Profit/(loss) before income tax | 1,790 | 25 | (706) | (1,592) | (192) | (675) |
| Income tax | (264) | - | - | - | - | (264) |
| Profit/(loss) for the period | 1,526 | 25 | (706) | (1,592) | (192) | (939) |
| Segment assets | 53,392 | 456 | 6,047 | 2,057 | 167 | 62,119 |
| Segment liabilities | 14,415 | 207 | 1,154 | 1,089 | 12 | 16,877 |
| Other material non-cash items | | | | | | |
| Depreciation of property, plant and equipment | 68 | 11 | 94 | 93 | - | 266 |
| Depreciation of investment properties | 1,545 | - | - | - | - | 1,545 |
| Depreciation of right-of-use assets | - | - | 12 | - | - | 12 |
| Amortisation of intangible assets | - | - | 2 | - | - | 2 |

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3.2 Disaggregation of revenue

6 months ended 30 June 2025

| Group | Leasing and service income | Manufacturing of precast concrete products | Supply and manufacturing of ready-mix concrete products | Provision of underground cable installation and road reinstatement | Corporate | Total |
|--------------------------------|-----------------------------------|---------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------|------------------|----------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Types of goods or service: | | | | | | |
| Sale of goods | - | 429 | 11,731 | - | - | 12,160 |
| Service income | 172 | - | - | - | - | 172 |
| Rental income | 5,118 | - | - | - | - | 5,118 |
| Contract income | - | - | - | 6,685 | - | 6,685 |
| Total revenue | 5,290 | 429 | 11,731 | 6,685 | - | 24,135 |
| Timing of revenue recognition: | | | | | | |
| At a point in time | - | 429 | 11,731 | - | - | 12,160 |
| Over time | 5,290 | - | - | 6,685 | - | 11,975 |
| Total revenue | 5,290 | 429 | 11,731 | 6,685 | - | 24,135 |

6 months ended 30 June 2024

| Group | Leasing and service income | Manufacturing of precast concrete products | Supply and manufacturing of ready-mix concrete products | Provision of underground cable installation and road reinstatement | Corporate | Total |
|--------------------------------|-----------------------------------|---------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------|------------------|----------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Types of goods or service: | | | | | | |
| Sale of goods | - | 1,056 | 1,980 | - | - | 3,036 |
| Service income | 125 | - | - | - | - | 125 |
| Rental income | 4,816 | - | - | - | - | 4,816 |
| Contract income | - | - | - | 533 | - | 533 |
| Total revenue | 4,941 | 1,056 | 1,980 | 533 | - | 8,510 |
| Timing of revenue recognition: | | | | | | |
| At a point in time | - | 1,056 | 1,980 | - | - | 3,036 |
| Over time | 4,941 | - | - | 533 | - | 5,474 |
| Total revenue | 4,941 | 1,056 | 1,980 | 533 | - | 8,510 |

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4. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2025 and 31 December 2024:

| | Group | | Company | |
|---------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| | 30 Jun 2025 | 31 Dec 2024 | 30 Jun 2025 | 31 Dec 2024 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Financial Assets | | | | |
| Cash and cash equivalents, trade and other receivables and other current assets (Amortised cost) | 17,918 | 9,808 | 60 | 72 |
| Financial Liabilities | | | | |
| Trade and other payables, lease liabilities from financial institutions, lease liabilities and bank borrowings (Amortised cost) | 19,784 | 15,804 | 12,692 | 12,578 |

5. Profit/(loss) before taxation

5.1 Significant items

| | Group | |
|---------------------------------------------------|---------------------------------------|---------------------------------------|
| | 6 months ended 30 Jun 2025 | 6 months ended 30 Jun 2024 |
| | S\$'000 | S\$'000 |
| Income | | |
| Government grants received | 15 | 7 |
| Finance income | 1 | 47 |
| Net foreign exchange gain-unrealised | - | 31 |
| Gain on disposal of property, plant and equipment | 10 | - |
| Bad debts recovered | 23 | - |
| Expenses | | |
| Interest on borrowings | 158 | 73 |
| Amortisation of intangible asset | 3 | 2 |
| Depreciation of property, plant and equipment | 682 | 266 |
| Depreciation of right-of-use assets | 169 | 12 |
| Depreciation of investment properties | 1,583 | 1,545 |
| Provision for obsolete stock | - | 8 |
| Net foreign exchange loss-unrealised | 1 | - |

5.2 Related party transactions

There are no significant related party transactions apart from those disclosed elsewhere in the financial statements.

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6. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

| | 6 months ended 30 Jun 2025 | 6 months ended 30 Jun 2024 |
|-------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| | S\$'000 | S\$'000 |
| Current income tax expense | (590) | (500) |
| Deferred income tax expense relating to origination and reversal of temporary differences | 236 | 236 |
| | (354) | (264) |

7. Net asset value

| | Group | | Company | |
|-------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| | 30 Jun 2025 | 31 Dec 2024 | 30 Jun 2025 | 31 Dec 2024 |
| | S\$ cents | S\$ cents | S\$ cents | S\$ cents |
| Net asset value per ordinary share | 2.68 | 2.58 | 0.73 | 0.74 |

8. Intangible assets

| | Group | |
|-----------------------------------|-----------------|----------------|
| | Software | Total |
| | S\$'000 | S\$'000 |
| Cost | | |
| Beginning/end of financial period | 102 | 102 |
| Accumulated amortisation | | |
| Beginning of financial period | 57 | 57 |
| Charge for the period | 3 | 3 |
| End of financial period | 60 | 60 |
| Net carrying amount | | |
| As at 30 Jun 2025 | 42 | 42 |
| As at 31 Dec 2024 | 45 | 45 |

9. Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired assets, mainly lorries and trucks under motor vehicles, amounting to S\$3,539,519 (30 June 2024: S\$3,824,357). The additions S\$2,475,803 (30 June 2024: S\$Nil) were financed by leasing from financial institution.

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10. Investment properties

The Group's investment properties consist of both commercial and industrial properties, held for long-term rental yields and/or capital appreciation and are not substantially occupied by the Group. They are mainly leased to third parties under operating leases.

| | 30 Jun 2025 | 31 Dec 2024 |
|-------------------------------------------------------|--------------------|--------------------|
| | S\$'000 | S\$'000 |
| <i>Cost</i> | | |
| Beginning/end of financial period/year | 68,047 | 68,047 |
| <i>Accumulated depreciation and impairment losses</i> | | |
| Beginning of financial period | 23,867 | 20,757 |
| Depreciation charge for the period/year | 1,583 | 3,110 |
| End of financial period/year | 25,450 | 23,867 |
| <i>Net book value</i> | | |
| At end of financial period/year | 42,597 | 44,180 |

The Company's investment properties were appraised as at 26 September 2022 by an independent valuer, RHT Valuation Pte. Ltd., at a fair value of \$60,000,000 (Level 2 fair value hierarchy). In accordance with the valuation report, the valuation methodology used in determining the fair value of the investment property is the "Comparable Sales Method". Under this approach, a comparison is made with sales of similar properties in the vicinity in the open market and adjustments are made for differences in location, land area, land shape, floor area, floor loading, ceiling height, age, condition, tenure, design and layout, dates of transaction and the prevailing market conditions etc. before arriving at the value of the subject property. Management is of the opinion that there is no material difference in movement from the latest valuation till date.

11. Borrowings

| | Group | |
|-----------------------------------------|--------------------|--------------------|
| | 30 Jun 2025 | 31 Dec 2024 |
| | S\$'000 | S\$'000 |
| <u>Amount repayable within one year</u> | | |
| Secured | 1,000 | - |

The money market loan is repayable on 8 September 2025 and bears interest at 3.09% per annum.

The banking facilities of the group are secured by:

- (1) Legal mortgage over 60 Benoi Road Singapore 629906, a leasehold industrial building.
- (2) Assignment of rental proceeds / charge over rental account of all current and future rental income from the leasehold industrial buildings.
- (3) Corporate guarantee from HGH Holdings Ltd.

12. Share capital

| | Group and Company | | | |
|----------------|--------------------------|----------------|-------------------------|----------------|
| | 30 Jun 2025 | | 31 Dec 2024 | |
| | Number of shares | Amount | Number of shares | Amount |
| | '000 | S\$'000 | '000 | S\$'000 |
| Balance | 1,780,861 | 35,225 | 1,780,861 | 35,225 |

The Company did not hold any treasury shares nor have outstanding options, convertibles or subsidiary holdings as at 30 June 2025 and 31 December 2024.

13. Subsequent events

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

F. Other Information Required by Appendix 7C of the Catalist Rules

1. Review

The condensed consolidated statements of financial position of HGH Holdings Ltd. and its subsidiaries as at 30 June 2025, and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim statement of cash flows for the six-month period ended and certain explanatory notes in this announcement have not been audited or reviewed.

The Group's latest financial statements for the financial year ended 31 December 2024 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. Review of performance of the Group

Statement of Comprehensive Income

Revenue

The Group's revenue for the six months ended 30 June 2025 ("HY2025") increased substantially by S\$15.63 million as compared to the six months ended 30 June 2024 ("HY2024"). This was mainly due to the commencement newly completed ready-mixed plant with larger production capacity and commencement of projects delayed from prior years generated from PC and PHH and increased rental income from EMS by approximately S\$9.75 million, S\$6.15 million and S\$0.35 million respectively. The increase was offset by reduced revenue from WPP by S\$0.63 million.

Cost of sales

Cost of sales for HY2025 increased by S\$12.14 million as compared to HY2024 due to increased sales during the period.

Gross profit

Gross profit in HY2025 amounted to approximately S\$6.01 million, an increase of S\$3.49 million as compared to HY2024, as the rise in revenue outweighed the increase in cost of sales that was mainly contributed by PC and PHH. However, the gross profit margin declined from 29.7% to 24.9%, mainly attributable to a greater contribution from the ready-mix concrete segment (PC), which yields lower margins due to its high material cost structure.

Other income

In HY2025, the Group's other operating income increased slightly by S\$0.06 million mainly due to bad debts recovered in PC of S\$0.02 million.

Distribution expenses

The Group's distribution expenses recorded higher by S\$0.31 million as compared to HY2024. This is contributed by an overall increase in PC's distribution expenses resulting from increased sales.

General and administrative expenses

The Group's general and administrative expenses increased by approximately S\$0.35 million or 11.9% as compared to HY2024. This is mainly due to the overall increase in all entities. PHH increased employment expenses as result of project commencement by approximately S\$0.07 million. PC also contributed to the increase by incurring higher depreciation of property, plant and equipments, depreciation of right of use assets and dormitory rent of S\$0.27 million, S\$0.16 million and S\$0.10 million respectively. The increases were offset by reduced management fee in PC of S\$0.29 million.

Finance income

The Group's finance income reduced by S\$0.05 million as compared to HY2024 mainly due to withdrawal of short-term fixed deposits as at 31 December 2024.

Finance expenses

The Group's finance expenses increased by S\$0.09 million as compared to HY2024 mainly due to increased lease liabilities from financial institutions in PC arising from the additions of trucks during the period.

Tax expense

The Group's income tax expense for HY2025 is higher mainly due to the recognition of provision of tax for EMS and PC amounting to S\$0.52 million and S\$0.07 million respectively, which was offset with deferred tax assets of S\$0.23 million arising from the fair value adjustment for the investment property of EMS.

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Statement of Financial Position

Property, plant and equipment

As at 30 June 2025, the net carrying amount of the Group's property, plant and equipment was approximately S\$12.71 million. The foregoing constituted approximately 22.3% of the Group's non-current assets as at 30 June 2025.

Investment properties

The leasehold building of EMS was charged with depreciation amounting to S\$1.58 million and investment properties constitutes 74.9% of the Group's non-current assets.

Right-of-use assets

The Group's right-of-use assets relate to the lease of plants by PC for the purpose of office administration. During the half year ended 30 June 2025, it was charged by the depreciation of right-of-use assets amounting to S\$0.17 million.

Intangible assets

The Group's intangible assets are in relation to the intangible asset owned by PC. It reduced slightly due to amortisation charged during the period.

Inventories

As at 30 June 2025, the inventories remained relatively constant.

Trade and other receivables and other current assets

Compared to FY2024, trade and other receivables increased by S\$2.55 million, mainly due to higher sales during the period. Other current assets decreased by S\$0.17 million, mainly due to realisation of refundable deposits.

Contract assets

The Group's contract assets are in relation to construction contracts yet to be billed by PHH.

Cash and bank balances

The Group's cash and bank balances reduced by approximately S\$1.36 million as compared to FY2024. Please refer to the "[Statement of Cash Flows](#)" section below for more details.

Trade and other payables

Trade and other payables amounted to S\$8.92 million which constituted 72.4 % of the Group's current liabilities. It was higher compared to FY2024 due to commencement of projects during the period.

Provision for defects liability

The provision for defects liability amounting to S\$0.06 million was provided for the contracts delivered by PHH.

Lease liabilities from financial institutions

The Group leased trucks from financial institutions. The lease liabilities increased substantially due to additions of trucks during the period.

Lease liabilities

The Group incurs variable lease payments to JTC Corporation for the sub-letting of its leasehold premises which is based on the actual areas sub-let. The lease liabilities decreased due to repayments during the year.

Income tax payable

The current tax liabilities arose mainly from the net chargeable income generated by EMS and PC for the financial period.

Deferred tax liabilities

The current tax liabilities were reduced mainly due to the deferred tax assets arising from the fair value adjustment for the investment property of EMS.

Statement of Cash Flows

The net decrease in the Group's cash and cash equivalents amounted to approximately S\$1.36 million, which was attributable to the following:

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Net cash used in operating activities of S\$0.50 million

The operating cash flows before changes in working capital amounted to S\$4.64 million and the net cash used in operating activities was mainly due to lower inventories, increased trade and other receivables and other current assets, higher contract assets and higher trade and other payables amounting to S\$0.01 million, S\$2.36 million, S\$4.12 million and S\$1.53 million respectively.

Net cash used in investing activities of S\$1.05 million

The net cash used in investing activities was mainly due to the purchase of plants and equipment amounting to S\$1.06 million, partially offset by proceeds from disposal of property, plant and equipment amounting to S\$0.01 million.

Net cash generated from financing activities of S\$0.20 million

The net cash generated from financing activities was mainly due to drawdown of bank borrowings amounting to S\$1.00 million, offset by repayment of lease liabilities of S\$0.29 million, interest paid on lease liabilities of S\$0.16 million and the repayment of lease liabilities from financial institutions amounting to S\$0.35 million.

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

The Group's financial results for HY2025 were in line with the profit guidance released on 8 August 2025.

4. **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**

The economic outlook remains uncertain as the world continues to face geopolitical tension, higher tariffs and inflation. Thus, the Group expects a slow recovery in its business activities. However, with the commencement of operations at our new ready-mix concrete plant in the first quarter of 2025, the execution of the underground cable installation contracts on hand as well as stable income from contracted leasing and services segment, we remain cautiously optimistic in relation to the outlook of the group compared to the previous financial year.

The Group will continue to exercise prudence in managing operational costs while actively seeking new business opportunities.

5. Dividend Information

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

The Company did not recommend any dividend for the financial period ended 30 June 2025.

(b) Corresponding period of the immediately preceding financial year

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

The Company did not recommend or declare any dividend for the financial period ended 30 June 2024.

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)**

Not applicable.

(d) The date the dividend is payable

Not applicable.

- (e) The date on which registrable transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined**

Not applicable.

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(f) If no dividend has been declared/recommended, a statement to that effect

Based on the Group and Company's financial performance for the 6 months period ended 30 June 2025, no dividend has been declared or recommended for the reporting period in order to conserve cash as working capital for the Company.

6. Interested person transactions ("IPTs") – If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Catalist Rules. If no IPT mandate has been obtained, a statement to that effect

There was no interested person transaction which is S\$100,000 and above during the period under review. The Group has not obtained a general mandate from shareholders in respect of any interested person transactions.

7. 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))

The Company hereby confirms that it has procured signed undertakings from all its directors and relevant executive officers in the format as set out in Appendix 7H of the Catalist Rules in accordance with Catalist Rule 720(1).

8. Negative assurance confirmation by Directors pursuant to SGX Catalist Rule 705(5)

We, Ng Chuan Heng and Tan Poh Guan, being the directors of the Company, do hereby confirm on behalf of the board of directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements of the Group for the half year ended 30 June 2025 (comprising the comprehensive income statement, balance sheet, cash flow statement and statement of changes in equity, together with the accompanying notes) presented in this announcement to be false or misleading in any material respect.

9. Disclosures on acquisition and realisation of shares pursuant to Catalist Rule 706A

There was no acquisition or realisation of shares in any of the Group's subsidiary or associated company nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during HY2025.

On behalf of the Board,

Ng Chuan Heng
Chairman and Executive Director

Tan Poh Guan
Executive Director and Chief Executive Officer

BY ORDER OF THE BOARD

Tan Poh Guan
Executive Director and Chief Executive Officer
12 August 2025