

BUSINESS UPDATE
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2025

KEY FINANCIAL HIGHLIGHTS FOR GROUP

Summarised Statement of Comprehensive Income	1Q2026 S\$'000
Revenue	444,347
Gross profit	46,748
Profit for the period attributable to:	
Owners of the Company	27,303
Non-controlling interests	120
	<u><u>27,423</u></u>
Total comprehensive income for the period attributable to:	
Owners of the Company	28,819
Non-controlling interests	649
	<u><u>29,468</u></u>
Summarised Balance Sheet	31.12.2025 S\$'000
Non-current assets	159,917
Current assets	<u>767,720</u>
Total assets	<u>927,637</u>
Current liabilities	338,972
Non-current liabilities	25,685
Total liabilities	<u>364,657</u>
Net assets	<u>562,980</u>
Loans and Borrowings	31.12.2025 S\$'000
Current	147,762
Total loans and borrowings	<u>147,762</u>
Cash and cash equivalents	189,655
Net cash	<u>(41,893)</u>
Summarised Statement of Cash Flows	1Q2026 S\$'000
Net cash flows generated from operating activities	52,693
Net cash flows generated from investing activities	2,081
Net cash flows used in financing activities	<u>(67,880)</u>
Net decrease in cash and cash equivalents	(13,106)
Cash and cash equivalents at beginning of period	203,121
Effects of exchange rate changes on cash and cash equivalents	<u>(360)</u>
Cash and cash equivalents at end of financial period	189,655

COMMENTARY

Singapore's construction sector remains a cornerstone of the nation's economic stability, demonstrating sustained resilience and growth momentum despite a landscape marked by global geopolitical tensions and economic uncertainties. The latest data from the Building and Construction Authority (BCA) confirms the sector's robust health, with preliminary total construction demand for 2025 reaching S\$50.5 billion, firmly within the forecast range of S\$47 - S\$53 billion. This represents a significant increase from the S\$44.6 billion recorded in 2024, underscoring a consistent and resilient uptrend fuelled by a broad and deep pipeline of both public and private projects.¹

The positive trajectory is expected to extend into 2026 and the medium term. Construction demand for the coming year is projected to remain at a comparable high of between S\$47 billion and S\$53 billion. This sustained activity is anchored by the anticipated award of major construction packages for several landmark, nation-building developments. Key catalysts include ongoing and new phases of the Changi Airport Terminal 5 (T5) development, the award of the main contract for the Marina Bay Sands Integrated Resort expansion, the construction of the new Tengah General and Community Hospital, and significant rail infrastructure projects such as the Downtown Line 2 Extension and the Thomson-East Coast Line Extension. These projects collectively ensure a steady stream of tendering opportunities, providing a buffer against external market volatility.

A breakdown of the total construction demand for 2025 and 2026 (forecast) is shown in the following figures:



Source: BCA-REDAS Built Environment and Property Prospects Seminar 2026

¹ <https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2026/01/22/steady-construction-demand-in-2026-as-singapore-steps-up-support-for-built-environment-firms-through-collaboration-and-innovation>

COMMENTARY (cont'd)

A detailed analysis of sectoral demand reveals a dynamic but stable landscape for the next 12 months:

- **Public Residential:** Demand is projected to remain firm at S\$6.2 - S\$6.8 billion in 2026, staying above pre-2023 levels. This stability is supported by a consistent pipeline of Build-To-Order flats and upgrading programs like the Home Improvement Programme, ensuring continuous activity.
- **Private Residential:** A measured moderation is anticipated, from S\$6.2 billion in 2025 to S\$5.0 - S\$5 billion in 2026, reflecting a calibrated reduction in Government Land Sales sites to maintain market stability. Nonetheless, the forecast level remains robust, supported by several high-profile condominium developments scheduled to commence.
- **Commercial Construction:** This segment is forecast for a substantial surge, from S\$2.2 billion in 2025 to S\$6.1 - S\$6.7 billion in 2026. This dramatic increase is almost entirely driven by the main contract award for the Marina Bay Sands expansion, alongside major redevelopments of retail landmarks like Tanglin Shopping Centre and HarbourFront Centre.
- **Institutional & Civil Engineering:** Institutional building demand continues to be the largest segment, contributing nearly 40% of total building demand, supported by healthcare, educational, and civic projects. Most notably, civil engineering demand is projected to reach a new record high of S\$11.6 - S\$13.4 billion in 2026, fuelled by extensive infrastructure works for T5, Tuas Terminal, and expanded cycling and road networks.

For the reinforcing steel sector, in which our Group is a key participant, this outlook translates into a sustained and healthy demand pipeline over the next reporting period and the next 12 months. The consistent volume of large-scale concrete-intensive projects directly correlates to steady demand for reinforcement products. However, the competitive and operating environment presents significant challenges, in particular, by capacity expansions from established players and the potential entry of new participants attracted by the sector's vigour.

As of 31 December 2025, our sales order book stood at approximately S\$2.2 billion. The duration of projects in our sales order book range up to 5 years and may be subject to further changes.

On behalf of the Board of Directors

Seah Kiin Peng
Executive Director and Group Chief Executive Officer

12 February 2026