HG METAL MANUFACTURING LIMITED

(Company Registration No. 198802660D)

Condensed Interim Financial Statements
for the Six Months and Full Year Ended 30 September 2026

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HG METAL MANUFACTURING LIMITED

(Company Registration No. 198802660D)

Condensed Interim Financial Statements for the Six Months and Full Year Ended 30 September 2026

Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group			Group		
		6 months ended 30 September 2026	6 months ended 30 September 2025	%	12 months ended 30 September 2026	9 months ended 30 September 2025	%
		S$'000	S$'000	(+/-)	S$'000	S$'000	(+/-)
Revenue	7	**80,404**	**89,500**	**(10)**	**161,374**	**130,273**	**24**
Cost of sales		(68,667)	(75,615)	**(9)**	(135,831)	(111,065)	**22**
Gross profit		**11,737**	**13,885**	**(15)**	**25,543**	**19,208**	**33**
Gross margin		**14.6%**	**15.5%**		**15.8%**	**14.7%**	
Other operating income		349	641	(46)	1,601	1,020	57
Selling and distribution costs		(879)	(920)	(4)	(1,709)	(1,316)	30
Administrative expenses		(4,487)	(4,525)	(1)	(9,244)	(6,724)	37
Other operating expenses		(1,630)	(1,994)	(18)	(3,789)	(3,079)	23
Finance costs		(181)	(231)	(22)	(370)	(363)	2
Allowance/(reversal) of impairment loss on financial assets		-	(12)	nm*	27	(12)	nm*
Profit before income tax	8	**4,909**	**6,844**	**(28)**	**12,059**	**8,734**	**38**
Income tax expense	10	(831)	(1,025)	(19)	(1,966)	(1,397)	41
Net Profit for the period		**4,078**	**5,819**	**(30)**	**10,093**	**7,337**	**38**
Profit attributable to:							
Owners of the Company		4,078	5,819	(30)	10,093	7,337	38
		4,078	**5,819**	**(30)**	**10,093**	**7,337**	**38**
Other comprehensive income:							
Item that may be reclassified subsequently to profit or loss :							
Foreign currency translation		(20)	(130)	(85)	18	(136)	nm*
Other comprehensive income for the period, net of tax		**(20)**	**(130)**	**(85)**	**18**	**(136)**	**nm***
Total comprehensive income for the period		**4,058**	**5,689**	**(29)**	**10,111**	**7,201**	**40**
Total comprehensive income attributable to:							
Owners of the Company		4,058	5,689	(29)	10,111	7,201	40
		4,058	**5,689**	**(29)**	**10,111**	**7,201**	**40**
Earnings per ordinary share:							
Basic (cents)							
Earnings per ordinary share	11	1.48	2.12		3.67	2.67	
Diluted (cents)							
Earnings per ordinary share	11	1.48	2.12		3.67	2.67	

*nm denotes not meaningful

Condensed interim statements of financial position

	Note	Group		Company	
		30 September 2026	30 September 2025	30 September 2026	30 September 2025
		S$'000	S$'000	S$'000	S$'000
Non-current assets					
Property, plant and equipment	12	16,191	17,363	3,685	3,997
Right-of-use assets		5,060	5,201	59	-
Intangible assets	13	335	290	148	161
Investment in subsidiaries		-	-	12,366	13,028
Investment securities		251	253	251	253
Investment in unquoted equity shares		5,701	-	-	-
Restricted deposits		142	142	-	-
		27,680	23,249	16,509	17,439
Current assets					
Investment securities		2	2	2	2
Cash and cash equivalents		78,034	68,547	59,833	55,635
Fixed deposits pledged with banks		4,000	16,325	-	12,325
Inventories		5,366	9,769	1,066	2,041
Trade and other receivables	14	64,790	57,056	42,842	36,004
Prepaid expenses		1,252	378	93	178
Derivative financial instrument*	17	6	-	-	-
		153,450	152,077	103,836	106,185
Total assets		181,130	175,326	120,345	123,624
Current liabilities					
Lease liabilities	18	502	582	11	-
Trade and other payables	15	8,825	7,839	11,856	16,329
Bank borrowings	18	762	1,198	-	36
Provision for income tax		2,010	1,428	-	-
Derivative financial instrument*	17	-	369	-	261
		12,099	11,416	11,867	16,626
Non-current liabilities					
Lease liabilities	18	4,428	4,346	51	-
Bank borrowings	18	3,108	3,881	-	-
Deferred tax liabilities		655	623	-	-
Provision for reinstatement costs		1,362	1,572	-	-
		9,553	10,422	51	-
Total liabilities		21,652	21,838	11,918	16,626
Net assets		159,478	153,488	108,427	106,998
Equity attributable to owners of the Company					
Share capital	20	109,882	109,882	109,882	109,882
Treasury shares		(3,034)	(3,034)	(3,034)	(3,034)
Other reserves		2,768	2,750	2,527	2,527
Accumulated profits/(losses)		49,861	43,889	(948)	(2,377)
		159,477	153,487	108,427	106,998
Non-controlling interests		1	1	-	-
Total equity		159,478	153,488	108,427	106,998
Total equity and liabilities		181,130	175,326	120,345	123,624

*The derivative financial instrument relate to fair value adjustments of forward currency contracts entered into by the Group to hedge foreign currency exposure on the Group's sales and purchases.

Condensed interim statements of changes in equity

	Attributable to owners of the Company								
Group	Share capital	Treasury shares	Capital reserve	Premium paid on acquisition of non-controlling interest	Foreign currency translation reserve	Accumulated profits	Total	Non-controlling interests	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
At 1 October 2025	109,882	(3,034)	2,527	(212)	435	43,889	153,487	1	153,488
Profit for the year	-	-	-	-	-	10,093	10,093	-	10,093
Other comprehensive income									
Foreign currency translation	-	-	-	-	18	-	18	-	18
Other comprehensive income for the year, net of tax	-	-	-	-	18	-	18	-	18
Total comprehensive income for the year	-	-	-	-	18	10,093	10,111	-	10,111
Contribution by and distributions to owners									
Dividend on ordinary shares	-	-	-	-	-	(4,121)	(4,121)	-	(4,121)
Total contribution by and distributions to owners	-	-	-	-	-	(4,121)	(4,121)	-	(4,121)
Total transactions with owners in their capacity as owners	-	-	-	-	-	(4,121)	(4,121)	-	(4,121)
At 30 September 2026	109,882	(3,034)	2,527	(212)	453	49,861	159,477	1	159,478

Condensed interim statements of changes in equity (cont'd)

	Attributable to owners of the Company								
Group	Share capital	Treasury shares	Capital reserve	Premium paid on acquisition of non-controlling interest	Foreign currency translation reserve	Accumulated profits	Total	Non-controlling interests	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
At 1 January 2025	109,882	(3,034)	2,527	(212)	571	36,552	146,286	1	146,287
Profit for the period	-	-	-	-	-	7,337	7,337	-	7,337
Other comprehensive income									
Foreign currency translation	-	-	-	-	(136)	-	(136)	-	(136)
Other comprehensive income for the period, net of tax	-	-	-	-	(136)	-	(136)	-	(136)
Total comprehensive income for the period	-	-	-	-	(136)	7,337	7,201	-	7,201
At 30 September 2025	109,882	(3,034)	2,527	(212)	435	43,889	153,487	1	153,488

Condensed interim statements of changes in equity (cont'd)

Company	Share capital	Treasury shares	Capital reserve	Accumulated losses	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000
At 1 October 2025	109,882	(3,034)	2,527	(2,377)	106,998
Profit for the year, representing total comprehensive income for the year	-	-	-	5,550	5,550
Contributions by and distributions to owners					
Dividend on ordinary shares	-	-	-	(4,121)	(4,121)
Total transactions by and distributions to owners	-	-	-	(4,121)	(4,121)
Total transactions with owners in their capacity as owners	-	-	-	(4,121)	(4,121)
At 30 September 2026	109,882	(3,034)	2,527	(948)	108,427
At 1 January 2025	109,882	(3,034)	2,527	(6,528)	102,847
Profit for the period, representing total comprehensive income for the period	-	-	-	4,151	4,151
At 30 September 2025	109,882	(3,034)	2,527	(2,377)	106,998

Condensed interim consolidated statement of cash flows

	Group	
	12 months ended 30 September 2026	9 months ended 30 September 2025
	S$'000	S$'000
Cash flows from operating activities		
Profit before income tax	12,059	8,734
Adjustments for:		
Depreciation of property, plant and equipment	1,772	1,355
Depreciation of right-of-use assets	811	705
Amortisation of intangible assets	55	32
Gain on disposal of property, plant and equipment	(40)	-
Gain on temination of lease	-	(30)
Write down of inventories	117	113
(Reversal)/allowance of impairment loss on financial assets	(27)	12
Fair value (gain)/loss on derivatives, net	(375)	364
Finance costs	370	363
Interest income	(465)	(834)
Unrealised foreign exchange loss/(gain), net	3	(235)
Operating cash flow before changes in working capital	14,280	10,579
Working capital changes:		
Inventories	4,286	2,041
Trade and other receivables	(6,790)	4,247
Prepaid expenses	(874)	(152)
Trade and other payables	679	(89)
Cash generated from operations	11,581	16,626
Interest income received	590	857
Interest expense paid	(370)	(363)
Income tax paid	(1,352)	(1,452)
Net cash flows generated from operating activities	10,449	15,668
Cash flows from investing activities		
Purchase of unquoted equity shares	(5,701)	-
Fixed deposit pledged with banks	12,325	-
Proceeds from disposal of property, plant and equipment	40	24
Purchase of property, plant and equipment	(526)	(375)
Purchase of intangible assets	(69)	(136)
Deposits for capital commitment	(1,040)	-
Net cash flows generated from/(used in) investing activities	5,029	(487)
Cash flows from financing activities		
Dividends paid on ordinary shares of the Company	(4,121)	-
Repayment of bank borrowings	(1,209)	(1,582)
Principal element of lease payments	(668)	(538)
Net cash flows used in financing activities	(5,998)	(2,120)
Net increase in cash and cash equivalents	9,480	13,061
Effects on exchange rate changes on cash and cash equivalents	7	99
Cash and cash equivalents at beginning of financial year/period	68,547	55,387
Cash and cash equivalents at end of financial year/period	78,034	68,547

Selected notes to the condensed interim consolidated financial statements

1. Corporate information

HG Metal Manufacturing Limited (the "Company") is a public limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange. The immediate and ultimate holding company is Green Esteel Pte. Ltd. ("Esteel"), a company incorporated and domiciled in Singapore.

The principal activities of the Company are the business of trading of steel products and investment holding.

The principal activities of the subsidiaries are the business of manufacturing and supply of steel materials to the construction industry.

2. Change in financial year end and comparability of results

The Company changed its financial year end from 31 December to 30 September in the previous financial period. Accordingly, the financial period ended 30 September 2025 comprised a nine-month period from 1 January to 30 September.

The condensed interim consolidated income statement for the six-months and full year ended 30 September 2026 covers the period from 1 April 2026 to 30 September 2026 and 1 October 2025 to 30 September 2026 respectively. The comparative figures for the six months ended 30 September 2025 relate to the period from 1 April 2025 to 30 September 2025 and do not correspond to the immediately preceding financial year.

3. Basis of Preparation

The condensed interim financial statements for the six months and full year ended 30 September 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Committee. 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 interim financial statements for the period ended 31 March 2026.

The condensed interim financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The condensed interim financial statements are presented in Singapore Dollars (S$) which is the Company's functional currency and all values in the tables are rounded to the nearest thousand (S$'000), except when otherwise indicated.

4. Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I), except that in the current financial period, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 October 2025. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

Selected notes to the condensed interim consolidated financial statements (cont'd)

5. Use of judgements and estimates

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 period ended 30 September 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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Allowance for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and to forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 14.

The carrying amount of trade receivables as at 30 September 2026 was S$53,828,000 (30 September 2025: S$49,787,000) respectively.

(b) Allowance for slow-moving and obsolete inventories

A review of the realisable value of the inventories is performed periodically for slow-moving, obsolete, and inventories which have a decline in net realisable value below cost. An allowance is recorded against the inventory balance for any such declines. These reviews require management to estimate future market demand for the products, pricing competitions, environmental regulations requirements and age of the inventories. Possible changes in these estimates could result in revisions to the valuation of inventories.

Selected notes to the condensed interim consolidated financial statements (cont'd)

5. Use of judgements and estimates (cont'd)

(b) Allowance for slow-moving and obsolete inventories (cont'd)

The carrying amount of the inventories as at 30 September 2026 was S$5,366,000 (30 September 2025: S$9,769,000). Included in the carrying amount of the inventories is an allowance of write-down of inventory of S$670,000 (30 September 2025: S$692,000).

(c) The fair value assessment in the investment in Eden Flame

The Group estimates the fair value of the investment in Eden Flame with reference to the recent transaction price, which is considered to be a reasonable approximation of fair value. In making this assessment, recency of the transaction in December 2025, the absence of an observable market price for the unquoted investment and whether there have been any significant changes in circumstances since the date of investment are considered. The determination of whether the transaction price remains representative of fair value requires significant judgement.

6. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

(i) The trading segment is a supplier of steel products and includes the holding of investments in subsidiaries in the business of steel distribution and provision of industrial steel services.

(ii) The manufacturing segment produces construction steel products and provides related engineering services.

(iii) Others include those which do not fall in trading and manufacturing segment.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of their business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Selected notes to the condensed interim consolidated financial statements (cont'd)

6. Segment information (cont'd)

	Trading	Manufacturing	Others	Adjustment/ elimination	Group
	S$'000	S$'000	S$'000	S$'000	S$'000
1 April 2026 to 30 September 2026					
Revenue					
Sales to external customers	2,812	77,592	-	-	80,404
Inter-segment sales	10,381	7	-	(10,388)	-
Total	13,193	77,599	-	(10,388)	80,404
Results					
Other income	1,653	2,155	19	(3,748)	79
Dividend income	5,464	-	3,150	(8,614)	-
Interest income	486	27	5	(309)	209
Gain from disposal property, plant and equipment	40	-	-	-	40
Fair value gain from derivatives	17	4	-	-	21
Write back of inventories	33	1	-	-	34
Interest expense	(1)	(489)	-	309	(181)
Depreciation and amortisation of assets	(156)	(749)	(2)	-	(907)
Depreciation of right-of-use assets	(7)	(380)	-	-	(387)
Segment profit/(loss)	4,792	4,812	3,151	(7,846)	4,909
Income tax expense					(831)
Profit for the period					4,078
Assets and liabilities					
*Additions to non-current assets	5	935	-	-	940
Segment assets	120,346	116,410	15,893	(71,519)	181,130
Segment liabilities	11,918	51,209	11,197	(55,337)	18,987
Tax payable					2,010
Deferred tax liabilities					655
Total liabilities					21,652

Selected notes to the condensed interim consolidated financial statements (cont'd)

6. Segment information (cont'd)

	Trading	Manufacturing	Others	Adjustment/ elimination	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
1 April 2025 to 30 September 2025					
Revenue					
Sales to external customers	3,386	86,114	-	-	89,500
Inter-segment sales	9,130	1,671	-	(10,801)	-
Total	12,516	87,785	-	(10,801)	89,500
Results					
Other income	1,479	2,525	18	(3,898)	124
Dividend income	4,894	-	-	(4,894)	-
Government grant income	6	3	-	-	9
Interest income	859	41	5	(397)	508
Gain from disposal property, plant and equipment	12	-	-	(12)	-
Fair value loss from derivatives	(102)	(76)	-	-	(178)
(Write-down)/write back of inventories	(123)	10	-	-	(113)
Interest expense	(3)	(625)	-	397	(231)
Depreciation and amortisation of assets	(171)	(748)	(3)	-	(922)
Depreciation of right-of-use assets	(9)	(462)	-	-	(471)
Segment profit/(loss)	4,424	7,137	1,292	(6,009)	6,844
Income tax expense					(1,025)
Profit for the period					5,819
Assets and liabilities					
*Additions to non-current assets	158	213	-	(17)	354
Segment assets	123,624	110,189	11,933	(70,420)	175,326
Segment liabilities	16,625	51,803	4,929	(53,570)	19,787
Tax payable					1,428
Deferred tax liabilities					623
Total liabilities					21,838

*Addition to non-current assets comprise property, plant and equipment, right-of-use assets and intangible assets.

Selected notes to the condensed interim consolidated financial statements (cont'd)

6. Segment information (cont'd)

	Trading	Manufacturing	Others	Adjustment/ elimination	Group
	S$'000	S$'000	S$'000	S$'000	S$'000
1 October 2025 to 30 September 2026					
Revenue					
Sales to external customers	5,557	155,817	-	-	161,374
Inter-segment sales	38,734	114	-	(38,848)	-
Total	44,291	155,931	-	(38,848)	161,374
Results					
Other income	4,073	5,169	38	(8,559)	721
Dividend income	5,464	-	3,150	(8,614)	-
Interest income	934	58	9	(536)	465
Gain from disposal property, plant and equipment	40	-	-	-	40
Fair value gain from derivatives	262	113	-	-	375
(Write down)/write back of inventories	(118)	1	-	-	(117)
Interest expense	(2)	(904)	-	536	(370)
Depreciation and amortisation of assets	(331)	(1,491)	(5)	-	(1,827)
Depreciation of right-of-use assets	(14)	(797)	-	-	(811)
Segment profit/(loss)	5,550	11,304	3,150	(7,945)	12,059
Income tax expense					(1,966)
Profit for the year					10,093
Assets and liabilities					
*Additions to non-current assets	79	1,283	-	-	1,362
Segment assets	120,346	116,410	15,893	(71,519)	181,130
Segment liabilities	11,918	51,209	11,197	(55,337)	18,987
Tax payable					2,010
Deferred tax liabilities					655
Total liabilities					21,652

Selected notes to the condensed interim consolidated financial statements (cont'd)

6. Segment information (cont'd)

	Trading	Manufacturing	Others	Adjustment/ elimination	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
1 January 2025 to 30 September 2025					
Revenue					
Sales to external customers	5,707	124,566	-	-	130,273
Inter-segment sales	36,583	2,554	-	(39,137)	-
Total	42,290	127,120	-	(39,137)	130,273
Results					
Other income	2,288	3,791	27	(5,933)	173
Dividend income	4,894	-	-	(4,894)	-
Government grant income	6	7	-	-	13
Interest income	1,189	66	7	(428)	834
Gain from disposal property, plant and equipment	12	-	-	(12)	-
Fair value loss from derivatives	(248)	(116)	-	-	(364)
(Write-down)/write back of inventories	(123)	10	-	-	(113)
Interest expense	(5)	(786)	-	428	(363)
Depreciation and amortisation of assets	(260)	(1,123)	(4)	-	(1,387)
Depreciation of right-of-use assets	(14)	(691)	-	-	(705)
Segment profit/(loss)	4,151	9,300	1,292	(6,009)	8,734
Income tax expense					(1,397)
Profit for the period					7,337
Assets and liabilities					
*Additions to non-current assets	163	723	-	(17)	869
Segment assets	123,624	110,189	11,933	(70,420)	175,326
Segment liabilities	16,625	51,803	4,929	(53,570)	19,787
Tax payable					1,428
Deferred tax liabilities					623
Total liabilities					21,838

*Addition to non-current assets comprise property, plant and equipment, right-of-use assets and intangible assets.

Selected notes to the condensed interim consolidated financial statements (cont'd)

7. Disaggregation of revenue

	Group		
	6 months ended 30 September 2026		
	Trading	**Manufacturing**	**Group**
	S$'000	S$'000	S$'000
Sales of goods (at a point in time)	2,016	9,238	11,254
Cut & bend (at a point in time)	-	68,354	68,354
Rental of steel plates (over time)	796	-	796
Total Revenue	2,812	77,592	80,404

	Group		
	6 months ended 30 September 2025		
	Trading	**Manufacturing**	**Group**
	S$'000	S$'000	S$'000
Sales of goods (at a point in time)	2,332	8,943	11,275
Cut & bend (at a point in time)	-	77,171	77,171
Rental of steel plates (over time)	1,054	-	1,054
Total Revenue	3,386	86,114	89,500

	Group		
	12 months ended 30 September 2026		
	Trading	**Manufacturing**	**Group**
	S$'000	S$'000	S$'000
Sales of goods (at a point in time)	3,694	17,164	20,858
Cut & bend (at a point in time)	-	138,653	138,653
Rental of steel plates (over time)	1,863	-	1,863
Total Revenue	5,557	155,817	161,374

	Group		
	9 months ended 30 September 2025		
	Trading	**Manufacturing**	**Group**
	S$'000	S$'000	S$'000
Sales of goods (at a point in time)	4,237	11,922	16,159
Cut & bend (at a point in time)	-	112,644	112,644
Rental of steel plates (over time)	1,470	-	1,470
Total Revenue	5,707	124,566	130,273

Selected notes to the condensed interim consolidated financial statements (cont'd)

8. Profit before income tax

Profit before tax is arrived at after crediting/(charging) the following:	Group		Group	
	6 months ended 30 September 2026	6 months ended 30 September 2025	12 months ended 30 September 2026	9 months ended 30 September 2025
	S$'000	S$'000	S$'000	S$'000
(Allowance)/reversal of impairment loss on financial assets	-	(12)	27	(12)
Amortisation of intangible assets	(25)	(24)	(55)	(32)
Depreciation of property, plant and equipment	(882)	(898)	(1,772)	(1,355)
Depreciation of right-of-use assets	(387)	(471)	(811)	(705)
Fair value gain/(loss) on derivatives, net	21	(178)	375	(364)
Foreign exchange (loss)/gain, net	(39)	(59)	36	(183)
Finance costs	(181)	(231)	(370)	(363)
Gain on disposal of property, plant and equipment	40	-	40	-
Gain on termination of right-of-use assets	-	30	-	30
Interest income	209	508	465	834
Write back/(write down) of inventories	34	(113)	(117)	(113)

9. Related companies and related parties transactions

The following are significant transactions between the Company and its related companies on rates and terms agreed between the parties during the financial year/period:

	Company	
	12 months ended 30 September 2026	9 months ended 30 September 2025
	S$'000	S$'000
With subsidiaries		
Sales	38,734	36,583
Dividend income	-	4,894
Management fee income	3,548	1,646
Interest income	536	428
Other income	499	616
Rental expenses	(917)	(827)
Other expenses	(42)	(70)

Selected notes to the condensed interim consolidated financial statements (cont'd)

9. Related companies and related parties transactions (cont'd)

	Group		Company	
	12 months ended 30 September 2026	9 months ended 30 September 2025	12 months ended 30 September 2026	9 months ended 30 September 2025
	S$'000	S$'000	S$'000	S$'000
With a fellow subsidiary of the Company				
Sales	166	472	-	-
Purchases	(98,120)	(55,657)	(31,940)	(3,690)
Other charges	(1,241)	(120)	(461)	(28)
Subscription of class B preference shares	(5,701)	-	-	-

10. Income tax expense

The Group calculates the 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:

	Group			
	6 months ended 30 September 2026	6 months ended 30 September 2025	12 months ended 30 September 2026	9 months ended 30 September 2025
	S$'000	S$'000	S$'000	S$'000
Current income tax expense				
Current financial year	853	1,097	1,988	1,469
Over provision in respect of prior year	(54)	(124)	(54)	(124)
	799	**973**	**1,934**	**1,345**
Deferred income tax expense relating to origination and reversal of temporary differences				
Current financial year	30	46	30	46
Under provision in respect of prior year	2	6	2	6
	32	**52**	**32**	**52**
Total income tax expense recognised in the statement of comprehensive income	**831**	**1,025**	**1,966**	**1,397**

Selected notes to the condensed interim consolidated financial statements (cont'd)

11. Earnings per share

	Group			
	6 months ended 30 September 2026	6 months ended 30 September 2025	12 months ended 30 September 2026	9 months ended 30 September 2025
Earnings per ordinary share:				
Basic (cents)	1.48	2.12	3.67	2.67
Diluted (cents)	1.48	2.12	3.67	2.67

Earnings per share were calculated based on weighted average number of shares of 274,740,678 for the year/period ended 30 September 2026 and 30 September 2025.

Diluted earnings per share were calculated based on adjusted weighted average number of shares during the year/period. There was no dilution in earnings per ordinary share this financial year and the comparative last financial period.

Selected notes to the condensed interim consolidated financial statements (cont'd)

12. Property, plant and equipment

	Group									
	Freehold land S$'000	Buildings S$'000	Leasehold buildings S$'000	Plant and machinery S$'000	Furniture and fittings S$'000	Office equipment S$'000	Renovation S$'000	Motor vehicles S$'000	Construction in progress S$'000	Total S$'000
Cost										
At 1 January 2025	183	241	19,410	20,775	338	552	70	2,392	16	43,977
Additions	-	-	5	211	-	15	-	131	-	362
Exchange difference	1	1	-	-	-	-	-	-	-	2
At 30 September 2025 and 1 October 2025	184	242	19,415	20,986	338	567	70	2,523	16	44,341
Additions	-	-	-	403	-	2	-	187	-	592
Disposal	-	-	-	-	-	-	-	(234)	-	(234)
Reclassifications	-	-	-	16	-	-	-	-	(16)	-
Exchange differences	4	6	-	-	-	-	-	-	-	10
At 30 September 2026	188	248	19,415	21,405	338	569	70	2,476	-	44,709
Accumulated depreciation										
At 1 January 2025	-	77	9,728	13,024	308	484	48	1,954	-	25,623
Charge for the period	-	4	498	735	9	30	11	68	-	1,355
At 30 September 2025 and 1 October 2025	-	81	10,226	13,759	317	514	59	2,022	-	26,978
Charge for the year	-	5	666	937	10	35	10	109	-	1,772
Disposal	-	-	-	-	-	-	-	(234)	-	(234)
Exchange differences	-	2	-	-	-	-	-	-	-	2
At 30 September 2026	-	88	10,892	14,696	327	549	69	1,897	-	28,518
Net carrying amount										
At 30 September 2025	184	161	9,189	7,227	21	53	11	501	16	17,363
At 30 September 2026	188	160	8,523	6,709	11	20	1	579	-	16,191

During the financial year ended 30 September 2026, the Group acquired property, plant and equipment with aggregate cost S$592,000 (30 September 2025: S$362,000).

Selected notes to the condensed interim consolidated financial statements (cont'd)

13. Intangible assets

	Group		
	Computer software S$'000	Club membership S$'000	Total S$'000
Cost			
At 1 January 2025	1,110	143	1,253
Additions	136	-	136
At 30 September 2025 and 1 October 2025	1,246	143	1,389
Additions	100	-	100
At 30 September 2026	1,346	143	1,489
Accumulated amortisation			
At 1 January 2025	1,067	-	1,067
Amortisation	32	-	32
At 30 September 2025 and 1 October 2025	1,099	-	1,099
Amortisation	55	-	55
At 30 September 2026	1,154	-	1,154
Net carrying amount			
At 30 September 2025	147	143	290
At 30 September 2026	192	143	335

Selected notes to the condensed interim consolidated financial statements (cont'd)

14. Trade and other receivables

	Group	
	30 September 2026	30 September 2025
	S$'000	S$'000
Trade receivables	55,460	51,446
Allowance for expected credit loss	(1,632)	(1,659)
Total trade receivables	53,828	49,787
Advances to suppliers for purchase of inventories	9,614	7,047
Deposits	1,290	220
Third parties	58	2
Total other receivables	10,962	7,269
Total trade and other receivables	64,790	57,056

Trade receivables are non-interest bearing and are generally on 30 to 90 days' credit terms. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

Expected credit losses

Receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

Movement in allowance accounts (trade receivables)

	Group	
	12 months ended 30 September 2026	9 months ended 30 September 2025
	S$'000	S$'000
At beginning of the year/period	1,659	1,647
(Reversal of allowance)/allowance for expected credit loss	(27)	12
At end of year/period	1,632	1,659

Selected notes to the condensed interim consolidated financial statements (cont'd)

14. Trade and other receivables (cont'd)

Movement in allowance accounts (other receivables)

	Group	
	12 months ended 30 September 2026	9 months ended 30 September 2025
	S$'000	S$'000
At beginning of the year/period	-	4
Write off during the year/period	-	(4)
At end of year/period	-	-

Credit risk of trade receivables

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance with days past due by grouping of customers based on geographical region. The expected credit losses below also incorporate forward-looking information such as forecast of economic conditions where the gross domestic product will deteriorate over the next year, leading to an increased number of defaults.

Summarised below is the information about the credit risk exposure on the Group's trade receivables using provision matrix, grouped by geographical region:

	Trade receivables					
	Current	Less than 3 months past due	3 months to 6 months past due	6 months to 12 months past due	More than 12 months past due	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Singapore:						
30 September 2026						
Gross amount	22,179	25,860	5,418	371	1,632	55,460
Loss allowance provision	-	-	-	-	(1,632)	(1,632)
	22,179	25,860	5,418	371	-	53,828
30 September 2025						
Gross amount	22,856	25,122	738	200	2,530	51,446
Loss allowance provision	-	-	-	-	(1,659)	(1,659)
	22,856	25,122	738	200	871	49,787

Selected notes to the condensed interim consolidated financial statements (cont'd)

15. Trade and other payables

	Group	
	30 September 2026	30 September 2025
	S$'000	S$'000
Trade payables	3,058	1,992
Advances from customer (contract liability)	194	-
Other payables:		
Deposits from customers	192	44
Accrued operating expenses	4,157	3,747
GST payables	180	1,029
Other payables	1,044	1,027
Total trade and other payables	8,825	7,839

Trade payables are non-interest bearing and are normally settled on 30 to 90 days' term.

Deposits from customers are unsecured and refundable upon the fulfilment of the contractual obligations.

Other payables, excluding GST payables, are unsecured, interest-free, repayable on demand and expected to be settled in cash.

Selected notes to the condensed interim consolidated financial statements (cont'd)

16. Financial instruments

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 30 September 2026 and 30 September 2025.

	Group		
	Fair value through other comprehensive income S$'000	Fair value through profit and loss S$'000	Assets/liabilities at amortised cost S$'000
30 September 2026			
Financial assets			
Trade and other receivables*	-	-	55,176
Bank balances and fixed deposits	-	-	82,176
Investment securities	-	-	253
Investment in unquoted equity shares	5,701	-	-
Derivative financial instrument	-	6	-
Total	5,701	6	137,605
Financial liabilities			
Trade and other payables**	-	-	8,443
Bank borrowings	-	-	3,870
Total	-	-	12,313
30 September 2025			
Financial assets			
Trade and other receivables*	-	-	50,009
Bank balances and fixed deposits	-	-	85,014
Investment securities	-	-	255
Total	-	-	135,278
Financial liabilities			
Trade and other payables**	-	-	6,582
Bank borrowings	-	-	5,079
Derivative financial instruments	-	369	-
Total	-	369	11,661

Selected notes to the condensed interim consolidated financial statements (cont'd)

16. Financial instruments (cont'd)

	Company	
	Fair value through profit and loss S$'000	Assets/liabilities at amortised cost S$'000
30 September 2026		
Financial assets		
Trade and other receivables*	-	42,701
Bank balances and fixed deposits	-	59,833
Investment securities	-	253
Total	-	102,787
Financial liabilities		
Trade and other payables**	-	11,601
Total	-	11,601
30 September 2025		
Financial assets		
Trade and other receivables*	-	36,004
Bank balances and fixed deposits	-	67,960
Investment securities	-	255
Total	-	104,219
Financial liabilities		
Trade and other payables**	-	16,156
Bank borrowings	-	36
Derivative financial instrument	261	-
Total	261	16,192

* Excludes advances to suppliers for purchase of inventories

** Excludes GST payables and provision for unutilised leave

Selected notes to the condensed interim consolidated financial statements (cont'd)

17. Financial instruments carried on fair value

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

-Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

-Level 2 - Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

-Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There were no transfers between the levels of fair value measurements during the financial year.

	Group		
	30 September 2026		
	Significant observable inputs other than quoted (Level 2) S$'000	Unobservable inputs for the asset or liability (Level 3) S$'000	Total fair value S$'000
Financial assets			
Investment in unquoted equity shares	-	5,701	5,701
Derivative financial instrument - Forward Currency contracts	6	-	6
	6	5,701	5,707

	Group		
	30 September 2025		
	Significant observable inputs other than quoted (Level 2) S$'000	Unobservable inputs for the asset or liability (Level 3) S$'000	Total fair value S$'000
Financial liability			
Derivative financial instrument - Forward Currency contracts	(369)	-	(369)
	(369)	-	(369)

Selected notes to the condensed interim consolidated financial statements (cont'd)

18. Borrowings

	Group				Company			
	30 September 2026		30 September 2025		30 September 2026		30 September 2025	
	Secured* S$'000	Lease liabilities S$'000	Secured* S$'000	Lease liabilities S$'000	Secured* S$'000	Lease liabilities S$'000	Secured* S$'000	Lease liabilities S$'000
Repayable within one year	762	502	1,198	582	-	11	36	-
Repayable after one year	3,108	4,428	3,881	4,346	-	51	-	-
Total	3,870	4,930	5,079	4,928	-	62	36	-

*The bank loans are secured by fixed charge over fixed deposits and investment in bonds that are pledged to banks, as well as mortgage over certain leasehold properties of the Group.

19. Contingent liabilities

Guarantees

(i) Intra-group financial guarantees comprise corporate guarantees granted by the Company to banks in respect of banking facilities amounting to $21,300,000 to secure banking facilities provided to certain subsidiaries. The financial guarantees will expire when the loans have been paid and discharged and/or when the banking facilities are no longer available to the subsidiaries.

The principal risk to which the Company is exposed is credit risk in connection with the guarantee contracts it has issued. The credit risk represents the loss that would be recognised upon a default by the subsidiaries for which, the guarantees were given on behalf of.

(ii) As requested by a customer, the Group has provided performance bond of S$142,000 as security deposits to guarantee satisfactory supply and delivery of goods. The performance bond remains in full force until 31 January 2029. As at the end of the reporting period, no liability is expected to arise.

Selected notes to the condensed interim consolidated financial statements (cont'd)

20. Share capital and treasury shares

20.1 Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share capital	FY2026 S$'000	FP2025 S$'000
At 1 October 2025/1 January 2025	109,882	109,882
At 30 September 2026/30 September 2025	109,882	109,882

Total number of issued shares	FY2026	FP2025
At 1 October 2025/1 January 2025	280,055,008	280,055,008
At 30 September 2026/30 September 2025	280,055,008	280,055,008
Treasury shares	(5,314,330)	(5,314,330)
Total number of issued shares excluding treasury shares	274,740,678	274,740,678

	30 September 2026	30 September 2025
Number of issued shares (excluding treasury shares)	274,740,678	274,740,678
Number of treasury shares	5,314,330	5,314,330
Percentage of number of treasury shares against the total number of issued shares (excluding treasury shares and subsidiary holdings)	1.93%	1.93%

There were no sales, transfers, disposal, cancellation and/or use of treasury shares in FY2026 (FP2025: Nil).

Selected notes to the condensed interim consolidated financial statements (cont'd)

20. Share capital and treasury shares (cont'd)

The table below sets out the cumulative utilisation of the net proceeds raised by the Company from the share placements and rights issue, up to the date of the Company's latest announcement on 26 October 2026;

Date of share placement/ rights issue	Use of net proceeds	Amount of Net Proceeds S$'000[1]	Amount utilised as at the date of this announcement S$'000	Balance Net Proceeds as at the date of this announcement S$'000[2]
19-Sept-2023	General Working Capital	6,890	6,466[3]	424
28-Jun-24 & 15-Aug-24	Capital Expenditure & Business Expansion, General Working Capital [4]	13,052	6,526	6,526
16-Dec-2024	General Working Capital, Business Expansion, Investment & Acquisition[5]	19,436	11,702	7,734
	Total	**39,378**	**24,694**	**14,684**

Notes:

[1]Amounts are net of expenses incurred for the share placement(s)/rights issue.

[2]Extracted from the Company's announcement dated 26 October 2026 being the latest update on the Company's use of proceeds from the share placements and rights issues. There has been no further utilisation of the proceeds since that date. Accordingly, the unutilised balance remained unchanged.

[3]General working capital consists of purely trade payment for purchase of inventory.

[4]As previously disclosed, 50% of the net proceeds from the share placement of S$13.05 million was allocated for capital expenditure and business expansion, while the remaining 50% was allocated for general working capital purposes. As at the date of this announcement, the amount allocated for capital expenditure and business expansion has been fully utilised. The amount was utilised to fund the acquisition of the property located at 47 Tuas View Circuit, Singapore 637357 in accordance with the intended use of proceeds previously disclosed to shareholders.

[5]As previously disclosed, approximately 25%-30% of the net proceeds from the rights issue was allocated to support the Company's core business expansion, 35%-40% for general working capital purposes, and the remaining 30%–40% for strategic investments and/or acquisitions. As at the date of this announcement, the utilisation of the Rights Issue proceeds for the respective purposes is set out in the table below and is in accordance with the allocations and limits stipulated in the Offer Information Statement.

Selected notes to the condensed interim consolidated financial statements (cont'd)

20. Share capital and treasury shares (cont'd)

Use of net proceeds	Percentage of net proceeds allocated %	Aggregate amount utilised as at the date of this announcement S$'000	Percentage of net proceeds utilised %	Purpose
General Working Capital	35 - 40	170	0.9	Professional fees and other related expenses incurred in connection with the Green Esteel Pte. Ltd. general offer in 2024
Core business expansion	25 - 30	5,831	30.0	Amount applied towards the acquisition of the property located at 47 Tuas View Circuit, Singapore 637357
Making strategic investment and/or acquisitions	30 - 40	5,701	29.3	Subscription of preference shares in Eden Flame Sdn Bhd
Total	**100**	**11,702**	**60.2**	

20.2 to show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year.

	30 September 2026 S$'000	30 September 2025 S$'000
Share capital	109,882	109,882

	30 September 2026	30 September 2025
Total number of issued shares	280,055,008	280,055,008
Treasury shares	(5,314,330)	(5,314,330)
Total number of issued shares excluding treasury shares	274,740,678	274,740,678

There was no sale, transfer, disposal, cancellation and use of treasury shares during the current financial year ended 30 September 2026.

Selected notes to the condensed interim consolidated financial statements (cont'd)

21. Dividends

	Group	
	12 months ended 30 September 2026	9 months ended 30 September 2025
	S$'000	S$'000
Proposed but not recognised as a liability as at 30 September 2026/30 September 2025:		
Dividend on ordinary shares, subject to shareholders' approval at forthcoming AGM:		
Final tax-exempt (one-tier) dividend of $0.02 per ordinary share in respect of the financial year ended 30 September 2026 (FP2025: $0.015 per ordinary share)	5,495	4,121
Ordinary dividend paid:		
Final dividend in respect of the financial period ended 30 September 2025 approved and paid during financial year	4,121	-

22. Net asset value

	Group		Company	
	As at 30 September 2026	As at 30 September 2025	As at 30 September 2026	As at 30 September 2025
Net asset value per ordinary share (S$)	0.58	0.56	0.39	0.39

23. Seasonality of operations

The Group's businesses are not significantly affected by seasonal or cyclical factor during the current financial year ended 30 September 2026.

24. Subsequent event

On 26 October 2026, the Group's wholly-owned subsidiary, HG Construction Steel Pte Ltd, completed the purchase transaction for the leasehold industrial property at 47 Tuas View Circuit, Singapore 637357 from Hai Leck Engineering (Private) Limited for a purchase consideration of S$20.8 million. The transfer of legal ownership of the property remains in progress.

Other information required by Listing Rule Appendix 7.2

25. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The condensed consolidated statement of financial position of HG Metal Manufacturing Limited and its subsidiaries as at 30 September 2026 and 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 and twelve-month period then ended and certain explanatory notes have not been audited or reviewed.

26. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Financial performance of the Group [2H2026 (6 months ended 30 September 2026) vs 2H2025 (6 months ended 30 September 2025)]

The Group's results for the six months ended 30 September 2026 should be read in the context of the change in financial year end. The comparative six-month period ended 30 September 2025 does not align with the immediately preceding financial year ended 30 September 2025 and is therefore not fully comparable.

Revenue and Gross Profit

The Group recorded revenue of S$80.4 million in 2H2026, representing a decrease of 10% compared to S$89.5 million reported in 2H2025. The year-on-year fall in revenue was primarily attributed to a 10% decline in sales volume.

The Group reported lower gross profit of S$11.7 million in 2H2026, compared to S$13.9 million in 2H2025. The decline in gross profit was mainly driven by a slight decrease in gross profit margin to 14.6% in 2H2026 from 15.5% in 2H2025, resulting from competitive market conditions that exerted pressure on selling prices, coupled with higher average material costs.

Other Operating Income

Other operating income declined to S$0.3 million in 2H2026, from S$0.6 million in 2H2025. The decline was mainly due to the reduction in interest income of S$0.3 million in 2H2026.

Selling and Distribution, Administrative, Other Operating and Finance Expenses

There were no significant changes in selling and distribution, administrative expenses between 2H2026 and 2H2025.

Other information required by Listing Rule Appendix 7.2 (cont'd)

Other operating expenses decreased to S$1.6 million in 2H2026 from S$2.0 million in 2H2025, primarily due to absence of loss on foreign exchange of S$0.2 million, reduction in an allowance of write-down of inventory and other miscellaneous expenses of S$0.2 million.

Total finance costs incurred primarily arose from borrowings for trade financing, bank term loans, and lease obligations associated with property redevelopment. Total finance cost incurred in 2H2026 decreased by 22% compared to 2H2025, mainly due to repayment of bank loans.

Profitability

The Group reported a lower profit before tax of S$4.9 million in 2H2026 compared to S$6.8 million 2H2025. Taxation expense was S$0.8 million in 2H2026 and S$1.0 million in 2H2025, respectively. Consequently, the Group recorded a net profit after tax of S$4.1 million in 2H2026 compared to S$5.8 million in 2H2025.

Financial performance of the Group for FY2026 versus FP2025

Revenue and Gross Profit

The Group recorded revenue of S$161.4 million in FY2026, compared to S$130.3 million in FP2025. The higher revenue was mainly attributable to the twelve-month reporting period in FY2026, compared to the nine-month reporting period in FP2025, following the change of financial year end from 31 December to 30 September in the prior year.

The Group recorded gross profit of S$25.5 million in FY2026, an increase from S$19.2 million in FP2025. Gross profit margin improved marginally to 15.8% in FY2026 from 14.7% in FP2025, primarily due to lower average material costs, which reduced cost of sales. The increase in gross profit was also supported by the longer reporting period of twelve months in FY2026, compared to nine months in FP2025 following the change in financial year end.

Other Operating Income

Other operating income increased to S$1.6 million in FY2026, from S$1.0 million in FP2025, broadly in line with the longer reporting period in FY2026.

Selling and distribution, Administrative, Other Operating and Finance Costs

Total selling and distribution costs increased to S$1.7 million in FY2026 from S$1.3 million in FP2025, in line with higher delivery volumes in FY2026 arising from the twelve-month operations in FY2026, compared to the nine-month operations in FP2025.

Administrative expenses increased to S$9.2 million in FY2026 from S$6.7 million in FP2025 mainly due to higher staff cost associated with the additional three months of operations in FP2025 and increase in bonus provision.

Other operating expenses for FY2026 increased to S$3.8 million, from S$3.1 million in FP2025. The increase was mainly due to the additional three months of operations, partially offset by the absence of loss of S$0.4 million arising from the fair value changes of forward currency contracts and foreign exchange difference in FY2026.

Finance costs remained unchanged at S$0.4 million in both FY2026 and FP2025.

Other information required by Listing Rule Appendix 7.2 (cont'd)

Profitability

The Group recorded a profit before tax of S$12.1 million in FY2026, compared to S$8.7 million in FP2025, mainly due to the longer reporting period in FY2026. After accounting for income tax expense of S$2.0 million in FY2026 and S$1.4 million in FP2025 respectively, the Group achieved a profit after tax of S$10.1 million in FY2026, compared to S$7.3 million in FP2025.

Balance Sheet

The Group's non-current assets increased from S$23.2 million as at 30 September 2025 to S$27.7 million as at 30 September 2026. This increase was mainly driven by investment on unquoted equity shares of S$5.7 million, in relation to the Group's subscription for preference shares in Eden Flame Sdn Bhd, a plant specialising in the manufacture of low carbon electric arc furnace (EAF) steel, as previously announced by the Company in December 2025.

As of 30 September 2026, the Group's inventory on hand reduced to S$5.4 million from S$9.8 million as at 30 September 2025, reflecting the Group's ongoing efforts to optimize its inventory levels.

Trade and other receivables amounted to S$64.8 million as of 30 September 2026 compared to S$57.1 million as at 30 September 2025, mainly attributable to an increase in advance payments to suppliers for purchase of raw materials.

Trade and other payables increased to S$8.8 million as of 30 September 2026, from S$7.8 million as of 30 September 2025 mainly due to suppliers' invoices that remained outstanding at the reporting date but were settled shortly after the financial year end.

Total bank borrowings decreased to S$3.9 million as of 30 September 2026 from S$5.1 million as of 30 September 2025 mainly due to loan repayments during the financial year.

Statement of Cash Flows

The Group generated cash flows from operating activities of S$10.4 million in FY2026. This was due to profits from operations after offset net decrease in working capital, primarily due to an increase in trade and other receivables.

Net cash generated from investing activities for FY2026 amounted to S$5.0 million. This included investment on unquoted equity shares of S$5.7 million, a deposit of S$1.0 million paid for acquisition of an industrial property at 47 Tuas View Circuit and purchase of property, plant and equipment of S$0.5 million after offsetting the release of fixed deposit pledged with a bank of S$12.3 million.

Net cash used in financing activities for FY2026 amounted to S$6.0 million, primarily comprising dividend payments of S$4.1 million, repayments of bank borrowings of S$1.2 million, and principal lease repayments of S$0.7 million.

As at 30 September 2026, the Group's cash and cash equivalents rose to S$78.0 million as compared to S$68.5 million as at 30 September 2025.

Other information required by Listing Rule Appendix 7.2 (cont'd)

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

Not applicable

28. 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

Singapore's economy continued to expand in the third quarter of 2026, supported by manufacturing activity, particularly in the electronics and precision engineering clusters, as well as growth across other key sectors. Based on the Ministry of Trade and Industry's (MTI) advance estimates released on 14 October 2026, GDP grew by 5.4% year-on-year in 3Q 2026, moderating from 6.2% in the preceding quarter. MTI had earlier raised its 2026 GDP growth forecast to 4.5% to 5.5%, supported by stronger-than-expected economic performance and increased global AI-related capital expenditure. Growth however is expected to moderate in 2027, although technology-related sectors, construction and financial services should continue supporting the domestic economy.[1,2,3]

Despite the continued expansion of the domestic economy, the global economic outlook remains subject to considerable uncertainty amid geopolitical tensions, trade policy uncertainties, energy price volatility and inflationary pressures. The International Monetary Fund's October 2026 World Economic Outlook projects global growth of 3.1% in 2026 and 3.4% in 2027.[4] These external developments could affect Singapore's export demand, business investment and operating costs, particularly through fluctuations in energy and commodity prices.

Notwithstanding these external uncertainties, Singapore's construction industry is expected to benefit from a pipeline of public and private sector developments. The sector expanded by 8.8% year-on-year in 3Q 2026.[1] The Building and Construction Authority (BCA) estimates total construction demand at S$47 billion to S$53 billion in 2026, with annual demand projected to remain at S$39 billion to S$46 billion between 2027 and 2030.[5] Government commitments to public housing, healthcare, education and transport infrastructure, alongside private-sector investments, are expected to sustain construction activity.

Within the private sector, residential construction demand is likely to remain more measured amid evolving market conditions and a substantial pipeline of housing supply. According to the Urban Redevelopment Authority's (URA) 3Q 2026 real estate statistics, private residential property prices increased by 1.4% quarter-on-quarter in 3Q 2026, while developers' sales of new private residential units declined to 1,183 units from 2,141 units in 2Q 2026. Approximately 32,800 private residential units could potentially be made available for sale over the next one to two years.[6]

In contrast, commercial and industrial construction is expected to benefit from continued business investment and growing demand for specialised facilities, particularly data centres and advanced manufacturing facilities. Supporting investments in electricity grid expansion of up to S$5.3 billion between 2025 and 2029 under the Energy Market Authority's (EMA) Five-Year Energy Infrastructure Plan are also expected to create additional construction opportunities.[7]

Other information required by Listing Rule Appendix 7.2 (cont'd)

Although domestic construction activity is expected to support market demand in the coming year, intensifying competition among industry players to secure new contracts and maintain order books, together with competitors' capacity expansion, may put pressure on quotation prices and profit margins. Additionally, rising material, energy and manpower costs may further affect the Group's operating margins and profitability. In this regard, the Group will remain prudent in evaluating contract opportunities and pricing quotations, while maintaining cost controls, operational efficiency and disciplined working capital management to support sustainable growth.

Operational Updates

- The Eden Flame facility in Pasir Gudang, in which the Group has a stake, is targeted to commence operations by the end of 2026.

- On 26 October 2026, the Group announced the successful completion of the acquisition of a leasehold industrial property at 47 Tuas View Circuit, Singapore 637357, comprising approximately 24,163.8 sqm of land area. The additional capacity will support the Group's expansion in existing and new business segments by enhancing its steel distribution and processing capabilities, while providing flexibility to pursue opportunities in the broader metal trading and recycling value chain. The acquisition represents an important step in expanding the Group's operational capabilities, broadening its business scope and positioning it to capture future growth opportunities.

- On 23 July 2026, the Group announced that it had, together with two joint-venture partners, submitted a tender called by the National Environment Agency for the development and operation of a metal recovery facility to recover ferrous and non-ferrous metal from incineration bottom ash. The outcome of that tender remains pending.

[1]https://isomer-user-content.by.gov.sg/1004/0dac8b2f-0140-4ccc-a381-173a1e41f371/AdvEst_3Q26.pdf

[2]https://www.meti.gov.sg/newsroom/mti-upgrades-2026-gdp-growth-forecast-to--4-5-to-5-5-per-cent-/

[3]https://www.mas.gov.sg/news/monetary-policy-statements/2026/mas-monetary-policy-statement-14oct26

[4]https://www.imf.org/en/publications/weo/issues/2026/10/13/world-economic-outlook-october-2026

[5]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/

[6]https://www.ura.gov.sg/news/media/pr26-73/

[7]https://www.ema.gov.sg/news-events/news/media-releases/2026/five-year-infrastructure-plan-to-meet-unpredecented-future-demand

Other information required by Listing Rule Appendix 7.2 (cont'd)

29. Dividend

(a) Current financial period reported on

Any dividend recommended for the current financial year reported on?

Yes, the Board has recommended a final dividend in respect of FY2026 as follows:

Name of dividend	Final dividend
Dividend type	Cash
Dividend rate	S$0.02 per ordinary share
Tax Rate	Tax exempt (one-tier)

This proposed final tax-exempt dividend will be submitted for shareholders' approval at the next Annual General Meeting of the Company to be convened in January 2027.

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of dividend	Final dividend
Dividend type	Cash
Dividend rate	S$0.015 per ordinary share
Tax Rate	Tax exempt (one-tier)

(c) Date payable

To be announced later

(d) Books closure date

To be announced later

30. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

Not applicable

Other information required by Listing Rule Appendix 7.2 (cont'd)

31. Interested persons transactions

Name of interested person and nature of transaction	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions during the financial period conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)	
	FY2026 S$'000	FP2025 S$'000	FY2026 S$'000	FP2025 S$'000
BRC Asia Limited				
- Purchase	-	-	115,074	47,436
- Sale	-	-	462	504
Eden Flame Sdn Bhd				
- Subscription of class B preference shares	5,701	-	-	-

Interested person transactions mandates with BRC Asia Limited had been renewed at the annual general meeting held on 23 January 2026.

32. Confirmation pursuant to Rule 720(1) of the Listing Manual

We confirm that the Group has procured undertakings to comply with the Listing Manual of the Singapore Exchange Securities Trading Limited from all its directors and executive officers.

33. 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.

Not applicable

Other information required by Listing Rule Appendix 7.2 (cont'd)

34. Disclosures on Incorporation, Acquisition and Realisation of Shares pursuant to Rule 706A of the Mainboard Rules

Not applicable

On behalf of the Board,

Ong Hwee Li	**Xiao Xia**
Chairman	**Executive Director and Chief Executive Officer**

19 November 2026