



# Hock Lian Seng Holdings Limited

Company Registration Number 200908903E

## ***Unaudited condensed interim financial statements***

***For the six months and full year ended 31 December 2025***

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**Consolidated statement of profit or loss**

	Note	Group 6 months			Group Financial Year ending		
		2H2025	2H2024	Change	31.12.25	31.12.24	Change
		S\$'000	S\$'000	%	\$'000	\$'000	%
Revenue	4	82,955	83,648	-0.8%	186,259	183,456	1.5%
Cost of sales		(75,557)	(74,569)	1.3%	(171,008)	(153,089)	11.7%
Gross profit		7,398	9,079	-18.5%	15,251	30,367	-49.8%
Other income		5,672	8,126	-30.2%	11,084	14,526	-23.7%
Distribution and selling costs		(334)	(413)	-19.1%	(785)	(1,057)	-25.7%
Administrative costs		(2,867)	(2,791)	2.7%	(5,203)	(5,251)	-0.9%
Other operating costs		(274)	(454)	-39.6%	(783)	(988)	-20.7%
Finance costs		(40)	-	nm	(40)	-	nm
Share of results of joint ventures, net of tax		334	63	430.2%	371	61	508.2%
Profit before taxation	6	9,889	13,610	-27.3%	19,895	37,658	-47.2%
Tax expenses	7	(1,308)	(1,952)	-33.0%	(2,632)	(5,590)	-52.9%
Profit after taxation		8,581	11,658	-26.4%	17,263	32,068	-46.2%
Attributable to:							
Equity holders of the Company		8,429	11,600	-27.3%	17,010	31,987	-46.8%
Non-controlling interests		152	58	162.1%	253	81	212.3%
		Cents	Cents		Cents	Cents	
Earnings per shares for profit attributable to the owners of the Company :							
Basic earnings per share		1.65	2.27		3.33	6.25	
Dilluted earnings per share		1.65	2.27		3.33	6.25	

The calculation of basic earnings per share at 31 December was based on profit attributing to owners of the Company and the weighted average number of ordinary shares outstanding.

**Consolidated statement of other comprehensive income**

	Group		Group	
	6 months		Financial year ended	
	2H2025	2H2024	31.12.2025	31.12.2024
	S\$'000	S\$'000	\$'000	\$'000
Profit after taxation	8,581	11,658	17,263	32,068
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Financial instruments at FVOCI				
- Net change in fair value	416	423	582	1,002
Other comprehensive income	<u>416</u>	<u>423</u>	<u>582</u>	<u>1,002</u>
Total comprehensive income	<u>8,997</u>	<u>12,081</u>	<u>17,845</u>	<u>33,070</u>
Attributable to:				
Equity holders of the Company	8,845	12,023	17,592	32,989
Non-controlling interests	<u>152</u>	<u>58</u>	<u>253</u>	<u>81</u>

**Statements of financial position**

	Note	Group		Company	
		31.12.25 \$'000	31.12.2024 \$'000	31.12.2025 \$'000	31.12.2024 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	15	21,012	19,514	-	-
Subsidiary companies	18	-	-	39,294	38,294
Investment in joint ventures	13	2,098	3,752	-	-
Investment properties	11	3,340	3,300	-	-
Investment securities	10	20,442	16,610	-	-
Deferred tax assets		918	1,310	-	-
		<b>47,810</b>	<b>44,486</b>	<b>39,294</b>	<b>38,294</b>
<b>Current assets</b>					
Development properties	12	130,894	51,002	-	-
Contract assets		88,701	63,327	-	-
Trade receivables		10,564	9,401	-	-
Other receivables		8,860	1,543	59,143	25,808
Amounts due from joint ventures		-	57	-	-
Prepayments and deposits		1,118	804	-	16
Investment securities	10	23,349	22,613	-	-
Cash and short term deposits		88,013	159,304	16,327	54,886
		<b>351,499</b>	<b>308,051</b>	<b>75,470</b>	<b>80,710</b>
<b>Current liabilities</b>					
Trade and other payables		49,977	51,115	361	342
Lease liabilities	16	465	118	-	-
Contract liabilities		-	1,590	-	-
Provisions	14	7,449	9,131	-	-
Provision for taxation		2,154	4,464	187	217
		<b>60,045</b>	<b>66,418</b>	<b>548</b>	<b>559</b>
<b>Net current assets</b>		<b>291,454</b>	<b>241,633</b>	<b>74,922</b>	<b>80,151</b>
<b>Non-current liabilities</b>					
Deferred income		34	62	-	-
Borrowing	16	44,095	-	-	-
Other payables		450	861	-	-
Lease liabilities	16	895	293	-	-
Deferred tax liabilities		884	440	-	-
		<b>46,358</b>	<b>1,656</b>	<b>-</b>	<b>-</b>
<b>Net assets</b>		<b>292,906</b>	<b>284,463</b>	<b>114,216</b>	<b>118,445</b>
<b>Equity</b>					
Share capital	17	59,954	59,954	59,954	59,954
Treasury shares	17	(193)	-	(193)	-
Capital reserve		1,000	1,000	-	-
Fair value adjustment reserve		1,359	777	-	-
Accumulated profits		246,301	238,500	54,455	58,491
Merger deficit		(16,239)	(16,239)	-	-
<b>Equity attributable to owners of the Company</b>		<b>292,182</b>	<b>283,992</b>	<b>114,216</b>	<b>118,445</b>
Non-Controlling interests		724	471	-	-
<b>Total Equity</b>		<b>292,906</b>	<b>284,463</b>	<b>114,216</b>	<b>118,445</b>

**HOCK LIAN SENG HOLDINGS LIMITED**  
**Company registration No: 200908903E**

Group

**Statements of changes in equity**

	Share capital	Treasury shares	Capital reserve	Accumulated profits	Fair value adjustment reserve	Merger deficit	Non-controlling interest	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2025</b>	59,954	-	1,000	238,500	777	(16,239)	471	284,463
Net Profit	-	-	-	17,010	-	-	253	17,263
Other comprehensive income	-	-	-	-	582	-	-	582
<b>Total comprehensive income</b>	-	-	-	<b>17,010</b>	<b>582</b>	-	<b>253</b>	<b>17,865</b>
Purchase of treasury shares		(193)						(193)
Dividend on ordinary shares	-	-	-	(9,209)	-	-	-	(9,209)
<b>At 31 December 2025</b>	<b>59,954</b>	<b>(193)</b>	<b>1,000</b>	<b>246,301</b>	<b>1,359</b>	<b>(16,239)</b>	<b>724</b>	<b>292,906</b>
<b>At 1 January 2024</b>	59,954	-	1,000	214,195	(225)	(16,239)	390	259,075
Net Profit	-	-	-	31,987	-	-	81	31,987
Other comprehensive income	-	-	-	-	1,002	-	-	1,002
<b>Total comprehensive income</b>	-	-	-	<b>31,987</b>	<b>1,002</b>	-	<b>81</b>	<b>33,070</b>
Dividend on ordinary shares	-	-	-	(7,682)	-	-	-	(7,682)
<b>At 31 December 2024</b>	<b>59,954</b>		<b>1,000</b>	<b>238,500</b>	<b>777</b>	<b>(16,239)</b>	<b>471</b>	<b>284,463</b>

Company

	Share capital	Treasury shares	Accumulated profits	Total Equity
	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2025</b>	59,954	-	58,491	118,445
Profit, representing total comprehensive income	-	-	5,173	5,173
Purchase of treasury shares	-	(193)	-	(193)
Dividend on ordinary shares	-	-	(9,209)	(9,209)
<b>At 31 December 2025</b>	<b>59,954</b>	<b>(193)</b>	<b>54,455</b>	<b>114,216</b>
<b>At 1 January 2024</b>	59,954	-	58,196	118,150
Profit, representing total comprehensive income	-	-	7,977	7,977
Dividend on ordinary shares	-	-	(7,682)	(7,682)
<b>At 31 December 2024</b>	<b>59,954</b>		<b>58,196</b>	<b>118,445</b>

**Consolidated statement of cash flows**

	< -----Group----- >	
	Financial year ended	
	31.12.2025	31.12.2024
<b>Cash flows from operating activities</b>	\$'000	\$'000
Profit before taxation	19,895	37,658
Adjustments :		
Depreciation of property, plant and equipment	2,545	2,289
(Gain)/loss on disposal of property, plant and equipment	(471)	(1,405)
Fair value changes on investment properties	(40)	(100)
Fair value changes on investment securities	(1,316)	(558)
Share of results of joint venture	(371)	(61)
Interest income	(4,432)	(6,245)
Interest expense on lease	40	6
Unrealised foreign exchange (gain)/loss	25	(119)
Dividend income from investment securities	(155)	(151)
<b>Operating cash flows before working capital changes</b>	<u>15,720</u>	<u>31,314</u>
(Increase)/decrease in:		
Contract assets	(25,374)	(13,569)
Development properties	(79,892)	19,995
Trade receivables	(1,163)	7,857
Other receivables	(6,804)	1,478
Prepayments and deposits	(314)	(93)
Increase/(decrease) in:		
Trade and other payables and provisions	(2,590)	(17,324)
Contract liabilities	(1,590)	1,520
Deferred income	(28)	(27)
<b>Cash flows generated from / (used in) operations</b>	<u>(102,035)</u>	<u>31,151</u>
Interest received	2,659	4,241
Income tax paid	(4,105)	(2,930)
<b>Net cash flows generated from / (used in) operating activities</b>	<u>(103,481)</u>	<u>32,462</u>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(3,592)	(3,306)
Dividend income received from joint venture	2,025	2,228
Repayment /(advance) to joint venture	-	8,143
Purchases of investment securities	(5,769)	(14,096)
Proceeds from disposal of property, plant and equipment	662	1,835
Proceeds from maturity/redemption of investment securities	3,099	5,779
Interest received from investment securities	1,317	1,247
Dividend income received from investment securities	155	151
<b>Net cash flows (used in) / generated from investing activities</b>	<u>(2,103)</u>	<u>1,981</u>
<b>Cash flows from financing activities</b>		
Dividend paid	(9,209)	(7,682)
Proceeds from bank borrowing	44,095	-
Purchase of treasury shares	(193)	-
Repayment of lease liabilities	(375)	(40)
<b>Net cash flows used in financing activities</b>	<u>34,318</u>	<u>(7,722)</u>
Net increase/(decrease) in cash and cash equivalents	(71,266)	26,721
Effect of exchange differences on cash and cash equivalents	(25)	119
Cash and cash equivalents, Beginning balance	159,304	132,464
<b>Cash and cash equivalents, Ending balance</b>	<u><u>88,013</u></u>	<u><u>159,304</u></u>

## **Selected Notes to the consolidated financial statements**

### **1. Corporate information**

Hock Lian Seng Holdings Limited (the "Company") is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed interim consolidated financial statements as at and for the six months ended 31 December 2025 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Group are provision of civil engineering works; and property development and investments.

### **2. Basis of Preparation**

The interim financial statements for the financial year ended 31 December 2025 have been prepared in accordance with 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 performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted 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 in Note 2.1.

The interim financial statements are presented in Singapore dollar which is the Company's functional currency.

#### **2.1 New and amended standards adopted by the Group**

A number of amendments to standards have become effective for financial year beginning 1 January 2025. The application of these standards did not have a material effect on the interim consolidated financial statements.

#### **2.2 Use of judgements and estimates**

The preparation of the Group's condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at end of year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### **3. Seasonal operations**

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

**4. Segment and revenue information**

The Group is organised into three main business segments – civil engineering, properties development, properties investment. No other operating segment constitutes a separate reportable segment. The segment information for the reportable segments is as follows:

	<b>Civil Engineering</b> \$'000	<b>Properties Development</b> \$'000	<b>Properties Investment</b> \$'000	<b>Adjustments</b> \$'000	<b>Total</b> \$'000
<b>2H 2025</b>					
Sales to external customers	73,700	9,153	102	-	82,955
	<u>73,700</u>	<u>9,153</u>	<u>102</u>	<u>-</u>	<u>82,955</u>
<b>Results</b>					
Depreciation	1,305	-	-	-	1,305
Fair value gain on investment properties	-	-	40	-	40
Dividend income from investment securities	-	-	-	75	75
Interest income	-	-	-	2,383	2,383
Share of results of joint venture	-	334	-	-	334
Segment profit	<u>3,933</u>	<u>5,186</u>	<u>30</u>	<u>740</u>	<u>9,889</u>
<b>2H 2024</b>					
Sales to external customers	78,104	5,453	91	-	83,648
	<u>78,104</u>	<u>5,453</u>	<u>91</u>	<u>-</u>	<u>83,648</u>
<b>Results</b>					
Depreciation	1,153	-	-	-	1,153
Fair value gain on investment properties	-	-	100	-	100
Dividend income from investment securities	-	-	-	59	59
Interest income	-	13	-	3,903	3,915
Share of results of joint venture	-	63	-	-	63
Segment profit	<u>6,811</u>	<u>3,793</u>	<u>31</u>	<u>2,975</u>	<u>13,610</u>

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	<i>Civil Engineering</i>	<i>Properties Development</i>	<i>Properties Investment</i>	<i>Adjustments</i>	<i>Total</i>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>FY 2025</u></b>					
Sales to external customers	163,785	22,281	193	-	186,259
	<u>163,785</u>	<u>22,281</u>	<u>193</u>	<u>-</u>	<u>186,259</u>
<b>Results</b>					
Depreciation	2,545	-	-	-	2,545
Fair value gain on investment properties	-	-	40	-	40
Dividend income from investment securities	-	-	-	155	155
Interest income	-	-	-	4,432	4,432
Share of results of joint venture	-	371	-	-	371
Segment profit	<u>5,819</u>	<u>12,440</u>	<u>61</u>	<u>1,575</u>	<u>19,895</u>
<b>Assets</b>					
Investment in joint ventures	-	2,098	-	-	2,098
Additions to non-current assets	3,592	-	-	-	3,592
Segment assets	<u>208,106</u>	<u>142,994</u>	<u>3,501</u>	<u>44,709</u>	<u>399,310</u>
<b>Segment liabilities</b>					
	<u>57,455</u>	<u>47,929</u>	<u>51</u>	<u>968</u>	<u>106,403</u>
<b><u>FY 2024</u></b>					
Sales to external customers	150,164	33,110	182	-	183,456
	<u>150,164</u>	<u>33,110</u>	<u>182</u>	<u>-</u>	<u>183,456</u>
<b>Results</b>					
Depreciation	2,289	-	-	-	2,289
Fair value gain on investment properties	-	-	100	-	100
Dividend income from investment securities	-	-	-	151	151
Interest income	-	13	-	6,230	6,243
Share of results of joint venture	-	62	-	-	62
Segment profit	<u>17,096</u>	<u>16,449</u>	<u>61</u>	<u>4,052</u>	<u>37,658</u>
<b>Assets</b>					
Investment in joint ventures	-	3,752	-	-	3,752
Additions to non-current assets	3,666	-	-	-	3,666
Segment assets	<u>249,944</u>	<u>58,338</u>	<u>3,721</u>	<u>40,534</u>	<u>352,537</u>
<b>Segment liabilities</b>					
	<u>60,021</u>	<u>3,697</u>	<u>31</u>	<u>4,325</u>	<u>68,074</u>

The Group's revenue from external customers was principally generated from Singapore. Accordingly, no geographical segment assets and revenue from customers' information are presented.

#### 4.2 Disaggregation of revenue

	Group		Group	
	2H 2025	2H 2024	FY2025	FY2024
	\$'000	\$'000	\$'000	\$'000
Revenue from contracts with customer				
Contract revenue from construction projects - recognised over time	73,489	77,807	163,356	149,616
Supply of labour and services provided - recognised over time	-	59	77	161
Sales of development properties - recognised at a point of time	9,153	5,453	22,281	33,110
Other revenue				
Rental Income	313	329	545	569
Total revenue	<u>82,955</u>	<u>83,648</u>	<u>186,259</u>	<u>183,456</u>

#### 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2025 and 31 December 2024 :

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets at fair value</b>				
Financial Assets at fair value through other comprehensive income (FVOCI)	20,442	16,610	-	-
Financial Assets at fair value through Profit or loss (FVTPL)	16,361	14,658	-	-
	<u>36,803</u>	<u>31,268</u>	<u>-</u>	<u>-</u>
<b>Financial Assets at amortised cost</b>				
Cash and bank balances and trade and other	100,197	171,022	16,327	80,695
Credit linked note	6,981	7,955	-	-
	<u>107,178</u>	<u>178,977</u>	<u>16,327</u>	<u>80,695</u>
<b>Financial Liabilities at amortised cost</b>				
Trade and other payables	50,426	51,650	340	327
Bank loan	44,095	-	-	-
Lease liabilities	1,360	412.00	-	-
	<u>95,881</u>	<u>52,062</u>	<u>340</u>	<u>327</u>

#### *Fair value measurement*

The Group applied the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data unobservable inputs)

**5. Financial asset and financial liabilities (cont'd)**

	Group			
	as at 31 December 2025			
	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Financial assets</b>				
Financial assets at fair value through profit or loss				
- Debt instruments (quoted)	15,518	-	-	15,518
- Equity instruments (quoted)	843	-	-	843
Financial assets at fair value through comprehensive income				
- Equity instruments (quoted)	20,442	-	-	20,442
	<u>36,803</u>	<u>-</u>	<u>-</u>	<u>36,803</u>

	Group			
	as at 31 December 2024			
	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Financial assets</b>				
Financial assets at fair value through profit or loss				
- Debt instruments (quoted)	14,309	-	-	14,309
- Equity instruments (quoted)	349	-	-	349
Financial assets at fair value through comprehensive income				
- Equity instruments (quoted)	16,610	-	-	16,610
	<u>31,268</u>	<u>-</u>	<u>-</u>	<u>31,268</u>

**6. Profit before tax**

6.1 Following items have been included in arriving at profit before taxation:

	Group		Group	
	2H 2025	2H 2024	FY2025	FY2024
	S\$'000	S\$'000	\$'000	\$'000
<b>Income</b>				
Dividend income	75	59	155	151
Foreign exchange gain	75	15	-	119
Interest income	2,383	3,916	4,432	6,243
Fair value gain on investment securities	639	430	1,316	558
Fair value gain on investment properties	40	100	40	100
Gain on disposal of property, plant and equipment	200	1,074	471	1,405
Government grants	334	42	387	596
Rental income from property development projects	2,004	2,447	4,267	5,311
<b>Expenses</b>				
Depreciation of property, plant and equipment	1,305	1,153	2,545	2,289
Foreign exchange loss	-	-	25	-
Interest expense	22	4	40	6

6.2 Related parties transactions

Other than the remuneration paid to the key management personnel, there are no related party transactions apart from those disclosed elsewhere in the interim financial statement

**7. Taxation**

	Group		Group	
	2H 2025	2H 2024	FY2025	FY2024
	\$'000	\$'000	\$'000	\$'000
Current income tax expense				
- current income taxation	1,156	1,414	1,959	4,291
- under /(over) provision in respect of previous year	(34)	(143)	(163)	(143)
Deferred income tax expenses relating to origination and reversal of temporary differences	186	681	836	1,442
	<u>1,308</u>	<u>1,952</u>	<u>2,632</u>	<u>5,590</u>

**8. Dividends**

	Group and Company	
	FY2025	FY2024
	\$'000	\$'000
Ordinary dividends paid		
Final dividend approved for payment in annual general meeting 1.8 cents ( 2024:1.5 cents) per ordinary share for previous financial year	<u>9,209</u>	<u>7,682</u>

The directors have proposed a final dividend for financial year 2025 of 1.125 cents per shares, amounting to approximately \$6,389,000. These financial statements do not reflect these proposed dividends, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2026.

**9. Net Asset Value**

	Group		Company	
	As at		As at	
	<u>31.12.2025</u>	<u>31.12.2024</u>	<u>31.12.2025</u>	<u>31.12.2024</u>
	Cents	Cents	Cents	Cents
Net asset value per ordinary share	57.1	55.6	22.3	23.1

**10. Investment securities**

	Group	
	31.12.2025	31.12.2024
	\$'000	\$'000
<b>Non-current</b>		
At fair value through other comprehensive income		
- Equity instruments (quoted)	20,442	16,610
	<u>20,442</u>	<u>16,610</u>
<b>Current</b>		
At fair value through profit or loss		
- Debt instruments (quoted)	15,518	14,309
- Equity instruments (quoted)	843	349
At amortised cost		
- Credit linked note and treasury bill	6,988	7,955
	<u>23,349</u>	<u>22,613</u>

*Investments in debt instrument at fair value through profit or loss*

Debt investment in quoted corporate bonds were made for varying coupon rates ranging from 3.83% to 7.5% per annum (2024: 3.0% to 7.5%), with maturity dates ranging from 2026 to 2039.

*Investments in equity instruments designated at fair value through other comprehensive income*

The fair value of investments in quoted equity instruments designated at fair value through other comprehensive income at the end of the reporting period is as follows:

	Group	
	31.12.2025	31.12.2024
	\$'000	\$'000
At fair value through other comprehensive income		
- Equity instruments (quoted) breakdown by industry		
Bank and financial institutions	8,021	7,856
Real Estate	10,876	7,222
Telecommunications, transport and infrastructure	1,047	1,035
Commodities	498	497
	<u>20,442</u>	<u>16,610</u>

No disposal of investment securities held at FVOCI for the financial year ended 31 December 2025.

The fair value of the Group's investment securities is based on the quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date and is categorized under Level 1 of the fair value measurement hierarchy.

## 11. Investment properties

The investment properties held by the Group consist of a leasehold office unit and a leasehold industry workshop.

	Group	
	31.12.2025	31.12.2024
	\$'000	\$'000
Balance as at 1 January	3,300	3,200
Fair value gain	40	100
Balance as at end of period	<u>3,340</u>	<u>3,300</u>

No addition for the year ended 31 December 2025. Fair value gain was \$40,000 (FY2024 :100,000)for the year ended 31 December 2025.

### Fair value measurement of investment properties

The leasehold office premises and light industry workshop in Singapore are stated at fair value, which has been determined annually by independent valuer at the end of every financial year based on the properties' highest and best use.

The fair value of the Group's investment properties is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy. The fair value has been derived based on the Direct Comparison Method that makes reference to market evidence of transaction prices for similar properties in the open market.

## 12. Development properties

	Group	
	31.12.2025	31.12.2024
	\$'000	\$'000
Completed properties, at cost	38,065	51,002
Land, at cost	92,829	-
	<u>130,894</u>	<u>51,002</u>
At 1 January	51,002	70,997
Addition	92,829	-
Construction costs written-back	(153)	(216)
Disposals (recognised in cost of sales)	<u>(12,784)</u>	<u>(19,779)</u>
At end of reporting	<u>130,894</u>	<u>51,002</u>

The development properties comprised of two completed industrial property projects at Tuas and Gambas, and an industrial land parcel acquired in FY2025. The new industrial site will be developed to strata titled units, multi-user B2 industrial development

**13. Investment in joint venture**

The Group's investment in joint venture is summarized below:

	Group	
	31.12.25	31.12.24
	\$'000	\$'000
FSKH Development Pte Ltd		
- Equity interest	1,350	1,350
- Amount due from joint venture	-	-
- Share of profit	749	2,403
- Deferred interest	(1)	(1)
	<u>2,098</u>	<u>3,752</u>

FSKH Development Pte Ltd is 45% owned joint venture.

**14. Provisions**

	Group	
	31.12.2025	31.12.2024
	\$'000	\$'000
At 1 January	9,131	15,265
Utilised	(4,004)	(4,514)
Current period provision	3,168	-
Write-back	(846)	(1,620)
At end of reporting	<u>7,449</u>	<u>9,131</u>

**15. Property, plant and equipment**

During the financial year ended 31 December 2025, the Group acquired assets amounting to \$4,234,000 (FY2024: \$3,666,000), of which \$642,000 (FY2024: \$360,000) were acquired by mean of finance lease. The net book value of disposed of assets amounting to \$192,000 (FY2024 : \$13,305,000).

**16. Bank borrowing and lease liabilities**

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	\$'000	\$'000	\$'000	\$'000
<u>Amount repayable within one year</u>				
Bank term loan -secured	-	-	-	-
Bank term loan -unsecured	-	-	-	-
Lease liabilities- secured	465	118	-	-
<u>Amount repayable after one year</u>				
Bank term loan -secured	44,095	-	-	-
Bank term loan -unsecured	-	-	-	-
Lease liabilities- secured	842	293	-	-

The Group's secured bank borrowings are secured over one of the Group's development property.

**17. Share capital and treasury shares**

	<u>Group and Company</u>		
	No. of shares '000	Percentage %	Share Capital \$'000
<u>Ordinary shares</u>			
As at 1 January 2025 and end of period	512,104	100%	59,954
<u>Treasury shares</u>			
As at 1 January 2025	-	-	-
Purchased during the period	(509)	(0.1%)	(193)
At end of the period	(509)	(0.1%)	(193)
<b>Issued ordinary shares net of treasury shares</b>	<b>511,595</b>	<b>99.9%</b>	<b>59,954</b>

There was no movement in the issued and paid-up capital of the Company since 31 December 2024.

During the financial year ended 31 December 2025, the Group acquired 509,000 treasury shares from the open market (31 December 2024: nil).

There were no sales, transfer, cancellation and/or use of subsidiary holdings during the reporting period ended 31 December 2025 (31 December 2024: Nil).

There were no outstanding convertibles as at 31 December 2025 (31 December 2024: Nil).

**18. Investment in Subsidiaries**

During the financial year ended 31 December 2025, the Company incorporated a new wholly owned subsidiary, HLS Highlights Pte Ltd, in Singapore for a paid-up share capital of \$1,000,000 which is financed via internal funding.

The principal activities of HLS Highlights Pte Ltd is to undertake the development of the industrial land parcel at Pioneer road which the Group acquired in November 2025.

**Other information Required by Listing Rule Appendix 7.2**

**I. Aggregate amount of group's borrowings and debt securities.**

Refer to note 16 of interim financial statement.

**II. Audit or review**

The consolidated statement of financial position as at 31 December 2024 and the related consolidated profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year ended 31 December 2024 and selected explanatory notes have not been audited or reviewed by the Company's auditors.

**III. Review of performance**

**Revenue**

<i>In \$ million</i>	<i>FY 2025</i>	<i>%</i>	<i>FY 2024</i>	<i>%</i>
<i>Civil Engineering</i>	<i>163.8</i>	<i>87.9</i>	<i>150.2</i>	<i>81.9</i>
<i>Property Development</i>	<i>22.3</i>	<i>12.0</i>	<i>33.1</i>	<i>18.0</i>
<i>Investment Properties</i>	<i>0.2</i>	<i>0.1</i>	<i>0.2</i>	<i>0.1</i>
	<i>186.3</i>	<i>100.0</i>	<i>183.5</i>	<i>100.0</i>

For the financial year ended 31 December 2025(FY2025), the Group recorded total revenue of \$186.3 million, a 1.5% increase from \$183.5 million in the corresponding period last year (FY2024).

The Civil Engineering segment remained the key revenue driver, contributing \$163.8 million or 87.9% of total revenue, up from \$150.2 million (81.9%) in FY2024 —mainly due to the higher construction activities for Serangoon North station project (CR113) and Aviation Park station project (CR103).

Revenue from Property Development segment declined to \$22.3 million (12.0%) in FY2025 from \$33.1 million (18.0%) in FY2024, as less units were sold at Shine@TuasSouth.

**Gross Profit**

<i>In \$ million</i>	<i>FY 2025</i>	<i>FY 2024</i>
<i>Civil Engineering</i>	<i>5.9</i>	<i>17.1</i>
<i>Property Development</i>	<i>9.3</i>	<i>13.2</i>
<i>Investment Properties</i>	<i>0.1</i>	<i>0.1</i>
	<i>15.3</i>	<i>30.4</i>

The Group recorded a gross profit of \$15.3 million for FY2025, representing a 50% decline compared to \$30.4 million in FY2024.

The Civil Engineering segment recorded a significantly lower gross profit of \$5.9 million in FY2025, a decrease of \$11.2 million or 65% compared to FY2024. This decline was mainly due to continued elevated cost pressures on ongoing projects. In addition, the gross profit for FY2024 included significant cost savings recognised during the final account settlement of the CAG JV project.

The Property Development segment also saw a decline in gross profit, primarily due to reduced sales activity for FY2025.

**HOCK LIAN SENG HOLDINGS LIMITED**  
**Company registration No: 200908903E**

Other Income

Other income was \$11.1 million, a decrease of \$3.4 million (24%). This was mainly due to lower interest income, reduced rental income from unsold development units, and a lower gain on disposal of fixed assets, partially offset by gains from the fair value of investment securities.

In \$' mil	FY 2025	FY 2024
Interest income from bank	2.8	4.7
Interest income from investment securities	1.7	1.6
Dividend	0.1	0.1
Rental - Development properties	4.3	5.3
Government grants	0.4	0.6
Gain on fair value changes of investment property	-	0.1
Gain on disposal of fixed assets	0.5	1.4
Gain on fair value changes of investment securities (FVTPL)	1.3	0.6
Gain on foreign currency exchange	-	0.1
	11.1	14.5

Distribution and selling costs

Lower distribution cost was related to the sales of development properties.

Administration costs

Administration costs was marginally lower due to lower performance bonus offset by higher staff cost.

Profit before tax and tax expenses

In summary, the lower FY2025 profit before tax was due to reduction in gross profit and lower other income.

**Financial position and cash flow review**

Non-current assets was \$47.8 million, increased by \$3.3 million as compared to end of 2024, mainly due to acquisition of plant and equipment of \$1.5 million (net of depreciation and disposal) and long term investment securities of \$3.8 million, offset by lower investment in joint venture of \$1.7million and deferred tax asset \$0.4 million.

Net current asset increased by \$49.9 million, mainly due to the higher development properties of \$79.9 million with the new addition of an Industrial site at Pioneer Road, working capital for infrastructure projects \$29.3 million (contract asset, liabilities, trade receivable and payable), utilisation of projects maintenance provision of \$1.6 million, higher investment securities of \$0.7 million and other receivable of \$7.4 million (mainly due to pending input GST claim for the industrial land acquisition), lower tax provision of 2.3 million offset by lower cash balance of \$71.3 million.

Cash balances decreased by \$71.3 million, mainly due to operating cash outflows of \$103.5 million, dividend payments of \$9.2 million, and net cash outflows of \$2.1 million from investing activities (primarily for the purchase of plant and equipment and additions to investment securities, partially offset by dividend income from joint ventures). These were partially offset by loan proceeds of \$44.1 million drawn to finance the acquisition of the Pioneer Road site.

Operating cash outflow was mainly due to the acquisition of Industrial land parcel at Pioneer road as well as higher contract assets, trade receivable and utilisation of projects maintenance provisions.

Investment securities (current and non-current) amount to \$43.8 million, increased by \$4.6 million. Mainly due to the addition of bonds and credit linked note of \$5.8 million, gain in market value of \$1.9 mil offset by the redemption of bond \$3.1 million.

Shareholders equity was \$292.2 million, about \$8.2 million higher than 31 December 2024. Mainly due to the current year net profit after tax of \$17.0 million and the fair value gain for investment securities recognised in comprehensive income of \$0.5 million offset by dividend payment of \$9.2 million and purchase of treasury shares of \$0.2 million in FY2025.

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

The current announced results are in line with the general prospect commentary previously disclosed to shareholders in the results announcement for the financial period ended 30 June 2025.

**V. 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.**

The order book for civil engineering segment stands at approximately \$386 million as at 31 December 2025 which include mainly the Aviation park station project and Serangoon North Station project.

The Group has completed the acquisition of an Industrial land site at Pioneer road from Jurong Town Corporation at \$88.2 million in November 2025. The Group intends to develop the site into a strata-titled, multi-user B2 industrial development with approximately 270 units. This development will achieve Green Mark Platinum Super-Low Energy rating and has secured a green loan from UOB. The project is expected to be launched for sales in early 2027.

The Group's industrial building project, Shine@TuasSouth, has sold 65.9% and leased 32.4% of the total units to date.

The outlook of construction industry remains challenging on the back of competitive environment, labour shortage, rising material and labour cost. The management will continue to tender for infrastructure projects competitively and explore other business opportunities to enhance the shareholders' value.

**VI. Dividend**

**(a) Current Financial Period Reported On**  
**Any dividend declared for the current financial period reported on ?**

Yes.

Name of dividend	First and final
Dividend type	Cash
Dividend amount per share (in cents)	1.125
Tax rate	Tax exempt (one tier)

**(b) Any dividend declared for the corresponding period of the immediately preceding financial year ?**

Yes.

Name of dividend	First and final
Dividend type	Cash
Dividend amount per share (in cents)	1.80
Tax rate	Tax exempt (one tier)

**(c) Date payable**

The proposed dividend, if approved at the next Annual General Meeting to be held on 23 April 2026, will be paid on 15 May 2026.

**(d) Books closure date**

The Share Transfer Books and Register of Members of the Company will be closed on 5 May 2026 at 5.00 p.m. for the preparation of dividend warrants

**VII. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

There is no IPT to be report for the current financial period. There is no general mandate from shareholders for IPTs.

**VIII. Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1) of the Listing Manual.**

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

**ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**IX. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Refer to note 4 of the interim financial statement.

**In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to section III – review of performance.

**X. A breakdown of sales as follows:-**

	< ----- Group ----- >		Increase/ (Decrease) (%)
	Financial Year ended 31 Dec		
	2025	2024	
	\$'000	\$'000	
(a) Sales reported for first half year	103,304	99,808	+3.5%
(b) Operating profit after tax before deduction non-controlling interests reported for first half year	8,682	20,410	-57.5%
(c) Sales reported for second half year	82,955	83,648	-0.8%
(d) Operating profit after tax before deduction non-controlling interests reported for second half year	8,581	11,658	-26.4%

**XI A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	Latest Full Year	Previous Full Year
	FY2025*	FY2024
	\$'000	\$'000
Proposed first and final dividend (Tax exempt 1-tier)	6,389	9,218

\*subject to shareholders' approval at the forthcoming Annual General Meeting

**XII. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held , if any, during the year
Chua Chee Yong	58	Nephew of Mr Chua Leong Hai, substantial shareholder, Executive Chairman of the Company and cousin of Ms Chua Siok Peng, Executive Director and CEO and Chua Sher Kiong, Executive Director of the Company.	Joined the Group since 1986. Mr Chua Chee Yong is the Senior Manager-, Logistic , responsible for fleet management, deployment and maintenance of plant and equipments.	In charge of the Logistic Department with effect from 2017.

BY ORDER OF THE BOARD

CHUA LEONG HAI

Executive Chairman

25 February 2026