HOR KEW CORPORATION LIMITED
(Company Registration No. 199903415K)

Condensed interim financial statements

For the six months ended 30 June 2026

Contents

Condensed interim consolidated statement of comprehensive income

	Note	The Group **6 months ended 30 June 2026**	6 months ended 30 June 2025	Increase/ (Decrease)
		$'000	$'000	%
Revenue	4	**57,296**	33,506	71
Cost of sales	6	**(39,531)**	(17,954)	NM
Gross profit		**17,766**	15,552	13
Interest income		**305**	324	(6)
Other income	6	**2,641**	1,578	75
Expenses				
General and administrative expenses	6	**(7,699)**	(6,770)	15
Finance costs		**(1,259)**	(838)	50
Net impairment loss of financial and contract assets	6	**(1,953)**	(3,110)	(37)
Profit before income tax		**9,800**	6,736	45
Tax expense	7	**(963)**	(2,388)	(60)
Profit for the period		**8,837**	4,348	NM
Other comprehensive loss:				
Items that are or may be reclassified subsequently to profit or loss:				
Currency translation differences arising from consolidation		**305**	(91)	NM
Items that will not be reclassified subsequently to profit or loss:				
Fair value (loss)/gain on financial assets at fair value through other comprehensive income		**(1)**	2	(50)
Other comprehensive loss for the period, net of tax		**304**	(89)	NM
Total comprehensive income for the period		**9,141**	4,259	NM
Earnings per share				
Basic (SGD in cent)		**16.97**	8.35	103
Diluted (SGD in cent)		**16.97**	8.35	103

NM Not meaningful

A. Condensed interim statements of financial position

	Note	The Group 30 June 2026 $'000	The Group 31 December 2025 $'000	The Company 30 June 2026 $'000	The Company 31 December 2025 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	**99,712**	94,301	**463**	587
Development properties		**18,272**	18,226	**-**	-
Investment properties	11	**42,157**	42,123	**-**	-
Investment in subsidiary companies		**-**	-	**61,464**	61,464
Trade receivables	12	**7,479**	6,308	**-**	-
Insurance asset		**725**	726	**-**	-
Deferred tax assets		**943**	-	**-**	-
Total non-current assets		**169,289**	161,684	**61,927**	62,051
Current assets					
Inventories		**15,477**	16,006	**-**	-
Trade receivables	12	**34,129**	21,241	**-**	-
Other receivables		**2,444**	2,835	**27,185**	22,340
Contract assets		**-**	1,297	**2,419**	4,712
Tax recoverable		**1,648**	1,919	**-**	-
Financial assets at fair value through other comprehensive income	13	**10**	11	**10**	11
Cash and cash equivalents		**22,525**	26,022	**9**	43
Total current assets		**76,235**	69,331	**29,623**	27,106
Total assets		**245,524**	231,015	**91,550**	89,157
LIABILITIES					
Non-current liabilities					
Borrowings	14	**73,590**	75,755	**323**	323
Provisions		**3,026**	2,981	**-**	-
Deferred tax liabilities		**1,450**	1,617	**-**	
Total non-current liabilities		**78,066**	80,353	**323**	323
Current liabilities					
Trade payables		**24,642**	20,659	**-**	-
Other payables		**15,276**	13,720	**41,920**	39,820
Provisions		**1,680**	1,680		
Contract liabilities		**158**	380	**-**	-
Borrowings	14	**14,632**	11,046	**112**	222
Tax payables		**4,240**	4,707	**218**	457
Total current liabilities		**60,628**	52,192	**42,250**	40,499
Total liabilities		**138,694**	132,545	**42,573**	40,822
Net assets		**106,830**	98,470	**48,977**	48,335
EQUITY					
Share capital	15	**68,323**	**68,323**	**68,323**	68,323
Other reserves		**(6,206)**	**(6,513)**	**(3)**	(2)
Accumulated profits/(losses)		**44,713**	**36,660**	**(19,343)**	(19,986)
Total equity		**106,830**	**98,470**	**48,977**	48,335

B. Condensed interim statements of changes in equity

The Group

	Note	Share Capital $'000	Other reserves $'000	Accumulated profits $'000	Total equity $'000
Balance at 1 January 2025		68,323	(7,360)	25,345	86,308
Profit for the period		-	-	4,348	4,348
Other comprehensive loss, net of tax:					
- Currency translation differences arising from consolidation		-	(91)	-	(91)
- Fair value gain on financial assets at fair value through other comprehensive income		-	2	-	2
Total comprehensive (loss)/income for the period		-	(89)	4,348	4,259
Payment of dividends		-	-	(1,562)	(1,562)
Balance at 30 June 2025		68,323	(7,449)	28,131	89,005
Balance at 1 January 2026		**68,323**	**(6,513)**	**36,660**	**98,470**
Profit for the period		**-**	**-**	**8,837**	**8,837**
Other comprehensive (loss)/income, net of tax:					
- Currency translation differences arising from consolidation		**-**	**305**	**-**	**305**
- Fair value loss on financial assets at fair value through other comprehensive income		**-**	**(1)**	**-**	**(1)**
Total comprehensive income for the period		**-**	**304**	**8,837**	**9,141**
Payment of dividends	8	**-**	**-**	**(781)**	**(781)**
Balance at 30 June 2026		**68,323**	**(6,209)**	**44,716**	**106,830**

The Company

	Share Capital $'000	Other reserves $'000	Accumulated losses $'000	Total Equity $'000
Balance at 1 January 2025	68,323	(4)	(16,954)	51,365
Profit for the period	-	-	3,531	3,531
Other comprehensive income for the financial year, net of tax:				
- Fair value gain on financial assets at fair value through other comprehensive income	-	2	-	2
Total comprehensive income for the period	-	2	3,531	3,533
Payment of dividends	-	-	(1,562)	(1,562)
Balance at 30 June 2025	68,323	(2)	(14,985)	53,336
Balance at 1 January 2026	**68,323**	**(2)**	**(19,746)**	**48,574**
Profit for the period	**-**	**-**	**1,184**	**1,184**
Other comprehensive (loss)/income for the financial year, net of tax:				
- Fair value loss on financial assets at fair value through other comprehensive income	**-**	**(1)**	**-**	**(1)**
Total comprehensive (loss)/income for the period	**-**	**(1)**	**1,184**	**1,183**
Payment of dividends	**-**	**-**	**(781)**	**(781)**
Balance at 30 June 2026	**68,323**	**(3)**	**(19,343)**	**48,977**

C. Condensed interim consolidated statement of cash flows

	The Group	
	6 months ended 30 June 2026 $'000	6 months ended 30 June 2025 $'000
Cash flows from operating activities:		
Profit before tax	**9,800**	6,736
Adjustments for:		
Depreciation of property, plant and equipment	**5,658**	2,853
Gain on disposal of property, plant and equipment	**(13)**	(30)
Impairment loss of trade receivables and contract assets	**1,953**	3,110
Interest expense	**1,259**	838
Interest income from fixed deposits	**(321)**	(324)
Unrealised loss on foreign exchange	**682**	808
Operating cash flows before working capital changes	**19,018**	13,991
Changes in operating assets and liabilities:		
Inventories	**578**	(1,278)
Receivables	**(15,252)**	958
Contract assets	**1,297**	1,186
Contract liabilities	**(223)**	(91)
Payables	**5,584**	1,436
Cash generated from operations	**11,002**	16,202
Income tax paid	**(2,049)**	(1,641)
Net cash generated from operating activities	**8,953**	14,561
Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	**13**	341
Purchase of property, plant and equipment	**(10,811)**	(1,488)
Net cash used in investing activities	**(10,798)**	(1,147)
Cash flows from financing activities:		
Drawdown of borrowings	**3,500**	931
Interest paid	**(1,259)**	(838)
Repayment of borrowings	**(3,649)**	(4,411)
Withdrawn of fixed deposits	**(300)**	-
Dividend paid	**(781)**	(1,562)
Net cash generated used in financing activities	**(2,489)**	(5,880)
Net (decrease)/increase in cash and cash equivalents	**(4,334)**	7,534
Cash and cash equivalents at beginning of financial period	**8,316**	8,535
Effect of exchange rate changes on cash and cash equivalents	**(15)**	(7)
Cash and cash equivalents at end of financial period	**3,967**	16,062
Cash and cash equivalents are represented by:		
Cash and cash equivalents on the consolidated statement of financial position	**22,525**	33,077
Fixed deposits pledged	**(18,558)**	(17,015)
Cash and cash equivalents per consolidated statement of cash flows	**3,967**	16,062

D. Notes to the condensed interim consolidated financial statements

1. Corporate information

Hor Kew Corporation Limited (the "Company") (Co. Reg. No. 199903415K) is domiciled and incorporated in Singapore as a private limited liability company on 18 June 1999. It was converted to a public company on 29 March 2000 and is listed on the Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 66 Kallang Pudding Road, #07-01 Hor Kew Business Centre, Singapore 349324.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2026 comprise the Company and its subsidiary companies (collectively, the Group).

The principal activity of the Company is that of investment holding.

The principal activities of the Group are:

(a) Design, manufacture and sale of prestressed and precast reinforced concrete building components
(b) Design, manufacture and sale of prefabricated architectural metal components
(c) Property investment and development
(d) Investment holding
(e) Rental of machinery

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2026 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 2025.

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 condensed 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 SFRS(I)s have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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 and for the year ended 31 December 2025.

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 were not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment information

The Group is organised into the following main business segments:

(i) The property investment and development segment is involved in the development, sales and leasing of residential, commercial and industrial properties;

(ii) The construction segment is in the business of constructing residential, institutional, industrial and commercial properties as the main contractor;

(iii) The prefabrication segment is in the business of design, manufacture and sales of prestressed and reinforced concrete building components as well as prefabricated architectural metal components; and

(iv) The others segment comprises mainly the Group level corporate services and treasury functions

These operating segments are reported in a manner consistent with internal reporting provided to the management who will then allocate resources and assess performance of the operating segments.

4.1 Reportable segments

1 January 2026 to 30 June 2026

	Property investment and development $'000	**Construction $'000**	**Prefabrication $'000**	**Others $'000**	**Eliminations $'000**	**Consolidated $'000**
Segment revenue						
Sales to external customers	**-**	**881**	**56,414**	**-**	**-**	**57,296**
Inter-segment sales	**-**	**-**	**-**	**2,419**	**(2,419)**	**-**
Total revenue	**-**	**881**	**56,415**	**2,419**	**(2,419)**	**57,296**
Segment (loss)/profit	**994**	**623**	**7,771**	**412**	**-**	**9,800**
Tax expense						**(963)**
Profit for the period						**8,837**
Segment assets	**78,528**	**5,115**	**150,767**	**11,114**	**-**	**245,524**
Segment liabilities	**25,523**	**8,551**	**97,466**	**7,154**	**-**	**138,694**

1 January 2025 to 30 June 2025

	Property investment and development $'000	Construction $'000	Prefabrication $'000	Others $'000	Eliminations $'000	Consolidated $'000
Segment revenue						
Sales to external customers	-	-	33,506	-	-	33,506
Inter-segment sales	-	-	-	1,678	(1,678)	-
Total revenue	-	-	33,506	1,678	(1,678)	33,506
Segment (loss)/profit	(218)	(335)	7,006	283	-	6,736
Tax expense						(2,388)
Profit for the period						4,348
Segment assets	75,573	5,543	62,039	12,239	-	155,394
Segment liabilities	25,481	5,712	30,413	4,783	-	66,389

4.2 Geographical information

	Revenues 6 months ended 30 June 2026 $'000	Non-current assets 30 June 2026 $'000
Singapore	57,296	126,981
The People's Republic of China	-	995
Malaysia	-	32,166
Total	**57,296**	**160,142**

	6 months ended 30 June 2025 $'000	30 June 2025 $'000
Singapore	33,506	59,897
The People's Republic of China	-	973
Malaysia	-	29,846
Total	33,506	90,716

Non-current assets information presented above are non-current assets as presented on the consolidated statement of financial position excluding financial instruments and deferred tax assets.

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities held by the Group as at 30 June 2026 and 31 December 2025:

	The Group		The Company	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025
	$	$	**$**	$
Financial assets				
Cash and bank balances and trade and other receivables (amortised cost)	**68,226**	58,401	**27,194**	22,382
Financial assets at fair value through other comprehensive income	**10**	11	**10**	11
	68,236	58,412	**27,204**	22,393
Financial liabilities				
Trade and other payables and borrowings (amortised cost)	**137,086**	120,797	**42,573**	40,583
	137,086	120,797	**42,573**	40,583

6. Profit before taxation

6.1. Significant items

	The Group	
	6 months ended 30 June 2026	6 months ended 30 June 2025
	$'000	$'000
Income		
Gain on disposal of property, plant and equipment	**13**	30
Gain on foreign exchange	**642**	-
Government grant income	**33**	38
Rental income	**1,732**	957
Sales of scrap metal	**100**	150
Expenses		
Depreciation of property, plant and equipment	**5,658**	2,853
Directors' fees	**92**	56
Impairment loss on trade receivables	**1,953**	3,110
Loss on foreign exchange	**-**	461
Staff costs	**8,149**	6,331

6.2. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties, who are not members of the Group during the financial year on terms agreed by the parties concerned:

	6 months ended 30 June 2026	6 months ended 30 June 2025
	$'000	$'000
Maintenance fee charged by a related party	**9**	7
Recovery of utility charges from related party	**9**	-
Rental charged to a related party	**111**	11

Related parties comprise mainly companies which are controlled by the Company's directors and their close family members.

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	6 months ended 30 June 2026	6 months ended 30 June 2025
	$'000	$'000
Income tax expense (current year)	**1,930**	1,764
Income tax credit (overprovision in respect of prior years)	**(70)**	(143)
Deferred tax expense/(credit) (current year)	**(897)**	767
	963	2,388

8. Dividends

No dividend has been declared or recommended for the period ended 30 June 2026 (31 December 2025: $1,562,000).

As can be seen from the statements of financial position under Note B, as at 30 June 2026 although the Group had accumulated profits of $44.7 million, the Company had accumulated losses of $19.3 million. The Board had considered this, and was of the view that while the Group was profitable for the financial period ended 30 June 2026, it would be more prudent to further assess whether to propose payment of dividends based on full year results, as was practised for the previous financial year ended 31 December 2025.

	The Group	
	6 months ended 30 June 2026 $'000	6 months ended 30 June 2025 $'000
Ordinary dividends paid		
Final dividend paid in respect of the previous financial year at 1.5 cents (2025: 3.0 cents) per share	**781**	1,562

At the Annual General Meeting on 30 April 2026, a final dividend of 1.5 cents per share was approved in respect of the results for the financial year ended 31 December 2025, and the payout of $0.8 million was made on 30 May 2026.

9. Net Asset Value

	The Group		**The Company**	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025
	$	$	**$**	$
Net asset value per ordinary share	**2.05**	1.89	**0.94**	0.93

10. Property, plant and equipment

During the six months ended 30 June 2026, the Group acquired assets amounting to $11.4 million (30 June 2025: $1.5 million) and disposed of assets amounting to $30,000 (30 June 2025: $0.4 million).

11. Investment properties

The Group's investment properties consist of both industrial, residential and commercial properties, held for long-term rental yields and/or capital appreciation and are not substantially occupied by the Group. They are mainly leased to third parties under operating leases.

The investment properties held by the Group at the end of each reporting period were as follows:

		30 June 2026	31 December 2025
Property type	**Tenure**	**$'000**	$'000
Commercial	70 years from 1993	**995**	973
Industrial	Freehold	**35,162**	34,762
Residential	Freehold	**6,000**	6,000
		42,157	41,735

11.1 Valuation

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every financial year based on the property's highest and best use. Discussions on the valuation process, key inputs applied in the valuation approach and the reasons for the fair value changes are held between the management and the independent valuers annually.

The last valuation of each investment property was conducted as at 31 December 2025.

12. In accordance with Financial Reporting Standards, the Group used a provision matrix to estimate the expected credit loss ("ECL") allowance required for its trade receivables as at 30 June 2026. Based on the matrix, the Group estimated the ECL rates based on historical observed default rates, and then adjusted these rates based on forward-looking factors specific to the debtors and economic environment. Retention sums under non-current trade receivables were also impaired where needed. Using this methodology, the Group was required to top up its ECL allowance as at 30 June 2026 such that total impairment loss on trade receivables of $28.6 million was provided for the financial period ended 30 June 2026.

The Board had assessed this impairment loss on trade receivables of $28.6 million to be adequate for the financial period ended 30 Jun 2026, and that the total current and non-current trade receivables after impairment of $41.6 million as at 30 June 2026 to be recoverable.

The Group had implemented tight credit control measures in its business, but despite its best efforts from time to time there would inevitably be still some receivables which took longer than expected to recover, and sometimes the Group made certain judgement calls to extend longer credit to customers under certain circumstances in view of long term commercial interests. The Group made the above impairment as required under the Financial Reporting Standards. Despite the impairment, the Group will continue to try its best to recover its receivables, including carrying out legal actions against debtors accordingly where necessary.

13. Financial assets at fair value through other comprehensive income

This represents quoted equity securities listed in Singapore which are not held for trading. Accordingly, management has elected to designate this investment in equity shares at fair value through other comprehensive income. It is the Group's strategy to hold this investment for long-term purposes.

14. Borrowings

	The Group		**The Company**	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025
	$'000	$'000	**$'000**	$'000
Amount repayable within one year, or on demand				
Secured	14,632	9,107	112	107
Amount repayable after one year				
Secured	73,590	25,684	323	546

Details of collaterals

Secured borrowings are collateralised by:

(1) Certain subsidiary companies of the Group have pledged their assets for the borrowings;

(2) First legal mortgages over certain subsidiary companies' investment properties, as well as assignment of all rights, titles and interests on all sale and tenancy agreements, building agreements, construction contracts, guarantees, performance bonds, insurance policies and any other contracts; and

(3) Corporate guarantees have been given by the Company to secure borrowings of certain subsidiary companies.

15. Share capital

During the period under review, there was no change in the Company's share capital. The total number of issued shares as at 30 June 2026 was 52,066,937 shares (31 December 2025: 52,066,937 shares).

The Company did not hold any treasury shares nor share options as at 30 June 2026 and 31 December 2025.

The Company's subsidiary companies did not hold any shares in the Company as at 30 June 2026 and 31 December 2025.

16. Subsequent events

There were no known subsequent events which have led to adjustments to this set of interim financial statements.

E. Other information required by Listing Rule Appendix 7.2

17. Review

The condensed consolidated statement of financial position of Hor Kew Corporation Limited and its subsidiary companies as at 30 June 2026 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

18. Review of performance of the Group

Consolidated statement of comprehensive income

Revenue of the Group increased from $33.5 million in the six months ended 30 June 2025 (“1H 2025”) to $57.3 million in the six months ended 30 June 2026 (“1H 2026”) mainly due to increase in delivery volumes of prefabricated building components.

Cost of sales of the Group increased from $18.0 million in 1H 2025 to $39.5 million in 1H 2026 mainly due to increase in delivery volumes.

The Group achieved a higher gross profit of $17.8 million in 1H 2026 compared to the $15.6 million in 1H 2025 mainly due to significantly higher revenue in 1H 2026. The gross profit margin was lower at 31.0% in 1H 2026 compared to 46.4% in 1H 2025. This was mainly due to lower margins from the precast concrete business.

Interest income of the Group remained roughly the same at $0.3 million in 1H 2025 and 1H 2026 as interest rates for fixed deposits were stable.

Other income of the Group increased from $1.6 million in 1H 2025 to $2.6 million in 1H 2026 mainly due to increase in rental income of $0.7 million.

General and administrative expenses increased $0.9 million from $6.8 million in 1H 2025 to $7.7 million in 1H 2026, mainly due to increase in staff costs of $0.7 million.

Finance costs increased from $0.8 million in 1H 2025 to $1.3 million in 1H 2026 mainly due to increase in borrowings.

Net impairment loss of financial and contract assets decreased from $3.1 million in 1H 2025 to $2.0 million in 1H 2026 due to improvement in customer collections.

Profit before tax of the Group was reported at $9.8 million for 1H 2026, which was $3.1 million higher than the $6.7 million for 1H 2025.

The Group recorded a tax expense of $1.0 million in 1H 2026 (1H 2025: tax expense of $2.4 million) after reviewing its current tax status. The lower tax expense in 1H 2026 was mainly due to recognition of $0.9 million deferred tax assets.

After taking into consideration of the above, the Group recorded profit after tax of $8.8 million in 1H 2026 (1H 2025: $4.3 million).

There was a currency translation gain arising from consolidation of $0.3 million in 1H 2026 (1H 2025: $0.1 million currency translation loss) due to net investments in subsidiary companies operating in foreign countries.

There was a fair value loss on financial assets at fair value through other comprehensive income of $1,000 in 1H 2026 (1H 2025: $2,000 fair value gain).

Total comprehensive income of the Group was recorded at $9.1 million in 1H 2026 (1H 2025: $4.3 million).

Consolidated statement of financial position

Non-current assets increased $7.6 million from $161.7 million as at 31 December 2025 to $169.3 million as at 30 June 2026 mainly due to $5.4 million increase in property, plant and equipment and $0.9 million increase in deferred tax assets.

Current assets increased by $6.9 million from $69.3 million as at 31 Dec 2025 to $76.2 million as at 30 June 2026. Current trade receivables increased $12.9 million mainly due to increase in revenue. Cash and cash equivalents decreased by $3.5 million mainly due to net cash used in investing and financing activities being more than the cash generated from operating activities. Contract assets fell by $1.3 million due to completion of performance obligations and subsequent billings to customers. Other receivables fell by $0.4 million mainly due to decrease in sundry debtors. Tax recoverable decreased by $0.3 million due to reduction in tax overpayments. Inventories fell by $0.5 million due to deliveries of goods.

Total assets of the Group increased $14.5 million from $231.0 million as at 31 December 2025 to $245.5 million as at 30 June 2026.

Non-current liabilities decreased by $2.3 million from $80.4 million as at 31 December 2025 to $78.1 million as at 30 June 2026, mainly due to $2.2 million decrease in borrowings as a result of net repayments.

Current liabilities increased by $8.4 million from $52.2 million as at 31 December 2025 to $60.6 million as at 30 June 2026. Current borrowings increased by $3.6 million from $11.0 million as at 31 December 2025 to $14.6 million as at 30 June 2026 due to additional drawdown of borrowings during the period. Trade payables increased by $4.0 million mainly due to cash flow management. Other payables rose by $1.6 million, from $13.7 million to $15.3 million, due to slow down in payments to sundry creditors. Contract liabilities decreased by $0.2 million during the period. Tax payables decreased by $0.5 million during the period due to payments to tax authorities.

Total liabilities of the Group increased $6.2 million from $132.5 million as at 31 December 2025 to $138.7 million as at 30 June 2026.

The net assets of the Group recorded as at 30 June 2026 were $106.8 million, an increase of $8.3 million from $98.5 million as at 31 December 2025, due to $9.1 million comprehensive income earned in 1H 2026 less dividends paid of $0.8 million.

Consolidated statement of cash flows

The Group generated net cash of $9.0 million from its operating activities in 1H 2026.

It used $10.8 million in investing activities mainly for purchase of property, plant and equipment.

It used $2.5 million in financing activities mainly due to repayment of borrowings and payment of interest.

Overall, the Group recorded a net decrease in cash and cash equivalents of $4.3 million in 1H 2026, and the cash and cash equivalents stood at $4.0 million as at 30 June 2026.

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

The Group's actual results are in line with the commentary of the Group's previous results announcement (2025 full year financial statements announcement) released on 28 February 2026.

20. 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 operating period and the next 12 months.

The demand in the Singapore construction industry is expected to remain strong. The Group shall continue its strategy of tendering for projects with prices that are expected to yield higher margins while managing its cost.

21. Interested person transactions

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

There were no interested person transactions for the six-month period ended 30 June 2026.

22. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format as set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

23. 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, hereby confirm that, 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 statements for the six-month period ended 30 June 2026 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

MR BENJAMIN AW CHI-KEN
Executive Deputy Chairman and Chief Executive Officer

MS ELICIA AW YING YING
Executive Director

Singapore
14 August 2026