SANLI ENVIRONMENTAL LIMITED
Company Registration No.: 201705316M

Media Release

Sanli Posts Revenue Growth of 18.3% in 1H2027; Healthy Order Book of S$699.5 Million Provides Visibility Ahead

- **Revenue growth in 1H2027 was mainly driven by the EPC Segment due to higher revenue recognition from new projects awarded in FY2026 and an increase in revenue contribution from chemical manufacturing under its Emerging Business Segments.**

- **O&M Segment was largest contributor to gross profit in 1H2027, however the Group's gross profit margin was lower at 8.1% in 1H2027, mainly due to a higher proportion of lower-margin EPC projects recognised in the current period.**

- **With an order book of S$699.5 million as at 30 September 2026, the Group continues to prioritise on the timely execution and delivery of EPC projects for its private sector and public sector customers (such as PUB and LTA).**

- **Strengthened balance sheet with net asset value per share of 18.24 Singapore cents as at 30 September 2026.**

Half year ended 30 September

(S$ million)	1H2026	1H2027	Change (%)
Revenue	72.1	85.3	+18.3
Gross Profit	9.3	6.9	(25.7)
Net Profit	3.2*	0.6	(82.7)
EBITDA	6.4*	3.2	(50.0)

* Comprises a non-recurring gain of S$2.1 million recognised from the disposal of property.

SINGAPORE, 13 November 2026 – SGX-Catalist listed Sanli Environmental Limited ("**Sanli**", the "**Company**", "三立环境有限公司" and together with its subsidiaries, the "**Group**"), has announced its results for the half year ended 30 September 2026 ("**1H2027**").

Leveraging on its established track record as an environmental engineering group, Sanli has developed complementary business activities beyond its core services, all of which are aimed at developing multiple revenue streams, enhancing business resiliency, and harnessing new opportunities within the environmental industry in the region.

The Group's business activities are organised into the following three operating segments:

1. Engineering, Procurement, and Construction ("**EPC**") – Provision of engineering, procurement, and construction services for water and waste management, air pollution control, and industrial systems.
2. Operations and Maintenance ("**O&M**") – Provision of operations and maintenance services for water and waste management systems.
3. Emerging Business Segments ("**EBS**") – This segment encompasses a range of growth-focused businesses, which comprises the following:
    - 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.
    - 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.
    - Renewable Energy Solutions ("**RES**") - the development, ownership, and operation of solar power assets, including the delivery of EPC services for solar energy systems.

Key Highlights in 1H2027

Commenting on the 1H2027 financial results, Mr. Sim Hock Heng ("沈福兴"), Chief Executive Officer and Executive Director of Sanli, said: "Our revenue growth reflects our strong execution capabilities and continued progress in converting our order book into revenue.

However, higher raw material costs in this first half and the absence of a one-off gain recognised in the previous corresponding period weighed on our earnings.

While these factors affected our financial performance, we remain focused on strengthening operational efficiency, managing costs prudently and improving our margins ahead."

Revenue growth of 18.3% in 1H2027 primarily driven by the EPC Segment and chemical manufacturing under its Emerging Business Segments: The Group posted revenue of S$85.3 million in 1H2027 (1H2026: S$72.1 million), of which its EPC business segment continued to be the main revenue contributor.

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

Revenue from the O&M segment dipped by S$9.4 million, or 37.0%, to S$16.0 million in 1H2027 (1H2026: S$25.4 million), mainly due to reduced customer orders for spare parts during the period, coupled with the completion of existing O&M projects ahead of the commencement of their replacement or renewal contracts.

Revenue from the EBS segment increased by S$0.4 million, to S$1.0 million in 1H2027 (1H2026: S$0.6 million), primarily due to the higher sales and production of magnesium hydroxide slurry that is used for waste water treatment and emissions under CHM.

Gross profit from O&M Segment surged 267.7% to S$4.0 million, becoming its largest gross profit contributor in 1H2027: Under O&M segment, gross profit increased by S$2.9 million to S$4.0 million in 1H2027 (1H2026: S$1.1 million), mainly due to lower material and spare parts costs relative to O&M's revenue recognised during the period.

Under EPC segment, gross profit decreased by S$5.4 million, to S$3.4 million in 1H2027 (1H2026: S$8.8 million) mainly due to lower profit margin as a result of a higher proportion of lower-margin EPC projects recognised in 1H2027 as compared to the previous corresponding period.

Driven mainly by higher sales and production of magnesium hydroxide slurry under CHM, EBS segment's gross loss narrowed to S$0.46 million in 1H2027 (1H2026: S$0.53 million).

While there was higher revenue recognised in 1H2027, the Group's gross profit was lower by S$2.4 million, to S$6.9 million in 1H2027 (1H2026: S$9.3 million) as its overall gross profit margin declined from 13.0% in 1H2026 to 8.1% in 1H2027.

Lower administrative expenses and absence of one-off gains in 1H2027: The Group's other income decreased significantly by S$2.2 million to S$0.4 million in 1H2027 (1H2026: S$2.6 million), mainly due to the absence of the one-off gain of S$2.1 million on disposal of the property at 28 Kian Teck Drive that was recognised in 1H2026.

The Group's administrative costs expenses decreased by S$1.6 million, to S$4.0 million in 1H2027 (1H2026: S$5.6 million), which 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).

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

Overall, the Group posted a net profit of S$0.6 million and an EBITDA of S$3.2 million in 1H2027.

Prioritising the timely execution and delivery of its order book of S$699.5 million as at 30 September 2026: The Group's order book comprised majority of ongoing EPC water and wastewater treatment infrastructure projects for its private clients and public sector customers (such as PUB and LTA).

Total assets and total equity increased to S$182.1 million and S$62.9 million respectively as at 30 September 2026: The Group's total assets as at 31 March 2026 comprised current assets of S$144.7 million and non-current assets of S$37.4 million.

Major components of current assets were contract assets of S$99.9 million, trade and other receivables of S$32.5 million and cash and cash balances of S$12.3 million. The major component of non-current assets was property, plant and equipment of S$34.3 million.

Notably, the continual increment in contract assets reflects progress and milestones made on ongoing projects, and billings in respect of these milestones are expected to be recognised subsequently.

The Group's total liabilities as at 30 September 2026 comprised current liabilities of S$102.8 million and non-current liabilities of S$16.3 million. Major components of current liabilities were borrowings of S$38.8 million and trade and other payables of S$62.8 million. The major component of non-current liabilities was borrowings of S$10.3 million.

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This media release is to be read in conjunction with the Company's announcement released on 13 November 2026, which can be downloaded via www.sgx.com.

About Sanli Environmental Limited

Established in 2006 and listed in 2017 on the SGX-Catalist, Sanli Environmental Limited is an environmental engineering group that specialises 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.

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 established track record, Sanli has embarked on a diversification strategy to develop a range of growth-focused businesses, which are aimed at developing multiple revenue streams, enhancing business resiliency, and harnessing new opportunities within the environmental industry in the region.

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

Issued for and on behalf of Sanli Environmental Limited

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