



SANLI ENVIRONMENTAL LIMITED

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Media Release

Sanli Environmental 1H2025 revenue rises 47.1% to S\$74.5 million

- **1H2025 revenue growth was driven by growth in both EPC and O&M segments**
- **Achieved a net profit after tax of S\$1.7 million in 1H2025**
- **Current order book stands at S\$252 million and majority of which is expected to be completed by early 2027**
- **New ventures achieved key milestones: Enviro Plant & Engineering Pte. Ltd. and Sanli-Engreen Co., Ltd. celebrate successful first project completions respectively**

SINGAPORE, 14 November 2024 – SGX-Catalist listed Sanli Environmental Limited (“**Sanli**”, “the **Company**”, “三立环境有限公司” and together with its subsidiaries, the “**Group**”), one of Singapore’s leading environmental engineering companies, is pleased to announce that for the six months ended 30 September 2024 (“**1H2025**”), the Group recorded a 47.1% increase in revenue to S\$74.5 million from S\$50.7 million for the six months ended 30 September 2023 (“**1H2024**”).

Mr Sim Hock Heng, Chief Executive Officer of Sanli commented: *“We are pleased with the successful completion of our first industrial project, which marks a significant step in expanding our capabilities into new sectors. In Thailand, our renewable energy subsidiary, Sanli-Engreen Co., Ltd., has achieved a key milestone with the launch of its first solar project, with more projects in the pipeline. Meanwhile, the consolidation of our business units at the Chin Bee headquarters will unlock greater operational synergies, enhance efficiency, and address foreign manpower housing needs. Our order book in Singapore currently*

stands at S\$252 million for the EPC and O&M business segments, majority of which is on track for completion by early 2027, as we continue driving sustainable growth across markets.”

Financial Highlights

S\$'million	1H2025	1H2024	% Change
Revenue	74.5	50.7	47.1
Gross Profit	8.0	7.2	11.1
Gross Profit Margin	10.7%	14.2%	-3.5 pts
Net Profit after Tax	1.7	1.6	7.9

The Group's revenue for 1H2025 surged by 47.1% to S\$74.5 million, up from S\$50.7 million in 1H2024. Gross profit increased by 11.1% to S\$8.0 million in 1H2025, compared to S\$7.2 million in 1H2024. This growth was primarily driven by increased revenues and improved gross profits in both the Engineering, Procurement and Construction (“EPC”) and Operations and Maintenance (“O&M”) business segments. However, the overall gross profit margin decreased to 10.7% in 1H2025 from 14.2% in 1H2024.

Segmental Revenue

S\$'million	1H2025	1H2024	% Change
Engineering, Procurement and Construction	52.7	40.9	28.9
Operations and Maintenance	21.8	9.8	>100
Total	74.5	50.7	47.1

In the EPC segment, revenue grew by 28.9% to S\$52.7 million in 1H2025, while the O&M segment experienced a remarkable surge of over 100%, reaching S\$21.8 million. This significant growth in the O&M segment reflects the successful securing of more O&M contracts during 1H2025.

Profit attributable to shareholders was S\$1.7 million for 1H2025, up from S\$1.6 million in 1H2024, resulting in earnings per share of 0.64 Singapore cents for 1H2025 (1H2024: 0.61 Singapore cents)¹. This modest rise in profit highlights the challenges in sustaining profitability despite higher sales volumes.

As of 30 September 2024, the Group's financial position remains strong, with a net asset value attributable to shareholders of S\$32.9 million, up from S\$32.0 million as of 31 March 2024. This results in a net asset value per share of 12.32 Singapore cents as of 30 September 2024, compared to 12.00 Singapore cents as at 31 March 2024².

Business Outlook

The Group continues to actively bid for major municipal projects in Singapore while executing its existing order book, valued at S\$252 million and targeted for completion by 2027. Alongside larger-scale municipal projects, the Group is expanding its footprint in the manufacturing, industrial, and renewable energy sectors abroad, driven by its engineering expertise and proven track record. To support strategic growth, the Group is also pursuing opportunities through partnerships, joint ventures, and mergers and acquisitions. Additionally, the Group is exploring high-value prospects such as Singapore's S\$100 billion coastal protection plan and major water infrastructure projects.

Notwithstanding the above, current geopolitical tensions continue to impact on the global economy and cause inflationary pressures, which may have an impact on the operations of the Group.

Expanding into Industrial Sector

In the financial year ended 31 March 2024, the Group's wholly-owned subsidiary, Enviro Plant & Engineering Pte. Ltd. ("EPE"), secured its first S\$4.57 million industrial project, involving the design and installation of an Air Scrubber Process Exhaust System for a semiconductor company in Singapore. The project was successfully completed in 1H2025, showcasing EPE's capabilities and strength to position the

¹ Earnings per share is calculated based on the weighted average number of ordinary shares, which is 267,632,271 for 1H2025 and 266,432,113 for 1H2024.

² Net asset value per share is calculated based on 267,047,113 ordinary shares as of 30 September 2024 and 266,432,113 ordinary shares as of 31 March 2024.

Group in the industrial sector. EPE is now focused on exploring new opportunities and expanding its presence in Singapore and Southeast Asia.

Expansion into Manufacturing Business

In 1H2025, the Group's wholly-owned subsidiary, Mag Chemical Pte. Ltd. ("**MagChem**"), advanced its magnesium hydroxide slurry business, strengthening customer engagement and market presence through key exhibitions in Singapore and Southeast Asia. While the market remains competitive, MagChem is expanding product applications into green technologies and collaborating with industry partners to enhance performance. These efforts align with the Group's strategy to diversify revenue streams and support future growth.

Expansion into Renewable Energy

In 1H2025, our newly incorporated subsidiary, Sanli-Engreen Co., Ltd. ("**Sanli-Engreen**"), completed its first asset-owned solar system in Thailand, which began generating revenue from 1 October 2024. Building on this achievement, Sanli-Engreen has secured a second contract, reinforcing its foothold in Thailand's renewable energy sector. With strong market potential, we are well-positioned to capitalise on growth opportunities and establish ourselves as a key player in the region's clean energy market.

Update on Sanli Myanmar

Sanli Environmental (Myanmar) Company Limited ("**Sanli Myanmar**"), a 60%-owned subsidiary of the Group, provides engineering, construction, and water-related services in Myanmar. While the operating environment has improved with eased travel restrictions, political challenges continue to impact growth. In 1H2025, Sanli Myanmar contributed approximately 1.6% of the Group's revenue.

The Group will maintain vigilance in managing cash flow, operating costs, and potential business risks amidst the dynamic and uncertain operating environment. The Group will also continue to carefully assess potential risks and perform its financial planning when exploring new business or investment opportunities. Additionally, the Group will actively pursue opportunities arising from the growing demand

for water and wastewater treatment and renewable energy solutions, leveraging its engineering expertise, track record, operational excellence, and strong reputation.

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Note: This media release is to be read in conjunction with the Company's financial statement for the six months ended 30 September 2024 announced on the same date on the SGXNet.

About Sanli Environmental Limited

Listed in 2017 on the SGX-Catalist, Sanli Environmental Limited ("Sanli") is an environmental engineering company in the field of water and waste management. Sanli's expertise is in the design, supply, delivery, installation, commissioning, maintenance, repair and overhaul of mechanical and electrical equipment as well as process, instrumentation and control systems in wastewater treatment plants, water reclamation plants, NEWater plants, waterworks, service reservoirs, pumping stations and incineration plants.

The Company's business is divided into two major business segments.

1. The Engineering, Procurement and Construction segment provides engineering, procurement and construction services within the field of water and waste management including process upgrading of existing water treatment plants, upgrading of pumping station capacities, replacement of aged mechanical and electrical equipment, and design and build of various treatment process systems.
2. The Operations and Maintenance segment provides corrective and preventive maintenance services relating to water and waste management to ensure reliability and minimal disruptions to its customers' operations.

Backed by its strong engineering capabilities, Sanli has the ability to integrate mechanical, electrical and process engineering expertise to provide customised, cost- and time-efficient integrated engineering solutions and services to its customers.

Leveraging on its technical expertise, Sanli has embarked on a diversification strategy to develop new growth avenues. Sanli has expanded into the industrial sector to broaden our customer base and has commenced the production of magnesium hydroxide slurry for selected applications in the environmental protection market. Sanli has also made the foray into the renewable energy business, with its expansion into Thailand for the implementation of solar grids in commercial and residential buildings, and the conversion of waste materials into bioenergy.

For more information, please visit <https://www.sanli.com.sg/>

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This media release has been reviewed by the Company's sponsor ("Sponsor"), SAC Capital Private Limited. This media release 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 media release, including the correctness of any of the statements or opinions made, or reports contained in this media release. The contact person for the Sponsor is Ms Lee Khai Yinn (Telephone number: +65 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.