KOH BROTHERS GROUP LIMITED

(Incorporated in Singapore. Registration Number: 199400775D)

Condensed Interim Financial Statement for the Six Months Period Ended 30 June 2026

Contents

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months period ended 30 June 2026

	Note	6 months ended 30 June 2026	30 June 2025	Change
		$'000	$'000	%
Sales		**188,001**	152,162	24
Cost of sales	4(a)	**(174,899)**	(133,530)	31
Gross profit		**13,102**	18,632	(30)
Other income	5	**633**	1,502	(58)
Other gain/(loss) – net	5	**158**	(1,398)	N.M.
Expenses				
- Distribution and marketing		**(546)**	(535)	2
- Administrative		**(12,560)**	(9,080)	38
- Finance		**(2,638)**	(3,683)	(28)
- Other		**(29)**	994	N.M.
Share of profit of associated companies and joint ventures		**3,419**	1,251	173
Profit before income tax		**1,539**	7,683	(80)
Income tax expense	7	**(1,412)**	(1,536)	(8)
Profit after income tax		**127**	6,147	(98)
Profit/(loss) attributable to:				
Equity holders of the Company		**1,345**	2,625	(49)
Non-controlling interests		**(1,218)**	3,522	N.M.
		127	6,147	(98)
Earnings per share for profit attributable to equity holders of the Company:				
- Basic earnings per share (in cents)		**0.33**	0.64	(48)
- Diluted earnings per share (in cents)		**0.33**	0.64	(48)
Profit after income tax		**127**	6,147	(98)
Other comprehensive income/(loss):				
Items that may be reclassified subsequently to profit or loss:				
Currency translation arising from consolidation - Gain		**108**	105	3
Fair value (loss)/gain on debt financial assets, at FVOCI		**(27)**	505	N.M.
		81	610	(87)
Items that may not be reclassified subsequently to profit or loss:				
Currency translation difference arising from consolidation to attributable non-controlling interests		97	(32)	N.M.
Fair value (loss)/gain on equity financial assets, at FVOCI		**(3,416)**	1,553	N.M.
Other comprehensive (loss)/income, net of tax		**(3,238)**	2,131	N.M.
Total comprehensive (loss)/income		**(3,111)**	8,278	N.M.
Total comprehensive (loss)/income attributable to:				
Equity holders of the Company		**(1,990)**	4,558	N.M.
Non-controlling interests		**(1,121)**	3,720	N.M.
		(3,111)	8,278	N.M.

N.M. – Not Meaningful

B. CONDENSED INTERIM BALANCE SHEETS

As at 30 June 2026

		GROUP		COMPANY	
	Note	**30 June 2026**	31 December 2025	**30 June 2026**	31 December 2025
		$'000	$'000	**$'000**	$'000
ASSETS					
Current assets					
Cash and bank balances		**125,723**	114,345	**25,932**	11,025
Investment securities		**7,620**	11,063	**-**	-
Trade and other receivables	9	**92,662**	76,839	**23**	-
Contract assets		**89,800**	82,552	**-**	-
Amounts due from subsidiaries		**-**	-	**24,024**	23,438
Amounts due from joint ventures		**4,648**	6,573	**-**	-
Inventories		**4,605**	5,977	**-**	-
Other current assets		**5,430**	4,940	**-**	-
		330,488	302,289	**49,979**	34,463
Non-current assets					
Trade and other receivables	9	**21,830**	23,458	**-**	-
Contract assets		**64,624**	62,815	**-**	-
Investment in subsidiaries		**-**	-	**156,865**	156,865
Investments in joint ventures		**93,783**	93,764	**-**	-
Investment properties	13	**101,910**	102,286	**-**	-
Property, plant and equipment	12	**99,565**	92,473	**-**	-
Goodwill	11	**5,078**	5,078	**-**	-
		386,790	379,874	**156,865**	156,865
Total assets		**717,278**	682,163	**206,844**	191,328
LIABILITIES					
Current liabilities					
Trade and other payables	14	**122,086**	117,549	**4,199**	1,922
Contract liabilities		**28,897**	36,572	**-**	-
Amounts due to subsidiaries		**-**	-	**31,937**	42,508
Amounts due to joint ventures		**34,254**	33,643	**-**	-
Current income tax liabilities		**567**	1,599	**-**	89
Bank borrowings and lease liabilities	15	**97,726**	81,145	**-**	-
Notes payables	16	**-**	22,698	**-**	22,698
		283,530	293,206	**36,136**	67,217
Non-current liabilities					
Trade and other payables	14	**13,597**	9,681	**-**	-
Amount due to a subsidiary		**-**	-	**19,011**	19,011
Bank borrowings and lease liabilities	15	**35,726**	36,144	**-**	-
Notes payables	16	**49,127**	-	**49,127**	-
Deferred income tax liabilities		**5,973**	5,645	**-**	-
		104,423	51,470	**68,138**	19,011
Total liabilities		**387,953**	344,676	**104,274**	86,228
NET ASSETS		**329,325**	337,487	**102,570**	105,100
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	17	**36,981**	36,981	**36,981**	36,981
Treasury shares		**(7,983)**	(7,983)	**(7,983)**	(7,983)
Other reserves		**(4,790)**	(1,347)	**-**	-
Retained profits		**263,570**	265,937	**73,572**	76,102
Currency translation reserve		**(10,517)**	(10,625)	**-**	-
		277,261	282,963	**102,570**	105,100
Non-controlling interests		**52,064**	54,524	**-**	-
Total equity		**329,325**	337,487	**102,570**	105,100

C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months period ended 30 June 2026

		Attributable to equity holders of the Company							
Group	Note	Share capital	Treasury shares	Other reserves	Retained profits	Currency translation reserve	Total	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2026		**36,981**	**(7,983)**	**(1,347)**	**265,937**	**(10,625)**	**282,963**	**54,524**	**337,487**
Profit for the financial period		-	-	-	1,345	-	1,345	(1,218)	127
Other comprehensive (loss)/income for the financial period		-	-	(3,443)	-	108	(3,335)	97	(3,238)
Total comprehensive (loss)/income for the financial period		-	-	(3,443)	1,345	108	(1,990)	(1,121)	(3,111)
Dividend paid		-	-	-	(3,712)	-	(3,712)	(1,339)	(5,051)
Balance at 30 June 2026		**36,981**	**(7,983)**	**(4,790)**	**263,570**	**(10,517)**	**277,261**	**52,064**	**329,325**
Balance at 1 January 2025		36,981	(7,983)	(5,915)	248,199	(11,397)	259,885	48,337	308,222
Profit for the financial period		-	-	-	2,625	-	2,625	3,522	6,147
Other comprehensive income for the financial period		-	-	1,828	-	105	1,933	198	2,131
Total comprehensive income for the financial period		-	-	1,828	2,625	105	4,558	3,720	8,278
Dividend paid		-	-	-	-	-	-	(820)	(820)
Balance at 30 June 2025		**36,981**	**(7,983)**	**(4,087)**	**250,824**	**(11,292)**	**264,443**	**51,237**	**315,680**

COMPANY	Share capital $'000	Treasury shares $'000	Retained profits $'000	Total equity $'000
Balance at 1 January 2026	**36,981**	**(7,983)**	**76,102**	**105,100**
Profit for the financial period	-	-	1,182	1,182
Dividend paid	-	-	(3,712)	(3,712)
Balance at 30 June 2026	**36,981**	**(7,983)**	**73,572**	**102,570**
Balance at 1 January 2025	**36,981**	**(7,983)**	**69,816**	**98,814**
Profit for the financial period	-	-	189	189
Balance at 30 June 2025	**36,981**	**(7,983)**	**70,005**	**99,003**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months period ended 30 June 2026

	6 months ended	
	30 June 2026	30 June 2025
	$'000	$'000
Cash flows from operating activities		
Profit after income tax	**127**	6,147
Adjustments for:		
- Income tax expense	**1,412**	1,536
- Depreciation of property, plant and equipment	**4,367**	3,859
- Write back of allowance for impairment of sundry debtors	**-**	(9)
- Write-back of allowance for investment securities	**-**	(992)
- Property, plant and equipment written off	**-**	1
- Fair value loss on investment properties	**240**	120
- Gain on disposal of property, plant and equipment	**(141)**	(80)
- Gain on disposal of an associated company	**-**	(579)
- Share of profit of associated companies and joint ventures	**(3,419)**	(1,251)
- Finance expense	**2,638**	3,683
- Interest income	**(599)**	(1,354)
- Unrealised currency translation (gain)/losses	**(43)**	608
	4,582	11,689
Change in working capital:		
- Trade and other receivables	**(14,195)**	13,206
- Inventories	**1,372**	(808)
- Contract assets and liabilities	**(16,732)**	22,368
- Other current assets	**(490)**	3
- Trade and other payables	**8,240**	5,305
- Amount due to/from joint ventures	**5,729**	3,184
Cash generated from operations	**(11,494)**	54,947
Income tax paid	**(2,126)**	(1,384)
Net cash (used in)/provided by operating activities	**(13,620)**	53,563
Cash flows from investing activities		
Purchase of property, plant and equipment	**(9,370)**	(1,963)
Proceeds from disposal of property, plant and equipment	**141**	88
Proceeds from disposal of an associated company	**-**	331
Investment in a joint venture	**(100)**	-
Net proceeds from investment securities	**-**	857
Dividend received	**-**	400
Interest received	**599**	779
Net cash (used in)/provided by investing activities	**(8,730)**	492
Cash flows from financing activities		
Net proceeds from issuance new series of notes payables, net of expenses	**32,584**	-
Redemption of existing series of notes payables	**(6,250)**	-
Principal payment of lease liabilities	**(2,494)**	(1,892)
Net proceeds/(repayment) of bank borrowings	**16,626**	(37,192)
Dividends paid to non-controlling interests	**(1,339)**	(820)
Dividends paid to equity holders of the Company	**(3,712)**	-
Interest paid	**(2,025)**	(3,136)
Net cash provided by/(used in) financing activities	**33,390**	(43,040)
Net change in cash and bank balances	**11,040**	11,015
Beginning of financial period	**114,345**	71,149
Effects of currency translation on cash and bank balances	**338**	(519)
End of financial period	**125,723**	81,645

1. Corporate information

Koh Brothers Group Limited (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore.

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the Group are:

(a) Building and civil engineering contracting;
(b) Specialist engineers;
(c) Manufacturing of building materials and precast products;
(d) Property investment and development; and
(e) Hotel investment and management.

2. Basis of preparation

The condensed interim financial statements of the six months ended 30 June 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“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 the Group’s performance since the last audited annual financial statements for the year ended 31 December 2025.

The condensed consolidated interim financial statements are presented in Singapore Dollars, which is the Group’s functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

The accounting policies and method of computations used in the condensed consolidated interim financial statements 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 as below:

2.1 <u>New and amended Standards adopted by the Group</u>

The Group has adopted the new and revised SFRS(I)s and SFRS(I) Interpretations and amendments to SFRS(I)s that are mandatory for application from 1 January 2026.The adoption of the above amendments to SFRS(I)s did not result in material changes to the Group’s accounting policies and has no material effect on the amounts reported for the current financial period.

2.2 <u>Use of judgment and estimates</u>

In the process of applying the Group’s accounting policies, there is no instance of application of judgments with significant updates since the audited financial statements as at 31 December 2025 and is expected to have a significant effect on the amounts recognised in the condensed consolidated interim financial statements.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Estimation of total contract sum and contract costs for engineering and construction contracts
(b) Valuation of investment properties

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Revenue and segment information

(a) Disaggregation of revenue

	Construction and Building Materials		**Real Estate**		**Leisure & Hospitality**		**Total**	
	6 months ended		**6 months ended**		**6 months ended**		**6 months ended**	
	30 June 2026 $'000	30 June 2025 $'000	**30 June 2026 $'000**	30 June 2025 $'000	**30 June 2026 $'000**	30 June 2025 $'000	**30 June 2026 $'000**	30 June 2025 $'000
Contract revenue – over time	**142,437**	109,058	**-**	-	**-**	-	**142,437**	109,058
Revenue from sale of products – point in time	**41,739**	39,160	**-**	-	**-**	-	**41,739**	39,160
Revenue from services rendered – over time	**-**	-	**1,042**	1,006	**1,408**	1,561	**2,450**	2,567
Revenue from contracts with customers	**184,176**	148,218	**1,042**	1,006	**1,408**	1,561	**186,626**	150,785
Rental income from investment properties	**-**	-	**1,375**	1,377	**-**	-	**1,375**	1,377
Total revenue	**184,176**	148,218	**2,417**	2,383	**1,408**	1,561	**188,001**	152,162

(b) Segment information

The Group considers the business from a business segment perspective. Management manages and monitors the business in three main business segments which are Construction and Building Materials, Real Estate and Leisure & Hospitality. The Group assesses the performance of these business segments based on sales, segment results, segment assets and segment liabilities.

(i) Construction and Building Materials – This business segment undertakes construction activities for "Engineering and Construction", "Bio-Refinery and Renewable Energy" and "Building Materials" segments. Management has aggregated the above businesses under Construction and Building Materials as they have similar economic growth prospects.

(ii) Real Estate – This business segment involves property investment, development and management services.

(iii) Leisure & Hospitality – This business segment involves hotel and leisure operations.

4. Revenue and segment information *(continued)*

(b) Segment information *(continued)*

The segment information and the reconciliations of segment results to profit before tax and segment assets and liabilities to total assets and liabilities are as follows:

Group ($'000)	Construction and Building Materials	Real Estate	Leisure & Hospitality	Others	Total
6 months ended 30 June 2026					
Sales					
- External	184,176	2,417	1,408	-	188,001
- Inter-segment	1,865	448	-	640	2,953
	186,041	2,865	1,408	640	190,954
Elimination					(2,953)
					188,001
Results					
Segment results					
- Company and subsidiaries	(643)	85	(211)	928	159
- Joint ventures	-	3,419	-	-	3,419
(Loss)/earnings before interest and tax	(643)	3,504	(211)	928	3,578
Interest income					599
Finance expenses					(2,638)
Profit before income tax					1,539
Other information					
Capital expenditure	11,335	5	61	-	11,401
Depreciation	4,123	56	188	-	4,367
Cost of sales	172,700	1,029	1,170	-	174,899
As at 30 June 2026					
Segment assets	330,745	172,046	23,985	1,504	528,280
Joint ventures	100	93,683	-	-	93,783
Unallocated assets:					
Short-term bank deposits					87,595
Investment securities					7,620
Consolidated total assets					717,278
Segment liabilities	153,797	42,300	357	2,380	198,834
Unallocated liabilities:					
Current income tax liabilities					567
Deferred income tax liabilities					5,973
Bank borrowings, notes payables, and lease liabilities					182,579
Consolidated total liabilities					387,953

4. Revenue and segment information *(continued)*

(b) Segment information *(continued)*

Group ($'000)	Construction and Building Materials	Real Estate	Leisure & Hospitality	Others	Total
6 months ended 30 June 2025					
Sales					
- External	148,218	2,383	1,561	-	152,162
- Inter-segment	1,666	665	-	690	3,021
	149,884	3,048	1,561	690	155,183
Elimination					(3,021)
					152,162
Results					
Segment results					
- Company and subsidiaries	6,817	1,118	(64)	890	8,761
- Associated companies	(16)	-	-	-	(16)
- Joint ventures	-	1,267	-	-	1,267
Earnings/(loss) before interest and tax	6,801	2,385	(64)	890	10,012
Interest income					1,354
Finance expenses					(3,683)
Profit before income tax					7,683
Other information					
Capital expenditure	4,334	153	47	-	4,534
Depreciation	3,631	40	188	-	3,859
Cost of sales	131,088	1,251	1,191	-	133,530
As at 30 June 2025					
Segment assets	267,165	171,481	24,273	603	463,522
Joint ventures	-	94,032	-	-	94,032
Unallocated assets:					
Income tax receivables					730
Short-term bank deposits					45,423
Investment securities					9,736
Consolidated total assets					613,443
Segment liabilities	113,407	44,208	335	264	158,214
Unallocated liabilities:					
Current income tax liabilities					1,817
Deferred income tax liabilities					5,893
and lease liabilities					131,839
Consolidated total liabilities					297,763

4. Revenue and segment information *(continued)*

(c) Geographical information

The Group's three business segments operate in four main geographical areas: Singapore, Malaysia, Indonesia and others.

The following table presents sales and non-current assets information for the main geographical areas as at and for the financial period ended 30 June 2026 and 30 June 2025.

	Group	
	6 months ended	
	30 June 2026	**30 June 2025**
	$'000	$'000
Total revenue		
Singapore	**155,751**	121,526
Malaysia	**23,721**	10,333
Indonesia	**4,581**	17,193
Others	**3,948**	3,110
	188,001	152,162

	Group	
	30 June 2026	30 June 2025
	$'000	$'000
Total non-current assets		
Singapore	**373,478**	331,607
Malaysia	**6,837**	6,610
Others	**6,475**	7,994
	386,790	346,211

5. Other income and other gains/(loss) – (net)

	Group	
	6 months ended	
	30 June 2026	**30 June 2025**
	$'000	$'000
Other income		
Interest income	**599**	1,354
Other income	**34**	148
	633	1,502
Other gains/(loss) – net		
Fair value loss on investment properties	**(240)**	(120)
Gain on disposal of property, plant and equipment	**141**	80
Gain on disposal of an associated company	**-**	579
Net foreign exchange gain/(loss)	**257**	(1,937)
	158	(1,398)

6. Expenses by nature

	Group	
	6 months ended	
	30 June 2026	30 June 2025
	$'000	$'000
Write-back of allowance for impairment of trade receivables and contract assets	**(400)**	(143)
Write-back of allowance for impairment of sundry debtors	**-**	(9)
Write-back of allowance for impairment on loans to joint ventures	**(75)**	(19)
Write-back of allowance for impairment of investment securities	**-**	(992)
Depreciation of property, plant and equipment	**4,367**	3,859

7. Taxation

The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group	
	6 months ended	
	30 June 2026	30 June 2025
	$'000	$'000
Tax expense attributable to profit or loss is made up of:		
- Current income tax	**866**	1,993
- Deferred income tax	**519**	(451)
	1,385	1,542
Under/(over) provision in prior financial year		
- Current income tax	**202**	(6)
- Deferred income tax	**(175)**	-
	1,412	1,536

8. Related party transactions

Related party comprises companues which are controlled or significantly influenced by the Group's key management personnel and their close family members.

The Group has no significant transaction with related parties during the six months financial period ended 30 June 2026. The significant transaction with related parties during the previous financial period ended 30 June 2025 were as follows:

	Group 6 months ended
	30 June 2025
	$'000
Sales and purchases of goods and services	
Progressive billings recognised from sale of residential property to related parties	523

9. Trade and other receivables

	Group	
	30 June 2026	31 December 2025
	$'000	$'000
Current		
Trade receivables		
Due from non-related parties	**76,540**	62,564
Less: allowance for impairment of trade receivables	**(2,605)**	(2,999)
Trade receivables - net	**73,935**	59,565
Other receivables		
Deposit	**3,152**	2,530
Prepayment	**5,351**	5,045
Other receivables - non-related parties [Note 9(i)]	**10,389**	9,864
Less: allowance for impairment of other receivables - non-related parties	**(165)**	(165)
	92,662	76,839
Non-current		
Trade receivables		
Due from non-related parties	**215**	1,843
Other receivables		
Due from non-related parties [Note 9(ii)]	**21,615**	21,615
	21,830	23,458

(i) Other current receivables due from non-related parties are unsecured and interest-free, except for an amount of $2,500,000 of fixed rate note which bear interest at 3.50% per annum and $5,800,000 which is non-interest bearing and repayable within the next twelve months, extendable at the option of the Group, for three further terms of one year each.

(ii) Included other non-current other receivables due from non-related parties are promissory notes of $18,000,000 which bear interest at 3.50% per annum, is repayable in 2027, and is extendable at the option of the Group for one further term of two years.

10. Fair value measurements

The following presents the assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(i) quoted price (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (is as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Investment properties
The Group's investment properties are measured at fair value based on valuations performed by independent professional valuers at least once a year. The valuation techniques and key unobservable inputs that were used to determine the fair value of the investment properties are classified within Level 3 of the fair value hierarchy.

Other financial assets and liabilities
The fair value of financial instruments traded in active markets (such as financial assets at fair value through profit or loss and financial assets at FVOCI) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

10. Fair value measurements (*continued)*

The following table presented the assets measured at fair value:

	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
Group				
30 June 2026				
Investment properties	**-**	**-**	**101,910**	**101,910**
Investment securities	**7,620**	**-**	**-**	**7,620**
31 December 2025				
Investment properties	-	-	102,286	102,286
Investment securities	11,063	-	-	11,063

11. Goodwill

	Group	
	30 June 2026	31 December 2025
	$'000	$'000
Cost	**5,078**	5,078

Impairment tests for goodwill

Goodwill arising from the Group's acquisition of Koh Brothers Eco Engineering Limited and its subsidiaries is allocated to the "Bio-Refinery and Renewable Energy" cashgenerating unit ("CGU").

The Group tests the CGU annually for impairment or more frequently if there are indicators that the goodwill might be impaired.

The recoverable amount of the CGU was determined based on value-in-use calculation. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a one-year period.

12. Property, plant and equipment

During the 6-months period ended 30 June 2026, the Group acquired assets amounted to $11,401,000 (30 June 2025: $4,534,000), and disposed assets at net book value amounted to $nil (30 June 2025: $9,000).

13. Investment properties

	Group	
	30 June 2026	31 December 2025
	$'000	$'000
Balance at 1 January	**102,286**	102,562
Fair value loss recognised in profit or loss	**(240)**	(200)
Currency translation difference	**(136)**	(76)
Balance at 30 June / 31 December	**101,910**	102,286

Valuation processes of the Group

The fair value of the investment properties determined by independent professional valuers at least once a year based on the properties "highest and best use" market value. They are carried at fair value at 30 June 2026 and 31 December 2025.

At each reporting date, management:
- provides all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation reports; and
- holds discussions with the independent valuers.

14. Trade and other payables

	Group	
	30 June 2026	31 December 2025
	$'000	$'000
Current		
Trade payables		
Due to non-related parties	**99,545**	92,582
Retention due to subcontractors on construction contracts	**1,078**	1,773
	100,623	94,355
Other payables		
Accruals for operating expenses	**8,288**	11,232
Sundry payables	**3,430**	2,290
Deposit and advances received	**3,717**	3,347
Due to directors	**379**	662
Indirect tax payables	**547**	563
Due to non-related parties	**5,070**	5,070
Provision for onerous contracts	**32**	30
	122,086	117,549
Non-current		
Retention due to subcontractors on construction contracts	**13,597**	9,681

15. Bank borrowing and lease liabilities

	Group	
	30 June 2026	31 December 2025
	$'000	$'000
Current		
Short-term bank loans		
- Secured	**27,995**	27,995
- Unsecured	**64,700**	47,460
	92,695	75,455
Term loans payable within one year		
- Secured	**1,429**	1,392
Lease liabilities payable within one year	**3,602**	4,298
	97,726	81,145
Non-current		
Term loans payable after one year		
- Secured	**30,692**	31,343
Lease liabilities payable after one year	**5,034**	4,801
	35,726	36,144
Total bank borrowings and lease liabilities	**133,452**	117,289

The Group's secured borrowings are secured over the Group's certain investment properties and certain freehold land and buildings.

16. Notes payables

	Group	
	30 June 2026	31 December 2025
	$'000	$'000
Unsecured		
Balance at 1 January	**22,698**	22,522
Redemption of notes payables	**(6,250)**	-
Proceeds from issuance of new series of notes payables	**33,500**	-
Notes issuance expenses paid	**(916)**	-
Amortisation of notes issuance expenses	**95**	176
Balance at 30 June/31 December	**49,127**	22,698

The Company has established a $250 million Multicurrency Medium Term Note programme, under which the Company may, from time to time, issue notes in series or tranches in Singapore Dollars or in other currencies, in various amounts and tenors and interest rates agreed between Company and the relevant dealer. The net proceeds arising from the issue of notes will be used for general corporate purposes, financing investments and general working capital of the Group.

The Company issued the fourth series of notes amounting to $50,000,000 (including $16,500,000 exchanged from the third series of notes) in April 2026. The new notes bear a fixed rate of 5.20% per annum payable semi-annually in arrear and are due on 12 October 2030.

17. Share capital

	No. of ordinary shares		Amount	
Group and Company	Issued share capital	Treasury shares	Share capital	Treasury shares
	'000	'000	$'000	$'000
2026				
Balance at 1 January and 30 June	**438,000**	**(25,541)**	**36,981**	**(7,983)**
2025				
Balance at 1 January and 31 December	438,000	(25,541)	36,981	(7,983)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

18. Contingent liabilities

In connection with disputed claims amounting to $37.8 million for variation works and other items under a subcontract with a joint venture, a subsidiary of the Group (in its capacity as the subcontractor) previously applied for arbitration to pursue these claims. Counterclaims amounting to $37.1 million, which were disputed by the subsidiary, were submitted by the joint venture partner against the subsidiary as part of the arbitration process.

On 14 July 2025, the arbitrator issued partial awards providing valuations of the amounts claimed by the subsidiary and the joint venture partner including arbitration-related costs. However, the arbitrator had not apportioned any of the claim amounts to the subsidiary or the joint venture partner, nor did the arbitrator make any dispositive order for payment to be made by any party. The subsidiary has applied to the Singapore High Court for the partial awards to be wholly set aside. The hearing in the High Court of Singapore has taken place on 15 May 2026 and its currently pending the Court's judgement.

Based on the currently available information and advice from the legal counsel, no provision for the counter claims of $37.1 million has been made as at 30 June 2026.

Management has also taken into consideration this current year development and re assessed the valuation of the variation works in dispute for inclusion in the total contract sum and revenue recognition. As a result, adjustments were made to carrying value of the contract assets and cumulative revenue recognised.

1(i) **Details of any changes in the Company's share capital and arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other shares of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of corresponding period of the immediately preceding financial year.**

	No. of shares	
	As at 30 June 2026	As at 30 June 2025
Total number of issued shares	**438,000,000**	438,000,000
Less: number of treasury shares	**(25,540,900)**	(25,540,900)
Total number of issued shares excluding treasury shares	**412,459,100**	412,459,100

1(ii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	No. of shares	
	As at 30 June 2026	As at 31 December 2025
Total number of issued shares excluding treasury shares	**412,459,100**	412,459,100

1(iii) **A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.**

	No. of shares
	As at 30 June 2026
Beginning and end of the financial year	**25,540,900**

1(iv) **A statement showing all sales, transfer, cancellation and/or use of subsidiaries holdings as at the end of the current financial period reported on.**

Not applicable.

2. **Whether the figures have been audited, or reviewed and if so which auditing standard or practice has been followed**

The figures have not been audited or reviewed by the Company's auditors.

3. **Where the figures have been audited or reviewed, the auditor's report (including any modification or emphasis of matter)**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial**

Refer to note 2 - basis of preparation of the condensed interim consolidated financial statement.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Refer to note 2 - basis of preparation of the condensed interim consolidated financial statement.

6. **Earning per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	6 months ended	
Group	**30 June 2026 (cent)**	30 June 2025 (cents)
(i) Basic	**0.33**	0.64
(ii) On a fully diluted basis	**0.33**	0.64

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the current financial period of 412,459,100 ordinary shares (2025: 412,459,100 ordinary shares).

Diluted earnings per share

No adjustment was made to the diluted earnings per share for the financial period ended 30 June 2026 and 2025.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer as at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		**Company**	
	30 June 2026 (cents)	31 December 2025 (cents)	**30 June 2026 (cents)**	31 December 2025 (cents)
Net asset value per ordinary share based on existing issued share capital (excluding treasury shares) as at the end of the period reported on	**67.22**	68.60	**24.87**	25.48

The net asset value per share is calculated based on the issued share capital excluding treasury shares of 412,459,100 ordinary shares as at 30 June 2026 (31 December 2025: 412,459,100 ordinary shares).

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.**

(a) Review of Group Performance

1H 2026 VS 1H 2025

Revenue

The Group's sales increased from $152.16 million in the corresponding period ended 30 June 2025 ("1H 2025") to $188.00 million for the first half-year ended 30 June 2026 ("1H 2026"). The increase was mainly due to higher revenue contribution from the Construction and Building Materials division.

Gross profit

The Group's gross profit decreased from $18.63 million in 1H 2025 to $13.10 million in 1H 2026. This was primarily attributable to higher material and procurement costs incurred by the Engineering and Construction division, arising from ongoing geopolitical conflicts and supply chain disruptions. These factors resulted in lower profit margins for the Group's construction projects.

Other income and other gains/(loss)-net

Other income decreased from $1.50 million in 1H 2025 to $0.63 million in 1H 2026 mainly due to lower interest income.

Other gain – net was $0.16 million in 1H 2026 mainly due to unrealised foreign exchange gain as well as gain on disposal of property, plant and equipment, partially offset with fair value loss recognised on an investment property.

Expenses

Distribution expenses increased marginally from $0.54 million in 1H 2025 to $0.55 million in 1H 2026.

Administrative expenses increased from $9.08 million in 1H 2025 to $12.56 million in 1H 2026 was mainly due to higher legal and professional fees.

Finance expenses decreased from $3.68 million in 1H 2025 to $2.64 million in 1H 2026 was mainly due to lower interest rate.

Other expense was $0.03 million in 1H 2026 as compared to a credit of $0.99 million in 1H 2025 mainly due to write-back of impairment on investment securities a year ago.

Depreciation expenses increased from $3.86 million in 1H 2025 to $4.37 million in 1H 2026 was mainly due to increase in fixed assets.

Share of profit of associated companies and joint ventures

The Group's share of profit from associated companies and joint ventures increased from $1.25 million in 1H 2025 to $3.42 million in 1H 2026. This increase was mainly attributable to higher operating profit and fair value gain on investment properties recognised by a joint venture.

Income tax expenses

Income tax expenses decreased from $1.54 million in 1H 2025 to $1.41 million in 1H 2026 was mainly due to lower taxable income from the foreign subsidiaries.

Profit/(loss) before income tax and net loss

Overall, the Group's recognised a profit before income tax of $1.54 million and net profit attributable to shareholders of $1.35 million in 1H 2026, as compared to profit before income tax of $7.68 million and net profit attributable to shareholders of $2.63 million in 1H 2025.

Earning per share decreased from 0.64 cent in 1H 2025 to 0.33 cent in 1H 2026.

(b) Review of change in working capital, assets and liabilities

The Group’s current assets increased by $28.20 million was mainly due to increase in trade and other receivables of $15.82 million, cash and bank balances of $11.38 million. The increase in trade and other receivables was mainly due to increase in project progress billings to customers upon the satisfaction of performance obligation in the Group's Construction and Building Materials division during the period. The increase in cash and bank balances was mainly due to net proceeds received from issuance of new series of notes payables.

The Group’s non-current assets increased by $6.92 million mainly due to increase in properties, plant and equipment arising from the acquisition of additional assets for construction projects.

The Group's current liabilities decreased by $9.68 million, mainly due to a $22.70 million reduction in notes payable following the exchange of certain notes into a new series of notes payable classified as non-current liabilities, and the redemption of remaining notes upon maturity. This was partially offset by an increase in bank borrowings and lease liabilities.

The Group’s non-current liabilities increased by $52.95 million mainly due to issuance of new series of notes payables maturing in 2030.

(c) Review of change in cash flow

The Group reported a net increase in cash and bank balances mainly due to net cash provided by financing activities, partially offset by net cash used in operating activities and investing activities.

The net cash provided by financing activites was primarily due to net proceeds received from issuance of new series of notes payables and bank borrowings. The net cash used in investing activities was mainly due to purchase of properties, plant and equipment.

The net cash used in operating activities was mainly due to increase in trade and other receivables and contract assets, offset by the decrease in trade and other payables and amount due from joint ventures.

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

The Group's unaudited results for the financial period ended 30 June 2026 are in line with the Company's announcement on 13 February 2026.

10. **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 reporting period and the next 12 months.**

According to the advance estimate released by the Ministry of Trade and Industry on 14 July 2026, Singapore economy grew by 5.7% on a year-on-year basis in the second quarter of 2026, easing from the 6.3% growth in the previous quarter. On a quarter-on-quarter seasonally adjusted basis, the economy expanded by 1.1%, extending the 1.3% growth in the first quarter. The construction sector expanded by 6.2% year-on-year in the second quarter, slower than the 12.9% growth in the preceding quarter. Growth during the quarter was supported by an increase in both public and private sector construction output.

Based on projections announced by the Building and Construction Authority Singapore ("BCA") on 22 January 2026, total construction demand is projected to remain steady at between $47 billion and $53 billion in nominal terms for 2026, similar to 2025. The sustained construction demand expected in 2026 is supported by the expected awarding of additional construction packages for Changi Terminal 5 Development, for Marina Bay Sands Integrated Resort expansion, New Tengah General & Community Hospital, Downtown Line 2 Extension and Thomson-East Coast Line Extension. BCA also projects annual construction demand of between $39 billion and $46 billion from 2027 to 2030, underpinned by ongoing infrastructure, public housing and institutional developments.

Notwithstanding the positive industry outlook, uncertainties surrounding geopolitical developments and the global economic environment continue to weigh on market sentiment. Operating conditions are expected to remain challenging amid intense competition, supply chain disruptions, labour constraints, cost inflation and increasingly stringent regulatory requirements, which may continue to exert pressure on the Group's profit margins. The Group will remain focused on the safe, timely and quality execution of its ongoing projects while maintaining operational discipline and cost efficiency. Leveraging its established track record and expertise in the infrastructure and construction sectors, the Group is well positioned to benefit from the sustained demand in Singapore's construction market.

Latest statistics from the Urban Redevelopment Authority show that prices of private residential properties increased by 0.5% in the second quarter of 2026, compared with the 0.9% increase in the previous quarter. Given ongoing macroeconomic uncertainties and unforeseen global economic risks, the Group will continue to adopt a prudent and disciplined approach to capital deployment and remain selective in replenishing its land bank while pursuing opportunities that align with its long-term growth strategy.

11. **Dividend**

(a) Current Financial Period Reported On:

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of dividend	Interim
Dividend type	Cash
Dividend amount per share	0.10 Singapore cent per ordinary share
Tax rate	Tax exempt (one-tier)

(c) Date payable

Not applicable

(d) Book closure date

Not applicable

12. **If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

Not applicable. No dividend was declared/recommended for the period ended 30 June 2026 in view of the current uncertainty in the business environment, and to preserve the Group's working capital.

13. **Interested Person Transaction**

There is no significant interested person transaction during the six months period ended 30 June 2026.

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

14. **Disclosure on acquisition and realisation of shares pursuant to Rule 706A of the Listing Manual**

There is no acquisition and realisation of shares pursuant to Rule 706A of the Listing Manual during the six months period ended 30 June 2026, except for the following transaction that occurred under the listed subsidiary, Koh Brothers Eco Engineering Limited ("KBE"):

(A) Incorporation of a subsidiary

On 30 January 2026, a wholly-owned subsidiary of KBE, Koh Brothers Building & Civil Engineering Contractor (Pte) Ltd, has incorporated a 100%-owned subsidiary, Buildtek (S) Pte Ltd ("Buildtek"). Buildtek is incorporated in Singapore with initial issued and paid-up share capital of $2, and its principal activity is building construction.

(B) Increase in investment in a joint venture

As per announcement by KBE on 2 December 2025 , its wholly-owned indirect subsidiary, Infratek Pte Ltd ("Infratek"), has incorpored a joint venture company known as Tenox Kyusyu Geotek Pte Ltd ("Tenox") with a non-related party, Tenox Kyusyu Corporation, with each holding 50% interest in the joint venture. Tenox was incorporated in Singapore with initial issued and paid-up share capital of $20, its principal activity is foundation works and specialist geotechnical engineering.

On 26 February 2026. Infratek subscribed for additional 99,990 ordinary shares in Tenox for a total consideration of S$99,990. Following this transaction, the Group's shareholding interest in Tenox remains unchanged at 50%.

15. **Confirmation pursuant to rule 720(1) of the listing manual**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

16. **Confirmation by the Board pursuant to rule 705(5) of the listing manual**

On behalf of the Board of Directors of the Company, we, the undersigned, do hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the six months period ended 30 June 2026 to be false or misleading in any material aspect.

Koh Teak Huat Executive Deputy Chairman	Koh Keng Hiong Executive Director

5 August 2026