HONG LEONG ASIA LTD.

# 1H 2026 RESULTS PRESENTATION

12 AUGUST 2026 | MR. STEPHEN HO KIAM KONG, CEO

# 1H 2026 FINANCIALS

| | 1H 2026 | 1H 2025 | Change (%) |
|---|---|---|---|
| Revenue (S$'000) | 3,129,259 | 2,660,095 | 17.6% |
| Net Profit (S$'000) | 198,345 | 121,151 | 63.7% |
| Net Profit Excluding Discontinued Operation (S$'000) | 198,403 | 121,218 | 63.7% |
| Net Profit Attributable to Shareholders (S$'000) | 91,906 | 56,011 | 64.1% |
| Earnings Per Share (Cents) | 12.05 | 7.49 | 60.9% |
| Interim Dividend Per Share (Cents) | 3.0 | 2.0 | 50.0% |
| Net Cash Flow Generated from Operating Activities (S$'000) | 276,718 | 397,496 | (30.4%) |
| | 30 Jun 2026 | 31 Dec 2025 | Change (%) |
| Net Debt [1] / Equity Ratio | (0.88) | (0.81) | 8.6% |

[1] Net Debt is defined as Loans and Borrowings, less Cash and Deposits. The Group is in a Net Cash position of S$1,114M (31 Dec 2025: S$845M).

# KEY SEGMENT RESULTS

| | Unless specified, figures are in S$'000 | 1H 2026 | 1H 2025 | Change (%) |
|---|---|---|---|---|
| Powertrain Solutions | Volume (Units) | 277,684 | 250,396 | 10.9% |
| | Revenue | 2,732,831 | 2,339,871 | 16.8% |
| | Profit After Tax | 156,663 | 96,824 | 61.8% |
| Building Materials (including Yong Tai Loong) | Revenue | 384,835 | 310,207 | 24.1% |
| | Profit After Tax | 56,127 | 37,448 | 49.9% |
| Corporate and Others | Revenue | 11,593 | 10,017 | 15.7% |
| | Loss After Tax | (14,445) | (13,121) | 10.1% |

# KEY HIGHLIGHTS OF CASH FLOW

| | 1H 2026 (S$'000) | 1H 2025 (S$'000) |
|---|---|---|
| **Operating Cash Flow before Working Capital Changes** | **371,947** | **275,690** |
| **Net Cash Flow Generated from Operating Activities** | **276,718** | **397,496** |
| **(Less)/Add:** | | |
| Acquisition of Subsidiaries, Net of Cash Acquired | (56,096) | - |
| Payment for Investment in Associates | (26,935) | - |
| Capital Expenditure (PPE, Right-of-use Assets, Intangible Assets and Other Investments) | (65,135) | (60,552) |
| Net Cash Inflow from Disposal of Subsidiary and PPE | 450 | 1,442 |
| Acquisition of Non-Controlling Interests | (38) | - |
| Contribution by Non-Controlling Interests | 1,641 | 1,263 |
| Dividends Received from Associates, Joint Ventures and Other investments | 10,128 | 27,684 |
| Dividends Paid to Shareholders of the Company | (22,444) | (22,444) |
| Dividends Paid to Non-Controlling Interests of Subsidiaries | (17,753) | (24,102) |
| Net Proceeds from Share Issuance | 142,069 | 107 |
| Net Decrease from Borrowings | (13,888) | (64,074) |
| Net (Placement)/Release of Deposits with Banks | (155,398) | 20,240 |
| Interest Paid, Net | (1,536) | (3,121) |
| Repayment of Obligations under Lease Liabilities | (10,565) | (7,233) |
| **Net Cash Flow** | **61,218** | **266,706** |
| **Free Cash Flow** | **211,583** | **336,944** |

# BUSINESS UPDATE: POWERTRAIN SOLUTIONS

## Performance Highlights

- **277,684 powertrain units sold** in 1H 2026, an increase of 10.9% YoY.
- There was **strong growth in applications for marine/genset** (+42.0% YoY), **industrial** (+15.8% YoY) **and truck engines** (+20.4% YoY). Export volumes from OEM customers continue to be very strong, which now account more than a third of total volumes.
- **FY 2025 cash dividend of US$0.87 per ordinary share** paid by China Yuchai in July 2026 (July 2025: US$0.53 per ordinary share).

## Key Developments

- R&D initiatives: higher R&D spending to strengthen its portfolio of powertrain solutions, including the development of new energy solutions:
  - ✓ launch of commercial minibuses equipped with Yuchai's YCY24-65kW Flywheel Range Extender System (YC-FRS) in Hong Kong SAR;
  - ✓ introduction of ammonia-fuelled internal combustion engine designed for heavy-duty commercial vehicles.
- Acquired 27.97% equity interest in Nanyue Fuel Injection Systems Co., Ltd (formerly referred to as Nanyue Diankong (Hengyang) Industrial Technology Company Limited) ("NYDK") and became the second-largest shareholder of NYDK:
  - ✓ NYDK - a national high-tech and industry leader specialising in fuel injection systems, including common rail systems, unit pumps and mechanical pumps;
  - ✓ acquisition strengthens and secures the supply of key powertrain components.

# BUSINESS UPDATE: BUILDING MATERIALS

## Performance Highlights

- **R3 Precast** - key project wins bolstered order book for precast segment to achieve record level in 1H 2026 on the back of strong demand from public and private residential housing sectors.
- **Island Concrete** - growth in sales volume for ready-mix concrete as new plants kick-in.
- **Order books in Singapore** continue to grow from public and private sector projects.
- **Tasek** - profitability was held by improved pricing as the industry adjusted for higher fuel and logistics costs, operational efficiency gains in its ready-mix concrete operations and improvements at a key associate.

## Key Developments

► Acquisition of Yong Tai Loong (Pte) Ltd. ("Yong Tai Loong"), an architectural building products leader was completed in April 2026.

► Tasek – improving and expanding product offering with Portland Limestone Cement Bulk (CEM II) for Malaysian market.

► Island Concrete – low-carbon ready-mix concrete mixes approved by Singapore Green Building Council according to revised standards that track embodied carbon as opposed to replacement rate of recycled/alternative materials.

SINGAPORE GREEN BUILDING PRODUCT SGBC

Green Building Product Certification

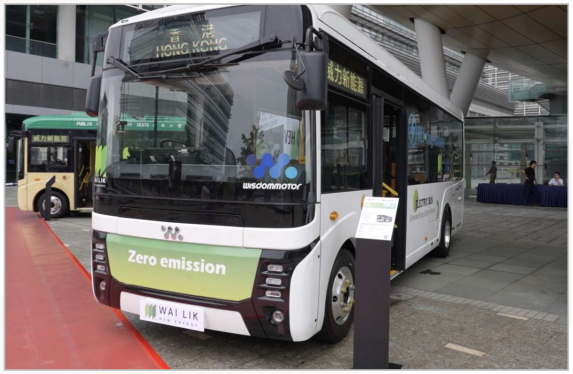
# FOCUSED AND RESILIENT PORTFOLIO

**Will continue to focus on operational execution to better support our customers and drive shareholder value**

## Vision 2030
### The MERIT Roadmap

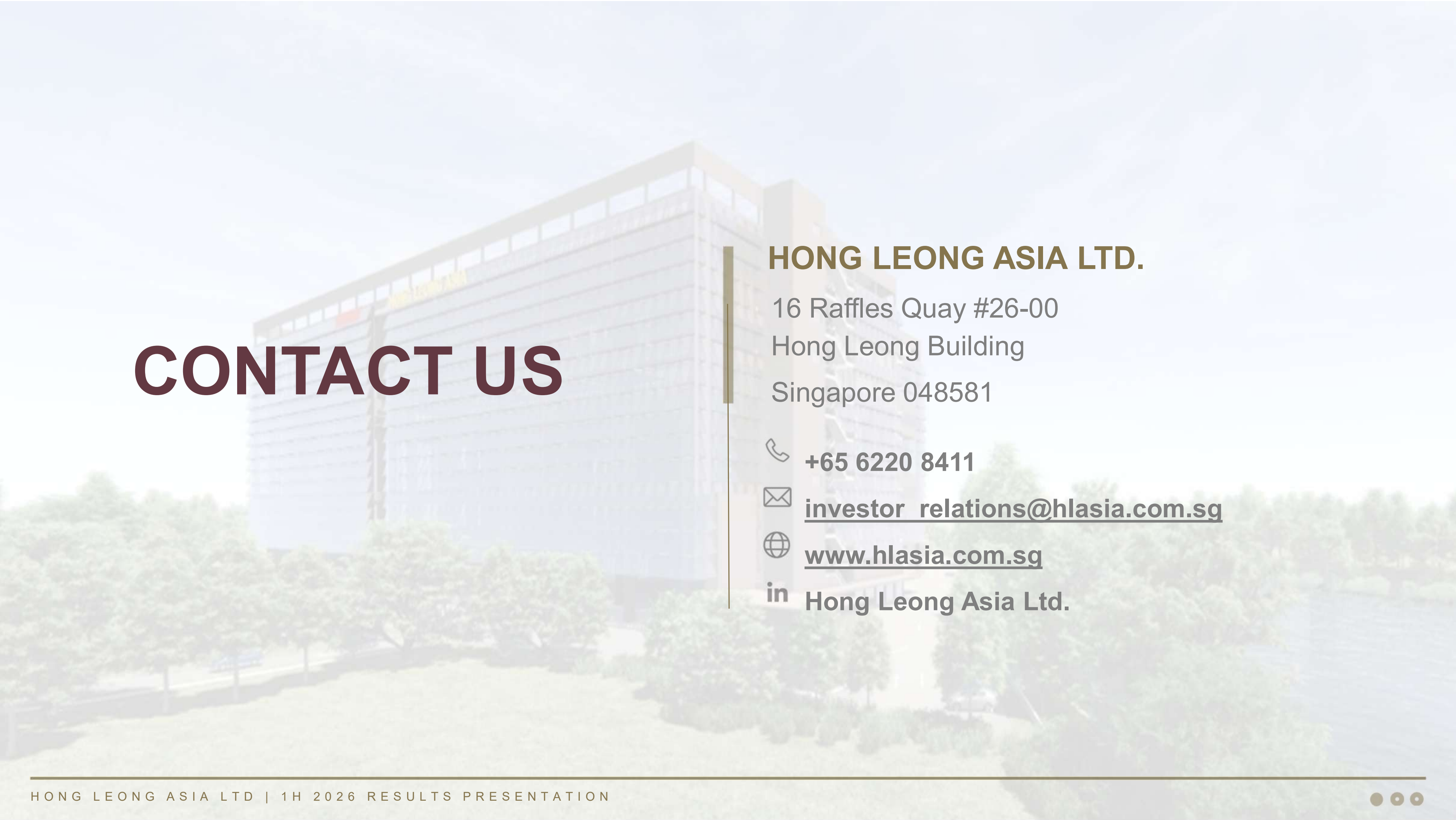
- Enhancing our **market leadership position**
- Building a **resilient and high-performance business portfolio**
- Capitalising **talent pool**

- **Strong 1H 2026 financial results** on positive momentum in operating markets and durable demand for wide-ranging products from HLA businesses
- **Strengthened portfolio competitiveness** with acquisitions of NYDK and Yong Tai Loong
- Continued investments in automation and autonomous technologies to **drive productivity and operational efficiencies**
- **Growing recognitions** from corporate and industry agencies**:**
  - I. Ranked 92nd for Fortune Southeast Asia 500 companies list, June 2026
  - II. Ranked 231st as one of Singapore's Best Employers by The Straits Times and Statista, April 2026



*A bus equipped with YCY24-65kW Flywheel Range Extender System in Hong Kong SAR*

*Precast slabs at ICPH*



# CONTACT US

**HONG LEONG ASIA LTD.**

16 Raffles Quay #26-00
Hong Leong Building
Singapore 048581

**+65 6220 8411**

**investor_relations@hlasia.com.sg**

**www.hlasia.com.sg**

**Hong Leong Asia Ltd.**