HONG LAI HUAT GROUP LIMITED
(Incorporated in the Republic of Singapore)
Reg. No. 199905292D



**FOR IMMEDIATE RELEASE**

# Hong Lai Huat Returns to Modest Profitability in 1HFY2026 After Multi-Year Repositioning

- **Returned to profitability with net profit attributable to owners of S$1.1 million, against a S$1.5 million loss a year ago**
- **Recovery follows the complete divestment of the Cambodian agriculture division and a pivot to steadier returns from existing operations**
- **Revenue more than doubled year-on-year, lifted by recurring rental income from its investment properties and sale of marble blocks**
- **S$2.8 million returned to shareholders through share buy-backs during the period; net asset value per share rose to 23.61 Singapore cents**
- **Healthy balance sheet with S$19.7 million cash and minimal gearing; two land parcels at design stage awaiting suitable market conditions**

**SINGAPORE – 14 August 2026 –** Mainboard-listed property developer and marble mining group, **Hong Lai Huat Group Limited** ("**Hong Lai Huat**", "**the Company**", or together with its subsidiaries, "**the Group**") has announced its unaudited financial results for the six months ended 30 June 2026 ("**1HFY2026**").

## Financial Highlights

| S$'000 | 1HFY2026 | 1HFY2025 | y-o-y % change |
|---|---|---|---|
| **Revenue** | 1,686 | 764 | 121% |
| **Gross profit** | 789 | 121 | 552% |
| **Profit/(loss) for the period, net of income tax** | 1,197 | (1,444) | N.M. |
| **Profit/(loss) attributable to owners of the Company** | 1,119 | (1,457) | N.M. |
| **Basic and diluted EPS (Singapore cents)** | 0.23 | (0.28) | N.M. |
| **Net asset value** | 113,156 | 98,277 | 15% |
| **Cash and bank balances** | 19,685 | 20,948 | (6%) |

**N.M. = Not Meaningful*

Revenue for 1HFY2026 was S$1.69 million compared to S$0.76 million recorded a year ago. The growth was driven by rental income from the 211 D'Seaview units held as investment properties, a recurring income stream established following the transfer of these units from development properties to investment properties in FY2025, and was complemented by the sale of marble blocks, which generated S$0.78 million in sales.

Gross profit rose to S$0.79 million (1HFY2025: S$0.12 million), reflecting the higher-margin recurring rental income stream and improved profitability of the marble mining division, which achieved a gross profit margin of 51%.

Other income increased by 34% to S$0.84 million (1HFY2025: S$0.62 million), mainly due to foreign exchange gains and higher interest income. Administrative expenses declined by 17% to S$1.88 million (1HFY2025: S$2.25 million), while other expenses fell to nil (1HFY2025: S$1.13 million), as the Group recorded foreign exchange gains in 1HFY2026 instead of the foreign exchange losses reported in the prior period.

The Group's share of profit from its joint venture rose 16% to S$1.49 million (1HFY2025: S$1.29 million), largely driven by higher contributions from the Royal Platinum project in Phnom Penh following the revenue recognition from the sale of completed units.

As a result, the Group recorded a modest net profit attributable to owners of the Company of S$1.12 million in 1HFY2026, reversing an attributable net loss of S$1.46 million in 1HFY2025. Basic and diluted earnings per share came in at 0.23 Singapore cents, against losses per share of 0.28 Singapore cents previously. Net asset value per ordinary share rose to 23.61 Singapore cents as at 30 June 2026 (31 December 2025: 22.37 Singapore cents).

The Group's financial position remains healthy. As at 30 June 2026, the Group had cash and bank balances of S$19.69 million and remained ungeared, except for minor hire purchase arrangements, with total liabilities of S$2.2 million against total assets of S$115.3 million.

During the period, the Group also returned S$2.8 million to shareholders through its share buy-back programme, under which 33,283,700 ordinary shares were purchased, of which 29,179,300 were cancelled and the balance held as treasury shares.

**Operations Update and Outlook**

The Group's operating environment in Cambodia has been demanding for several years. The property market has yet to recover fully from the disruption of the COVID-19 pandemic, and sentiment has been further weighed down by adverse international media coverage of the country, dampening buyer confidence, transaction volumes and the availability of financing across the sector.

Against that backdrop, the Group has concentrated on mitigating these pressures rather than expanding into a weak market. It rationalised its portfolio by divesting its Cambodian agriculture division, receiving the final payment in March 2026 and, with it, the full consideration of US$37.5 million for the disposals of HLHI and HLHA. Bank borrowings have been repaid, and the Group has since operated with minimal gearing and a substantial cash position. Its emphasis has pivoted towards drawing steadier returns from existing operations while it monitors the market before committing to its next phase.

The Group remains focused on monetising its completed property development projects through both sales and leasing, while progressively scaling up its marble mining operations in Cambodia.

At D'Seaview in Sihanoukville, approximately 211 units are retained by the Group as investment properties, generating a recurring stream of rental income in light of the challenging operating market. For the Royal Platinum project in Phnom Penh, the Group will continue to work closely with its stakeholders and agencies to advance the sale and leasing of the completed units.

In addition, the Group holds two land parcels for future development: a site in Phnom Penh currently leased to a market operator, which generates temporary rental income; and a 17.61% minority interest in a further parcel in Sihanoukville earmarked for a township project. Both are at the design stage, and the Group will look to launch a new project when overall local and regional market conditions are suitable.

Monetising these assets remains challenging in current market conditions. The Group is therefore taking a progressive approach, generating income from leasing where outright sales are slower to materialise, and continuing to work with its agencies and other stakeholders across both rental and sales channels.

In the first four months of 2026, the Group's marble mining division exported more than 50% of its full-year 2025 marble block container volume. While mining operations and export activities were moderated by recent geopolitical developments arising from the conflict in the Middle East, export volumes are expected to recover gradually and remain steady during the second half of 2026. The Group will continue to monitor developments closely together with its subcontractor and adjust its operations where necessary to mitigate any potential disruptions.

Mr Dylan Ong Jia Jing, Executive Director and Chief Strategy Officer of Hong Lai Huat Group Limited, commented:

***"The past few years have been demanding for our Cambodian operations, and our focus through that period has been on protecting the Group rather than pursuing growth for its own sake. We divested our agriculture division, cleared our bank borrowings and concentrated on drawing steadier returns from the assets we already own. The modest profit recorded this half year is the result of those efforts.***

***Monetising our completed developments remains difficult in the current market, so we are taking a considered approach, controlling the costs and generating rental income where sales are slower, and working with our partners and stakeholders on both. We continue to hold two land parcels, now at the design stage, and will launch a new project***

***when conditions are suitable. We would rather move at a measured pace and preserve the Group's financial position than force activity into an unreceptive market."***

**#END#**

**About Hong Lai Huat Group Limited**
Hong Lai Huat Group Limited is a real estate and property developer with an established track record of over 38 years.

Incorporated in 1988, the Group has successfully completed numerous projects across Singapore, spanning public and private residential developments as well as commercial and industrial properties. Notable developments in Singapore include D'Ecosia, D'Fresco, D'Castilia, D'Almira, D'Lithium, D'Kranji Farm Resort and D'Centennial.

In 2008, the Group expanded into Cambodia, where it developed an agricultural project spanning close to 10,000 hectares dedicated to the cultivation of fresh cassava, together with a starch factory. The agriculture business was subsequently divested in stages, with the final payment received in March 2026, for an aggregate consideration of US$37.5 million (approximately S$50 million).

In 2015, the Group expanded its property footprint in Cambodia with the launch of its first freehold mixed-use development, D'Seaview, located in Sihanoukville. One of the first and largest mixed-use developments in the province, it comprises 737 residential units and 67 commercial units. Construction of the entire development was fully completed in FY2020.

Building on the success of D'Seaview, the Group launched its second freehold mixed-use development, Royal Platinum, in FY2019 via a joint venture. Located in the Toul Kork district of Phnom Penh, Cambodia's capital city, the project comprises approximately 851 residential units and 50 commercial units and was completed in FY2024. The Group subsequently acquired a third plot of land in Toul Kork and an interest in a fourth plot of land in Sihanoukville. These land banks are being held for future development.

Hong Lai Huat Group Limited has been listed on the Mainboard of the Singapore Exchange since 21 June 2000. For more information, please visit www.honglaihuatgroup.com.

**Issued on behalf of Hong Lai Huat Group Limited by: GEM COMM**

Investor Relations and Media Contact:

Ms Emily Choo
Email: emily@gem-comm.com
Mobile: +65 9734 6565

Important Notice

This press release is for information only and does not constitute an offer or form part of an invitation, solicitation or offer to acquire, purchase or subscribe for securities in Singapore or any other jurisdiction, nor shall anything herein relate in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation, or form the basis of, any contract, commitment or investment decision whatsoever.

This press release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of Hong Lai Huat Group Limited. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Group's current view of future events.

This press release should be read in conjunction with the Group's condensed financial statements for the six months ended 30 June 2026 released on SGXNet.