



HG METAL MANUFACTURING LIMITED

(Company Registration No. 198802660D)

Condensed Interim Financial Statements

for the Financial Period of Nine Months Ended 30 September 2025



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HG METAL MANUFACTURING LIMITED

(Company Registration No. 198802660D)

Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

	Note	Group		
		9 months	12 months	
		ended 30	ended 31	
		September	December	%
		2025	2024	%
		S\$'000	S\$'000	(+/-)
<u>Continuing operations</u>				
Revenue	8	130,273	157,867	(17)
Cost of sales		(111,065)	(135,795)	(18)
Gross profit		19,208	22,072	(13)
Gross margin		14.7%	14.0%	
Other operating income		1,020	1,685	(39)
Selling and distribution costs		(1,316)	(1,474)	(11)
Administrative expenses		(6,724)	(8,020)	(16)
Other operating expenses		(3,079)	(3,380)	(9)
Finance costs		(363)	(620)	(41)
(Allowance)/Reversal of impairment loss on financial assets		(12)	42	nm*
Profit before income tax from continuing operations	9	8,734	10,305	(15)
Income tax expense	12	(1,397)	(1,464)	(5)
Net Profit for the period/year from continuing operations		7,337	8,841	(17)
<u>Discontinued operations</u>				
Net loss for the year after tax from discontinued operations		-	(264)	nm*
Net profit for the period/year		7,337	8,577	(14)
Profit/(loss) attributable to:				
Owners of the Company				
Profit from continuing operations		7,337	8,841	(17)
Loss from discontinued operations		-	(2,527)*	nm*
		7,337	6,314	16
Non-controlling interests				
Profit from discontinued operations		-	2,263*	nm*
		-	2,263	nm*

*This amount includes S\$2,230,000, which represents 48.96% of the intercompany debts of S\$4,554,000 owed by First Fortune International Company Limited ("FFI") that was waived by the parent company upon completion of disposal of the discontinued operation. The waiver was recognised as a gain for the non-controlling interest, resulting in a corresponding loss for the owners of the Company in the financial year ended 31 December 2024. Please refer to Note 11 for further information.

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

	Note	Group		
		9 months	12 months	
		ended 30	ended 31	
		September	December	%
		2025	2024	
		S\$'000	S\$'000	(+/-)
Net Profit for the period/year		7,337	8,577	(14)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss :				
Foreign currency translation		(136)	(101)	35
Reclassification of foreign currency translation reserve to profit or loss		-	(59)	nm*
Other comprehensive income for the period/year, net of tax		(136)	(160)	(15)
Total comprehensive income for the period/year		7,201	8,417	(14)
Total comprehensive income attributable to:				
Owners of the Company				
Profit from continuing operations		7,201	8,781	(18)
Loss from discontinued operations		-	(2,578)	nm*
		7,201	6,203	16
Non-controlling interests				
Profit from discontinued operations		-	2,214	nm*
		-	2,214	nm*
Earnings per ordinary share:				
Basic (cents)				
Earning per ordinary share for continuing operations	13	2.67	5.06	nm*
Earning per ordinary share for discontinued operations	13	0.00	(1.45)	nm*
Diluted (cents)				
Earning per ordinary share for continuing operations	13	2.67	5.06	nm*
Earning per ordinary share for discontinued operations	13	0.00	(1.45)	nm*

*nm denotes not meaningful

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

Condensed interim statements of financial position

		Group		Company	
	Note	30 September 2025	31 December 2024	30 September 2025	31 December 2024
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	14	17,363	18,354	3,997	4,110
Right-of-use assets		5,201	5,535	-	14
Intangible assets	15	290	186	161	150
Investment in subsidiaries		-	-	13,028	13,028
Investment securities		253	255	253	255
Restricted deposits		142	142	-	-
		23,249	24,472	17,439	17,557
Current assets					
Investment securities		2	2	2	2
Cash and cash equivalents		68,547	55,387	55,635	45,080
Fixed deposits pledged with banks		16,325	16,325	12,325	12,325
Inventories		9,769	11,923	2,041	2,488
Trade and other receivables	16	57,056	61,362	36,004	43,142
Prepaid expenses		378	226	178	150
		152,077	145,225	106,185	103,187
Total assets		175,326	169,697	123,624	120,744
Current liabilities					
Lease liabilities	20	582	578	-	35
Trade and other payables	17	7,839	7,941	16,329	17,496
Bank borrowings	20	1,198	1,910	36	353
Provision for income tax		1,428	1,535	-	-
Derivative financial instruments*	18	369	5	261	13
		11,416	11,969	16,626	17,897
Non-current liabilities					
Lease liabilities	20	4,346	4,547	-	-
Bank borrowings	20	3,881	4,751	-	-
Deferred tax liabilities		623	571	-	-
Provision for reinstatement costs		1,572	1,572	-	-
		10,422	11,441	-	-
Total liabilities		21,838	23,410	16,626	17,897
Net assets		153,488	146,287	106,998	102,847
Equity attributable to owners of the Company					
Share capital	22	109,882	109,882	109,882	109,882
Treasury shares		(3,034)	(3,034)	(3,034)	(3,034)
Other reserves		2,750	2,886	2,527	2,527
Accumulated profits/(losses)		43,889	36,552	(2,377)	(6,528)
		153,487	146,286	106,998	102,847
Non-controlling interests		1	1	-	-
Total equity		153,488	146,287	106,998	102,847
Total equity and liabilities		175,326	169,697	123,624	120,744

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

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

Condensed interim statements of changes in equity

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

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

Group	Attributable to owners of the Company								Total equity
	Share capital	Treasury shares	Capital reserve	Premium paid on acquisition of non-controlling interest	Foreign currency translation reserve	Accumulated profits	Total	Non-controlling interests	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2024	77,463	(3,034)	2,527	(212)	682	30,238	107,664	(2,504)	105,160
Profit for the year	-	-	-	-	-	6,314	6,314	2,263	8,577
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	-	-	(52)	-	(52)	(49)	(101)
Reclassification of foreign currency translation reserve to profit or loss	-	-	-	-	(59)	-	(59)	-	(59)
Other comprehensive income for the year, net of tax	-	-	-	-	(111)	-	(111)	(49)	(160)
Total comprehensive income for the year	-	-	-	-	(111)	6,314	6,203	2,214	8,417
<u>Contribution by and distributions to owners</u>									
Issuance of ordinary shares	32,419	-	-	-	-	-	32,419	-	32,419
Total contribution by and distributions to owners	32,419	-	-	-	-	-	32,419	-	32,419
<u>Change in ownership interest in subsidiary</u>									
Disposal of a subsidiary	-	-	-	-	-	-	-	291	291
Total change in ownership interest in subsidiary	-	-	-	-	-	-	-	291	291
Total transactions with owners in their capacity as owners	32,419	-	-	-	-	-	32,419	291	32,710
At 31 December 2024	109,882	(3,034)	2,527	(212)	571	36,552	146,286	1	146,287

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

Company	Share capital	Treasury shares	Capital reserve	Accumulated losses	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2025	109,882	(3,034)	2,527	(6,528)	102,847
Profit for the period, representing total comprehensive income for the period	-	-	-	4,151	4,151
At 30 September 2025	109,882	(3,034)	2,527	(2,377)	106,998
At 1 January 2024	77,463	(3,034)	2,527	(6,668)	70,288
Profit for the year, representing total comprehensive income for the year	-	-	-	140	140
<u>Contributions by and distributions to owners</u>					
Issuance of ordinary shares	32,419	-	-	-	32,419
Total transactions by and distributions to owners	32,419	-	-	-	32,419
Total transactions with owners in their capacity as owners	32,419	-	-	-	32,419
At 31 December 2024	109,882	(3,034)	2,527	(6,528)	102,847

HG METAL MANUFACTURING LIMITED

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

Condensed interim consolidated statement of cash flows

	Group	
	9 months ended 30 September 2025 S\$'000	12 months ended 31 December 2024 S\$'000
Cash flows from operating activities		
Profit before income tax from continuing operations	8,734	10,305
Loss before income tax from discontinued operations	-	(264)
	8,734	10,041
Adjustments for:		
Bad debts write off	-	2
Depreciation of property, plant and equipment	1,355	1,813
Depreciation of right-of-use assets	705	853
Amortisation of intangible assets	32	26
Gain on disposal of property, plant and equipment	-	(44)
Gain on termination of right-of-use assets	(30)	-
Write down of inventories	113	456
Loss on disposal of a subsidiary	-	337
Allowance/(reversal) of impairment loss on financial assets	12	(42)
Fair value loss/(gain) on derivatives, net	364	(309)
Finance costs	363	575
Interest income	(834)	(677)
Unrealised foreign exchange gain, net	(235)	(399)
Operating cash flow before changes in working capital	10,579	12,632
Working capital changes:		
Inventories	2,041	11,849
Trade and other receivables	4,247	(10,078)
Prepaid expenses	(152)	(11)
Trade and other payables	(89)	(3,115)
Cash generated from operations	16,626	11,277
Interest expense paid	(363)	(603)
Interest income received	857	729
Income tax paid	(1,452)	(3)
Net cash flows generated from operating activities	15,668	11,400
Cash flows from investing activities		
Net cash outflow from disposal of a subsidiary	-	(1,398)
Fixed deposit pledged with banks	-	(3,575)
Proceeds from disposal of property, plant and equipment	24	129
Proceeds from maturity of investment securities	-	3,500
Purchase of property, plant and equipment	(375)	(820)
Purchase of intangible assets	(136)	(49)
Net cash flows used in investing activities	(487)	(2,213)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares in the Company	-	32,488
Proceeds from bank borrowings	-	10,402
Repayment of bank borrowings	(1,582)	(12,473)
Principal element of lease payments	(538)	(631)
Net cash flows (used in)/generated from financing activities	(2,120)	29,786
Net increase in cash and cash equivalents	13,061	38,973
Effects on exchange rate changes on cash and cash equivalents	99	(79)
Cash and cash equivalents at beginning of financial period/year	55,387	16,493
Cash and cash equivalents at end of financial period/year	68,547	55,387

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

Selected notes to the condensed interim consolidated financial statements

1. Corporate information

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

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

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

2. Change of financial year end

During the current financial period, HG Metal Manufacturing Limited and its subsidiaries (the “Group”) changed its financial year end from 31 December to 30 September to align with the financial year end of the immediate and ultimate holding company. The current financial statements are prepared for the financial period from 1 January 2025 to 30 September 2025, which are not comparable with the comparative financial statements for the previous financial year from 1 January 2024 to 31 December 2024.

3. Basis of Preparation

The condensed interim financial statements for the nine months ended 30 September 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2025.

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

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

4. Changes in accounting policies

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

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

5. Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in Note 11. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

6. Use of judgements and estimates

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

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

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

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

(a) Allowance for expected credit losses of trade receivables

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

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 16.

The carrying amount of trade receivables as at 30 September 2025 was S\$49,787,000 (31 December 2024: S\$53,054,000) respectively.

(b) Allowance for slow-moving and obsolete inventories

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

The carrying amount of the inventories as at 30 September 2025 was S\$9,769,000 (31 December 2024: S\$11,923,000). Included in the carrying amount of the inventories is an allowance of write-down of inventory of S\$692,000 (31 December 2024: S\$689,000).

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

7. Segment information

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

- (i) The trading segment is a supplier of steel products and includes the holding of investments in subsidiaries in the business of steel distribution and provision of industrial steel services.
- (ii) The manufacturing segment produces construction steel products and provides related engineering services.
- (iii) Others include those which do not fall in trading and manufacturing segment.

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

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

	Continuing Operations				
	Trading	Manufacturing	Others	Adjustment/ elimination	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
1 January 2025 to 30 September 2025					
Revenue					
Sales to external customers	5,707	124,566	-	-	130,273
Inter-segment sales	36,583	2,554	-	(39,137)	-
Total	42,290	127,120	-	(39,137)	130,273
Results					
Other income	2,287	3,791	27	(5,933)	172
Dividend income	4,894	-	-	(4,894)	-
Government grant income	7	7	-	-	14
Interest income	1,189	66	7	(428)	834
Gain from disposal of property, plant and equipment	12	-	-	(12)	-
Fair value loss from derivatives	(248)	(116)	-	-	(364)
(Write-down)/write-back of inventories	(123)	10	-	-	(113)
Interest expense	(5)	(786)	-	428	(363)
Depreciation and amortisation of assets	(260)	(1,123)	(4)	-	(1,387)
Depreciation of right-of-use assets	(14)	(691)	-	-	(705)
Segment profit/(loss)	4,151	9,300	1,292	(6,009)	8,734
Income tax expenses					(1,397)
Profit for the period					7,337
Assets and liabilities					
*Additions to non-current assets	163	723	-	(17)	869
Segment assets	123,624	110,189	11,933	(70,420)	175,326
Segment liabilities	16,625	51,803	4,929	(53,570)	19,787
Tax payable					1,428
Deferred tax liabilities					623
Total liabilities					21,838

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

7. Segment information (cont'd)

	Continuing Operations				
	Trading	Manufacturing	Others	Adjustment/ elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>1 January 2024 to 31 December 2024</u>					
Revenue					
Sales to external customers	13,132	144,735	-	-	157,867
Inter-segment sales	34,520	3,698	-	(38,218)	-
Total	47,652	148,433	-	(38,218)	157,867
Results					
Other income	3,374	4,200	10	(6,977)	607
Dividend income	3,134	-	-	(3,134)	-
Government grant income	23	25	-	-	48
Interest income	1,057	122	10	(512)	677
Gain from disposal of property, plant and equipment	35	-	-	9	44
Fair value gain from derivatives	188	121	-	-	309
Write-down of inventories	(449)	(7)	-	-	(456)
Bad debts write-off	-	(2)	-	-	(2)
Interest expense	(18)	(1,114)	-	512	(620)
Depreciation and amortisation of assets	(410)	(1,453)	(5)	29	(1,839)
Depreciation of right-of-use assets	(33)	(820)	-	-	(853)
Segment profit/(loss)	477	9,529	1,319	(1,020)	10,305
Income tax expenses					(1,464)
Profit for the year					8,841
Assets and liabilities					
*Additions to non-current assets	14	1,111	-	111	1,236
Segment assets	120,744	106,575	12,653	(70,275)	169,697
Segment liabilities	17,896	56,044	817	(53,453)	21,304
Tax payable					1,535
Deferred tax liabilities					571
Total liabilities					23,410

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

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

8. Disaggregation of revenue

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

	Group		
	12 months ended 31 December 2024		
	Trading	Manufacturing	Group
	S\$'000	S\$'000	S\$'000
Sales of goods (at a point in time)	11,199	14,770	25,969
Cut & bend (at a point in time)	-	129,965	129,965
Rental of steel plates (over time)	1,933	-	1,933
Total Revenue	13,132	144,735	157,867

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

9. Profit before income tax from continuing operations

	Group	
	9 months ended 30 September 2025	12 months ended 31 December 2024
	S\$'000	S\$'000
Profit before tax from continuing operations is arrived at after crediting/(charging) the following:		
Amortisation of intangible assets	(32)	(26)
(Allowance)/reversal of impairment loss on financial assets	(12)	42
Bad debts write-off	-	(2)
Depreciation of property, plant and equipment	(1,355)	(1,813)
Depreciation of right-of-use assets	(705)	(853)
Fair value (loss)/gain on derivatives, net	(364)	309
Foreign exchange (loss)/gain, net	(183)	454
Finance costs	(363)	(620)
Gain on disposal of property, plant and equipment	-	44
Gain on termination of right-of-use assets	30	-
Interest income	834	678
Write down of inventories	(113)	(456)

10. Related companies and related parties transactions

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

	Company	
	9 months ended 30 September 2025	12 months ended 31 December 2024
	S\$'000	S\$'000
<i>With subsidiaries</i>		
Sales	36,583	34,520
Dividend income	4,894	3,134
Management fee income	1,646	2,278
Interest income	428	512
Other income	616	855
Rental expenses	(827)	(770)
Other expenses	(70)	(141)

HG METAL MANUFACTURING LIMITED

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

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

	Group		Company	
	12 months ended	9 months ended	12 months	
	31 December	30 September	ended 31	
	2024	2025	December 2024	
	S\$'000	S\$'000	S\$'000	S\$'000
<i>With a fellow subsidiary of the Company</i>				
Sales	472	91	-	-
Purchases	(55,657)	(24,003)	(3,690)	(5,241)
Other charges	(120)	(28)	(28)	-

11. Discontinued operations

On 7 February 2023, the Group announced its plan to cease the business operations of its subsidiary, First Fortune International Company Limited ("FFI"), in Myanmar, in view that the economic conditions of Myanmar were not expected to improve in the near future, especially after the Financial Action Task Force moved to place Myanmar on its blacklist of countries effective from October 2022. Accordingly, this had been classified as a disposal group held for sale and the related operations in Myanmar were presented as discontinued operations.

On 13 February 2024, the Group announced that it had entered into a sale and purchase agreement (the "SPA") with Aung Tin Htut (the "Buyer"), in relation to the disposal of all the ordinary shares it owned in the capital of its subsidiary, namely FFI to the buyer.

The disposal was completed concurrently with the signing of the SPA.

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

11. Discontinued operations (cont'd)

Loss on disposal of FFI:

	13 February 2024 \$'000
FFI carrying amounts of assets and liabilities as at date of disposal	
Property, plant and equipment	2,297
Right-of-use assets	1,782
Inventories	8
Income tax recoverable	88
Cash and bank balances	71
Total assets	4,246
Trade and other payables	(1,493)
Bank borrowings	(3,349)
Total liabilities	(4,842)
Net liabilities derecognised	(596)
Less: Non-controlling interests	(291)
Net liabilities attributable to the Company derecognised upon disposal	(305)
Cash proceeds on disposal of FFI	2,427
Net liabilities of FFI derecognised	305
Settlement of FFI outstanding bank borrowings and other relevant expenses on behalf*	(3,417)
Other disposal expenses	(337)
	(1,022)
Net loss arising from waiver of intercompany debts owed by FFI **	(2,230)
Loss on disposal of FFI attributable to the owners of the Company***	(3,252)

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

11. Discontinued operations (cont'd)

*The Company has provided a corporate guarantee for the bank borrowings extended to FFI. On 13 February 2024, the Company divested all the ordinary shares it owned in the capital of FFI to the Buyer. During the financial year ended 31 December 2024, the Company paid off FFI's outstanding bank loans in accordance with the terms of the SPA, under which the Company assumed responsibility for the loan settlement.

**On the date of disposal, the intercompany debts owed by FFI to the parent company were waived as part of the disposal arrangement. These debts were previously fully provided by the Group and had no cashflow impact on completion of the disposal transaction.

***The Company incurred a loss of \$3,252,000 on the disposal of FFI. This amount included a loss of \$685,000 which was recognised in the financial year ended 31 December 2023. The additional loss recognised includes net loss of \$2,230,000 from waiver of intercompany debts and \$337,000 attributed to the disposal expenses incurred in the financial year ended 31 December 2024.

Cash outflow on disposal of FFI:

	13 February 2024 \$'000
Cash proceeds on disposal of FFI	2,427
Less:	
Settlement of FFI outstanding bank borrowings and other relevant expenses on behalf	(3,417)
Other disposal expenses	(337)
Cash and bank balances in FFI	(71)
Cash outflow on disposal	(1,398)

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

12. Income tax expenses

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

	Group	
	9 months ended 30 September 2025 S\$'000	12 months ended 31 December 2024 S\$'000
Current income tax expense		
Current financial year		
- Attributable to continuing operations	1,469	1,524
Over provision in respect of prior year		
- Attributable to continuing operations	(124)	-
Deferred income tax expenses relating to origination and reversal of temporary differences		
Current financial year		
- Attributable to continuing operations	46	120
Under/(over) provision in respect of prior year		
- Attributable to continuing operations	6	(180)
Total income tax expenses recognised in the statement of comprehensive income	1,397	1,464

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

13. Earnings per shares

	Group	
	9 months ended 30 September 2025	12 months ended 31 December 2024
<u>Earnings per ordinary share for continuing operations:</u>		
Basic (cents)	2.67	5.06
Diluted (cents)	2.67	5.06
<u>Earnings per ordinary share for discontinued operations:</u>		
Basic (cents)	N.A	(1.45)
Diluted (cents)	N.A	(1.45)
<u>Total earnings per ordinary shares for continuing and discontinued operations:</u>		
Basic (cents)	2.67	3.61
Diluted (cents)	2.67	3.61

Earnings per share were calculated based on weighted average number of shares of 274,740,678 and 174,756,380 for the period/year ended 30 September 2025 and 31 December 2024 respectively.

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

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

14. Property, plant and equipment

	Group									
	Freehold land S\$'000	Buildings S\$'000	Leasehold buildings S\$'000	Plant and machinery S\$'000	Furniture and fittings S\$'000	Office equipment S\$'000	Renovation S\$'000	Motor vehicles S\$'000	Construction in progress S\$'000	Total S\$'000
Cost										
At 1 January 2024	172	228	19,382	21,524	314	573	70	2,502	293	45,058
Additions	-	-	28	638	24	16	-	-	127	833
Disposal and write-off	-	-	-	(1,791)	-	(37)	-	(110)	-	(1,938)
Reclassifications	-	-	-	404	-	-	-	-	(404)	-
Exchange difference	11	13	-	-	-	-	-	-	-	24
At 31 December 2024 and 1 January 2025	183	241	19,410	20,775	338	552	70	2,392	16	43,977
Additions	-	-	5	211	-	15	-	131	-	362
Exchange difference	1	1	-	-	-	-	-	-	-	2
At 30 September 2025	184	242	19,415	20,986	338	567	70	2,523	16	44,341
Accumulated depreciation										
At 1 January 2024	-	68	9,065	13,713	289	469	34	1,997	-	25,635
Charge for the period	-	5	663	994	19	51	14	67	-	1,813
Disposal and write-off	-	-	-	(1,683)	-	(36)	-	(110)	-	(1,829)
Exchange difference	-	4	-	-	-	-	-	-	-	4
At 31 December 2024 and 1 January 2025	-	77	9,728	13,024	308	484	48	1,954	-	25,623
Charge for the period	-	4	498	735	9	30	11	68	-	1,355
At 30 September 2025	-	81	10,226	13,759	317	514	59	2,022	-	26,978
Net carrying amount										
At 31 December 2024	183	164	9,682	7,751	30	68	22	438	16	18,354
At 30 September 2025	184	161	9,189	7,227	21	53	11	501	16	17,363

During the financial period ended 30 September 2025, the Group acquired property, plant and equipment with aggregate cost S\$362,000 (31 December 2024: S\$833,000).

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**Condensed Interim Financial Statements for the Financial Period of Nine Months
 Ended 30 September 2025**

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

15. Intangible assets

	Group		
	Computer software S\$'000	Club membership S\$'000	Total S\$'000
Cost			
At 1 January 2024	1,061	143	1,204
Additions	49	-	49
At 31 December 2024 and 1 January 2025	1,110	143	1,253
Additions	136	-	136
At 30 September 2025	1,246	143	1,389
Accumulated amortisation			
At 1 January 2024	1,041	-	1,041
Amortisation	26	-	26
At 31 December 2024 and 1 January 2025	1,067	-	1,067
Amortisation	32	-	32
At 30 September 2025	1,099	-	1,099
Net carrying amount			
At 31 December 2024	43	143	186
At 30 September 2025	147	143	290

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**Condensed Interim Financial Statements for the Financial Period of Nine Months
Ended 30 September 2025**

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

16. Trade and other receivables

	Group	
	30 September 2025	31 December 2024
	S\$'000	S\$'000
Trade receivables	51,446	54,701
Allowance for expected credit loss	(1,659)	(1,647)
Total trade receivables	49,787	53,054
Advances to suppliers	7,047	8,025
Deposits	220	279
Other receivables	2	8
Allowance for expected credit loss	-	(4)
Total other receivables	7,269	8,308
Total trade and other receivables	57,056	61,362

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

Expected credit losses

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

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

Movement in allowance accounts (trade receivables)

	Group	
	9 months ended 30 September 2025	12 months ended 31 December 2024
	S\$'000	S\$'000
At beginning of the period/ year	1,647	1,685
Allowance/(reversal of allowance) for expected credit loss	12	(38)
At end of period/year	1,659	1,647

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

16. Trade and other receivables (cont'd)

Movement in allowance accounts (other receivables)

	Group	
	9 months ended 30 September 2025	12 months ended 31 December 2024
	S\$'000	S\$'000
At beginning of the period/ year	4	35
Reversal of allowance for expected credit loss	-	(4)
Write off during the period	(4)	(28)
Translation difference	-	1
At end of period/year	-	4

Credit risk of trade receivables

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

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

	Trade receivables					
	Less than 3 months past due	3 months to 6 months past due	6 months to 12 months past due	More than 12 months past due		Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Singapore:						
30 September 2025						
Gross amount	22,856	25,122	738	200	2,530	51,446
Loss allowance provision	-	-	-	-	(1,659)	(1,659)
	22,856	25,122	738	200	871	49,787
Singapore and other geographical areas:						
31 December 2024						
Gross amount	21,091	28,158	1,368	2,520	1,564	54,701
Loss allowance provision	(4)	(19)	(7)	(53)	(1,564)	(1,647)
	21,087	28,139	1,361	2,467	-	53,054

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

16. Trade and other receivables (cont'd)

Credit risk of concentration profiles

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the trade receivables at the end of the reporting period is as follows:

By industry sectors:

Construction	49,401	52,223
Trading	187	637
Others	199	194
	49,787	53,054

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**Condensed Interim Financial Statements for the Financial Period of Nine Months
Ended 30 September 2025**

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

17. Trade and other payables

	Group	
	30 September 2025	31 December 2024
	S\$'000	S\$'000
Trade payables	1,992	2,923
Other payables:		
Deposits from customers	44	74
Accrued operating expenses	3,747	2,517
Other payables	1,027	1,488
GST payables	1,029	939
Total trade and other payables	7,839	7,941

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

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

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

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

18. Financial instruments

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 30 September 2025 and 31 December 2024.

	Group	
	Fair value through profit and loss S\$'000	Assets/liabilities at amortised cost S\$'000
30 September 2025		
Financial assets		
Trade and other receivables	-	50,009
Bank balances and fixed deposits	-	85,014
Investment securities	-	255
Total	-	135,278
Financial liabilities		
Trade and other payables	-	6,582
Bank borrowings	-	5,079
Derivative financial instruments	369	-
Total	369	11,661
31 December 2024		
Financial assets		
Trade and other receivables	-	53,337
Bank balances and fixed deposits	-	71,854
Investment securities	-	257
Total	-	125,448
Financial liabilities		
Trade and other payables	-	6,806
Bank borrowings	-	6,661
Derivative financial instruments	5	-
Total	5	13,467

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**Condensed Interim Financial Statements for the Financial Period of Nine Months
Ended 30 September 2025**

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

18. Financial instruments (cont'd)

	Company	
	Fair value through profit and loss S\$'000	Assets/liabilities at amortised cost S\$'000
30 September 2025		
Financial assets		
Trade and other receivables	-	36,004
Bank balances and fixed deposits	-	67,960
Investment securities	-	255
Total	-	104,219
Financial liabilities		
Trade and other payables	-	16,156
Bank borrowings	-	36
Derivative financial instruments	261	-
Total	261	16,192
31 December 2024		
Financial assets		
Trade and other receivables	-	38,186
Bank balances and fixed deposits	-	57,405
Investment securities	-	257
Total	-	95,848
Financial liabilities		
Trade and other payables	-	17,247
Bank borrowings	-	353
Derivative financial instruments	13	-
Total	13	17,600

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

19. Financial instruments carried on fair value

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

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

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

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

Group			
30 September 2025			
Quoted prices in active market for identical assets (level 1) S\$'000	Significant observable inputs other than quoted (Level 2) S\$'000	Unobservable inputs for the asset or liability (Level 3) S\$'000	Total fair value S\$'000

Liabilities

Derivative financial instruments
- Forward Currency contracts

-	(369)	-	(369)
-	(369)	-	(369)

Group			
31 December 2024			
Quoted prices in active market for identical assets (level 1) S\$'000	Significant observable inputs other than quoted (Level 2) S\$'000	Unobservable inputs for the asset or liability (Level 3) S\$'000	Total fair value S\$'000

Liabilities

Derivative financial instruments
- Forward Currency contracts

-	(5)	-	(5)
-	(5)	-	(5)

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

20. Borrowings

	Group				Company			
	30 September 2025	Lease liabilities	31 December 2024	Lease liabilities	30 September 2025	Lease liabilities	31 December 2024	Lease liabilities
	Secured*		Secured*		Secured*		Secured*	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Repayable within one year	1,198	582	1,910	578	36	-	353	35
Repayable after one year	3,881	4,346	4,751	4,547	-	-	-	-
Total	5,079	4,928	6,661	5,125	36	-	353	35

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

21. Contingent liabilities

Guarantees

- (i) Intra-group financial guarantees comprise corporate guarantees granted by the Company to banks in respect of banking facilities amounting to \$30,837,000 to secure banking facilities provided to certain subsidiaries. The financial guarantees will expire when the loans have been paid and discharged and/or when the banking facilities are no longer available to the subsidiaries.

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

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

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

22. Share capital and treasury shares

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

	FP2025	FY2024
<u>Share capital</u>	S\$'000	S\$'000
At 1 January	109,882	77,463
Issuance from share placements	-	12,983
Issuance from rights issue	-	19,436
At 30 September 2025/31 December 2024	109,882	109,882

	FP2025	FY2024
<u>Total number of issued shares</u>		
At 1 January	280,055,008	155,670,771
Issuance from share placements	-	50,130,000
Issuance from rights issue	-	74,254,237
At 30 September 2025/31 December 2024	280,055,008	280,055,008
Treasury shares	(5,314,330)	(5,314,330)
Total number of issued shares excluding treasury shares	274,740,678	274,740,678

	30 September 2025	31 December 2024
Number of issued shares (excluding treasury shares)	274,740,678	274,740,678
Number of treasury shares	5,314,330	5,314,330
Percentage of number of treasury shares against the total number of issued shares (excluding treasury shares and subsidiary holdings)	1.93%	1.93%

There were no sales, transfers, disposal, cancellation and/or use of treasury shares in FP2025 (FY2024: Nil).

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

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

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

As at date of this announcement, the utilisation of net proceeds raised by the Company from previous placements and rights issue are as follows;

Date of share placement/ rights issue	Use of net proceeds	Amount allocated S\$'000 (*)	Amount utilised as at the date of this announcement S\$'000	Balance as at the date of this announcement S\$'000
19-Sep-23	General working capital	6,890	6,466(**)	424
28-Jun-24 & 15-Aug-24	Capital Expenditure & General Working Capital	13,052	-	13,052
16-Dec-24	General Working Capital, Business Expansion , Investment & Acquisition	19,436	170 (***)	19,266
	Total	39,378	6,636	32,742

*Amounts are net of the expenses for the share placement(s)/rights issue.

**General working capital consists of purely trade payment for purchase of inventory

***Being general working capital of approximately S\$170,000 which consists of professional fees and other expenses incurred in connection with the response to the mandatory cash offer by Esteel. Pursuant to the announcement dated 11 October 2024 and the Offer Information Statement dated 21 November 2024 made/ issued by the Company, 35% - 40% of the net proceeds from the Rights Issued is allocated to meet the Company's general working capital purposes.

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

	30 September 2025 S\$'000	31 December 2024 S\$'000
Share capital	109,882	109,882

	30 September 2025	31 December 2024
Total number of issued shares	280,055,008	280,055,008
Treasury shares	(5,314,330)	(5,314,330)
Total number of issued shares excluding treasury shares	274,740,678	274,740,678

There was no sale, transfer, disposal, cancellation and use of treasury shares during the current financial period ended 30 September 2025.

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

23. Dividends

	Group	
	9 months ended	12 months
	30 September	ended 31
	2025	December 2024
	S\$'000	S\$'000
Proposed but not recognised as a liability as at 30 September 2025		
Dividends on ordinary shares, subject to shareholders' approval at the forthcoming AGM:		
-Final tax-exempt (one-tier) dividend for FP2025: 1.5 cents (FY2024: nil)	4,121	-

24. Net asset value

	Group		Company	
	As at 30	As at 31	As at 30	As at 31
	September	December	September	December
	2025	2024	2025	2024
Net asset value per ordinary share (S\$)	0.56	0.53	0.39	0.37

25. Seasonality of operations

The Group's businesses are not significantly affected by seasonal or cyclical factor during the current financial period ended 30 September 2025.

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Condensed Interim Financial Statements for the Financial Period of Nine Months Ended 30 September 2025

Other information required by Listing Rule Appendix 7.2

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

The condensed consolidated statement of financial position of HG Metal Manufacturing Limited and its subsidiaries as at 30 September 2025 and related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the nine-month period then ended and certain explanatory notes have not been audited or reviewed.

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

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

Results for FP2025 versus FY2024

Continuing operations

Revenue and Gross Profit

The Group achieved revenue of S\$130.3 million in FP2025, compared to S\$157.9 million in FY2024. The lower revenue in FP2025 was primarily due to the shorter reporting period of 9 months, following the change of financial year end from 31 December to 30 September as well as the continued decline in steel prices which impacted the average selling price.

Despite the lower revenue, gross profit margin improved slightly to 14.7% in FP2025 compared to 14.0% in FY2024. This was mainly attributable to a reduction in cost of sales, driven by lower average cost of material costs during the financial period.

Other Operating Income

Other operating income declined to S\$1.0 million in FP2025, from S\$1.7 million in FY2024. This was mainly attributed to the absence of fair value gains from forward currency contracts and foreign currency exchange gains.

Selling and distribution, Administrative, Other Operating and Finance Costs

Total selling and distribution costs incurred fell to S\$1.3 million in FP2025 compared to S\$1.5 million in FY2024, in line with less delivery volumes in FP2025.

Administrative expenses decreased to S\$6.7 million in FP2025 compared to S\$8.0 million in FY2024 mainly due to decrease in staff cost that comes with the nine-month operations in FP2025 compared to twelve-month operations in FY2024.

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Other operating expenses for FP2025 decreased to S\$3.1 million, from S\$3.4 million in the previous financial year. The decline was mainly due to a loss of S\$0.5 million in fair value of forward currency contracts and foreign exchange difference, offset by lower operation costs incurred during the shorter reporting period in FP2025 compared to FY2024.

Total finance costs incurred amounted to S\$0.4 million in FP2025, compared to S\$0.6 million in FY2024, mainly due to decrease in bank borrowings from FY2024 to FP2025 amounting to S\$1.6 million.

Profitability

The Group reported a net profit before tax from continuing operations of S\$8.7 million in FP2025 in comparison to net profit before tax of S\$10.3 million in FY2024. Although the reported figure was lower in absolute terms, the nine-month FP2025 result represented stronger underlying profitability on an annualised basis.

The Group's income tax expense for FP2025 was S\$1.4 million compared to S\$1.5 million in FY2024.

As a result, the Group recorded a net profit after tax from continuing operations of S\$7.3 million in FP2025, compared to a net profit after tax of S\$8.8 million in FY2024.

Discontinued operations

The Group incurred a net loss after tax of S\$264,000 in FY2024 for its discontinued operation. The discontinued operation was divested on 13 February 2024.

Balance Sheet

The Group's non-current assets, comprising mainly property, plant and equipment and right-of-use assets amounted to S\$23.2 million as of 30 September 2025 compared to S\$24.5 million as at 31 December 2024. There were no significant additions during the financial period.

As of 30 September 2025, the Group's inventory on hand reduced to S\$9.8 million from S\$11.9 million as at 31 December 2024, reflecting the Group's ongoing efforts to optimise inventory levels.

Trade and other receivables amounted to S\$57.1 million as of 30 September 2025, compared to S\$61.4 million as at 31 December 2024 mainly due to improved collections.

There was no significant change in trade and other payables, which stood at S\$7.8 million as of 30 September 2025 and S\$7.9 million as of 31 December 2024.

Total bank borrowings decreased to S\$5.1 million as of 30 September 2025 from S\$6.7 million as of 31 December 2024 mainly due to loan repayments.

Statement of Cash Flows

The Group generated cash flows from operating activities of S\$15.7 million in FP2025. This was due to profits from operations and net increase in working capital, primarily due to a decrease in trade and other receivables and inventories.

Net cash used in investing activities for FP2025 amounted to S\$0.5 million. This included S\$0.4 million for the purchase of property, plant and equipment and S\$0.1 million for the purchase of intangible assets.

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Net cash used in financing activities for FP2025 totaled S\$2.1 million. This amount included S\$1.6 million in banks borrowings repayment and S\$0.5 million in principal lease repayments.

As at 30 September 2025, the Group's cash and cash equivalents rose to S\$68.5 million as compared to S\$55.4 million as at 31 December 2024.

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

Not applicable

29. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

According to the IMF's October 2025 World Economic Outlook, global growth is projected to slow from 3.3% in 2024 to 3.2% in 2025 and 3.1% in 2026. This reflects continued resilience despite emerging challenges, including trade policy uncertainties and less severe-than-expected tariff disruptions. However, medium-term risks remain tilted towards the downside, driven by inflationary pressures, geopolitical tensions, rising protectionism, and policy uncertainty.¹

Singapore's economy grew 2.9% year-on-year in Q3 2025, down from 4.5% in Q2. Manufacturing stagnated, while construction grew 3.1%, moderating from 6.2%.² Despite the slowdown, growth exceeded expectations due to front-loaded trade activity and strong consumer demand. Overall, GDP rose by 3.9% year-on-year in Q1–Q3. Looking ahead, growth may ease as trade normalises, but global AI investments, infrastructure projects, and supportive financial conditions should continue to bolster key sectors.³

Singapore's construction sector is expected to grow steadily, supported by the Urban Redevelopment Authority's (URA) Draft Master Plan 2025 — a long-term framework that guides land use planning over the next 10–15 years. The plan prioritizes sustainable growth, enhanced transport connectivity, and the creation of vibrant mixed-use districts. Key initiatives include the redevelopment of the Greater Southern Waterfront, the growth of Jurong Lake District as a key economic hub, and the expansion of MRT lines to strengthen island-wide accessibility.^{4,5}

Aligned with these strategic priorities, the Building and Construction Authority (BCA) projects annual construction demand to range between S\$39 billion and S\$46 billion from 2026 to 2029. This demand will be driven by public housing, MRT extensions, and major infrastructure developments such as Changi Airport Terminal 5, the Integrated Waste Management Facility, and Tengah General Hospital. Sustained public-sector investment, a robust housing pipeline, and renewed private development activity will reinforce sector momentum.⁶ However, global uncertainties and potential delays in large-scale projects may affect timelines and overall performance.

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As a key player in Singapore's construction steel supply chain, the Group is strategically positioned to benefit from the country's accelerating infrastructure development and large-scale project rollouts. This advantage supported a sales volume increase of approximately 29% in FP2025, compared to the same nine-month period in the previous financial year. However, subdued property market conditions in China have significantly dampened domestic steel demand, resulting in a global oversupply of steel rebar and downward pressure on prices.⁷ These dynamics have impacted profit margins and reduced contract competitiveness. To address these challenges, the Group will implement agile procurement strategies, deepen client engagement, and secure long-term contracts to build a resilient order book and maintain financial stability.

¹<https://www.imf.org/en/Publications/WEO/Issues/2025/10/14/world-economic-outlook-october-2025>

²https://isomer-user-content.by.gov.sg/166/c429212a-3d33-474e-b8fb-3e500069255e/AdvEst_3Q25.pdf

³<https://www.mas.gov.sg/news/monetary-policy-statements/2025/mas-monetary-policy-statement-14oct25>.

⁴<https://www.ura.gov.sg/Corporate/Media-Room/Media-Releases/pr25-32?utm>

⁵<https://www.uradraftmasterplan.gov.sg/regional-plans/central-region/vibrant-city-living-for-all/?utm>

⁶<https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2025/01/23/construction-demand-to-remain-strong-for-2025>

⁷<https://www.ainvest.com/news/china-steel-overcapacity-crisis-global-industry-crossroads-2507/>

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30. Dividend

(a) Current financial period reported on

Any dividend recommended for the current financial year reported on?

Yes, the Board has recommended a final dividend in respect of FP2025 as follows:

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

This proposed final tax-exempt dividend has not been recognised as at period end and will be submitted for shareholders' approval at the next Annual General Meeting of the Company to be convened in January 2026.

(b) Corresponding period of the immediately preceding financial year

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

Not Applicable

(c) Date payable

To be announced later

(d) Books closure date

To be announced late

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

Not applicable

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

32. Interested persons transactions

Name of interested person and nature of transaction	Aggregate value of all interested person transactions during the financial period (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions under shareholders' mandate during the financial period (excluding transactions less than S\$100,000 pursuant to Rule 920)	
	S\$'000 FP2025	S\$'000 FY2024	S\$'000 FP2025	S\$'000 FY2024
BRC Asia Limited				
- Purchase	-	-	(47,436)	-
- Sale	-	-	472	-

Interested person transactions mandates with BRC Asia Limited had been renewed at the annual general meeting held on 25 April 2025.

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

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

34. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Not applicable

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

Not applicable

On behalf of the Board,

Ong Hwee Li

Chairman

18 November 2025

Xiao Xia

Executive Director and Chief Executive Officer