KOH BROTHERS GROUP LIMITED
(Unique Entity Number: 199400775D)

NEWS RELEASE

KOH BROTHERS GROUP REPORTS 24% REVENUE GROWTH TO $188.0 MILLION FOR 1H2026

- ***Revenue increase was mainly driven by higher contributions from the Construction and Building Materials division***
- ***Cash and bank balances increased to $125.7 million, while net asset value per share stood at 67.22 Singapore cents***
- ***Group remains focused on the execution of healthy construction order book of approximately $1.0 billion with visibility to 2029, amid a challenging operating environment***

Singapore, 5 August 2026 – Well-established construction, property development and specialist engineering solutions provider, Koh Brothers Group Limited ("**Koh Brothers**", 許兄弟有限公司, or the "**Group**"), today announced its financial results for the half-year ended 30 June 2026 ("**1H2026**").

Mr. Francis Koh (许庆祥), Executive Chairman and Group CEO of Koh Brothers, commented, "The Group continued to deliver a healthy revenue growth in the first half of 2026, supported by stronger contributions from our Construction and Building Materials division. We remain committed to the smooth delivery of our ongoing contracts, including the construction of intra-terminal tunnels at Changi Airport's new Terminal 5 via an integrated joint venture with Penta Ocean, as well as the Lorong Halus Bus Depot,Toa Payoh Integrated Development Hub and Tuas Water Reclamation Plant. Looking ahead, we remain encouraged by the healthy pipeline of infrastructure and development projects."

"While project activity remained robust, the Group's profitability was impacted by higher material and procurement costs arising from ongoing geopolitical conflicts and supply chain disruptions, which continued to place pressure on margins across the Group's construction projects. We remain focused on disciplined cost management, operational efficiency and the recovery of costs relating to variation orders where appropriate, while ensuring the smooth, timely and quality delivery of our projects."

"Supported by our healthy construction order book of approximately $1.0 billion, and leveraging our established track record, technical expertise and integrated capabilities, we will continue to pursue quality projects and opportunities that complement our core strengths, while adopting a prudent approach to capital allocation and creating sustainable long-term value for our shareholders."

Financial Highlights

Revenue saw a 24.0% growth to $188.0 million for 1H2026 as compared to $152.2 million for the same corresponding period ("**1H2025**"), mainly due to higher revenue contribution from the Construction and Building Materials division.

Gross profit eased to $13.1 million in 1H2026 from $18.6 million in 1H2025. This was mainly due to higher material and procurement costs incurred by the Engineering and Construction division, arising from ongoing geopolitical conflicts and supply chain disruptions.

In addition, administrative expenses rose 38.0% to $12.6 million in 1H2026 from $9.1 million in 1H2025, mainly due to higher legal and professional fees.

Other income decreased 58.0% to $0.6 million mainly due to lower interest income. Other gain – net was $0.2 million in 1H2026, mainly due to unrealised foreign exchange gain, as well as a gain on disposal of property, plant and equipment, partially offset with fair value loss recognised on an investment property.

Overall, the Group recorded a net profit attributable to shareholders of $1.3 million in 1H2026, as compared to a net profit attributable to shareholders of $2.6 million in 1H2025.

Cash and bank balances increased to $125.7 million as at 30 June 2026, while shareholders' equity stood at $277.3 million as at 30 June 2026. The Group's current ratio remains healthy at 1.17x with a net gearing ratio of 0.21x as at 30 June 2026 as compared to 0.09x as at 31 December 2025.

Net asset value per share was 67.22 Singapore cents as at 30 June 2026, compared to 68.60 Singapore cents as at 31 December 2025.

Outlook and Strategies

According to the advanced estimates released by the Ministry of Trade and Industry[1] announced on 14 July 2026, the 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. Driven by an increase in both public and private sector output, the construction sector expanded by 6.2% year-on-year in the second quarter, easing from the 12.9% growth in the preceding quarter.

Based on projections announced by the Building and Construction Authority Singapore[2] ("**BCA**") on 22 January 2026, total construction demand is to remain steady between $47 billion and $53 billion in nominal terms in 2026, similar to 2025. The sustained construction demand is supported by the expected awarding of additional construction packages for Changi Terminal 5 (T5) Development, Marina Bay Sands Integrated Resort (MBS IR2) 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.

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[1] MTI, 14 July 2026, Singapore's GDP Grew by 5.7 Per Cent in the Second Quarter of 2026
https://www.mti.gov.sg/newsroom/singapore-s-gdp-grew-by-5-7-per-cent-in-the-second-quarter-of-2026/

[2] BCA, 22 January 2026, Steady construction demand in 2026 as Singapore steps up support for Built Environment firms through collaboration and innovation
https://www1.bca.gov.sg/resources/newsroom/steady-construction-demand-in-2026-as-singapore-steps-up-support-for-built-environment-firms-through-collaboration-and-innovation/

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.

On the property development front, latest statistics from the Urban Redevelopment Authority[3] on 24 July 2026 indicate that prices of private residential properties increased by 0.5% in Q2 2026, compared to a 0.9% increase in the previous quarter.

In view of continued 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.

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About Koh Brothers Group Limited

Listed on SGX Mainboard in August 1994, Koh Brothers Group Limited ("**Koh Brothers**", or together with its subsidiaries, the "**Group**") is a well-established construction, property development and specialist engineering solutions provider, which was started as a sole proprietorship in 1966 by the late Mr. Koh Tiat Meng. Today, Koh Brothers has more than 40 subsidiaries, joint venture companies and associated companies spread over Singapore, Indonesia, Malaysia and South Korea.

[3] URA, 24 July 2026, Release of 2nd Quarter 2026 real estate statistics
https://www.ura.gov.sg/news/media/pr26-57/

Over the years, Koh Brothers has undertaken numerous construction and infrastructure projects with its A1 grading by the Building and Construction Authority – currently the highest grade for contractors' registration in this category that allows the Group to tender for public sector construction projects of unlimited value. In addition, Koh Brothers has developed a name for itself as a niche real estate developer, with an established reputation for quality and innovation.

Koh Brothers' diversified businesses present them with multiple revenue streams from three core areas:

- Construction and Building Materials;
- Real Estate; and
- Leisure and Hospitality.

The Group is also the largest shareholder of SGX Catalist-listed Koh Brothers Eco Engineering Ltd ("**Koh Brothers Eco**"), a sustainable engineering solutions group that provides engineering, procurement and construction ("**EPC**") services for infrastructure, water and wastewater treatment, building, bio-refinery and bio-energy projects. Through Koh Brothers Eco, the combined Group is able to reap synergies to offer turnkey engineering solutions and tap opportunities in the water and wastewater treatment sector.

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