
**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DIVIDEND
ANNOUNCEMENT FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER
2025**

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

	Note	Group			
		6 months ended 31 December 2025 <u>("2HFY2025")</u> S\$'000	6 months ended 31 December 2024 <u>("2HFY2024")</u> S\$'000	12 months ended 31 December 2025 <u>("FY2025")</u> S\$'000	12 months ended 31 December 2024 <u>("FY2024")</u> S\$'000
Revenue	4	37,568	39,503	79,398	71,522
Cost of sales		(31,220)	(30,584)	(66,145)	(56,394)
Gross profit		6,348	8,919	13,253	15,128
Other income		164	46	202	101
Distribution costs		(630)	(417)	(1,306)	(789)
Administrative expenses		(3,064)	(2,225)	(6,174)	(4,818)
Finance costs		(291)	(309)	(567)	(597)
Reversal/(Loss) allowance for expected credit losses, net		292	(1,771)	466	(1,887)
Other expenses		–	(346)	–	(561)
Profit before income tax	6	2,819	3,897	5,874	6,577
Income tax expenses	7	(488)	(230)	(1,093)	(786)
Profit for the period/year		2,331	3,667	4,781	5,791
<u>Other comprehensive income/(loss)</u>					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations, net of tax		59	21	(34)	(4)
Other comprehensive income/(loss) for the period/year, net of tax		59	21	(34)	(4)
Total comprehensive income for the period/year		2,390	3,688	4,747	5,787
Profit attributable to owners of the Company, net of tax		2,331	3,667	4,781	5,791
Profit, net of tax		2,331	3,667	4,781	5,791
Total comprehensive income attributable to owners of the Company		2,390	3,688	4,747	5,787
Total comprehensive income		2,390	3,688	4,747	5,787
Earnings per share					
Basic		2.16	3.40	4.43	5.36
Diluted		2.16	3.40	4.43	5.36

* Both basic and diluted earnings per share are the same as there are no dilutive ordinary share equivalents outstanding during the respective reporting periods.

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 31.12.2025	As at 31.12.2024	As at 31.12.2025	As at 31.12.2024
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	9	7,443	7,760	–	–
Right-of-use assets		3,268	1,276	–	–
Land use right		1,761	1,897	–	–
Investments in subsidiaries		–	–	11,434	11,434
Deferred tax assets		1,226	1,446	–	–
Total non-current assets		13,698	12,379	11,434	11,434
<u>Current assets</u>					
Inventories		40,237	31,395	–	–
Trade and other receivables		18,600	18,403	1,386	1,568
Prepayments		696	641	16	30
Income tax receivables		272	256	–	–
Restricted cash		–	100	–	–
Cash and cash equivalents		10,476	9,921	1,170	136
Total current assets		70,281	60,716	2,572	1,734
Total assets		83,979	73,095	14,006	13,168
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	11	10,579	10,579	10,579	10,579
Retained earnings		37,371	32,948	983	1,690
Other reserves		(51)	(51)	–	–
Total equity		47,899	43,476	11,562	12,269
<u>Non-current liabilities</u>					
Deferred tax liabilities		14	–	–	–
Lease liabilities	10	3,362	1,159	–	–
Borrowings	10	3,031	3,632	–	–
Total non-current liabilities		6,407	4,791	–	–
<u>Current liabilities</u>					
Income tax payable		1,041	770	20	–
Lease liabilities	10	1,383	828	–	–
Borrowings	10	570	1,179	–	–
Trade and other payables		26,679	22,051	2,424	899
Total current liabilities		29,673	24,828	2,444	899
Total liabilities		36,080	29,619	2,444	899
Total equity and liabilities		83,979	73,095	14,006	13,168

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

GROUP

	<u>Total equity</u> S\$'000	<u>Attributable to parent sub-total</u> S\$'000	<u>Share capital</u> S\$'000	<u>Retained earnings</u> S\$'000	<u>Foreign currency translation reserve</u> S\$'000	<u>Statutory reserve</u> S\$'000
Current year:						
Opening balance at 1 January 2025	43,476	43,476	10,579	32,948	(825)	774
Changes in equity:						
Total comprehensive income for the year	4,747	4,747	–	4,781	(34)	–
Dividend paid	(324)	(324)	–	(324)	–	–
Transfer (from)/to retained earnings	–	–	–	(34)	–	34
Closing balance at 31 December 2025	<u>47,899</u>	<u>47,899</u>	<u>10,579</u>	<u>37,371</u>	<u>(859)</u>	<u>808</u>
Previous year:						
Opening balance at 1 January 2024	37,905	37,905	10,579	27,373	(821)	774
Changes in equity:						
Total comprehensive income for the year	5,787	5,787	–	5,791	(4)	–
Dividend paid	(216)	(216)	–	(216)	–	–
Closing balance at 31 December 2024	<u>43,476</u>	<u>43,476</u>	<u>10,579</u>	<u>32,948</u>	<u>(825)</u>	<u>774</u>

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

COMPANY

	<u>Total equity</u> S\$'000	<u>Share capital</u> S\$'000	<u>Retained earnings</u> S\$'000
Current year:			
Opening balance at 1 January 2025	12,269	10,579	1,690
Changes in equity:			
Total comprehensive loss for the year	(383)	–	(383)
Dividend paid	(324)	–	(324)
Closing balance at 31 December 2025	<u>11,562</u>	<u>10,579</u>	<u>983</u>
Previous year:			
Opening balance at 1 January 2024	12,182	10,579	1,603
Changes in equity:			
Total comprehensive income for the year	303	–	303
Dividend paid	(216)	–	(216)
Closing balance at 31 December 2024	<u>12,269</u>	<u>10,579</u>	<u>1,690</u>

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	<u>Group</u>	
	<u>FY2025</u> S\$'000	<u>FY2024</u> S\$'000
<u>Cash flows from operating activities</u>		
Profit before tax	5,874	6,577
Adjustments for:		
Interest income	(12)	(30)
Interest expense	567	597
Depreciation of property, plant and equipment	993	927
Depreciation of right-of-use assets	831	749
Amortisation of land use right	136	135
(Reversal)/Loss allowance for expected credit loss	(466)	1,887
Reversal of provision for inventories obsolescence	(556)	(2,848)
Gains on disposal of property, plant and equipment	(8)	(20)
Net effect of exchange rate changes in consolidating foreign operations	8	(8)
Operating cash flows before movements in working capital	7,367	7,966
Cash restricted in use	100	-
Inventories	(8,286)	(323)
Trade and other receivables	269	(3,694)
Prepayments	(55)	(155)
Trade and other payables	(965)	3,872
Cash (used in)/generated from operations	(1,570)	7,666
Income taxes paid	(583)	(637)
Net cash flows (used in)/generated from operating activities	(2,153)	7,029
<u>Cash flows from investing activities</u>		
Proceeds from disposal property, plant and equipment	12	26
Purchase of property, plant and equipment	(648)	(1,687)
Interest received	12	30
Net cash flows used in investing activities	(624)	(1,631)
<u>Cash flows from financing activities</u>		
Repayments of borrowings and bills payables to bank	(4,989)	(5,167)
Proceeds from new borrowings and bills payables to banks	9,315	3,722
Lease liabilities	(235)	(991)
Interest paid	(435)	(512)
Dividend paid	(324)	(216)
Net cash flows generated from/(used in) financing activities	3,332	(3,164)
Net increase in cash and cash equivalents	555	2,234
Cash and cash equivalents at beginning of financial year	9,921	7,687
Cash and cash equivalents at end of financial year	10,476	9,921

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. General

Soon Lian Holdings Limited (the “Company”) is incorporated in Singapore with limited liability. The Company is an investment holding company. It is listed on the Catalist, which is a shares market on Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2025 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activities of the Group consist of the sale and supply of aluminium alloy materials.

The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. Basis of preparation

The condensed interim financial statements for the six months and financial year ended 31 December 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements.

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the six months ended 30 June 2025.

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

The condensed interim financial statements are presented in Singapore dollar (S\$) which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

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

2. Basis of preparation (cont'd)

2.2 Use of judgements and estimates

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

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

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

There were no material changes in estimates of amounts reported in the prior financial year that had a material effect in the full year ended 31 December 2025.

3. Seasonal operations

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

4. Segment and revenue information

The Group is organised into the following main strategic operating segments according to the industry in which their customers operate:

- Segment 1: Precision engineering
- Segment 2: Marine
- Segment 3: Stockists and traders
- Segment 4: Other customers

These operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments.

4. Segment and revenue information (cont'd)

4.1 Profit or loss from operations and reconciliations

	Precision engineering S\$'000	Marine S\$'000	Stockists and traders S\$'000	Other customers S\$'000	Unallocated S\$'000	Group S\$'000
1 July 2025 to 31 December 2025						
Revenue by segment						
Total revenue by segment	24,824	8,814	3,010	920	–	37,568
Recurring earnings before interest, taxes, depreciation, and amortisation (“EBITDA”)						
Finance costs	–	–	–	–	(291)	(291)
Depreciation and amortisation	–	–	–	–	(1,032)	(1,032)
Operating result before income taxes and other unallocated items	3,588	1,855	500	729	(1,148)	5,524
Other unallocated items					(2,705)	(2,705)
Profit before tax from continuing operations						2,819
Income tax expenses						(488)
Profit from operations						2,331
1 July 2024 to 31 December 2024						
Revenue by segment						
Total revenue by segment	23,307	10,831	4,345	1,020	–	39,503
Recurring EBITDA						
Finance costs	–	–	–	–	(309)	(309)
Depreciation and amortisation	–	–	–	–	(930)	(930)
Operating result before income taxes and other unallocated items	4,338	2,592	389	550	520	8,389
Other unallocated items					(4,492)	(4,492)
Profit before tax from continuing operations						3,897
Income tax expenses						(230)
Profit from operations						3,667

4. Segment and revenue information (cont'd)

4.1 Profit or loss from operations and reconciliations (cont'd)

	Precision engineering S\$'000	Marine S\$'000	Stockists and traders S\$'000	Other customers S\$'000	Unallocated S\$'000	Group S\$'000
1 January 2025 to 31 December 2025						
Revenue by segment						
Total revenue by segment	51,565	18,134	7,778	1,921	–	79,398
Recurring EBITDA	7,498	4,179	1,055	1,425	556	14,713
Finance costs	–	–	–	–	(567)	(567)
Depreciation and amortisation	–	–	–	–	(1,960)	(1,960)
Operating result before income taxes and other unallocated items	7,498	4,179	1,055	1,425	(1,971)	12,186
Other unallocated items					(6,312)	(6,312)
Profit before tax from continuing operations						5,874
Income tax expense						(1,093)
Profit from operations						4,781

1 January 2024 to 31 December 2024						
Revenue by segment						
Total revenue by segment	43,413	18,026	8,462	1,621	–	71,522
Recurring EBITDA	7,333	4,194	1,231	898	2,848	16,504
Finance costs	–	–	–	–	(597)	(597)
Depreciation and amortisation	–	–	–	–	(1,811)	(1,811)
Operating result before income taxes and other unallocated items	7,333	4,194	1,231	898	440	14,096
Other unallocated items					(7,519)	(7,519)
Profit before tax from continuing operations						6,577
Income tax expenses						(786)
Profit from operations						5,791

4. Segment and revenue information (cont'd)

4.2 Assets and reconciliations

	Precision engineering S\$'000	Marine S\$'000	Stockists and traders S\$'000	Other customers S\$'000	Unallocated S\$'000	Group S\$'000
<u>As at 31 December 2025:</u>						
Total assets for reportable segments	14,793	734	742	450	–	16,719
Unallocated:						
Property, plant and equipment	–	–	–	–	7,443	7,443
Right-of-use assets	–	–	–	–	3,268	3,268
Land use right	–	–	–	–	1,761	1,761
Deferred tax assets	–	–	–	–	1,226	1,226
Inventories	–	–	–	–	40,237	40,237
Cash and cash equivalents	–	–	–	–	10,476	10,476
Other unallocated amounts	–	–	–	–	2,849	2,849
Total group assets	14,793	734	742	450	67,260	83,979
<u>As at 31 December 2024:</u>						
Total assets for reportable segments	10,042	2,535	4,504	47	–	17,128
Unallocated:						
Property, plant and equipment	–	–	–	–	7,760	7,760
Right-of-use assets	–	–	–	–	1,276	1,276
Land use right	–	–	–	–	1,897	1,897
Deferred tax assets	–	–	–	–	1,446	1,446
Inventories	–	–	–	–	31,395	31,395
Restricted cash	–	–	–	–	100	100
Cash and cash equivalents	–	–	–	–	9,921	9,921
Other unallocated amounts	–	–	–	–	2,172	2,172
Total group assets	10,042	2,535	4,504	47	55,967	73,095

The assets are not allocated to operating segments because they are not directly attributable to the segment or cannot be allocated to the segment on a reasonable basis.

4. Segment and revenue information (cont'd)

4.3 Liabilities and reconciliations

	Precision engineering S\$'000	Marine S\$'000	Stockists and traders S\$'000	Other customers S\$'000	Unallocated S\$'000	Group S\$'000
As at 31 December 2025:						
Unallocated:						
Deferred tax liabilities	-	-	-	-	14	14
Income tax payable	-	-	-	-	1,041	1,041
Borrowings	-	-	-	-	3,601	3,601
Lease liabilities	-	-	-	-	4,745	4,745
Trade and other payables	-	-	-	-	26,679	26,679
Total group liabilities	-	-	-	-	36,080	36,080
As at 31 December 2024:						
Unallocated:						
Income tax payable	-	-	-	-	770	770
Borrowings	-	-	-	-	4,811	4,811
Lease liabilities	-	-	-	-	1,987	1,987
Trade and other payables	-	-	-	-	22,051	22,051
Total group liabilities	-	-	-	-	29,619	29,619

The liabilities are not allocated to operating segments because they are not directly attributable to the segment or cannot be allocated to the segment on a reasonable basis.

4.4 Other material items and reconciliations

	Precision engineering S\$'000	Marine S\$'000	Stockists and traders S\$'000	Other customers S\$'000	Unallocated S\$'000	Group S\$'000
Provision/(Reversal) of receivables and inventories and bad debts recovered (net)						
12 months ended 31 December 2025	(4)	(462)	-	-	(556)	(1,022)
12 months ended 31 December 2024	658	1,008	193	28	(2,848)	(961)
Expenditure for non-current assets						
12 months ended 31 December 2025	-	-	-	-	648	648
12 months ended 31 December 2024	-	-	-	-	1,897	1,897

4. Segment and revenue information (cont'd)

4.5 Geographical information

	<u>Revenue</u>		<u>Non-current assets</u>	
	<u>FY2025</u>	<u>FY2024</u>	As at 31 December 2025	As at 31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	23,287	19,950	8,606	8,519
Malaysia	21,684	25,214	1,632	1,237
China	15,805	11,643	790	1,024
Taiwan	9,980	7,230	1,444	153
Indonesia	2,648	1,194	–	–
Other countries	5,994	6,291	–	–
Total operations	79,398	71,522	12,472	10,933

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located. The non-current assets exclude any financial instruments and deferred tax assets.

5. Financial assets and financial liabilities

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

	<u>Group</u>		<u>Company</u>	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial assets at amortised cost:</u>				
Trade and other receivables (excluding GST receivables)	17,932	17,449	1,386	1,568
Restricted cash	–	100	–	–
Cash and cash equivalents	10,476	9,921	1,170	136
Financial assets at amortised cost	28,408	27,470	2,556	1,704
<u>Financial liabilities at amortised cost:</u>				
Trade and other payables (excluding GST payables)	26,573	22,028	2,317	878
Lease liabilities	4,745	1,987	–	–
Borrowings	3,601	4,811	–	–
Financial liabilities at amortised cost	34,919	28,826	2,317	878

6. Profit before tax

6.1 Significant items

	<u>Group</u>			
	<u>2HFY2025</u> S\$'000	<u>2HFY2024</u> S\$'000	<u>FY2025</u> S\$'000	<u>FY2024</u> S\$'000
Foreign exchange adjustment gain/(loss), net	88	(346)	79	(561)
Depreciation of property, plant and equipment	(512)	(485)	(993)	(927)
Amortisation of land use right	(68)	(67)	(136)	(135)
Depreciation of right-of-use assets	(452)	(378)	(831)	(749)
Gains/(Loss) on disposal of property, plant and equipment, net	9	9	8	20
Reversal/(Loss) allowance for expected credit losses, net	292	(1,771)	466	(1,887)
Reversal for inventories obsolescence	175	1,759	556	2,848
Interest expense	(291)	(309)	(567)	(597)
Interest income	6	22	12	30
Government grant income	68	25	81	40

6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Taxation

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

	<u>Group</u>			
	<u>2HFY2025</u>	<u>2HFY2024</u>	<u>FY2025</u>	<u>FY2024</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax expense	(418)	(506)	(859)	(831)
Deferred tax movement	(70)	276	(234)	45
Income tax expense	<u>(488)</u>	<u>(230)</u>	<u>(1,093)</u>	<u>(786)</u>

8. Net asset value

	<u>Group</u>		<u>Company</u>	
	31 December <u>2025</u>	31 December <u>2024</u>	31 December <u>2025</u>	31 December <u>2024</u>
Net asset value per ordinary share (cents)	<u>44.4</u>	<u>40.3</u>	<u>10.7</u>	<u>11.4</u>

9. Property, plant and equipment

During the six months ended 31 December 2025, the Group acquired assets amounting to S\$408,116 (31 December 2024: S\$732,123) and disposed of assets amounting to S\$336 (31 December 2024: S\$5,403).

10. Borrowings and debt securities

	<u>Group</u>		<u>Company</u>	
	31 December <u>2025</u>	31 December <u>2024</u>	31 December <u>2025</u>	31 December <u>2024</u>
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Amount repayable within one year or on demand</u>				
Secured	11,268	5,047	–	–
Unsecured	–	682	–	–
	<u>11,268</u>	<u>5,729</u>	<u>–</u>	<u>–</u>
<u>Amount repayable after one year</u>				
Secured	6,393	4,791	–	–
Unsecured	–	–	–	–
	<u>6,393</u>	<u>4,791</u>	<u>–</u>	<u>–</u>

Details of any collaterals

The Group's borrowings consist of term loans, bank loans, bills payables and finance leases.

Certain of the Group's term loans, bank loans and other credit facilities are secured by the legal mortgages on the Group's leasehold property, land use right and inventories. The finance leases are secured by the leased assets.

11. Share Capital

<u>Group and Company</u>	<u>Number of shares issued '000</u>	<u>Share capital S\$'000</u>
Ordinary shares of no par value: Balance as at 31 December 2025 and 31 December 2024	<u>108,000</u>	<u>10,579</u>

There has been no change in the Company's share capital since 31 December 2024.

The Company does not hold any treasury shares or convertible instruments as at 31 December 2025 and 31 December 2024.

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

12. Subsequent events

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

13. Changes in contingent liabilities or contingent assets

There were no material changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2024.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

1. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business.

The condensed consolidated statement of financial position of Soon Lian Holdings Limited and its subsidiaries as at 31 December 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period and full year then ended and certain explanatory notes have not been audited or reviewed.

Statement of Profit and Loss and Other Comprehensive Income

The Group has registered a net profit of S\$4.8 million in FY2025 as compared to a net profit of S\$5.8 million in FY2024. For 2HFY2025 period, the Group made a net profit of S\$2.3 million as compared to a net profit of S\$3.7 million in 2HFY2024.

The Group's revenue increased by S\$7.9 million or 11.0%, from S\$71.5 million in FY2024 to S\$79.4 million in FY2025. For 2HFY2025, the Group's revenue decreased by S\$1.9 million or 4.8%, from S\$39.5 million in 2HFY2024 to S\$37.6 million in 2HFY2025. The overall increase in revenue for FY2025 is mainly attributable to higher sales volume to customers in the precision engineering and marine segments. However, revenue for 2HFY2025 was lower compared to 2HFY2024 due to reduced sales volume to the marine and stockists and traders segments, partially offset by increased in sales volume in the precision engineering segment.

Gross profit decreased by S\$1.8 million or 11.9%, from S\$15.1 million in FY2024 to S\$13.3 million in FY2025. Gross profit margin decreased by 4.5%, from 21.2% in FY2024 to 16.7% in FY2025. The decrease in both gross profit and gross profit margin is mainly due to the lower reversal for inventories obsolescence of S\$0.6 million recognised in FY2025 as compared to S\$2.8 million in FY2024.

For 2HFY2025, gross profit decreased by S\$2.6 million or 29.2%, from S\$8.9 million in 2HFY2024 to S\$6.3 million in 2HFY2025. Gross profit margin decreased by 5.7%, from 22.6% in 2HFY2024 to 16.9% in 2HFY2025. The decrease in both gross profit and gross profit margin is mainly due to the lower reversal for inventories obsolescence of S\$0.2 million recognised in 2HFY2025 as compared to S\$1.8 million in 2HFY2024.

Other income increased by \$0.1 million or 100.0%, from S\$0.1 million in FY2024 to S\$0.2 million in FY2025. For 2HFY2025 period, other income increased by approximately S\$0.1 million or 256.5%, from S\$46,000 in 2HFY2024 to S\$164,000 in 2HFY2025. The increase in other income is mainly due to foreign exchange adjustment gain recorded in the period and year as compared to a foreign exchange loss recorded in 2HFY2024 and FY2024.

Distribution costs increased by \$0.5 million or 62.5%, from S\$0.8 million in FY2024 to S\$1.3 million in FY2025. For 2HFY2025 period, distribution costs increased by S\$0.2 million or 50.0%, from S\$0.4 million in 2HFY2024 to S\$0.6 million in 2HFY2025. The increase is mainly due to increase in commission expenses as a result of the increase in overseas sales made through agents and higher travelling and exhibition expenses.

Administrative expenses increased by S\$1.4 million or 29.2%, from S\$4.8 million in FY2024 to S\$6.2 million in FY2025. For 2HFY2025 period, administrative expenses increased by S\$0.9 million or 40.9%, from S\$2.2 million in 2HFY2024 to S\$3.1 million in 2HFY2025. The higher administrative expenses in FY2025 and 2HFY2025 are mainly due to higher staff costs.

Finance costs remained fairly constant between FY2024 and FY2025, as well as for 2HFY2024 and 2HFY2025.

1. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. (cont'd)**

Statement of Comprehensive Income (cont'd)

The Group reported S\$1.9 million loss allowance on expected credit loss on trade receivables in FY2024 as compared to reversal of allowance for impairment loss on trade receivable of S\$0.5 million in FY2025. For 2HFY2025 period, the Group recorded S\$1.8 million loss allowance on expected credit loss on trade receivables in 2HFY2024, due to higher credit risks and changes in economic conditions as compared to a reversal of allowance for impairment loss on trade receivable of S\$0.3 million.

Other expenses is S\$Nil for FY2025 and 2HFY2025 as the Group recorded a net foreign exchange adjustment gain, compared to a net foreign exchange adjustment loss for FY2024 and 2HFY2024.

As a result of the above, the Group recorded a profit before tax of S\$5.9 million in FY2025, as compared to a profit before tax of S\$6.6 million in FY2024.

Statement of Financial Position

Non-current assets increased by S\$1.3 million, from S\$12.4 million as at 31 December 2024 to S\$13.7 million as at 31 December 2025, mainly due to an increase in right-of-use assets of S\$1.9 million, partially offset by decrease in deferred tax assets of \$0.2 million, decrease in property, plant and equipment of S\$0.3 million and land use right of S\$0.1 million as a result of depreciation and amortisation charges.

Current assets increased by S\$9.6 million, from S\$60.7 million as at 31 December 2024 to S\$70.3 million as at 31 December 2025. This was mainly due to an increase in inventories of S\$8.8 million, an increase in trade and other receivables of S\$0.2 million, and increase in cash and cash equivalents of S\$0.6 million. Please refer to the section on "Statement of Cash Flows" below for the reasons for the increase in cash and cash equivalents.

Non-current liabilities increased by S\$1.6 million, from S\$4.8 million as at 31 December 2024 to S\$6.4 million as at 31 December 2025, mainly due to increase in lease liability (non-current portion) of S\$2.2 million and partially offset by a net decrease in long-term bank loans of S\$0.6 million after repayment.

Current liabilities increased by S\$4.9 million, from S\$24.8 million as at 31 December 2024 to S\$29.7 million as at 31 December 2025, mainly due to an increase in lease liability (current portion) of S\$0.6 million, increase in trade and other payables of S\$4.6 million, increase in income tax payable of S\$0.3 million, and partially offset by a decrease in borrowings of S\$0.6 million after repayment.

The Group reported a positive working capital position of S\$40.6 million as at 31 December 2025, as compared to a positive working capital position of S\$35.9 million as at 31 December 2024.

Total equity increased by S\$4.4 million, from S\$43.5 million as at 31 December 2024 to S\$47.9 million as at 31 December 2025, mainly as a result of the net profit for the year.

Statement of Cash Flows

Net cash flows used in operating activities amounted to S\$2.2 million, mainly due to the net cash flows used in operations.

Net cash flows used in investing activities amounted to S\$0.6 million in FY2025, mainly due to the purchase of property, plant and equipment.

Net cash flows generated from financing activities amounted to S\$3.3 million in FY2025, mainly due to a net proceed of borrowings and bill payables to bank of S\$4.3 million, partially offset by interest payment of S\$0.4 million, repayment of lease liabilities of S\$0.2 million and dividend payment of S\$0.3 million.

2. **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 disclosed.

3. **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.**

Looking ahead, the operating environment over the next 12 months remains uncertain amid evolving global trade policies and ongoing geopolitical tensions. Recent tariff developments have added volatility to global trade flows and supply chain dynamics.

Notwithstanding these uncertainties, macroeconomic indicators in several of the Group's key markets have remained constructive, with solid GDP growth recorded in 2025, supported by sustained domestic demand and export activity.

The precision engineering segment may face headwinds should trade-related developments affect customer demand or cross-border supply chains, while the exposure of the Group's other business segments is currently assessed to be limited. The marine segment continues to be supported by a healthy order pipeline and is expected to remain resilient in the near term.

The Group will maintain a prudent and disciplined approach in managing costs and capital expenditure. Supported by a strengthened balance sheet, the Group remains well-positioned to navigate potential volatility while remaining responsive to market opportunities.

4. **Dividend information**

a. Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on?

Yes.

The directors are pleased to propose the payment of a final dividend of 0.4 Singapore cent per ordinary share, in respect of the financial year ended 31 December 2025, subject to the approval of shareholders at the next Annual General Meeting of the Company.

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (in S\$ cents)	0.4
Tax rate	Tax-exempt (one tier)

b. Corresponding Period of the Immediately Preceding Financial Year

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

Yes.

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (in S\$ cents)	0.3
Tax rate	Tax-exempt (one tier)

4. Dividend information (cont'd)

c. Date payable

Subject to approval by the shareholders at the next Annual General Meeting, the payment date of the proposed dividend will be announced at a later date.

d. Record date

Subject to approval by the shareholders at the next Annual General Meeting, the record date will be announced at a later date.

5. Interested person transactions

The Company does not have a mandate from its shareholders for any interested person transactions. There are no interested person transactions of S\$100,000 or more during the financial period under review.

6. 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 it has procured all the required undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

7. Disclosure of persons occupying managerial positions in the issuer or any of its principal subsidiaries who are relatives to a director, CEO or substantial shareholder of the issuer pursuant to Rule 704(10) of the Catalist Rules

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Tan Ee Hoon	65	Sister of Mr Tan Yee Ho (Executive Chairman and controlling shareholder of the Company) and Mr Tan Yee Leong (Executive Director, Chief Executive Officer and controlling shareholder of the Company)	<u>Position:</u> General Administrative Manager of SL Metals Pte. Ltd., a wholly-owned subsidiary of the Company. <u>Year the position was first held:</u> 2021	Not applicable
Tan Li Shuan	30	Daughter of Mr Tan Yee Leong (Executive Director, Chief Executive Officer and controlling shareholder of the Company) and niece of Mr Tan Yee Ho (Executive Chairman and controlling shareholder of the Company).	<u>Position:</u> Business Development Manager of SL Metals Pte. Ltd., a wholly-owned subsidiary of the Company. <u>Year the position was first held:</u> 2023	Not applicable

8. Breakdown of sales

Group	<u>FY2025</u> S\$'000	<u>FY2024</u> S\$'000	<u>Increase</u> %
Revenue for first half year	41,830	32,019	30.6
Profit after tax for first half year	2,450	2,124	15.3
Revenue for second half year	37,568	39,503	(4.9)
Profit after tax for second half year	2,331	3,667	(36.4)

NM – Not meaningful

9. Breakdown of dividend

	<u>FY2025</u> S\$'000	<u>FY2024</u> S\$'000
Ordinary	432 *	324
Preference	–	–
Total	432	324

* Proposed final dividend, subject to the approval of shareholders at the upcoming Annual General Meeting of the Company.

10. Disclosures on acquisition and realisation of shares pursuant to Rule 706A of the Catalist Rules

There were no acquisition or sale of shares in any of the Group's subsidiary or associated company nor incorporation or winding up or striking off of any subsidiary or associated company by the Company or any of the Group's entities during 2HFY2025.

On behalf of the Board of Directors

TAN YEE HO
Executive Chairman

TAN YEE LEONG
Chief Executive Officer and
Executive Director

Singapore
26 February 2026