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Chuan Holdings Limited

川 控 股 有 限 公 司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1420)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026**

The board (the “**Board**”) of directors (the “**Directors**”) of Chuan Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2026 (the “**Reporting Period**”) together with comparative figures as follows:

* *For identification purposes only*

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
	Note	2026 S\$'000 (Unaudited)	2025 S\$'000 (Unaudited)
Revenue	5	136,320	54,861
Cost of sales		<u>(102,949)</u>	<u>(45,078)</u>
		33,371	9,783
Rental income – property investment	5	9,976	6,467
Direct operating expenses		<u>(7,744)</u>	<u>(4,546)</u>
		2,232	1,921
Gross profit		35,603	11,704
Other income and gains	5	771	1,932
Administrative and other operating expenses		(6,697)	(4,148)
Other expenses		(396)	(269)
Finance costs	6	(699)	(1,007)
Share of profit of joint venture		557	354
Share of losses of associates		<u>(153)</u>	<u>(276)</u>
Profit before income tax	7	28,986	8,290
Income tax expense	8	<u>(5,797)</u>	<u>(2,124)</u>
Net profit for the period attributable to owners of the Company		<u>23,189</u>	<u>6,166</u>
Other comprehensive income for the period:			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Financial assets at fair value through other comprehensive income (“FVOCI”)			
– Fair value (loss)/gain		<u>(103)</u>	<u>8</u>
Other comprehensive (loss)/income for the period, net of tax		<u>(103)</u>	<u>8</u>
Total comprehensive income for the period attributable to owners of the Company		<u>23,086</u>	<u>6,174</u>
Basic earnings per share (cents)	10	<u>1.80</u>	<u>0.49</u>
Diluted earnings per share (cents)	10	<u>1.73</u>	<u>0.46</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

		30 June 2026 S\$'000 (Unaudited)	31 December 2025 S\$'000 (Audited)
	<i>Note</i>		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	12	84,050	85,133
Investment property		1,244	1,250
Investment in associates and joint venture		24,812	21,106
Other assets		360	360
Deposits, prepayments and other receivables		522	577
Financial assets at fair value through profit or loss ("FVTPL")		1,511	1,511
Financial assets at FVOCI		999	605
Total non-current assets		113,498	110,542
Current assets			
Inventories	11	1,470	1,366
Contract assets		35,449	37,016
Trade receivables	13	59,401	26,094
Deposits, prepayments and other receivables		10,212	12,743
Pledged deposits	14	1,294	1,294
Cash and cash equivalents	14	53,216	26,150
Total current assets		161,042	104,663
Total assets		274,540	215,205
Current liabilities			
Contract liabilities		29,051	10,201
Trade payables	15	27,525	13,746
Other payables, accruals and deposits received		21,878	21,752
Borrowings	16	4,775	4,796
Lease liabilities		7,149	6,007
Income tax payable		8,304	5,429
Total current liabilities		98,682	61,931

		30 June 2026 S\$'000 (Unaudited)	31 December 2025 S\$'000 (Audited)
Net current assets		<u>62,360</u>	<u>42,732</u>
Total assets less current liabilities		<u>175,858</u>	<u>153,274</u>
Non-current liabilities			
Borrowings	16	15,001	17,368
Lease liabilities		13,522	13,250
Deferred tax liabilities		<u>677</u>	<u>474</u>
Total non-current liabilities		<u>29,200</u>	<u>31,092</u>
Total liabilities		<u>127,882</u>	<u>93,023</u>
Net assets		<u><u>146,658</u></u>	<u><u>122,182</u></u>
EQUITY			
Equity attributable to owners of the Company			
Share capital	18	2,283	2,154
Share premium		31,729	29,950
Reserves		<u>112,646</u>	<u>90,078</u>
Total equity		<u><u>146,658</u></u>	<u><u>122,182</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Share capital S\$'000	Share premium S\$'000	Merger reserve S\$'000	Share option reserve S\$'000	Fair value reserve S\$'000	Retained profits S\$'000	Total S\$'000
At 1 January 2025	2,154	29,950	5,166	518	(64)	65,424	103,148
Profit for the period	-	-	-	-	-	6,166	6,166
Other comprehensive income:							
Changes in fair value of financial assets at FVOCI	-	-	-	-	8	-	8
Total comprehensive income for the period	-	-	-	-	8	6,166	6,174
At 30 June 2025 (unaudited)	<u>2,154</u>	<u>29,950</u>	<u>5,166</u>	<u>518</u>	<u>(56)</u>	<u>71,590</u>	<u>109,322</u>
At 1 January 2026	2,154	29,950	5,166	518	6	84,388	122,182
Transactions with owners:							
Issuance of shares	129	1,779	-	(518)	-	-	1,390
	2,283	31,729	5,166	-	6	84,388	123,572
Profit for the period	-	-	-	-	-	23,189	23,189
Other comprehensive income:							
Changes in fair value of financial assets at FVOCI	-	-	-	-	(103)	-	(103)
Total comprehensive (loss)/income for the period	-	-	-	-	(103)	23,189	23,086
At 30 June 2026 (unaudited)	<u>2,283</u>	<u>31,729</u>	<u>5,166</u>	<u>-</u>	<u>(97)</u>	<u>107,577</u>	<u>146,658</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Cash generated from operations	40,244	6,003
Income tax paid, net	(2,720)	(1,678)
Net cash flows generated from operating activities	37,524	4,325
Cash flows from investing activities		
Proceeds from disposals of property, plant and equipment	669	791
Purchase of property, plant and equipment	(2,362)	(2,468)
Purchase of financial assets at FVTPL	–	(53)
Purchase of financial assets at FVOCI	(495)	–
Proceeds from settlement of financial assets at FVTPL	–	450
Investment in associates and joint venture	(3,300)	(900)
Interest received	21	197
Dividend received	24	5
Net cash flows used in investing activities	(5,443)	(1,978)
Cash flows from financing activities		
Interest portion of the lease liabilities	(384)	(331)
Principal portion of the lease liabilities	(3,312)	(2,233)
Repayment of borrowings	(2,388)	(3,004)
Proceeds from issuance of new shares	1,390	–
Interest paid	(331)	(695)
Net cash flows used in financing activities	(5,025)	(6,263)
Net increase/(decrease) in cash and cash equivalents	27,056	(3,916)
Cash and cash equivalents at beginning of period	26,150	31,408
Effect of foreign exchange rate changes, net	10	(189)
Cash and cash equivalents at end of period	53,216	27,303
Analysis of balances of cash and cash equivalents		
Cash and bank balances	53,216	18,131
Time deposits with maturity less than three months	–	9,172
	53,216	27,303

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. GENERAL INFORMATION

The Company is a limited liability company incorporated and domiciled in the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and the principal place of business of the Company in Singapore is located at 20 Senoko Drive, Singapore 758207.

The Company is an investment holding company. The Group is principally engaged in the provision of general building and construction services as well as property leasing and management operations in Singapore.

The condensed consolidated interim financial statements of the Group are unaudited, but have been reviewed by the audit committee (the “**Audit Committee**”) of the Board. The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2026 were approved and authorised for issue by the Board on 31 August 2026.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements of the Group have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“**IAS 34**”) as well as the applicable disclosures required under the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Group has prepared these financial statements on the basis that it will continue to operate as a going concern.

These condensed consolidated interim financial statements do not include the information and disclosures required in annual financial statements and should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2025.

These condensed consolidated interim financial statements are presented in Singapore Dollars (“S\$”) and all values are rounded to the nearest thousand, except where otherwise stated.

The preparation of these condensed consolidated interim financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the annual financial statements of the Group for the year ended 31 December 2025.

The Group has applied for the first-time the standards and amendments which are effective for annual periods beginning on or after 1 January 2026. The Group has not early adopted any other standards, interpretations or amendments that have been issued but are not yet effective.

The adoption of the above amendments has no material impact on the Group’s results and financial position for the current or prior periods. The Group has not early applied any new standards or interpretations that are not yet effective for the current accounting period.

4. SEGMENT INFORMATION

For the purpose of resources allocation and performance assessment, the Group determines its operating segments based on the reports reviewed by the chief operating decision maker (“CODM”) that are used to make strategic decisions. These condensed consolidated interim financial statements which were reported to the CODM based on the following segments:

- (i) Provision of earthworks and related services, mainly include excavation, earth disposal, demolition and various earthwork ancillary services (collectively referred as “**Earthworks and ancillary services**”);
- (ii) Provision of general construction works, mainly include construction of new buildings and alteration and addition works (collectively referred as “**General construction works**”); and
- (iii) Property leasing and management operations (collectively referred as “**Property investment**”).

Segment revenue and results

Segment revenue below represents revenue from external customers. There was inter-segment revenue during the respective periods. Operating revenue, direct costs, gain on disposals of property, plant and equipment (including plant and machinery and motor vehicles), interest expenses on lease liabilities, provision for expected credit loss (“ECL”) on trade receivables and contract assets and bad debts recovered are allocated to different segments to assess corresponding performance.

The segment revenue and results, and the totals presented for the Group’s operating segments reconcile to the Group’s key financial figures as presented in the financial statements are as follows:

For the six months ended 30 June 2026 (unaudited)

	Earthworks and ancillary services S\$’000	General construction works S\$’000	Property investment S\$’000	Total S\$’000
Total segment revenue	116,898	19,486	11,110	147,494
Inter-segment revenue	(64)	–	(1,134)	(1,198)
Revenue from external customers	<u>116,834</u>	<u>19,486</u>	<u>9,976</u>	<u>146,296</u>
<i>Reconciliation:</i>				
Reportable segment results	31,172	1,729	1,859	34,760
Unallocated other income and gains				573
Corporate and other unallocated expenses				(6,751)
Share of results of associates and joint venture				<u>404</u>
Profit before income tax				<u>28,986</u>

For the six months ended 30 June 2025 (unaudited)

	Earthworks and ancillary services S\$'000	General construction works S\$'000	Property investment S\$'000	Total S\$'000
Total segment revenue	46,142	8,754	7,630	62,526
Inter-segment revenue	<u>(35)</u>	<u>–</u>	<u>(1,163)</u>	<u>(1,198)</u>
Revenue from external customers	<u>46,107</u>	<u>8,754</u>	<u>6,467</u>	<u>61,328</u>
<i>Reconciliation:</i>				
Reportable segment results	9,593	307	1,184	11,084
Unallocated other income and gains				1,530
Corporate and other unallocated expenses				(4,402)
Share of results of associates and joint venture				<u>78</u>
Profit before income tax				<u>8,290</u>

Corporate and other unallocated expenses mainly included Directors' emoluments, employee benefit expenses, depreciation of office equipment and other centralised administrative cost for the Group's headquarter.

Segment assets and liabilities

Reportable segment assets

The following is an analysis of the Group's segment assets by reportable and operating segment:

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
Earthworks and ancillary services	107,993	81,785
General construction works	16,954	11,999
Property investment	56,347	56,766
Total	181,294	150,550
<i>Additions to non-current segment assets:</i>		
Earthworks and ancillary services	5,375	14,714
General construction works	38	32
Property investment	45	24
	5,458	14,770

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
Reportable segment assets	181,294	150,550
Corporate and other unallocated assets	93,246	64,655
Group assets	274,540	215,205

Corporate and other unallocated assets mainly included deposits, prepayments, other receivables due from related parties and advance payment to suppliers.

Reportable segment liabilities

The following is an analysis of the Group's segment liabilities by reportable and operating segment:

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
Earthworks and ancillary services	68,112	36,793
General construction works	6,103	3,920
Property investment	22,756	24,503
Total	96,971	65,216

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
Reportable segment liabilities	96,971	65,216
Deferred tax liabilities	677	474
Corporate and other unallocated liabilities	30,234	27,333
Group liabilities	127,882	93,023

Corporate and other unallocated liabilities mainly included accruals for employee benefit expenses and payables of office operating expenses and utilities.

5. REVENUE, OTHER INCOME AND GAINS

- (a) Revenue, which is also the Group's turnover, represents revenue from Earthworks and ancillary services, General construction works and Property investment. Revenue recognised from the principal activities during the respective periods is as follows:

	Six months ended 30 June	
	2026 S\$'000 (Unaudited)	2025 S\$'000 (Unaudited)
Revenue from contracts with customers and recognised over time:		
Earthworks and ancillary services	116,834	46,107
General construction works	19,486	8,754
Subtotal	136,320	54,861
Property investment	9,976	6,467
Total	146,296	61,328

Earthworks and ancillary services included revenue of S\$112,083,000 (30 June 2025: S\$42,327,000) from earthworks and S\$4,751,000 (30 June 2025: S\$3,780,000) from earthwork ancillary services.

- (b) Transaction price allocated to remaining performance obligations

As at 30 June 2026, the transaction price allocated to performance obligations that were unsatisfied (or partially unsatisfied) in relation to project works was S\$375,511,000 (30 June 2025: S\$453,244,000). The Directors expect that the unsatisfied performance obligations will be recognised as revenue from 1 to 5 years according to the contract period.

- (c) An analysis of the Group's other income and gains recognised during the respective periods is as follows:

	Six months ended 30 June	
	2026	2025
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Other income		
Management service income	183	229
Interest income from financial assets at amortised cost	23	200
Reversal of provision for ECL	54	11
Dividend income from financial assets at FVOCI	26	5
Sales of scrap materials and consumables	196	222
Government grants	42	35
Others	39	67
	<u>563</u>	<u>769</u>
Gains		
Gain on disposals of property, plant and equipment	198	391
Gain on settlement of financial assets at FVTPL	–	772
Net foreign exchange gain	10	–
	<u>208</u>	<u>1,163</u>
Total	<u><u>771</u></u>	<u><u>1,932</u></u>

6. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Interest expenses on financial liabilities at amortised cost:		
– Interest on lease liabilities	384	331
– Interest on borrowings wholly repayable within five years	315	676
	<u>699</u>	<u>1,007</u>
Total	<u><u>699</u></u>	<u><u>1,007</u></u>

7. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment *	6,127	5,228
Depreciation of investment property **	6	6
Employee benefit expenses (including Directors' remuneration):		
– Salaries, wages and bonuses	17,928	12,935
– Defined contribution retirement plan	553	504
– Other short-term benefits	2,305	1,853
Provision for ECL on contract assets	176	56
Provision for/(reversal of) ECL on trade receivables	166	(52)

* Depreciation of property, plant and equipment amounting to S\$6,074,000 (30 June 2025: S\$4,996,000) was included in direct costs and S\$53,000 (30 June 2025: S\$232,000) in administrative and other operating expenses.

** Depreciation of investment property was included in administrative and other operating expenses.

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Current tax – Singapore income tax		
Charge for the period	5,595	2,204
Deferred tax		
Charge/(credit) for the period	202	(80)
Income tax expense	5,797	2,124

Singapore income tax was provided at the rate of 17% on the estimated assessable profits for each of the financial periods. No provision for Hong Kong profits tax was made as the Group did not derive any assessable profits in Hong Kong for the six months ended 30 June 2026 and 2025.

9. DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (30 June 2025: Nil).

10. EARNINGS PER SHARE

The calculation of basic earnings per share for the six months ended 30 June 2026 is based on the profit for the period of S\$23,189,000 (30 June 2025: S\$6,166,000) and on the weighted average number of 1,289,255,465 (30 June 2025: 1,263,427,200) ordinary shares (the “**Shares**”) of HK\$0.01 each in the share capital of the Company in issue during the Reporting Period.

The calculation of diluted earnings per share for the six months ended 30 June 2026 is based on the profit for the period of S\$23,189,000 (30 June 2025: S\$6,166,000) and on the weighted average number of Shares adjusted for the effects of dilution from the Group’s share options of 1,342,651,200 (30 June 2025: 1,342,651,200).

11. INVENTORIES

	As at 30 June 2026 S\$’000 (Unaudited)	As at 31 December 2025 S\$’000 (Audited)
Consumables, cost	<u>1,470</u>	<u>1,366</u>
Inventories recognised as an expense in cost of sales	<u>2,427</u>	<u>4,576</u>

12. PROPERTY, PLANT AND EQUIPMENT

	Properties leased for own use S\$'000	Construction in progress S\$'000	Solar panels S\$'000	Leasehold improvements S\$'000	Plant and machinery S\$'000	Furniture, fixtures and office equipment S\$'000	Motor vehicles S\$'000	Total S\$'000
<i>Cost</i>								
At 1 January 2025	61,876	389	–	–	29,496	4,970	44,683	141,414
Additions	–	1,326	199	24	6,067	865	7,979	16,460
Transfer	–	(1,715)	1,334	381	–	–	–	–
Disposals	–	–	–	–	(1,491)	–	(16,827)	(18,318)
At 31 December 2025 and 1 January 2026	61,876	–	1,533	405	34,072	5,835	35,835	139,556
Additions	–	–	–	45	1,920	1,123	2,426	5,514
Disposals	–	–	–	–	(854)	–	(52)	(906)
At 30 June 2026	<u>61,876</u>	<u>–</u>	<u>1,533</u>	<u>450</u>	<u>35,138</u>	<u>6,958</u>	<u>38,209</u>	<u>144,164</u>
<i>Accumulated depreciation</i>								
At 1 January 2025	2,250	–	–	–	21,360	2,975	33,907	60,492
Depreciation charge	3,374	–	211	14	3,072	898	3,518	11,087
Disposals	–	–	–	–	(952)	–	(16,204)	(17,156)
At 31 December 2025 and 1 January 2026	5,624	–	211	14	23,480	3,873	21,221	54,423
Depreciation charge	1,687	–	153	43	1,659	390	2,195	6,127
Disposals	–	–	–	–	(425)	–	(11)	(436)
At 30 June 2026	<u>7,311</u>	<u>–</u>	<u>364</u>	<u>57</u>	<u>24,714</u>	<u>4,263</u>	<u>23,405</u>	<u>60,114</u>
<i>Net book value</i>								
At 31 December 2025	<u>56,252</u>	<u>–</u>	<u>1,322</u>	<u>391</u>	<u>10,592</u>	<u>1,962</u>	<u>14,614</u>	<u>85,133</u>
At 30 June 2026	<u>54,565</u>	<u>–</u>	<u>1,169</u>	<u>393</u>	<u>10,424</u>	<u>2,695</u>	<u>14,804</u>	<u>84,050</u>

13. TRADE RECEIVABLES

		As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
	<i>Note</i>		
Trade receivables		59,456	27,183
Retention receivables		<u>1,281</u>	<u>81</u>
	(a)	60,737	27,264
Less: Provision for ECL on trade receivables and retention receivables		<u>(1,336)</u>	<u>(1,170)</u>
	(b)	<u><u>59,401</u></u>	<u><u>26,094</u></u>
Total trade receivables, net			
– Non-related parties		49,737	23,815
– Related parties	(c)	<u>9,664</u>	<u>2,279</u>
		<u><u>59,401</u></u>	<u><u>26,094</u></u>

Notes:

- (a) During the Reporting Period, the credit period granted to the Group's customers was generally within 30 (31 December 2025: 30) days from the invoice date of the relevant contract revenue. Some construction contracts stipulate that the customers withhold a portion of the total contract sum (usually 5%) until a specified period (usually 1 year) after completion of the contract. The amount withheld is classified as retention receivables. Retention receivables are unsecured and interest-free.

- (b) Based on the invoice date, the ageing analysis of the Group's trade receivables is as follows:

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
0 to 30 days	49,953	14,294
31 to 90 days	1,215	9,822
91 to 180 days	5,669	1,315
181 to 365 days	300	536
Over 365 days	1,008	70
	58,145	26,037
Retention receivables	1,256	57
	59,401	26,094

The ageing analysis of the Group's trade receivables that were not impaired is as follows:

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
Neither past due nor impaired	49,953	14,294
1 to 30 days past due	1,190	4,399
31 to 90 days past due	5,642	5,745
91 to 180 days past due	330	1,117
181 to 365 days past due	1,026	412
Over 365 days past due	4	70
	58,145	26,037
Retention receivables	1,256	57
	59,401	26,094

The Group's trade receivables that were neither past due nor impaired as at the reporting dates related to the customers who had no recent history of default. The Group's management considers that trade receivables that were past due but not impaired under review are of good credit quality. The Group does not hold any collateral in respect of trade receivables past due but not impaired.

The movement in the provision for ECL on trade receivables and retention receivables is as follows:

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
Balance at beginning of period/year	1,170	1,294
Provision for/(reversal of) ECL, net	<u>166</u>	<u>(124)</u>
Balance at end of period/year	<u><u>1,336</u></u>	<u><u>1,170</u></u>

- (c) The receivables from these related parties are unsecured, interest-free and repayable on demand. The trading transactions with these related parties are detailed in Note 20.

14. CASH AND CASH EQUIVALENTS

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
Cash and bank balances	54,510	27,444
Less: Pledged deposits	<u>(1,294)</u>	<u>(1,294)</u>
Cash and cash equivalents	<u><u>53,216</u></u>	<u><u>26,150</u></u>

The bank balances bear interest at floating rates based on daily bank deposits rates.

As at 30 June 2026 and 31 December 2025, pledged deposits were restricted bank balances to secure:

- (i) the guarantee arrangement and the issuance of performance bonds (*Note 21*);
- (ii) the banking facilities including letter of credit, overdraft and bank guarantee amounting to S\$11,517,000 and S\$13,063,000 respectively;
- (iii) the term loan amounting to S\$27,164,000 and S\$27,164,000 respectively; and
- (iv) the hire purchase of property, plant and equipment amounting to S\$42,055,000 and S\$43,082,000 respectively.

15. TRADE PAYABLES

		As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
	<i>Note</i>		
Trade payables	(a)	26,623	13,069
Retention payables		902	677
		<u>27,525</u>	<u>13,746</u>
Total trade payables			
– Non-related parties		24,953	13,738
– Related parties	(b)	2,572	8
		<u>27,525</u>	<u>13,746</u>

Notes:

- (a) The Group's trade payables are non-interest bearing and generally have payment terms of 30 days.
- (b) The trading transactions with these related parties are detailed in Note 20.

The ageing analysis of trade payables, based on the invoice date, is as follows:

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
0 to 30 days	21,199	8,980
31 to 90 days	5,197	3,014
91 to 180 days	285	1,185
Over 180 days	844	567
	27,525	13,746

16. BORROWINGS

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
Current liabilities:		
Amounts payable within one year		
– Term loans	4,775	4,796
Non-current liabilities:		
Amounts payable in the second year onwards		
– Term loans	15,001	17,368
Total borrowings	19,776	22,164

Note:

- (a) The Group had obtained secured term loans to finance the Group's working capital and acquisition of a subsidiary during the respective periods.

	As at 30 June 2026 %	As at 31 December 2025 %
Fixed interest rate of the secured term loans per annum	2%	2%
Floating interest rate of the secured term loans per annum	Singapore Overnight Rate Average in-arrears plus a margin of 1.35% to 1.45%	Singapore Overnight Rate Average in-arrears plus a margin of 1.35% to 1.45%

17. LEASES

As Lessor

Future minimum rental receivables under non-cancellable operating leases of the Group as at the reporting dates are as follows:

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
Within one year	12,152	3,537
Within the second to fifth years	<u>261</u>	<u>206</u>
	<u>12,413</u>	<u>3,743</u>

The Group leases its investment property under operating leases. The leases run for an initial period of 1 to 2 years. None of these leases includes any contingent rentals.

18. SHARE CAPITAL

	Number of shares	Amounts S\$'000
Authorised:		
Ordinary share HK\$0.01 each		
At 31 December 2025 (audited) and 30 June 2026 (unaudited)	<u>10,000,000,000</u>	<u>17,430</u>
Issued and fully paid:		
At 31 December 2025 (audited)	1,263,427,200	2,154
Issuance of shares	<u>79,224,000</u>	<u>129</u>
At 30 June 2026 (unaudited)	<u>1,342,651,200</u>	<u>2,283</u>

19. COMMITMENTS

The Group had the following commitments as at the reporting dates:

	As at 30 June 2026 S\$'000 (Unaudited)	As at 31 December 2025 S\$'000 (Audited)
Contracted but not provided for, in respect of		
– Acquisition of property, plant and equipment	<u>1,854</u>	<u>3,197</u>

20. RELATED PARTY TRANSACTIONS

- (a) Save as disclosed elsewhere in the condensed consolidated interim financial statements, the Group had the following material related party transactions during the respective periods:

	Six months ended 30 June	
	2026	2025
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Construction contract work and earthwork ancillary services income received from related parties		
– Cheng Yap Construction Pte. Ltd. <i>(Note)</i>	4	10
– Chuan Lim – United E & P Joint Venture	66	112
– Chuan Lim – BuildStar JV Pte. Ltd.	5,989	–
– Guolink Partnership	5,836	–
	<u>11,895</u>	<u>122</u>
Rental income received from a related party		
– Cheng Yap Construction Pte. Ltd. <i>(Note)</i>	71	11
	<u>71</u>	<u>11</u>
Construction costs and related supporting service fees charged by related parties		
– Cheng Yap Construction Pte. Ltd. <i>(Note)</i>	75	24
– Chuan Lim – BuildStar JV Pte. Ltd.	11,533	2,232
	<u>11,608</u>	<u>2,256</u>

Note:

These related party transactions constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

All the transactions with the related parties were negotiated and carried out in the ordinary course of business and at terms agreed between the parties.

(b) Compensation of key management personnel

The remuneration of the Directors and other members of key management during the respective periods is as follows:

	Six months ended 30 June	
	2026	2025
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Short-term employee benefits	<u>1,382</u>	<u>1,651</u>

21. CONTINGENT LIABILITIES

Performance bonds provided for in the ordinary course of business

As at 30 June 2026, the Group had contingent liabilities in respect of performance bonds of construction contracts in its ordinary course of business of S\$4,821,000 (31 December 2025: S\$5,176,000). The guarantees in respect of performance bonds issued by banks were secured by pledged deposits (*Note 14*).

22. EVENTS AFTER REPORTING PERIOD

In order to finance Chuan Investments Pte. Ltd. (“**Chuan Investments**”)’s portion (being 30%) of the cash contribution or commitment towards the further capital needs for the redevelopment project (the “**Redevelopment Project**”) of Maxwell House, the 13-storey residential and commercial mixed-use building comprising 145 strata units located at 20 Maxwell Road, Singapore 069113 with a land area of 3,883.3 square metres, Longlands Holdings Limited (“**Longlands**”), a wholly-owned subsidiary of the Company, and Chuan Investments entered into the eighth further shareholder’s loan agreement dated 24 July 2026 (the “**Eighth Further Shareholder’s Loan Agreement**”), pursuant to which Longlands has agreed to provide to Chuan Investments an eighth further shareholder’s loan (the “**Eighth Further Shareholder’s Loan**”) in the amount of not more than S\$4,100,000, and S\$1,700,000 of which was provided by Longlands to Chuan Investments on 17 August 2026. The Eighth Further Shareholder’s Loan is unsecured, interest-free and repayable on demand.

23. APPROVAL OF FINANCIAL STATEMENTS

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2026 were approved and authorised for issue by the Board on 31 August 2026.

BUSINESS REVIEW

The Board is pleased to present the interim results of the Group for the six months ended 30 June 2026, together with comparative figures for the previous period ended 30 June 2025.

Industry Review

The global economy navigated a complex and bifurcated landscape in the first half of 2026, shaped by the confluence of geopolitical conflict and transformative technological acceleration. According to the World Economic Outlook Update published by the International Monetary Fund (the “**IMF**”) in July 2026, global growth is projected at 3.0% for 2026 and 3.4% for 2027, broadly unchanged on a cumulative basis from the April 2026 assessment. The most salient headwind during the Reporting Period was the escalation of the Middle East conflict involving the United States, Israel and Iran in late February 2026, which introduced renewed volatility into global energy markets, freight rates and marine insurance premiums, and prompted the IMF to revise its global headline inflation forecast for 2026 upward to 4.7%, stalling the disinflationary trend in place since early 2024. Countervailing these pressures, an artificial intelligence (“**AI**”)-driven technology upcycle imparted demand-led momentum across advanced and emerging economies alike, partially offsetting the drag exerted by the conflict on global output. While the direct exposure of Singapore’s construction sector to the conflict zone remained limited, the indirect transmission channels – diesel and fuel oil prices, bunker-linked shipping costs, the landed cost of imported steel, cement and plant components and lead times for imported machinery and spare parts – endured as material considerations for contractors throughout the Reporting Period.

Singapore's economy furnished a compelling account of resilience and robust expansion during the Reporting Period. The Ministry of Trade and Industry (the “**MTI**”) of Singapore reported a year-on-year gross domestic product (“**GDP**”) growth of 6.3% in the first quarter of 2026, followed by 5.9% in the second quarter. The growth was principally underpinned by the manufacturing sector, which grew by 7.3% and 12.5% in the first and second quarters respectively, driven by output expansions in the electronics, precision engineering and general manufacturing industries clusters on the back of surging AI-related demand. While the MTI has maintained Singapore's full-year 2026 GDP growth forecast at 2.0% to 4.0%, it flagged significantly heightened downside risks stemming from the Middle East conflict and its potential impact on energy prices, trade flows and investment sentiment. The labour market remained tight yet orderly, according to the Ministry of Manpower of Singapore, total employment grew for the eighteenth consecutive quarter in the first quarter of 2026, with non-resident employment growth continuing to be driven principally by the construction sector.

Singapore's construction sector sustained its exceptional dynamism during the Reporting Period, registering a year-on-year output growth of 12.9% in the first quarter of 2026 before moderating to 5.8% in the second quarter. The second-quarter moderation represented a normalisation from the exceptionally strong opening quarter – which had benefitted from early-year momentum prior to the escalation of geopolitical tensions in late February 2026 – rather than any fundamental weakening in sectoral demand, with both public and private sector construction output recording increases during the period. The Building and Construction Authority (the “**BCA**”) of Singapore has projected total construction demand, measured by contracts awarded, of between S\$47 billion and S\$53 billion for the full year, comparable with the record of approximately S\$50.5 billion achieved in 2025.

Public sector demand continues to anchor the industry. Institutional and other building demand is forecast at S\$13.5 billion to S\$15.3 billion (approximately 40% of total building demand and the single largest category), while civil engineering demand is expected to reach a record S\$11.6 billion to S\$13.4 billion, led by Mass Rapid Transit line extensions, Changi Airport Terminal 5 (“**T5**”) infrastructure works and the Tuas Terminal developments. Underpinning this outlook is a formidable pipeline of large-scale, multi-year projects, comprising the T5 development, the Marina Bay Sands Integrated Resort expansion, the Cross Island Line, the Downtown Line 2 Extension, the Thomson-East Coast Line Extension, the new Tengah General and Community Hospital and the continued rollout of Build-To-Order public housing projects by the Housing & Development Board of Singapore.

The Singapore government continued to advance an ambitious agenda of productivity, digitalisation and decarbonisation reform within the built environment sector during the Reporting Period. A new tranche of the Productivity Solutions Grant for the built environment sector took effect on 1 April 2026 and will run to 31 March 2031, extending support beyond pre-approved digital solutions to advanced equipment, including robotics and automation. Co-funding of up to 50% of qualifying costs is available, with the grant cap for pre-approved digital solutions raised from S\$30,000 per firm over three years to S\$50,000 per firm over five years, and a new cap of S\$300,000 per firm over five years introduced for pre-approved advanced equipment. The BCA has concurrently intensified its promotion of collaborative contracting, including through the adoption of the NEC4 target cost contract form for complex infrastructure works. The first public sector project in Singapore to adopt that form – infrastructure works at CleanTech Park within the Jurong Innovation District, awarded by JTC Corporation to Eng Lam Contractors Co (Pte) Ltd – is being used to assess the form’s efficacy in risk management and cost control, with the findings to be disseminated across other public sector agencies. In February 2026, the Ministry of National Development of Singapore announced a S\$30 million Artificial Intelligence Centre of Excellence for the Built Environment, established in partnership with the Singapore University of Technology and Design and funded under the National Research Foundation’s Research, Innovation and Enterprise programme, alongside a S\$40 million Urban Solutions and Sustainability Translation Fund directed at bridging the gap between research and deployment in the urban environment, water, waste and agri-food domains. In parallel, the Built Environment Decarbonisation Technology Roadmap, jointly developed by the BCA and the Singapore Green Building Council and launched on 6 February 2026, identified close to 70 technologies and strategies addressing both operational and embodied carbon emissions across the building life cycle.

In response to the prevailing economic climate and the dynamic evolution of Singapore's construction sector, the Group has instituted a highly strategic and agile operational framework. This model, predicated on the vigilant surveillance of market trends and an inherent capacity for swift strategic recalibration, optimally positions the Group to mitigate potential adversities while capitalising on emergent opportunities. Such a proactive posture is fundamental to the Group's sustained resilience and long-term growth trajectory, solidifying its position as an industry vanguard adept at navigating a rapidly transforming landscape with precision and foresight.

Overall Performance

With a distinguished legacy spanning more than two decades, the Group has established itself as one of Singapore's most pre-eminent and trusted earthworks contractors, renowned for its unwavering pursuit of excellence in every undertaking. The Group's reputation is a product of its consistent execution of time-sensitive, dependable, premium-calibre services, anchored by a firm dedication to ethical business practices and exceptional craftsmanship, coupled with its prestigious A2-grade contractor status in both civil engineering and general building under the BCA's Contractors Registration System – a key enabler for securing high-value public sector contracts. The Group's business is organised into three reportable segments: (i) Earthworks and ancillary services; (ii) General construction works; and (iii) Property investment. The Group's strategic diversification into property investment and dormitory management provides a resilient, recurring income base that complements the cyclical nature of the construction business.

The Group delivered an outstanding set of results for the Reporting Period, building upon the substantial improvement in profitability achieved in the financial year ended 31 December 2025. Total revenue more than doubled to approximately S\$146.3 million, representing a year-on-year increase of approximately 138.5% from approximately S\$61.3 million for the corresponding period in 2025, propelled by sustained activity in high-volume civil engineering and infrastructure packages. Gross profit surged by approximately 204.2% to approximately S\$35.6 million (30 June 2025: approximately S\$11.7 million), with the gross profit margin strengthening by approximately 5.2 percentage points to approximately 24.3% (30 June 2025: approximately 19.1%). Profit before income tax increased by approximately 249.7% to approximately S\$29.0 million (30 June 2025: approximately S\$8.3 million), while net profit attributable to owners of the Company reached approximately S\$23.2 million, a substantial increase of approximately 276.1% from approximately S\$6.2 million for the previous corresponding period. Basic earnings per share were approximately 1.80 cents (30 June 2025: approximately 0.49 cents).

The Group's performance reflected the continued benefit of the strategic initiatives that lifted its margins in the preceding financial year, including analytics-driven tender pricing, disciplined project selection, reduced subcontractor dependency and high internal fleet utilisation, all of which were successfully sustained throughout the Reporting Period. Against the backdrop of the Middle East conflict, the Group had prudently locked in supply agreements and material prices prior to the escalation, effectively insulating project margins from the worst of the ensuing cost volatility. These measures were complemented by shorter quotation validity windows for new tenders, conservative fuel and haulage contingencies built into project bids and pass-through or price-escalation clauses where contractually permissible. Among the Group's three core business segments, the Earthworks and ancillary services segment delivered the most significant contribution to both gross profit and overall net profitability during the Reporting Period.

The Group continued to reinforce its operating platform through technology and innovation. During the Reporting Period, the Group extended the deployment of fleet-safety and telematics technologies across ongoing projects, and the response from clients and main contractors has been favourable. The Group is engaging the relevant authorities with a view to demonstrating that such systems reduce operational risk and the number of operatives required per machine, and in turn the sector's dependence on manual labour. The Group's wider adoption of robotic equipment has likewise reduced site manpower requirements while improving standards of workplace safety.

On the manpower front, the industry-wide scarcity of experienced migrant Work Permit holders persisted throughout the Reporting Period, obliging the Group to draw more extensively on subcontracted labour in order to bridge workforce shortfalls and hold to project schedules. Subcontracted labour carries a higher unit cost than direct hire, and the Group's manpower costs rose accordingly. The Group continued to counter these pressures through more disciplined deployment planning, mechanisation and automation and the multi-skilling of site personnel.

In alignment with Singapore's Green Plan 2030, the Group further embedded low-emission practices across its operations: orders were placed for electric and hybrid vehicles and site equipment where operationally and commercially viable; earthwork haulage routes were optimised to curtail carbon emissions; and the Group worked alongside main contractors to manage and recycle construction waste on site. The Group's management ("**Management**") considers that demonstrable environmental, social and governance performance is becoming a material differentiator in the award of major public sector and corporate tenders.

Earthworks and Ancillary Services

The Earthworks and ancillary services segment continued to serve as the cornerstone of the Group's business and its principal revenue and profit contributor during the Reporting Period, accounting for approximately 79.9% of total revenue. Segmental revenue increased by approximately 153.4% year-on-year to approximately S\$116.8 million (30 June 2025: approximately S\$46.1 million), driven by the sustained intensity of earthworks activity across Singapore's public infrastructure and institutional development programmes – where specialised earthworks and foundation-related infrastructure projects remained the primary drivers of revenue and order book strength – and by the ramp-up of sizeable civil engineering packages. Segmental gross profit surged by approximately 234.5% to approximately S\$31.5 million (30 June 2025: approximately S\$9.4 million), with the segmental gross profit margin strengthening to approximately 27.0% (30 June 2025: approximately 20.4%).

Margin quality was underpinned by stable equipment utilisation, disciplined route-and-disposal planning, which helped mitigate elevated haulage fuel expenses, and the Group's high internal machinery ownership, which conferred a distinct cost advantage over peers reliant on rented fleets. During the Reporting Period, the Group was engaged in 65 (30 June 2025: 84) ongoing Earthworks and ancillary services projects. The Group's ability to deliver a substantially higher revenue base from a more focused portfolio of 65 ongoing projects attests to the larger scale of contracts now under execution and the efficacy of its resource deployment.

General Construction Works

The General construction works segment recorded a markedly improved performance during the Reporting Period. Segmental revenue increased by approximately 122.6% year-on-year to approximately S\$19.5 million (30 June 2025: approximately S\$8.8 million), principally reflecting the ramp-up of sizeable contracts secured in the preceding year. Segmental gross profit increased more than five-fold to approximately S\$1.9 million (30 June 2025: approximately S\$0.4 million), with the segmental gross profit margin improving to approximately 9.6% (30 June 2025: approximately 4.1%).

During the Reporting Period, the Group expanded its project pipeline by securing five new General construction works contracts with an aggregate estimated contract value of approximately S\$44.6 million. Management maintained its selective value-over-volume stance, focusing on contracts with equitable risk-allocation terms, while execution discipline was tightened on legacy projects to prevent margin slippage and avoid completion delays. As at 30 June 2026, the Group was engaged in 12 (30 June 2025: 10) ongoing General construction works projects.

Property Investment

The Property investment segment continued to provide the Group with stable, recurring revenue and operational cash flow during the Reporting Period, generating segmental revenue of approximately S\$10.0 million, an increase of approximately 54.3% from approximately S\$6.5 million for the previous corresponding period, underpinned by robust occupancy and the successful securing of an additional worker dormitory management tenancy during the Reporting Period, which further enhanced the Group's recurring cash flow profile. Segmental gross profit amounted to approximately S\$2.2 million (30 June 2025: approximately S\$1.9 million), with a segmental gross profit margin of approximately 22.4% (30 June 2025: approximately 29.7%). The property held by Hulett Construction (S) Pte. Ltd. ("**Hulett Construction**"), which is situated at 20 Senoko Drive, Singapore 758207, continued to serve as a vital component within the Group's operational matrix, providing comprehensive infrastructure for workforce accommodation, logistics and production facilities, while Hulett Construction continued to generate steady cash flow and offer operational synergies with the Group's core contracting business.

Management regards the Property investment segment as a measured yet meaningful diversification of the Group's earnings base and will continue to evaluate construction-adjacent real estate assets offering stable yields. All prospective opportunities are assessed against strict investment criteria, encompassing comprehensive risk assessment of downside exposure, market cycle volatility and operational integration risks, as well as rigorous feasibility and yield analysis to ensure target assets deliver stable cash flows and meet the Group's internal return-on-investment thresholds.

FINANCIAL REVIEW

Results for the Period

Revenue and Gross Profit

	For the six months ended 30 June 2026			For the six months ended 30 June 2025		
	Revenue recognised S\$'000	Gross profit S\$'000	Gross profit margin	Revenue recognised S\$'000	Gross profit S\$'000	Gross profit margin
Earthworks and ancillary services	116,834	31,509	27.0%	46,107	9,420	20.4%
General construction works	19,486	1,862	9.6%	8,754	363	4.1%
Property investment	9,976	2,232	22.4%	6,467	1,921	29.7%
Total	146,296	35,603	24.3%	61,328	11,704	19.1%

For the six months ended 30 June 2026, the Group generated total revenue of approximately S\$146.3 million, representing a substantial increase of approximately S\$85.0 million, or approximately 138.5%, compared with approximately S\$61.3 million for the corresponding period in 2025. The remarkable top-line growth was principally driven by the Earthworks and ancillary services segment, which benefitted from the sustained ramp-up of high-volume public infrastructure and civil engineering packages, complemented by a more than doubling of revenue from the General construction works segment and continued growth in recurring Property investment income. The Group's strategic focus on higher-quality, better-margin projects continued to yield exceptional bottom-line results: gross profit surged by approximately 204.2% to approximately S\$35.6 million (30 June 2025: approximately S\$11.7 million), while the gross profit margin strengthened by approximately 5.2 percentage points to approximately 24.3% (30 June 2025: approximately 19.1%).

Earthworks and Ancillary Services

During the Reporting Period, the Earthworks and ancillary services segment remained the Group's primary revenue generator, contributing approximately 79.9% of total revenue. Segmental revenue increased by approximately 153.4% year-on-year to approximately S\$116.8 million (30 June 2025: approximately S\$46.1 million), driven by the accelerated execution of sizeable public infrastructure and civil engineering contracts and the Group's success in capturing higher-quality workloads. Segmental gross profit surged by approximately 234.5% to approximately S\$31.5 million (30 June 2025: approximately S\$9.4 million), with the segmental gross profit margin strengthening to approximately 27.0% (30 June 2025: approximately 20.4%), supported by higher utilisation of the Group's own plant, machinery and manpower in place of subcontracted resources, disciplined management of haulage distances and disposal costs, and supply agreements and material prices locked in prior to the escalation of the Middle East conflict.

General Construction Works

During the Reporting Period, revenue from the General construction works segment increased by approximately 122.6% to approximately S\$19.5 million (30 June 2025: approximately S\$8.8 million), principally reflecting the ramp-up of sizeable contracts. Segmental gross profit increased more than five-fold to approximately S\$1.9 million (30 June 2025: approximately S\$0.4 million), with the segmental gross profit margin improving to approximately 9.6% (30 June 2025: approximately 4.1%), reflecting the Group's disciplined tender selectivity and tightened execution on legacy projects.

Property Investment

During the Reporting Period, the Property investment segment generated revenue of approximately S\$10.0 million, representing an increase of approximately 54.3% from approximately S\$6.5 million for the previous corresponding period, underpinned by robust occupancy and an additional worker dormitory management tenancy secured during the Reporting Period. Segmental gross profit increased by approximately 16.2% to approximately S\$2.2 million (30 June 2025: approximately S\$1.9 million), while the segmental gross profit margin moderated to approximately 22.4% (30 June 2025: approximately 29.7%), principally reflecting higher direct operating expenses associated with the expanded dormitory operations. The segment continued to provide the Group with a dependable stream of recurring income, reinforcing the resilience of its earnings base.

Other Income and Gains

Other income and gains for the Reporting Period amounted to approximately S\$0.8 million, compared with approximately S\$1.9 million for the corresponding period in 2025. The decrease was mainly attributable to the absence of a one-off gain on settlement of financial assets at FVTPL of approximately S\$0.8 million recorded in the previous corresponding period, together with lower gain on disposals of property, plant and equipment and reduced interest income, partially offset by a reversal of provision for ECL, dividend income and a modest net foreign exchange gain recorded during the Reporting Period.

Administrative and Other Operating Expenses

During the Reporting Period, administrative and other operating expenses increased by approximately 61.5% to approximately S\$6.7 million (30 June 2025: approximately S\$4.1 million). The increase was mainly attributable to elevated employee benefit expenses, including performance-linked remuneration commensurate with the Group's significantly improved results, as well as higher professional fees and operating overheads associated with the Group's expanded scale of operations.

Other Expenses

For the six months ended 30 June 2026, other expenses amounted to approximately S\$0.4 million (30 June 2025: approximately S\$0.3 million), comprising principally provisions for ECL on trade receivables and contract assets recognised in line with the Group's enlarged receivables and contract asset balances.

Finance Costs

During the Reporting Period, finance costs decreased by approximately 30.6% to approximately S\$0.7 million (30 June 2025: approximately S\$1.0 million). The decrease was primarily attributable to lower interest expenses on bank borrowings following the Group's scheduled repayments, partially offset by a modest increase in interest on lease liabilities associated with the Group's continued investment in plant and machinery.

Share of Results of Joint Venture and Associates

For the six months ended 30 June 2026, the Group's share of profit of joint venture amounted to approximately S\$557,000 (30 June 2025: approximately S\$354,000). The Group's share of losses of associates amounted to approximately S\$153,000 (30 June 2025: approximately S\$276,000), which was principally attributable to financing and development costs associated with the Redevelopment Project.

Income Tax Expense

For the six months ended 30 June 2026, income tax expense amounted to approximately S\$5.8 million (30 June 2025: approximately S\$2.1 million), an increase broadly commensurate with the Group's substantially higher taxable profit.

Net Profit for the Period and Net Profit Margin

During the Reporting Period, as a result of the foregoing, net profit attributable to owners of the Company surged by approximately S\$17.0 million, or approximately 276.1%, to approximately S\$23.2 million (30 June 2025: approximately S\$6.2 million). The net profit margin improved by approximately 5.8 percentage points to approximately 15.9% (30 June 2025: approximately 10.1%), underscoring the marked enhancement in the quality of the Group's earnings.

Liquidity, Financial Resources and Gearing Ratio

Liquidity

The financial position of the Group remained sound and solid during the Reporting Period, underpinned by working capital funded primarily through internally generated resources complemented by bank borrowings. As at 30 June 2026, the Group had cash and cash equivalents of approximately S\$53.2 million, more than double the approximately S\$26.2 million recorded as at 31 December 2025, reflecting strong operating cash generation from the Group's enlarged scale of profitable activities. Net current assets increased to approximately S\$62.4 million (31 December 2025: approximately S\$42.7 million), while the current ratio remained healthy at approximately 1.63 times (31 December 2025: approximately 1.69 times).

To safeguard a stable financial position, the Group exercises prudent management over its cash and cash equivalents, ensuring sufficient liquidity to support daily operations while mitigating the impact of unforeseen cash flow fluctuations.

Borrowings and Gearing Ratio

As at 30 June 2026, the Group had an aggregate of current and non-current bank borrowings and lease liabilities of approximately S\$40.4 million, a decrease from approximately S\$41.4 million as at 31 December 2025. As at 30 June 2026, the Group's gearing ratio improved to approximately 0.28 time (31 December 2025: approximately 0.34 time). Gearing ratio is calculated by dividing total borrowings (borrowings and lease liabilities) by total equity of approximately S\$146.7 million (31 December 2025: approximately S\$122.2 million) as at the end of the respective periods. The improvement reflects the Group's scheduled debt repayments and the substantial growth in total equity driven by the strong profitability achieved during the Reporting Period.

Foreign Exchange Exposure

The Group principally conducts its operations in Singapore, with the majority of its transactions denominated in Singapore Dollars.

The Group's exposure to foreign exchange risk is currently deemed insubstantial, primarily owing to the limited volume of transactions conducted in currencies other than the functional currency of its respective entities. The Group is committed to the diligent and timely assessment and close monitoring of this risk exposure on an ongoing basis.

Charges on Group's Assets

As at 30 June 2026, the Group's banking facilities were secured by the pledge of the Group's deposits of approximately S\$1.3 million (31 December 2025: approximately S\$1.3 million), while the Group's lease liabilities were secured by the charge over the leased assets with net book value of approximately S\$21.9 million (31 December 2025: approximately S\$20.3 million).

Contingent Liabilities

As at 30 June 2026, the Group had contingent liabilities in respect of performance bonds of construction contracts in its ordinary course of business amounting to approximately S\$4.8 million (31 December 2025: approximately S\$5.2 million). The guarantees in respect of performance bonds issued by banks were secured by pledged deposits.

Capital Expenditures and Capital Commitments

For the six months ended 30 June 2026, the Group invested approximately S\$5.5 million (30 June 2025: approximately S\$6.6 million) in additions to property, plant and equipment, which was mainly funded by finance lease arrangements and internal resources. These investments were allocated between the replacement of ageing equipment and selective capacity enhancement in support of the Group's order book, with priority given to higher-capacity, energy-efficient and lower-emission machinery, which contributed to reduced fuel consumption per earth-moving cycle and lower maintenance downtime during the Reporting Period. As at 30 June 2026, the Group's capital commitments in respect of the acquisition of property, plant and equipment amounted to approximately S\$1.9 million (31 December 2025: approximately S\$3.2 million).

Significant Investments Held, Material Acquisitions or Disposals of Subsidiaries, Associates and Joint Ventures and Discloseable Transactions

Major Transaction in relation to Provision of the Eighth Further Shareholder's Loan to Chuan Investments

On 7 May 2021, each of Longlands, a company incorporated in the British Virgin Islands with limited liability which is a wholly-owned subsidiary of the Company, Mr. Tng Kay Lim (“**Mr. Tng**”), an independent third party, and Mr. Yang Tse Pin (“**Mr. Yang**”), an independent third party, entered into a shareholder’s loan agreement with Chuan Investments, a company incorporated in Singapore with limited liability which is owned as to one-third each by Longlands, Mr. Tng and Mr. Yang, pursuant to which the balance of the capital contribution to Chuan Investments payable by each of Longlands, Mr. Tng and Mr. Yang shall be made by way of unsecured interest-free shareholder’s loans in the amount of not more than S\$16,900,000 for the purpose of financing the Redevelopment Project. The amount of the contribution was determined based on Chuan Investments’ portion (being 30%) of the cash contribution or commitment towards the then capital needs for the Redevelopment Project (being an amount in the range of 20% to 27% of the then total estimated capital needs for the Redevelopment Project). The unsecured interest-free shareholder’s loans are repayable on demand. For further details, please refer to the announcement of the Company dated 7 May 2021 and the circular of the Company dated 25 June 2021.

On the respective dates of 3 January 2024, 12 March 2024, 7 January 2025, 2 May 2025, 22 September 2025 and 12 January 2026, in order to finance Chuan Investments' portion (being 30%) of the cash contribution or commitment towards the then further capital needs for the Redevelopment Project, Longlands and Chuan Investments entered into (i) the further shareholder's loan agreement dated 3 January 2024, pursuant to which Longlands provided to Chuan Investments a further shareholder's loan in the amount of S\$500,000 on 3 January 2024; (ii) the second further shareholder's loan agreement dated 12 March 2024, pursuant to which Longlands provided to Chuan Investments a second further shareholder's loan in the amount of S\$2,500,000 on 18 March 2024; (iii) the third further shareholder's loan agreement dated 7 January 2025, pursuant to which Longlands provided to Chuan Investments a third further shareholder's loan in the amount of S\$750,000 on 7 January 2025; (iv) the fourth further shareholder's loan agreement dated 2 May 2025, pursuant to which Longlands provided to Chuan Investments a fourth further shareholder's loan in the amount of S\$250,000 on 2 May 2025; (v) the fifth further shareholder's loan agreement dated 22 September 2025, pursuant to which Longlands provided to Chuan Investments a fifth further shareholder's loan in the amount of S\$750,000 on 22 September 2025; and (vi) the sixth further shareholder's loan agreement dated 12 January 2026, pursuant to which Longlands provided to Chuan Investments a sixth further shareholder's loan in the amount of S\$1,500,000 on 16 January 2026. The aforesaid further shareholder's loans are unsecured, interest-free and repayable on demand. For further details, please refer to the announcements of the Company dated 12 March 2024 and 12 January 2026.

On the respective dates of 7 May 2026 and 24 July 2026, in order to finance Chuan Investments' portion (being 30%) of the cash contribution or commitment towards the then further capital needs for the Redevelopment Project, Longlands and Chuan Investments entered into (i) the seventh further shareholder's loan agreement dated 7 May 2026, pursuant to which Longlands provided to Chuan Investments a seventh further shareholder's loan in the amount of S\$1,800,000 on 7 May 2026; and (ii) the Eighth Further Shareholder's Loan Agreement, pursuant to which Longlands has agreed to provide to Chuan Investments the Eighth Further Shareholder's Loan in the amount of not more than S\$4,100,000, and S\$1,700,000 of which was provided by Longlands to Chuan Investments on 17 August 2026. The aforesaid further shareholder's loans are unsecured, interest-free and repayable on demand.

The principal activity of Chuan Investments is investment holding, where Chuan Investments owns 30% equity interest in two joint venture companies established for the Redevelopment Project, namely Maxwell Commercial Pte. Ltd. and Maxwell Residential Pte. Ltd., each of which is a company incorporated in Singapore with limited liability and is owned as to 30% by Chuan Investments, 40% by SingHaiyi Holdings Pte. Ltd. and 30% by SingHaiyi Investments Pte. Ltd.

Taking into account that (i) the Company is optimistic about the future prospect of the Redevelopment Project, which is expected to generate attractive investment return; (ii) the Company is indirectly interested in the Redevelopment Project via Chuan Investments and the provision of the Eighth Further Shareholder's Loan will strengthen the Redevelopment Project's cash position to support the conduct of the redevelopment works and its operations; and (iii) each of Mr. Tng and Mr. Yang has agreed to provide to Chuan Investments an eighth further shareholder's loan in the amount of not more than S\$4,100,000 with terms identical to those of the Eighth Further Shareholder's Loan Agreement, whereby the Group's contribution of the Eighth Further Shareholder's Loan to Chuan Investments remains in proportion to its equity interest in Chuan Investments, the Directors consider that the provision of the Eighth Further Shareholder's Loan (including the terms of the Eighth Further Shareholder's Loan Agreement) is fair and reasonable, on normal commercial terms and in the interests of the Company and the Company's shareholders (the "**Shareholders**") as a whole.

For further details, please refer to the announcements of the Company dated 24 July 2026 and 19 August 2026.

Save as disclosed above, during the Reporting Period and up to the date of this announcement, there has been no material change on the current information in relation to the significant investments held, material acquisitions or disposals of subsidiaries, associates and joint ventures and discloseable transactions from the information as disclosed in the annual report of the Group for the financial year ended 31 December 2025 (the “**2025 Annual Report**”).

Connected Transactions

Save as disclosed elsewhere in this announcement, during the Reporting Period and up to the date of this announcement, there has been no material change on the current information in relation to the connected transactions and continuing connected transactions from the information as disclosed in the 2025 Annual Report.

Off-balance Sheet Transactions

As at 30 June 2026, the Group did not involve any material off-balance sheet transaction.

SHARE OPTION SCHEME

The Company’s share option scheme (the “**2016 Share Option Scheme**”) adopted pursuant to the written resolutions of the Shareholders passed on 10 May 2016 was expired on 9 May 2026. Pursuant to an ordinary resolution passed by the Shareholders at the Company’s annual general meeting held on 21 May 2026, the Company adopted a new share option scheme (the “**2026 Share Option Scheme**”) which became effective from 21 May 2026.

Details of the 2016 Share Option Scheme and the 2026 Share Option Scheme are disclosed in the “Other Information and Corporate Governance” of the interim report of the Group for the six months ended 30 June 2026 (the “**2026 Interim Report**”).

EMPLOYEE AND EMOLUMENT POLICY

As at 30 June 2026, the Group had 819 (31 December 2025: 745) employees, including foreign workers. The Group's total remuneration, including the Directors' emoluments, for the six months ended 30 June 2026 amounted to approximately S\$20.8 million (30 June 2025: approximately S\$15.3 million). The increase was principally attributable to expanded workforce deployment to support the Group's substantially higher level of construction activity, wage pressures arising from the persistent industry-wide labour scarcity and performance-linked remuneration commensurate with the Group's improved results.

The Group's compensation structure is designed to align with both job responsibilities and prevailing market trends, ensuring competitive remuneration for all employees. A discretionary bonus system is in place to reward individual performance and contributions, and the 2026 Share Option Scheme is implemented to recognise and incentivise the invaluable efforts of the Group's workforce in driving its growth and advancement. The Group also provides mandatory Central Provident Fund contributions and medical and insurance coverage for eligible employees.

PROSPECTS

The global economy is expected to sustain moderate growth over the remainder of 2026, albeit against a backdrop that remains unsettled. Continued disinflation and the gradual easing of monetary policy across the major economies should prove broadly supportive, while the recalibration of global trade arrangements and the unresolved conflict in the Middle East remain the principal sources of downside risk.

The MTI has upgraded Singapore's GDP growth forecast for 2026 to 4.5 to 5.5 per cent, from 2.0 to 4.0 per cent previously, citing a stronger-than-anticipated global AI investment cycle and a less severe impact from the Middle East conflict than had earlier been feared. The MTI expects construction activity to be among the sectors supporting growth in the second half of the year. Domestic fundamentals remain sound, the labour market continues to expand, public infrastructure investment is proceeding at record levels and the Government's medium-term development agenda – spanning aviation and port capacity, rail connectivity, healthcare, education and public housing – affords the built environment sector a substantial and visible pipeline of work.

The BCA projects a total construction demand of S\$47 billion to S\$53 billion in 2026, against a preliminary actual demand of S\$50.5 billion in 2025, with medium-term demand averaging S\$39 billion to S\$46 billion per annum from 2027 to 2030. The BCA has cautioned that industry demand may moderate once the T5 development – a one-off project scheduled for completion in the mid-2030s – has been delivered. The composition of demand is, in Management’s view, particularly favourable to the Group: civil engineering and institutional building works, being the two categories most closely aligned with the Group’s earthworks, site preparation and ancillary capabilities, are forecast to account for the largest and the fastest-growing shares of demand respectively.

Against this backdrop, and notwithstanding the improvement in the national growth outlook, Management expects operating conditions in the second half of 2026 to remain demanding. The Group’s principal growth drivers are the continued execution of its major infrastructure contracts, recurring income from dormitory operations and new public sector tender opportunities. Tender momentum has been sustained since the close of the Reporting Period, with the Group having secured further nine projects with an aggregate estimated contract value of approximately S\$49.1 million.

The Group’s strategic priorities for the second half of 2026 are threefold: (i) margin preservation – enforcing strict bidding discipline and securing key input costs early; (ii) operational efficiency – maximising fleet utilisation and leveraging fleet-safety and robotic technologies to control labour costs; and (iii) risk mitigation – maintaining a healthy cash buffer and prioritising projects with reliable milestone payment structures. Underpinning these priorities are the Group’s A2-grade contractor status, which remains a central strategic asset, and its practice of capability-driven pricing coupled with selective partnerships, which together allow the Group to pursue larger-scope packages carrying higher barriers to entry and to improve its tender success rate without conceding margin. The Group will further continue to evaluate strategic acquisitions and real estate assets capable of generating stable recurring income, applying the investment criteria and due diligence processes described above.

The Group demonstrated commendable operational resilience in the first half of 2026, navigating cost headwinds and labour constraints through technology adoption, fleet efficiency and disciplined tender pricing. As structural shifts accelerate across Singapore's built environment, the Group's strong balance sheet, fleet capabilities and growing recurring-income portfolio position it well to capture future infrastructure opportunities while delivering sustainable value to the Shareholder. The Board remains cautiously optimistic regarding the Group's prospects for the remainder of 2026 and beyond.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles of good corporate governance in and adopted all of the code provisions (the “**Code Provision(s)**”) of the Corporate Governance Code (the “**CG Code**”) set out in Part 2 of Appendix C1 to the Listing Rules as its own code on corporate governance practices.

The Company had complied with all applicable Code Provisions throughout the Reporting Period.

The Board is aware that the Company shall comply with the Code Provisions and any deviation from the Code Provisions shall be carefully considered and disclosed in the interim and annual reports of the Group in accordance with the CG Code. The Board will continue to monitor and review the Company's corporate governance practices to ensure compliance.

CODES FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' securities transactions. All Directors, following specific enquiry made by the Company, have confirmed that they had complied with the required standard set out in the Model Code and its code of conduct regarding Directors' securities transactions throughout the Reporting Period.

The Company has also adopted a written code of conduct on terms no less exacting than the Model Code for its relevant employees (including all employees of the Company and all directors and employees of the Company's subsidiaries who, because of their office or employment, are likely to possess inside information in relation to the Company or its securities, the “**Relevant Employees**”) in respect of their dealings in the Company's securities. All Relevant Employees are required to follow such code when dealing in the securities of the Company.

AUDIT COMMITTEE

The Audit Committee currently comprises all three independent non-executive Directors, namely Mr. Wong Ka Bo Jimmy (chairman), Mr. Wee Hian Eng Cyrus and Mr. Xu Fenglei.

At the request of the Audit Committee, Ernst & Young LLP (“**EY**”), the auditor of the Company, performed certain agreed-upon procedures on the Group's unaudited condensed consolidated interim financial statements for the six months ended 30 June 2026 in accordance with International Standards on Related Services 4400 (Revised) *Agreed-Upon Procedures Engagements*.

The agreed-upon procedures were performed solely to assist the Audit Committee to review the interim results of the Group for the six months ended 30 June 2026. As the agreed-upon procedures does not constitute an assurance engagement in accordance with International Standards on Auditing or International Standards on Review Engagements, EY does not express any assurance on the interim results of the Group for the six months ended 30 June 2026.

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters, including the review of the interim results of the Group for the six months ended 30 June 2026.

PURCHASE, SALE OR REDEMPTION OF SHARES

There was no purchase, sale or redemption of the Shares by the Company or any of its subsidiaries, and the Company did not hold any treasury shares (as defined in the Listing Rules), during the Reporting Period.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.chuanholdingsltd.com). The 2026 Interim Report will be available on the aforesaid websites and despatched to the Shareholders in due course.

By order of the Board
Chuan Holdings Limited
Phang Yew Kiat
Chairman and Executive Director

Hong Kong, 31 August 2026

As at the date of this announcement, the Board comprises Mr. Lim Kui Teng, Mr. Phang Yew Kiat, Mr. Bijay Joseph and Ms. Ong Sok Hun as executive Directors; and Mr. Wee Hian Eng Cyrus, Mr. Wong Ka Bo Jimmy and Mr. Xu Fenglei as independent non-executive Directors.