



**SANLI ENVIRONMENTAL LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 201705316M)

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED AND FULL YEAR ENDED 31 MARCH 2025**

**TABLE OF CONTENTS**

	Page
A. Condensed interim consolidated statement of profit or loss and other comprehensive income	2
B. Condensed interim statements of financial position	3-4
C. Condensed interim statements of changes in equity	5-7
D. Condensed interim consolidated statement of cash flows	8-9
E. Notes to the condensed interim consolidated financial statements	10-20
F. Other information pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst (“Catalist Rules”)	21-31

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*This announcement has been reviewed by the Company’s Sponsor, SAC Capital Private Limited (the “Sponsor”).*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.*

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**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	Group 6 Months			Group 12 Months		
		1 Oct 2024 to 31 Mar 2025 S\$'000	1 Oct 2023 to 31 Mar 2024 S\$'000	+ /(-) %	1 Apr 2024 to 31 Mar 2025 S\$'000	1 Apr 2023 to 31 Mar 2024 S\$'000	+ /(-) %
Revenue	4	83,063	79,895	4.0	157,572	130,551	20.7
Cost of contract works		(76,368)	(70,861)	7.8	(142,871)	(114,312)	25.0
<b>Gross profit</b>		6,695	9,034	(25.9)	14,701	16,239	(9.5)
Other income		472	353	33.7	1,533	547	>100.0
Administrative expenses		(5,122)	(5,239)	(2.2)	(9,391)	(9,209)	2.0
Other operating expenses		(1,181)	(1,015)	16.4	(2,475)	(1,898)	30.4
Finance costs		(1,234)	(1,098)	12.4	(2,315)	(1,668)	38.8
Profit/(Loss) before tax		(370)	2,035	N.M.	2,053	4,011	(48.8)
Income tax credit/(expense)	7	342	(695)	N.M.	(339)	(1,057)	(67.9)
<b>Profit/(Loss) for the period/year</b>		(28)	1,340	N.M.	1,714	2,954	(42.0)
<b>Other comprehensive income/(loss), net of tax:</b>							
Exchange differences on translation of foreign operations		(3)	(3)	N.M.	51	(19)	N.M.
<b>Total comprehensive income/(loss) for the period/year</b>		(31)	1,337	N.M.	1,765	2,935	(39.9)
<b>Profit/(loss) for the period/year attributable to:</b>							
Owners of the Company		(181)	1,301	N.M.	1,541	2,922	(47.3)
Non-controlling interests		153	39	>100.0	173	32	>100.0
		(28)	1,340	N.M.	1,714	2,954	(42.0)
<b>Total comprehensive income/(loss) for the period/year attributable to:</b>							
Owners of the Company		(195)	1,293	N.M.	1,570	2,898	(45.8)
Non-controlling interests		164	44	>100.0	195	37	>100.0
		(31)	1,337	N.M.	1,765	2,935	(39.9)

N.M.: Not Meaningful

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	Note	Group		Company	
		As at 31 Mar 2025 S\$'000	As at 31 Mar 2024 S\$'000	As at 31 Mar 2025 S\$'000	As at 31 Mar 2024 S\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		7,391	6,431	80	17
Trade and other receivables		19,555	20,779	4,741	2,162
Contract assets		73,928	62,085	-	-
		100,874	89,295	4,821	2,179
Assets classified as held for sale		3,826	6,625	-	-
Total current assets		104,700	95,920	4,821	2,179
<b>Non-current assets</b>					
Property, plant and equipment	11	19,131	19,637	-	-
Right-of-use assets		1,886	2,068	-	-
Investment in subsidiaries	12	-	-	21,755	21,755
Deferred tax assets		57	57	-	-
Total non-current assets		21,074	21,762	21,755	21,755
<b>Total assets</b>		125,774	117,682	26,576	23,934
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Borrowings	13	43,528	27,826	3,274	-
Trade and other payables		37,045	42,749	364	230
Contract liabilities		590	106	-	-
Lease liabilities	13	119	115	-	-
Income tax payable		248	548	-	-
		81,530	71,344	3,638	230
Liabilities directly associated with assets classified as held for sale		676	985	-	-
Total current liabilities		82,206	72,329	3,638	230
<b>Non-current liabilities</b>					
Borrowings	13	8,554	11,148	-	-
Lease liabilities	13	1,325	1,444	-	-
Provisions		547	547	-	-
Deferred tax liabilities		116	198	-	-
Total non-current liabilities		10,542	13,337	-	-

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

	Note	Group		Company	
		As at 31 Mar 2025 S\$'000	As at 31 Mar 2024 S\$'000	As at 31 Mar 2025 S\$'000	As at 31 Mar 2024 S\$'000
<b>Capital, reserves and non-controlling interests</b>					
Share capital	14	21,297	21,297	21,297	21,297
Treasury shares	14	(119)	(165)	(119)	(165)
Translation reserves		(197)	(226)	-	-
Merger reserves		(6,755)	(6,755)	-	-
Capital reserves		531	521	10	-
Retained earnings		17,956	17,288	1,750	2,572
Equity attributable to owners of the Company		32,713	31,960	22,938	23,704
Non-controlling interests		313	56	-	-
Total equity		33,026	32,016	22,938	23,704
<b>Total liabilities and equity</b>		<b>125,774</b>	<b>117,682</b>	<b>26,576</b>	<b>23,934</b>

Sanli Environmental Limited  
Condensed Interim Financial Statements  
For the Six Months and Full Year Ended 31 March 2025

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	Share capital	Treasury shares	Merger reserves	Capital reserves	Translation reserves	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance as at 1 April 2023</b>	<b>21,297</b>	<b>(165)</b>	<b>(6,755)</b>	<b>521</b>	<b>(202)</b>	<b>16,412</b>	<b>31,108</b>	<b>19</b>	<b>31,127</b>
<b>Total comprehensive income/(loss) for the year</b>									
Profit for the year	-	-	-	-	-	2,922	2,922	32	2,954
Other comprehensive income/(loss) for the year	-	-	-	-	(24)	-	(24)	5	(19)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24)</b>	<b>2,922</b>	<b>2,898</b>	<b>37</b>	<b>2,935</b>
<b>Transactions with owners, recognised directly in equity:</b>									
Dividends paid to owners of the Company	-	-	-	-	-	(2,046)	(2,046)	-	(2,046)
<b>Balance as at 31 March 2024</b>	<b>21,297</b>	<b>(165)</b>	<b>(6,755)</b>	<b>521</b>	<b>(226)</b>	<b>17,288</b>	<b>31,960</b>	<b>56</b>	<b>32,016</b>

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

<b>Group</b>	<b>Share capital</b>	<b>Treasury shares</b>	<b>Merger reserves</b>	<b>Capital reserves</b>	<b>Translation reserves</b>	<b>Retained earnings</b>	<b>Equity attributable to owners of the Company</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Balance as at 1 April 2024</b>	<b>21,297</b>	<b>(165)</b>	<b>(6,755)</b>	<b>521</b>	<b>(226)</b>	<b>17,288</b>	<b>31,960</b>	<b>56</b>	<b>32,016</b>
<b>Total comprehensive income for the year</b>									
Profit for the year	-	-	-	-	-	1,541	1,541	173	1,714
Other comprehensive income for the year	-	-	-	-	29	-	29	22	51
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>1,541</b>	<b>1,570</b>	<b>195</b>	<b>1,765</b>
<b>Transactions with owners, recognised directly in equity:</b>									
Dividends paid to owners of the Company	-	-	-	-	-	(873)	(873)	-	(873)
Performance share awarded	-	46	-	(46)	-	-	-	-	-
Share-based payments	-	-	-	56	-	-	56	-	56
Effect from the divestment of ownership in subsidiaries	-	-	-	-	-	-	-*	62	62
	-	46	-	10	-	(873)	(817)	62	(755)
<b>Balance as at 31 March 2025</b>	<b>21,297</b>	<b>(119)</b>	<b>(6,755)</b>	<b>531</b>	<b>(197)</b>	<b>17,956</b>	<b>32,713</b>	<b>313</b>	<b>33,026</b>

\* less than S\$1,000

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

<b>Company</b>	<b>Share capital</b>	<b>Treasury shares</b>	<b>Capital reserves</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Balance as at 1 April 2023</b>	<b>21,297</b>	<b>(165)</b>	<b>-</b>	<b>603</b>	<b>21,735</b>
<b>Total comprehensive income for the year:</b>					
Profit for the year	-	-	-	4,015	4,015
<b>Transactions with owners, recognised directly in equity:</b>					
Dividends paid to owners of the Company	-	-	-	(2,046)	(2,046)
<b>Balance as at 31 March 2024</b>	<b>21,297</b>	<b>(165)</b>	<b>-</b>	<b>2,572</b>	<b>23,704</b>
<b>Balance as at 1 April 2024</b>	<b>21,297</b>	<b>(165)</b>	<b>-</b>	<b>2,572</b>	<b>23,704</b>
<b>Total comprehensive income for the year:</b>					
Profit for the year	-	-	-	51	51
<b>Transaction with owners, recognised directly in equity:</b>					
Dividends paid to owners of the Company	-	-	-	(873)	(873)
Performance share awarded	-	46	(46)	-	-
Share-based payments	-	-	56	-	56
<b>Balance as at 31 March 2025</b>	<b>21,297</b>	<b>(119)</b>	<b>10</b>	<b>1,750</b>	<b>22,938</b>

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	Group	
	12 months ended 31 March 2025	12 months ended 31 March 2024
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
Profit before tax	2,053	4,011
Adjustments for:		
Depreciation of property, plant and equipment	2,581	1,606
Depreciation of right-of-use assets	182	268
Gain on disposal of property, plant and equipment	(19)	-
Gain on disposal of assets classified as held for sale	(480)	-
Property, plant and equipment written off	-	32
Share-based payment expenses	56	-
Finance costs	2,315	1,668
Interest income	(127)	(156)
Exchange differences	64	(20)
<b>Operating cash flows before movements in working capital</b>	<b>6,625</b>	<b>7,409</b>
Trade and other receivables	1,224	(1,758)
Trade and other payables	(5,704)	(272)
Contract assets	(11,843)	(15,586)
Contract liabilities	484	(5,541)
<b>Cash used in operations</b>	<b>(9,214)</b>	<b>(15,748)</b>
Income tax paid	(721)	(1,053)
<b>Net cash used in operating activities</b>	<b>(9,935)</b>	<b>(16,801)</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(2,106)	(17,561)
Proceeds from disposal of property, plant and equipment	37	-
Proceeds from disposal of assets classified as held for sale	3,000	-
Proceeds from partial disposal of interest in subsidiary	62	-
Interest received	127	156
<b>Net cash generated from/(used in) investing activities</b>	<b>1,120</b>	<b>(17,405)</b>
<b>Cash flows from financing activities</b>		
Dividends paid to owners of the Company	(873)	(2,046)
Proceeds from borrowings	16,844	26,307
Repayment of borrowings	(3,736)	(1,549)
Repayment of lease liabilities	(145)	(209)
Interest paid	(2,315)	(1,668)
<b>Net cash generated from financing activities</b>	<b>9,775</b>	<b>20,835</b>
Net increase/(decrease) in cash and cash equivalents	<b>960</b>	<b>(13,371)</b>
Cash and cash equivalents at the beginning of the financial year	2,620	15,991
<b>Cash and cash equivalents at the end of the financial year</b>	<b>3,580</b>	<b>2,620</b>

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

	<b>Group</b>	
	<b>12 months ended 31 March 2025</b>	<b>12 months ended 31 March 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Consolidated cash and cash equivalents comprise:		
Cash and bank balances	3,312	2,446
Fixed deposits	4,079	3,985
	7,391	6,431
Less: Pledged fixed deposits	(3,811)	(3,811)
<b>Cash and cash equivalents as per consolidated statement of cash flows</b>	<b>3,580</b>	<b>2,620</b>

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**1. Corporate information**

Sanli Environmental Limited (the “Company”) is incorporated in Singapore (Registration No. 201705316M) with its principal place of business and registered office at 22 Chin Bee Drive, Singapore 619870. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on June 8, 2017.

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiaries are disclosed in Note 12 to the condensed interim consolidated financial statements.

**2. Basis of preparation**

The condensed interim financial statements for the six months and full year ended 31 March 2025 have been prepared in accordance with Singapore Financial Reporting Standard (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting*.

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 financial position and financial performance of the Group since the last interim financial statements for the six months ended 30 September 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s. The adoption of new and amended standards is set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the functional currency of the Company and all financial information presented in Singapore dollar are rounded to the nearest thousand (S\$’000) except otherwise indicated.

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

In the current year, the Group and the Company adopted all the new and revised SFRS(I) Accounting Standards that are mandatory and relevant to its operations and effective for an accounting period that begins on or after January 1, 2024. The following are the new/revised SFRS(I) standards that are relevant to the Group:

Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*  
Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*

The Group has adopted Amendments to SFRS(I) 1-1 *Classification of Liabilities as Current or Non-current* and Amendments to SFRS(I) 1-1 *Non-current Liabilities with Covenants* from January 1, 2024. The amendments apply retrospectively and clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting period.

The adoption of the above new/revised SFRS(I) standards did not have any material impact on the financial statements of the Group.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

The following new standards, interpretations and amendments to standards that are relevant to the Group and the Company were issued but not effective during the financial year:

**SFRS(I) 18: *Presentation and Disclosure in Financial Statements***

SFRS(I) 18 will replace SFRS(I) 1-1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. SFRS(I) 18 carries forward many of the requirements from SFRS(I) 1-1 unchanged but introduces newly defined subtotals to be presented in the Consolidated Income Statement, disclosure of management-defined performance measures and requirements for grouping of information. The Group is still in the process of assessing the impact of the new standard.

**Other accounting standards**

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's balance sheet.

Amendments to SFRS(I) 1-21: *Lack of Exchangeability*

Amendments to SFRS(I) 9 and SFRS(I) 7: *Amendments to the Classification and Measurement of Financial Instruments*

Annual Improvements to SFRS(I)s – Volume 11

Amendments to SFRS(I) 9 and SFRS(I) 7: *Contracts Referencing Nature-dependent Electricity*

**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, 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 audited financial statements as at and for the financial year ended 31 March 2024.

**3. Seasonal operations**

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

**4. Segment and revenue information**

For the purposes of resource allocation and assessment of segment performance, the Group's Chief Operating Decision Makers (CODM), comprising the Group's Chief Executive Officer and Executive Directors, evaluate the Group's business based on its operating units, which are segmented according to the type of services provided. This approach aligns with SFRS(I) 8 Operating Segments.

Operating segments are aggregated into a single reportable segment if they exhibit similar economic characteristics, such as long-term average gross margins, customer types, and regulatory environments, as well as the nature of services and processes.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

As of FY2025, the Group is organised into the following three operating segments:

Engineering, Procurement, and Construction (“EPC”) – Provision of EPC services for water and waste management, air pollution control, and industrial systems.

Operations and Maintenance (“O&M”) – Provision of operations and maintenance services for water and waste management systems, ensuring optimal performance and regulatory compliance.

Emerging Business Segments (“EBS”) – This segment encompasses a range of growth-focused businesses, including (i) Chemical Manufacturing (“CHM”) – the production and supply of magnesium hydroxide slurry for environmental applications such as wastewater treatment, flue gas desulphurisation, and other industrial processes; (ii) Industrial & Gasification (“IND”) – the provision of integrated environmental engineering solutions for industrial facilities, covering water and wastewater treatment, air pollution control, and solid waste management; as well as (iii) Renewable Energy Solutions (“RES”) – the development, ownership, and operation of solar power assets, including the delivery of EPC services for solar energy systems.

**4.1. Reportable segments**

**Segment revenue and results**

	Group	
	6 months ended 31 Mar 2025	6 months ended 31 Mar 2024
	S\$'000	S\$'000
Revenue – EPC	59,400	64,418
Revenue – O&M	22,462	12,671
Revenue – EBS	1,201	2,806
Total revenue	<u>83,063</u>	<u>79,895</u>
Gross profit – EPC	(1,058)	7,734
Gross profit – O&M	7,237	1,241
Gross profit – EBS	516	59
Total gross profit	<u>6,695</u>	<u>9,034</u>
Unallocated corporate expenses	(4,500)	(4,903)
Depreciation	(1,387)	(1,070)
Interest income	56	72
Finance costs	(1,234)	(1,098)
Profit/(Loss) before tax	(370)	2,035
Income tax credit/(expense)	342	(695)
Profit/(Loss) for the period	<u>(28)</u>	<u>1,340</u>

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

	<b>Group</b>	
	<b>12 months ended</b>	<b>12 months ended</b>
	<b>31 Mar 2025</b>	<b>31 Mar 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Revenue – EPC	110,792	104,867
Revenue – O&M	44,251	22,433
Revenue – EBS	2,529	3,251
<b>Total revenue</b>	<b>157,572</b>	<b>130,551</b>
Gross profit – EPC	6,060	14,297
Gross profit – O&M	9,063	2,132
Gross profit – EBS	(422)	(190)
<b>Total gross profit</b>	<b>14,701</b>	<b>16,239</b>
Unallocated corporate expenses	(7,697)	(8,842)
Depreciation	(2,763)	(1,874)
Interest income	127	156
Finance costs	(2,315)	(1,668)
<b>Profit before tax</b>	<b>2,053</b>	<b>4,011</b>
Income tax expense	(339)	(1,057)
<b>Profit for the year</b>	<b>1,714</b>	<b>2,954</b>

**Geographical segments**

The Group's information about the segment revenue by geographical location is detailed below:

	<b>Group</b>	
	<b>Revenue</b>	
	<b>6 months ended</b>	<b>6 months ended</b>
	<b>31 Mar 2025</b>	<b>31 Mar 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Singapore	81,773	78,231
Myanmar	1,258	1,664
Malaysia	2	-
Thailand	30	-
<b>Total revenue</b>	<b>83,063</b>	<b>79,895</b>

	<b>Group</b>	
	<b>Revenue</b>	
	<b>12 months ended</b>	<b>12 months ended</b>
	<b>31 Mar 2025</b>	<b>31 Mar 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Singapore	155,035	127,631
Myanmar	2,470	2,914
Malaysia	37	6
Thailand	30	-
<b>Total revenue</b>	<b>157,572</b>	<b>130,551</b>

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

The Group's information about the segment non-current assets by geographical location is detailed below:

	<b>Group</b>	
	<b>Non-current assets</b>	
	<b>As at 31 Mar 2025 S\$'000</b>	<b>As at 31 Mar 2024 S\$'000</b>
Singapore	19,682	21,596
Myanmar	99	115
Malaysia	52	51
Thailand	1,241	-
<b>Total non-current assets</b>	<b>21,074</b>	<b>21,762</b>

**4.2. Disaggregation of revenue**

	<b>Group</b>	
	<b>12 months ended 31 Mar 2025 S\$'000</b>	<b>12 months ended 31 Mar 2024 S\$'000</b>
	Over time:	
EPC	110,792	104,867
O&M	44,251	22,433
EBS	2,328	3,202
At a point in time:		
EBS	201	49
<b>Total revenue</b>	<b>157,572</b>	<b>130,551</b>

**A breakdown of sales:**

	<b>Group</b>		
	<b>12 months ended 31 Mar 2025 S\$'000</b>	<b>12 months ended 31 Mar 2024 S\$'000</b>	<b>% + / (-)</b>
	Sales reported for the first half year	74,509	50,656
Operating profit after tax before deducting non-controlling interests reported for the first half year	1,742	1,614	7.9
Sales reported for the second half year	83,063	79,895	4.0
Operating profit after tax before deducting non-controlling interests reported for the second half year	(28)	1,340	N.M.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**5. Financial instruments**

The following table sets out the financial assets and liabilities as at the end of the reporting period:

	Group		Company	
	As at 31 Mar 2025 S\$'000	As at 31 Mar 2024 S\$'000	As at 31 Mar 2025 S\$'000	As at 31 Mar 2024 S\$'000
<b>Financial assets</b>				
- amortised cost	21,400	21,601	4,594	2,150
<b>Financial liabilities</b>				
- amortised cost	89,675	82,270	3,638	230
- lease liabilities	1,444	1,559	-	-

**5.1. Fair value of financial assets and liabilities**

The carrying amounts of cash and cash equivalents, trade and other receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments. Management is of the view that the carrying amounts of borrowings and lease liabilities approximate their respective fair values as the interest rates approximate the prevailing market rates.

The Group and the Company have no financial assets and financial liabilities that are measured at fair value on a recurring basis.

**6. Profit before taxation**

**6.1 Significant items**

	Group 6 Months			Group 12 Months		
	1 Oct 2024 to 31 Mar 2025 S\$'000	1 Oct 2023 to 31 Mar 2024 S\$'000	+ / (-) %	1 Apr 2024 to 31 Mar 2025 S\$'000	1 Apr 2023 to 31 Mar 2024 S\$'000	+ / (-) %
<b>Income</b>						
Gain on disposal of assets classified as held for sale	-	-	-	480	-	N.M.
Gain on disposal of property, plant and equipment	19	-	N.M.	19	-	N.M.
Government grant income	67	44	52.3	128	131	(2.3)
Interest income	56	72	(22.2)	127	156	(18.6)
Net gain on foreign exchange	204	-	N.M.	288	-	N.M.
<b>Expenses</b>						
Depreciation of property, plant and equipment	(1,331)	(947)	40.5	(2,581)	(1,606)	60.7
Depreciation of right-of-use assets	(56)	(123)	(54.5)	(182)	(268)	(32.1)
Net loss on foreign exchange	-	66	N.M.	-	(24)	N.M.
Interest expense	(1,234)	(1,098)	12.4	(2,315)	(1,668)	38.8

N.M.: Not Meaningful

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**6.2. Related party transactions**

There were no material related party transactions during FY2025 and FY2024.

**7. Income tax expenses**

The Group calculates income tax expenses for the financial year using the tax rates prevailing in the relevant jurisdiction. The major components of income tax expenses in the condensed interim consolidated statement of comprehensive income are:

	<b>Group</b>			
	<b>6 months ended 31 Mar 2025</b>	<b>6 months ended 31 Mar 2024</b>	<b>12 months ended 31 Mar 2025</b>	<b>12 months ended 31 Mar 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Current tax (credit)/expense	(248)	373	270	567
Deferred tax	(81)	146	(82)	146
Under provision of current tax in prior years	(13)	176	151	344
Income tax (credit)/expense	<u>(342)</u>	<u>695</u>	<u>339</u>	<u>1,057</u>

**8. Dividend**

	<b>Group</b>	
	<b>Year Ended</b>	
	<b>31 March 2025</b>	<b>31 March 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Dividends paid in respect of the preceding financial year</b>		
First and final dividend of 0.327 cents per ordinary share for FY2024 (FY2023: 0.768 cents)	873	2,046

**9. Net asset value**

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year:

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 Mar 2025</b>	<b>As at 31 Mar 2024</b>	<b>As at 31 Mar 2025</b>	<b>As at 31 Mar 2024</b>
	Net asset value per share (cents)	12.25	12.00	8.59
Net asset value attributable to owners of the Company (S\$'000)	32,713	31,960	22,938	23,704
Number of ordinary shares used	<u>267,047,113</u>	<u>266,432,113</u>	<u>267,047,113</u>	<u>266,432,113</u>

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**10. Earnings per share**

Earnings per ordinary share excluding treasury shares of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

	Group		Group	
	6 months ended 31 Mar 2025	6 months ended 31 Mar 2024	12 months ended 31 Mar 2025	12 months ended 31 Mar 2024
Profit/(Loss) attributable to owners of the Company (S\$'000)	(181)	1,301	1,541	2,922
Weighted average number of ordinary shares	266,841,110	267,646,490	266,841,110	267,646,490
Earnings/(Loss) per share (basic and diluted) (cents)	(0.07)	0.49	0.58	1.09

The basic and diluted loss per share and earnings per share are the same as there were no potentially dilutive ordinary shares in issue as at 31 March 2025 and 31 March 2024.

**11. Property, plant and equipment**

During FY2025, the Group acquired assets amounting to S\$2,106,000 (FY2024: S\$18,698,000), recorded write off of assets with net book value amounting to Nil (FY2024: S\$32,000), and disposed of assets with carrying value amounting to S\$18,000 (FY2024: Nil).

**12. Investment in subsidiaries**

	Company	
	As at 31 Mar 2025 S\$'000	As at 31 Mar 2024 S\$'000
Unquoted equity shares, at cost	21,755	21,755

Details of the Group's subsidiaries are as follows:

Name of subsidiary	Principal activities	Country of incorporation and operation	Effective equity interest of the Group	
			As at 31 Mar 2025 %	As at 31 Mar 2024 %
Sanli M&E Engineering Pte. Ltd. ("Sanli M&E")	Engineering, procurement and construction solutions and services in the field of water and waste management.	Singapore	100	100

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

Name of subsidiary	Principal activities	Country of incorporation and operation	Effective equity interest of the Group	
			As at 31 Mar 2025 %	As at 31 Mar 2024 %
<u>Held by Sanli M&amp;E</u>				
Sanli M&E Engineering Sdn. Bhd.	Project management, contracting and M&E engineering services in the water treatment industry.	Malaysia	100	100
Sanli E&C Pte. Ltd.	Engineering, procurement and construction solutions and services in the field of water and waste management.	Singapore	90	100
Sanli Environmental (Myanmar) Company Limited ("Sanli Myanmar")	Engineering, procurement and construction solutions and services in the field of water and waste management.	Myanmar	60	60
Enviro Plant & Engineering Pte. Ltd. ("Enviro")	General contractors and environmental engineering design and consultancy services.	Singapore	90	100
Mag Chemical Pte. Ltd.	Manufacture of water treatment, waste treatment and oilfield chemicals.	Singapore	100	100
Sanli-Engreen Co., Ltd.	Engineering, procurement and construction solutions and services in solar power generation systems.	Thailand	51*	51*
Sanli Bina (M) Sdn. Bhd. (a)	Comprehensive engineering solutions and waste treatment services.	Malaysia	100	-
WSH360 Solutions Pte. Ltd. (b)	Consultancy and provision of comprehensive safety training programs.	Singapore	100	-
<u>Held by Sanli Myanmar</u>				
Link Control Co. Ltd.	Business support and administrative activities.	Myanmar	86*	86*

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

Name of subsidiary	Principal activities	Country of incorporation and operation	Effective equity interest of the Group	
			As at 31 Mar 2025	As at 31 Mar 2024
			%	%
<u>Held by Enviro</u>				
Zaison Energy Pte. Ltd. <sup>(c)</sup>	Engineering, procurement and construction solutions and services for waste-to-energy gasification projects.	Singapore	58.5	-

<sup>(a)</sup> Incorporated on 5 April 2024.

<sup>(b)</sup> Incorporated on 15 July 2024.

<sup>(c)</sup> Incorporated on 10 June 2024.

\* Includes shares under contractual arrangement with the other respective shareholders.

**13. Borrowings**

	Group			
	As at 31 Mar 2025		As at 31 Mar 2024	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand				
Borrowings	43,528	-	27,826	-
Lease liabilities	119	-	115	-
Amount repayable after one year				
Borrowings	8,554	-	11,148	-
Lease liabilities	1,325	-	1,444	-
Total	53,526	-	40,533	-

**Details of collateral:**

Bank borrowings are secured by bank deposits, mortgages of leasehold properties, motor vehicle, corporate guarantees from the Company and securities assignment.

Lease liabilities are secured by lessors' title to the leasehold properties.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**14. Share capital**

**14.1 Details of any changes in the Company's issued share capital (excluding treasury shares)**

	<b>Group and Company</b>			
	<b>As at 31 Mar 2025</b>	<b>As at 31 Mar 2024</b>	<b>As at 31 Mar 2025</b>	<b>As at 31 Mar 2024</b>
	<b>Number of ordinary shares ('000)</b>		<b>S\$'000</b>	<b>S\$'000</b>
Issued and paid up:				
At beginning of financial year	266,432	266,432	21,297	21,297
Transfer of treasury shares	615	-	-	-
At end of financial year	<u>267,047</u>	<u>266,432</u>	<u>21,297</u>	<u>21,297</u>

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

The Company does not hold any convertible instruments as at 31 March 2025 and 31 March 2024.

The Company's subsidiaries do not hold any shares in the Company as at 31 March 2025 and 31 March 2024.

**14.2 Details of any changes in the Company's treasury shares**

	<b>Group and Company</b>			
	<b>As at 31 Mar 2025</b>	<b>As at 31 Mar 2024</b>	<b>As at 31 Mar 2025</b>	<b>As at 31 Mar 2024</b>
	<b>Number of ordinary shares ('000)</b>		<b>S\$'000</b>	<b>S\$'000</b>
At the beginning of the financial year	2,226	2,226	165	165
Transfer of treasury shares	(615)	-	(46)	-
At the end of the financial year	<u>1,611</u>	<u>2,226</u>	<u>119</u>	<u>165</u>
Percentage of treasury shares against total number of issued shares (excluding treasury shares and subsidiary holdings)	0.60%	0.84%		

The Company has, on 31 July 2024 and 16 August 2024, transferred an aggregate of 615,000 treasury shares for the purpose of release of share awards granted to eligible participants under the Sanli Performance Share Plan.

**15. Subsequent events**

On 14 April 2025, the disposal of property located at 28 Kian Teck Drive has completed. Please refer to the Company's announcements dated 24 September 2024 and 14 April 2025 for more information.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**OTHER INFORMATION PURSUANT TO APPENDIX 7C OF THE CATALIST RULES**

**1. Whether the figures have been audited or reviewed and in accordance with which auditing standard**

The condensed interim consolidated statement of financial position of the Group and the condensed interim statement of financial position of the Company as at 31 March 2025, and the condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows of the Group and the condensed interim statement of changes in equity of the Company for the six months period and full year ended 31 March 2025, and certain explanatory notes have not been audited or reviewed by the Company's auditors.

**2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable. The Group's latest audited financial statements for the financial year ended 31 March 2024 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**3. 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.**

**3.1 Review of the Group's financial performance**

**Revenue**

**2H2025 vs 2H2024**

Revenue increased by S\$3.2 million, or 4.0%, from S\$79.9 million in 2H2024 to S\$83.1 million in 2H2025.

This change was driven by the following segment trends:

- i. The Operations and Maintenance ("O&M") segment recorded a significant increase of S\$9.8 million, or 77.3%, from S\$12.7 million in 2H2024 to S\$22.5 million in 2H2025. This strong growth was driven by the successful completion of a substantial increase in the volume of O&M orders,

which was partially offset by:

- i. The Engineering, Procurement, and Construction ("EPC") segment posted a decline of S\$5.0 million, or 7.8%, from S\$64.4 million in 2H2024 to S\$59.4 million in 2H2025. This decrease was primarily due to key projects moving into different milestone stages, resulting in extended work durations and delayed revenue recognition.
- ii. The Emerging Business Segments ("EBS"), comprising Chemical Manufacturing ("CHM"), Renewable Energy Solutions ("RES"), and Industrial & Gasification ("IND"), decreased by S\$1.6 million, or 57.2%, from S\$2.8 million in 2H2024 to S\$1.2 million in 2H2025. The decline was mainly due to the completion of a major IND project in the prior year. However, CHM achieved a key milestone with its first successful top-up of magnesium hydroxide slurry for a large vessel, marking its entry into the marine sector. RES also recorded initial recurring income from its first asset-own solar PV system in Thailand, as it builds a stable, recurring revenue stream in the renewable energy sector.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**FY2025 vs FY2024**

Revenue surged by S\$27.0 million, or 20.7%, from S\$130.6 million in FY2024 to S\$157.6 million in FY2025.

This change was driven by the following segment trends:

- i. The EPC segment posted a modest increase of S\$5.9 million, or 5.7%, from S\$104.9 million in FY2024 to S\$110.8 million in FY2025. This growth reflects the progressive execution of projects initiated in the previous year, which continued into this financial year.
- ii. The O&M segment nearly doubled, rising by S\$21.8 million, or 97.3%, from S\$22.4 million in FY2024 to S\$44.2 million in FY2025. This sharp increase was driven by the successful completion of a substantial increase in the volume of O&M orders.
- iii. The EBS segment decreased by S\$0.7 million, or 22.2%, from S\$3.2 million in FY2024 to S\$2.5 million in FY2025. The decline was mainly due to reduced IND project activity following the completion of a major contract in the prior year. However, CHM achieved strong growth, driven by its first magnesium hydroxide slurry top-up for a major vessel, expanding its market reach and improving sales performance. RES also recorded its first recurring income from an asset-own solar PV system installed at a hospitality site in Thailand, marking progress in building a stable, long-term renewable energy portfolio.

**Cost of contract works, gross profit and gross profit margin**

**2H2025 vs 2H2024**

Cost of contract works increased by S\$5.5 million, or 7.8%, from S\$70.9 million in 2H2024 to S\$76.4 million in 2H2025.

This change was driven by the following segment trends:

- i. The EPC segment posted a S\$3.8 million increase in cost of contract works, or 6.7%, from S\$56.7 million in 2H2024 to S\$60.5 million in 2H2025. This increase was primarily due to higher labour and subcontracting costs for ongoing projects, along with rising raw material expenses.
- ii. The O&M segment's cost of contract works increased by S\$3.8 million, or 33.%, from S\$11.4 million in 2H2024 to S\$15.2 million in 2H2025. This rise was aligned with the significant increase in O&M revenue, reflecting a higher volume of orders and expanded maintenance activities.
- iii. The EBS segment's cost of contract works decreased by S\$2.0 million, or 75.1%, from S\$2.7 million in 2H2024 to S\$0.7 million in 2H2025. This reduction was consistent with the decline in revenue, as key project reached completion during the financial period.

Gross profit decreased by S\$2.3 million, or 25.9%, from S\$9.0 million in 2H2024 to S\$6.7 million in 2H2025. This decline was primarily due to the significant drop in EPC gross profit, mainly due to higher labour costs and raw material price increases for the legacy COVID-era projects nearing completion. This decrease was partially offset by a substantial improvement in O&M gross profit.

The overall gross profit margin lowered from 11.3% in 2H2024 to 8.1% in 2H2025, impacted by the EPC segment which is the Group's largest revenue contributor in 2H2025.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**FY2025 vs FY2024**

Cost of contract works increased by S\$28.6 million, or 25.0%, from S\$114.3 million in FY2024 to S\$142.9 million in FY2025.

This change was driven by the following segment trends:

- i. The EPC segment posted a S\$14.1 million increases in cost of contract works, or 15.6%, from S\$90.6 million in FY2024 to S\$104.7 million in FY2025. This increase was primarily due to higher labour and subcontracting costs for ongoing projects, as well as rising raw material expenses.
- ii. The O&M segment's cost of contract works increased by S\$14.9 million, or 73.3%, from S\$20.3 million in FY2024 to S\$35.2 million in FY2025. This sharp rise was aligned with the significant increase in O&M revenue, reflecting a higher volume of orders and expanded maintenance activities.
- iii. The EBS segment's cost of contract works decreased by S\$0.5 million, or 14.2%, from S\$3.5 million in FY2024 to S\$3.0 million in FY2025. This reduction was consistent with the decline in revenue, as key project reached completion during the financial period.

Gross profit decreased by S\$1.5 million, or 9.5%, from S\$16.2 million in FY2024 to S\$14.7 million in FY2025. This decline was primarily due to the significant drop in EPC gross profit, mainly due to higher labour costs and raw material price increases for the legacy COVID-era projects nearing completion. This decrease was partially offset by substantial improvement in O&M gross profit.

The overall gross profit margin fell from 12.4% in FY2024 to 9.3% in FY2025, impacted by the EPC segment which is the Group's largest revenue contributor in FY2025.

**Other income**

**2H2025 vs 2H2024**

Other income increased by S\$0.1 million, or 33.7%, from S\$0.4 million in 2H2024 to S\$0.5 million in 2H2025. This increase was primarily due to higher rental income generated from the Group's dormitory facilities at 22 Chin Bee Drive, as well as government grants received during the financial period.

**FY2025 vs FY2024**

Other income increased by S\$1.0 million, or 180.3%, from S\$0.5 million in FY2024 to S\$1.5 million in FY2025. This growth was mainly attributed to the disposal of the property at 15 Kian Teck Drive during the financial period, along with rental income generated from the Group's dormitory facilities at 22 Chin Bee Drive.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**Administration expenses**

**2H2025 vs 2H2024**

Administrative expenses remained relatively stable at S\$5.1 million in 2H2025, which decreased by S\$0.1 million, or 2.2%, from S\$5.2 million in 2H2024. This slight reduction was primarily due to ongoing cost management efforts, which partially offset higher staff-related costs (including salaries), property taxes, and professional fees associated with new business diversification initiatives.

**FY2025 vs FY2024**

Administrative expenses remained relatively stable at S\$9.4 million in FY2025, which increased by S\$0.2 million, or 2.0%, from S\$9.2 million in FY2024. This slight increment was mainly driven by higher staff-related costs (including salaries), property taxes, and professional fees linked to business diversification, as well as short-term office rental expenses incurred during the financial year.

**Other operating expenses**

**2H2025 vs 2H2024**

Other operating expenses increased by S\$0.2 million, or 16.4%, from S\$1.0 million in 2H2024 to S\$1.2 million in 2H2025. This rise was mainly driven by higher depreciation of property, plant and equipment, primarily due to the addition of the newly acquired building at 22 Chin Bee Drive.

**FY2025 vs FY2024**

Other operating expenses increased by S\$0.6 million, or 30.4%, from S\$1.9 million in FY2024 to S\$2.5 million in FY2025. This increase was largely attributed to the same factor as mentioned above, reflecting the impact of higher depreciation expenses from the newly acquired building at 22 Chin Bee Drive.

**Finance costs**

**2H2025 vs 2H2024**

Finance costs increased by S\$0.1 million, or 12.4%, from S\$1.1 million in 2H2024 to S\$1.2 million in 2H2025. This increase was mainly due to higher property loan interest for the newly acquired building at 22 Chin Bee Drive, as well as interest on short-term bank borrowings for major EPC and O&M projects.

**FY2025 vs FY2024**

Finance costs increased by S\$0.6 million, or 38.8%, from S\$1.7 million in FY2024 to S\$2.3 million in FY2025. This rise was primarily driven by the same factors mentioned above, including higher interest expenses from the property loan for 22 Chin Bee Drive and additional short-term financing for major EPC and O&M projects.

**Profit for the period/year**

As a result of the above, the Group reported a net loss of S\$0.03 million for 2H2025, while recording a net profit of S\$1.7 million for FY2025.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**3.2. Review of the Group's financial position**

**Current assets**

Current assets increased by S\$8.8 million, from S\$95.9 million as of 31 March 2024 to S\$104.7 million as of 31 March 2025. This increase was primarily driven by the following factors:

**Contract Assets** increased by S\$11.8 million, from S\$62.1 million as of 31 March 2024 to S\$73.9 million as of 31 March 2025, reflecting substantial progress on several large government infrastructure projects towards the end of FY2025. These projects reached key milestones close to the financial year-end, with billings expected to be recognised in the following financial year.

**Trade and Other Receivables** decreased by S\$1.2 million, from S\$20.8 million as of 31 March 2024 to S\$19.6 million as of 31 March 2025, mainly due to less work done in March 2025 compared to the same period in FY2024, leading to reduced billed amounts and consequently a decline in receivables.

**Cash and Cash Equivalents** increased by S\$1.0 million, from S\$6.4 million as of 31 March 2024 to S\$7.4 million as of 31 March 2025, reflecting stable cash flows despite ongoing capital commitments.

**Assets Held for Sale** decreased by S\$2.8 million, from S\$6.6 million as of 31 March 2024 to S\$3.8 million as of 31 March 2025, primarily due to the completion of a property disposal during the financial year.

**Non-current assets**

Non-current assets decreased by S\$0.7 million, from S\$21.8 million as of 31 March 2024 to S\$21.1 million as of 31 March 2025. This decline was mainly due to depreciation of the 22 Chin Bee Drive property.

**Current liabilities**

Current liabilities increased by S\$9.9 million, from S\$72.3 million as of 31 March 2024 to S\$82.2 million as of 31 March 2025. This increase was primarily driven by higher bank borrowings, which were utilised to finance the procurement of contract equipment and materials for major EPC projects. The rise in short-term debt corresponds directly to the higher cost of contract works during the financial year.

**Non-current liabilities**

Non-current liabilities decreased by S\$2.8 million, from S\$13.3 million as of 31 March 2024 to S\$10.5 million as of 31 March 2025. This decrease was mainly due to the scheduled repayment of a property loan.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**3.3. Review of the Group's cash flows**

**FY2025 vs FY2024**

Net cash used in operating activities amounted to S\$9.9 million in FY2025, reflecting operating cash flow before movements in working capital of S\$6.6 million, adjusted for a net cash outflow from working capital changes (including income tax paid) of S\$16.6 million.

The net cash outflow from working capital was mainly influenced by the following factors:

- i. A significant increase in Contract Assets of S\$11.8 million, driven by substantial progress made towards the financial year-end on several major projects. These projects reached critical milestones close to the end of FY2025, resulting in deferred billings that will be recognised in the following financial year.
- ii. A decrease in Trade and Other Receivables of S\$1.2 million, primarily due to lower work completed in March 2025 compared to the same period in FY2024, leading to reduced billed amounts and consequently a decline in receivables.
- iii. A S\$5.7 million decrease in Trade and Other Payables, as the Group settled supplier balances through short-term bank borrowings to support ongoing project execution.
- iv. An increase in Contract Liabilities of S\$0.5 million, primarily due to higher advance billings received for projects that have yet to reach the revenue recognition stage.
- v. Income tax payments of S\$0.7 million.

These combined factors contributed to the net cash outflow from working capital, reflecting the Group's operational and project funding requirements during the financial year.

Net cash generated from investing activities totalled S\$1.1 million in FY2025, primarily due to the proceeds from the disposal of property, plant and equipment, reflecting the Group's ongoing efforts to optimise its asset base.

Net cash generated from financing activities amounted to S\$9.8 million, driven mainly by proceeds from new bank borrowings to support working capital and project funding, partially offset by regular loan repayments, dividend and interest payments.

As a result, the Group recorded a net increase of S\$1.0 million in cash and cash equivalents for FY2025.

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

No forecast or prospect statement was previously made to shareholders.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**5. 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 Group's revenue grew from S\$130.6 million in FY2024 to S\$157.6 million in FY2025, driven mainly by the robust performance of its O&M segment. Despite this revenue growth, the Group's profit after tax decreased from S\$3.0 million in FY2024 to S\$1.7 million in FY2025, mainly due to rising labour costs, increased subcontracting expenses, and the impact of inflation on raw material prices, as well as the higher financing costs associated with the newly acquired property at 22 Chin Bee Drive.

**Expansion of EPC**

The Group's order book stood at S\$228.6 million as of 31 March 2025, with majority of the projects expected to be completed by FY2027. Majority are ongoing EPC water and wastewater treatment infrastructure projects, which form the core of the Group's municipal business in Singapore.

Looking ahead, several sizeable EPC projects are expected to be tendered within the next 12 months, offering potential growth opportunities. While the Group has not secured any major EPC contracts in the past 12 months, this pipeline presents a significant opportunity for the Group to strengthen its order book as Singapore continues its critical infrastructure investments to improve public services, operational efficiency and urban resilience.

**Expansion of O&M**

The Group's O&M business segment provide a stable, predictable revenue stream within a defensive industry and we have gained momentum in expanding this business segment during FY2025. Leveraging on our engineering capabilities and track record in this niche industry, the Group will continue to focus securing new O&M contracts for the long-term maintenance of water and wastewater plants, public utilities.

**Expansion of CHM**

Following the establishment of Mag Chemical Pte. Ltd. in FY2023 to produce magnesium hydroxide slurry for the environmental protection market, the Group has made significant progress in this segment.

In FY2025, the Group reached a key milestone by completing its first magnesium hydroxide slurry top-up for a major vessel, marking an important breakthrough in customer acquisition.

Looking ahead, the Group remains optimistic about the long-term potential of this business segment as it deepens market penetration within the marine industry and explores new applications for its magnesium hydroxide slurry to unlock new revenue streams in new markets.

**Expansion of IND**

In FY2023, the Group expanded into the industrial sector through its wholly owned subsidiary, Enviro Plant & Engineering Pte. Ltd. ("EPE"), which provides environmental engineering solutions, including water and wastewater treatment, air pollution control, and solid waste management.

In FY2025, EPE successfully completed its maiden project, representing a significant development milestone. Building on this momentum, the Group is actively pursuing tender opportunities across the

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

region — particularly in Singapore, Malaysia, and Thailand — where demand for sustainable industrial solutions continues to grow.

**Expansion of RES**

In FY2024, the Group entered the renewable energy sector through its joint venture, Sanli Engreen Co., Ltd., which provides Engineering, Procurement, and Construction (EPC) solutions for solar power systems in Thailand, along with asset ownership.

In FY2025, the joint venture completed its first solar project, commencing the start of generating recurring revenue. It is currently constructing two additional projects, further expanding its footprint in the Thailand renewable energy market.

Looking ahead, the Group remains focused on securing new Power Purchase Agreements (PPAs) to strengthen its asset portfolio and drive long-term growth in this sector.

**Update on Sanli Myanmar**

Sanli Environmental (Myanmar) Company Limited (“Sanli Myanmar”) is a 60%-owned subsidiary of the Group, providing Engineering, Construction, and Water & Building Related Services in Myanmar.

Amid ongoing political and economic uncertainties, the Group has opted for a conservative approach, focusing on maintaining a minimal operational footprint to preserve cash flow and limit financial exposure. The priority is to sustain break-even operations while continuing to support existing clients.

In FY2025, Sanli Myanmar contributed approximately 1.6% of the Group’s revenue, reflecting its stable but cautious presence in the market.

**Outlook**

Despite the encouraging prospects ahead pipeline, the Group remains cautious about the broader macroeconomic environment. Geopolitical tensions, global supply chain disruptions, and inflationary pressures continue to pose challenges, potentially impacting project costs, material availability, and overall operational efficiency.

With such uncertainties, the Group remains vigilant in managing these risks while maintaining a disciplined approach to cost control and cash flow management.

Looking ahead, the Group will leverage its engineering expertise, track record, and operational excellence to capture growth opportunities in its core business segments, including water and wastewater treatment, industrial solutions, and renewable energy.

The Group will also actively pursue strategic partnerships and new project opportunities to strengthen its market position and enhance shareholder value.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**6. Dividend information**

**6a. Current financial period reported on**

**Any interim (final) dividend recommended for the current financial period reported on?**

The Directors are pleased to recommend a final dividend of 0.173 Singapore cents per share for FY2025 (the "Dividend"). The Dividend is subject to the approval of the Company's shareholders at the forthcoming annual general meeting of the Company to be held in July 2025 (the "AGM").

<b>Name of dividend</b>	<b>Final</b>
Dividend type	Cash
Dividend amount per ordinary share	0.173 Singapore cents
Tax rate	One tier tax exempt

The final dividend payout for FY2025 would constitute 30.0% of net profit after tax attributable to owners of the Company in FY2025.

**6b. Corresponding period of the immediate preceding financial year**

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

<b>Name of dividend</b>	<b>Final</b>
Dividend type	Cash
Dividend amount per ordinary share	0.327 Singapore cents
Tax rate	One tier tax exempt

The final dividend for FY2024 constitutes 29.9% of net profit after tax attributable to owners of the Company in FY2024 and was paid on 30 September 2024.

**6c. Date payable**

Subject to shareholders' approval of the dividend at the AGM, the payment date for the dividend will be announced at a later date.

**6d. Date on which registrable transfers received by the Company will be registered before entitlements to the dividend are determined**

Subject to shareholders' approval of the Dividend at the AGM, the record date for determining shareholders' entitlement to the Dividend will be announced at a later date.

**7. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**Sanli Environmental Limited**  
**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 March 2025**

**8. Interested person transactions**

The Group does not have a general mandate from shareholders for interested person transactions. There were no interested person transactions of S\$100,000 or more for the full year ended 31 March 2025.

**9. Disclosure of acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period pursuant to Rule 706A of the Catalist Rules**

Please refer to Company's announcements dated 8 April 2024, 10 June 2024 and 15 July 2024 for the details on the incorporation of Sanli Bina (M) Sdn. Bhd., Zaison Energy Pte. Ltd. and WSH360 Solutions Pte. Ltd., respectively.

In addition, the Group has disposed of 10% of its shareholdings interest in Sanli E&C Pte. Ltd. and Enviro Plant & Engineering Pte. Ltd., resulting in a corresponding decrease in its equity interest in these subsidiaries to 90%. The aggregate value of the consideration was S\$61,579 which was fully satisfied in cash, which is equivalent to the aggregate net asset value represented by the 10% shareholding in Sanli E&C Pte. Ltd. and Enviro Plant & Engineering Pte. Ltd., based on their latest available unaudited financial statements prior to the disposal, of S\$51,579 and S\$10,000, respectively.

Save for the above, the Group does not have any acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period.

**10. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules**

The Company confirms that all the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

**11. 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(10) of the Catalist Rules. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that during FY2025 and up to the date hereof, there has not been any person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

**On behalf of the Board of Directors**

Sim Hock Heng  
Chief Executive Officer and Executive Director  
28 May 2025