UNION STEEL HOLDINGS LIMITED
友联钢铁控股有限公司
UEN 200410181W
33 Pioneer Road North Singapore 628474 Tel : (65) 6861 9833 Fax: (65) 6862 9833
GST Reg. No: 20-0410181W

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2026

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UNAUDITED CONDENSED FINANCIAL STATEMENT FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2026

(A) Condensed consolidated statement of profit or loss and other comprehensive income

		Group			
	Note	6 months ended 30 June 2026 unaudited S$'000	6 months ended 30 June 2025 unaudited S$'000	12 months ended 30 June 2026 unaudited S$'000	12 months ended 30 June 2025 audited S$'000
Revenue	6	**51,045**	47,545	**107,263**	106,143
Cost of sales		**(40,839)**	(36,072)	**(84,041)**	(78,986)
Gross profit		**10,206**	11,473	**23,222**	27,157
Other income		**4,929**	3,977	**8,464**	7,993
Distribution costs		**(95)**	(87)	**(210)**	(123)
Administrative expenses		**(9,069)**	(9,513)	**(18,243)**	(18,823)
Other operating income/(expenses)					
- Fair value gain on investment properties, net		**22**	171	**22**	171
- Reversal of/(loss allowance) on financial assets at amortised cost, net		**200**	44	**200**	(370)
- Others		**(2,237)**	(1,774)	**(3,501)**	(3,582)
Finance costs		**(1,335)**	(1,216)	**(2,323)**	(2,372)
Share of profit from an associated company	18	**310**	221	**484**	221
Profit before income tax	8	**2,931**	3,296	**8,115**	10,272
Income tax (expense)/benefit	10	**(804)**	165	**(1,378)**	(732)
Net profit for the financial period/year		**2,127**	3,461	**6,737**	9,540
Other comprehensive (losses)/income					
Item that may be reclassified subsequently to profit or loss					
- Exchange differences on translation of foreign operations		**(9)**	(94)	**118**	6
Total other comprehensive (losses)/ income for the financial period/year		**(9)**	(94)	**118**	6
Total comprehensive income for the financial period/year		**2,118**	3,367	**6,855**	9,546

(A) Condensed consolidated statement of profit or loss and other comprehensive income (continued)

		Group			
	Note	6 months ended 30 June 2026 unaudited S$'000	6 months ended 30 June 2025 unaudited S$'000	12 months ended 30 June 2026 unaudited S$'000	12 months ended 30 June 2025 audited S$'000
Net profit for the financial period/year attributable to:					
- Owners of the Company		**2,127**	3,461	**6,737**	9,540
- Non-controlling interests		*	*	*	*
		2,127	3,461	**6,737**	9,540
Total comprehensive income for the financial period/year attributable to:					
- Owners of the Company		**2,118**	3,367	**6,855**	9,546
- Non-controlling interests		*	*	*	*
		2,118	3,367	**6,855**	9,546
Earnings per share:					
Basic (SGD in cents)		**1.80 cents^**	2.93 cents^^	**5.70 cents^**	8.08 cents^^
Diluted (SGD in cents)		**1.80 cents^**	2.93 cents^^	**5.70 cents^**	8.08 cents^^

* Less than S$1,000

^ Basic and diluted profit per share for 2H2026 and FY2026 are computed based on net profit for the period/year attributable to ordinary shareholders amounting to approximately S$2.1 million and S$6.7 million respectively over the weighted average number of shares of 118,134,300.

^^ Basic and diluted profit per share for 2H2025 and FY2025 are computed based on net profit for the period/year attributable to ordinary shareholders amounting to approximately S$3.5 million and S$9.5 million respectively over the weighted average number of shares of 118,134,300.

There were no potential dilutive shares as at 30 June 2026 and 30 June 2025.

"2H2026" denotes the second half financial year of the financial year ended 30 June 2026 ("FY2026").
"2026" denotes the full financial year of FY2026.
"2H2025" denotes the second half financial year of the financial year ended 30 June 2025 ("FY2025").
"2025" denotes the full financial year of FY2025.

(B) Condensed statements of financial position

		Group		Company	
	Note	**30 June 2026 unaudited S$'000**	30 June 2025 audited S$'000	**30 June 2026 unaudited S$'000**	30 June 2025 audited S$'000
ASSETS					
Current assets					
Cash and cash equivalents		**15,680**	20,073	**724**	1,006
Trade and other receivables		**32,111**	28,194	**5,846**	5,691
Inventories		**29,160**	26,126	**-**	-
Total current assets excluding assets classified as held-for-sale		**76,951**	74,393	**6,570**	6,697
Assets of disposal group classified as held-for-sale	13(a)	**3,954**	-	**-**	-
Non-current asset held-for-sale	16	**2,880**	-	**-**	-
Total current assets		**83,785**	74,393	**6,570**	6,697
Non-current assets					
Property, plant and equipment	14	**71,441**	68,354	**94**	110
Right-of-use assets	15	**19,968**	12,196	**-**	-
Investment properties	16	**2,404**	5,262	**-**	-
Goodwill	17	**7,699**	7,699	**-**	-
Club membership		**201**	201	**201**	201
Other intangible assets		**-**	-	**-**	-
Investments in subsidiary corporations	22	**-**	-	**54,645**	54,694
Investment in an associated company	18	**13,676**	10,862	**12,971**	10,641
Deferred tax assets	19	**112**	121	**-**	-
Total non-current assets		**115,501**	104,695	**67,911**	65,646
Total assets		**199,286**	179,088	**74,481**	72,343
LIABILITIES AND EQUITY					
Current liabilities					
Borrowings	20	**34,432**	27,104	**2,171**	2,240
Trade and other payables		**15,610**	16,056	**4,656**	3,398
Lease liabilities		**3,228**	2,577	**-**	-
Income tax payable		**1,576**	1,749	**-**	-
Total current liabilities excluding liabilities relating to assets held-for-sale		**54,846**	47,846	**6,827**	5,638
Liabilities directly associated with disposal group classified as held-for-sale	13(b)	**975**	-	**-**	-
Total current liabilities		**55,821**	47,486	**6,827**	5,638
Non-current liabilities					
Borrowings	20	**16,808**	17,588	**-**	2,237
Lease liabilities		**18,423**	11,450	**-**	-
Deferred tax liabilities	19	**5,944**	6,125	**39**	39
Total non-current liabilities		**41,175**	35,163	**39**	2,276

(B) Condensed statements of financial position (continued)

		Group		Company	
	Note	**30 June 2026 unaudited S$'000**	30 June 2025 audited S$'000	**30 June 2026 unaudited S$'000**	30 June 2025 audited S$'000
Capital and reserves					
Share capital	21	**36,603**	36,603	**36,603**	36,603
Retained earnings		**60,621**	54,888	**31,012**	27,826
Capital reserve		**5,237**	5,237	**-**	-
Foreign currency translation reserve		**(171)**	(289)	**-**	-
Equity attributable to owners of the Company		**102,290**	96,439	**67,615**	64,429
Non-controlling interests		*****	*	**-**	-
Total equity		**102,290**	96,439	**67,615**	64,429
Total liabilities and equity		**199,286**	179,088	**74,481**	72,343

* Less than S$1,000

(C) Condensed statements of changes in equity

Group	Note	Share capital S$'000	Retained earnings# S$'000	Capital reserve S$'000	Foreign currency translation reserve S$'000	Equity attributable to owners of the Company S$'000	Non-controlling interests S$'000	Total equity S$'000
Balance as at 1 July 2025		36,603	54,888	5,237	(289)	96,439	*	96,439
Net profit for the financial year		-	6,737	-	-	6,737	*	6,737
Other comprehensive income for the financial year		-	-	-	118	118	*	118
Dividends	11	-	(1,004)	-	-	(1,004)	-	(1,004)
Balance as at 30 June 2026		36,603	60,621	5,237	(171)	102,290	*	102,290
Balance as at 1 July 2024		36,603	46,884	5,237	(295)	88,429	*	88,429
Net profit for the financial year		-	9,540	-	-	9,540	*	9,540
Other comprehensive income for the financial year		-	-	-	6	6	*	6
Dividends	11	-	(1,536)	-	-	(1,536)	-	(1,536)
Balance as at 30 June 2025		36,603	54,888	5,237	(289)	96,439	*	96,439

* Less than S$1,000
# Retained earnings of the Group are fully distributable except for the accumulated retained earnings from associated company amounting to S$484,000 (30 June 2025: S$221,000).

Company	Note	Share capital S$'000	Retained earnings S$'000	Total equity S$'000
Balance as at 1 July 2025		36,603	27,826	64,429
Net profit, representing total comprehensive income for the financial year		-	4,190	4,190
Dividends	11	-	(1,004)	(1,004)
Balance as at 30 June 2026		36,603	31,012	67,615
Balance as at 1 July 2024		36,603	11,864	48,467
Net profit, representing total comprehensive income for the financial year		-	17,498	17,498
Dividends	11	-	(1,536)	(1,536)
Balance as at 30 June 2025		36,603	27,826	64,429

(D) Condensed consolidated statement of cash flows

	Note	Group 12 months ended 30 June 2026 unaudited S$'000	Group 12 months ended 30 June 2025 audited S$'000
Operating activities			
Profit before income tax		**8,115**	10,272
Adjustments for:			
- Amortisation of other intangible assets	8	**-**	154
- Depreciation of property, plant and equipment	8	**4,894**	5,320
- Depreciation of right-of-use assets	8	**2,739**	2,450
- Fair value gain on investment properties, net	8	**(22)**	(171)
- Loss/(gain) on disposal of investment in an associated company	8	**66**	(85)
- (Reversal of)/loss allowance on financial assets at amortised cost	8	**(200)**	370
- Loss on disposal of property, plant and equipment	8	**295**	148
- Property, plant and equipment written-off	8	**200**	-
- Share of profit from an associated company	18	**(484)**	(221)
- Write-down of inventories	8	**200**	70
- Write back of previously written down of inventories		**-**	(6)
- Interest expense	8	**2,323**	2,372
- Interest income		**(62)**	(148)
Operating cash flows before movements in working capital		**18,064**	20,525
Changes in working capital			
- Trade and other receivables		**(5,861)**	11,524
- Inventories		**1,230**	3,672
- Trade and other payables		**461**	(7,012)
Cash generated from operations		**13,894**	28,709
- Income tax paid		**(1,699)**	(1,876)
- Interest received		**62**	148
Net cash generated from operating activities		**12,257**	26,981
Investing activities			
- Purchase of property, plant and equipment		**(14,280)**	(25,334)
- Proceeds from disposal of property, plant and equipment		**1,054**	687
- Investment in an associated company		**(5,156)**	(12,500)
- Proceeds from disposal of investment in an associated company		**2,760**	1,944
Net cash used in investing activities		**(15,622)**	(35,203)
Financing activities			
- Dividends paid to owners of the Company	11	**(1,004)**	(1,536)
- Increase in bills payable	20	**2,493**	195
- Proceeds from bank loans	20	**12,750**	33,140
- Repayment of bank loans	20	**(10,138)**	(17,225)
- Repayment of lease liabilities	20	**(3,767)**	(3,293)
Net cash generated from financing activities		**334**	11,281

(D) Condensed consolidated statement of cash flows (continued)

	Group	
	12 months ended 30 June 2026 unaudited S$'000	**12 months ended 30 June 2025 audited S$'000**
Net (decrease)/increase in cash and cash equivalents	**(3,031)**	3,059
Cash and cash equivalents at beginning of the financial year	**20,073**	17,037
Effects of currency translation on cash and cash equivalents	**57**	(23)
Cash and cash equivalents at end of the financial year[1]	**17,099**	20,073

[1] For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	12 months ended 30 June 2026 unaudited S$'000	**12 months ended 30 June 2025 audited S$'000**
Cash and cash equivalent as stated in the consolidated statement of financial position	**15,680**	20,073
Add: Cash and cash equivalents included in assets of disposal group classified as held-for-sale (Note 13)	**1,419**	-
Cash and cash equivalents per consolidated statement of cash flows	**17,099**	20,073

(E) Selected notes to the condensed interim consolidated financial statements

1. Corporate information

Union Steel Holdings Limited (the "Company") (Registration No. 200410181W) is incorporated in Singapore with its principal place of business and registered office at 33 Pioneer Road North, Singapore 628474. The Company is listed on the Singapore Exchange Securities Trading Limited. These condensed consolidated financial statements as at and for the second half year and full financial year ended 30 June 2026 comprise the Company and its subsidiary corporations (collectively, the "Group").

The principal activities of the Company are those of investment holding and the provision of management services. The principal activities of the Group are disclosed in Note 22 to the financial statements.

2. Basis of preparation

The condensed interim financial statements for the second half year and full financial year ended 30 June 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the six-month financial period ended 31 December 2025.

The accounting policies adopted are consistent with those of the prior financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 3.

The condensed interim financial statements are presented in Singapore Dollar ("S$" or "SGD") which is the Company's functional currency and all financial information presented in Singapore Dollar is rounded to the nearest thousand (S$'000) except when otherwise indicated.

3. New and amended standards adopted by the Group

The Group and the Company have adopted all the new and revised SFRS(I)s and SFRS(I) Interpretations that are relevant to its operations and effective for annual period beginning on 1 July 2025. The adoption of the new and revised standards and interpretations is assessed to have no material financial effect on the performance and financial position of the Group and of the Company for the current financial period reported on. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these new and revised standards and interpretations.

4. Use of judgements and estimates

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the accounting policies

In the process of applying the Group's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in the financial statements.

Classification of investment in an associated company

The classification of investment in Eneco Energy Limited ("Eneco") as associated company is considered to be a critical accounting judgement as judgement is applied in determining the relevant activities of Eneco and whether the Group has power over these activities. This involves assessment of the purpose and design of Eneco, identification of the activities which significantly affect the returns and how decisions are made about those activities. In assessing how decisions are made, management considers voting and veto rights, contractual arrangements with Eneco or other parties (if any), and any rights or ability to appoint, remove or direct key management personnel of Eneco that have the ability to direct the relevant activities of Eneco. Consideration is also given to the practical ability of other parties to exercise their rights.

The Company considers Eneco as associated company of the Group, as it only has significant influence over Eneco based on its equity interest of less than 50% and the Company does not have majority representatives on the board of directors of Eneco. Significant influence arises where the Group has the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. If an investor holds directly or indirectly 20% or more of the voting power of the investee, it is presumed that the investor has significant influence, unless it can be clearly demonstrated that this is not the case. Accordingly, the investment has been classified as an investment in an associated company.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(i) Revenue from mechanical construction and fabrication services

Revenue from mechanical construction and fabrication services is recognised over time by reference to the Group's progress towards completing the contract. The measure of progress is determined based on the proportion of contracts costs incurred to date to the estimated total contract costs. Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of contract revenue. When it is probable that the total contract costs will exceed the total contract revenue, a provision for onerous contracts is recognised immediately. Significant judgement is used to estimate these total contract costs to complete. In making these estimates, management has relied on past experience.

4. Use of judgements and estimates (continued)

Key sources of estimation uncertainty (continued)

(ii) Write-down of inventories

A review is made periodically for excess inventory, obsolescence and declines in net realisable value below cost and management records write-down against the inventory balance for any such declines. These reviews are based on current market conditions and historical experience which require management's judgement in assessing the market positioning of the Group's products and are dependent on factors such as customer specification requirements, demands and price competition in response to the industry life cycles. Possible changes in these judgements could result in revisions to the valuation of inventories.

(iii) Calculation of loss allowance on trade receivables

When measuring expected credit loss on trade receivables with similar risk characteristics, the Group uses a provision matrix which is estimated based on historical credit loss experience on the past due status of the receivables, adjusted as appropriate to reflect the current conditions and estimates of future economic conditions. The reasonable and supportable estimates of future economic conditions used is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring expected credit loss. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future economic conditions.

(iv) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating unit to which goodwill has been allocated. The value-in-use calculation requires management to estimate the future cash flows and a suitable discount rate in order to calculate present value.

(v) Impairment of property, plant and equipment, right-of-use assets, other intangible assets and investments in subsidiary corporations and an associated company

The Group assesses whether there are any indicators of impairment for its property, plant and equipment, right-of-use assets, other intangible assets and investments in subsidiary corporations and an associated company at each reporting date. Property, plant and equipment, right-of-use assets, other intangible assets and investments in subsidiary corporations and an associated company are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value-in-use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and uses a suitable discount rate in order to calculate the present value of those cash flows.

4. Use of judgements and estimates (continued)

Key sources of estimation uncertainty (continued)

(vi) Fair value measurement of investment properties

The Group's investment properties are stated at estimated fair value, determined by independent external appraisals or management internally. The estimated fair value may differ from the price at which the Group's assets could be sold at a particular time, since actual selling prices are negotiated between willing buyers and sellers. Also, certain estimates such as overall market conditions require an assessment of factors not within management's control. As a result, actual results of operations and realisation of net assets may vary significantly from that estimate.

5. Seasonal operations

The Group's business has not been affected significantly by seasonal or cyclical factors during the financial year ended 30 June 2026.

6. Segment and revenue information

The Group is organised into the following main business segments:

- Segment 1 : Metals - import and export of scrap metals, waste collection services, trading and leasing of metal products;
- Segment 2 : Scaffolding - provision of scaffolding services and related consultancy services;
- Segment 3 : Engineering - civil construction and engineering work, manufacturing of motor vehicle bodies, mechanical construction and fabrication services and repair, commissioning, sale and rental of marine deck equipment;
- Segment 4 : Others – income from rental properties

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

6. Segment and revenue information (continued)

6.1 Reportable segments

Business segments	Metals S$'000	Scaffolding S$'000	Engineering S$'000	Others* S$'000	Total S$'000
1 Jan 2026 to 30 Jun 2026 unaudited					
External revenue	25,261	3,458	22,326	-	51,045
Reportable segment results from operating activities	3,429	341	1,472	538	5,780
Share of profit from an associated company	-	-	-	310	310
Finance income					18
Finance costs					(1,335)
Unallocated corporate expenses					(1,842)
Profit before income tax					2,931
Income tax expense					(804)
Net profit for the financial period					2,127
Reportable segments assets	49,618	10,898	117,032	6,162	183,710
Unallocated assets					15,576
Total assets					199,286
Reportable segments liabilities	40,770	1,234	48,105	1,165	91,274
Unallocated liabilities					5,722
Total liabilities					96,996
Other material items:					
Depreciation of property, plant and equipment	627	181	1,661	85	2,554
Depreciation of right-of-use assets	921	25	625	-	1,571
Net fair value gain on investment properties	-	-	-	(22)	(22)
Loss on disposal of property, plant and equipment	309	-	16	-	325
Property, plant and equipment written off	200	-	-	-	200
Reversal of loss allowance on financial assets at amortised cost	(200)	-	-	-	(200)
Write-down of inventories	200	-	-	-	200

* Include leasing of industrial and commercial properties.

6. Segment and revenue information (continued)

6.1 Reportable segments (continued)

Business segments	Metals S$'000	Scaffolding S$'000	Engineering S$'000	Others* S$'000	Total S$'000
1 Jan 2025 to 30 Jun 2025 unaudited					
External revenue	21,839	3,174	22,532	-	47,545
Reportable segment results from operating activities	4,442	157	990	727	6,316
Share of profit from an associated company	-	-	-	221	221
Finance income					79
Finance costs					(1,216)
Unallocated corporate expenses					(2,104)
Profit before income tax					3,296
Income tax benefit					165
Net profit for the financial period					3,461
Reportable segments assets	50,609	9,866	99,010	6,404	165,889
Unallocated assets					13,199
Total assets					179,088
Reportable segments liabilities	39,064	1,076	32,839	1,366	74,345
Unallocated liabilities					8,304
Total liabilities					82,649
<u>Other material items:</u>					
Depreciation of property, plant and equipment	619	274	1,730	85	2,708
Depreciation of right-of-use assets	917	25	273	-	1,215
Net fair value gain on investment properties	-	-	-	(171)	(171)
Gain on disposal of investment in an associated company	-	-	-	(85)	(85)
Reversal of loss allowance on financial assets at amortised cost	-	-	(44)	-	(44)
Write-down of inventories	70	-	-	-	70

* Include leasing of industrial properties.

6. Segment and revenue information (continued)

6.1 Reportable segments (continued)

Business segments	Metals S$'000	Scaffolding S$'000	Engineering S$'000	Others* S$'000	Total S$'000
1 Jul 2025 to 30 Jun 2026 unaudited					
External revenue	48,943	7,150	51,170	-	107,263
Reportable segment results from operating activities	7,260	975	4,294	1,078	13,607
Share of profit from an associated company	-	-	-	484	484
Finance income					62
Finance costs					(2,323)
Unallocated corporate expenses					(3,715)
Profit before income tax					8,115
Income tax expense					(1,378)
Net profit for the financial year					6,737
Reportable segments assets	49,618	10,898	117,032	6,162	183,710
Unallocated assets					15,576
Total assets					199,286
Reportable segments liabilities	40,770	1,234	48,105	1,165	91,274
Unallocated liabilities					5,722
Total liabilities					96,996
<u>Other material items:</u>					
Depreciation of property, plant and equipment	1,212	431	3,082	169	4,894
Depreciation of right-of-use assets	1,838	50	851	-	2,739
Net fair value gain on investment properties	-	-	-	(22)	(22)
Loss on disposal of investment in an associated company	-	-	-	66	66
Loss on disposal of property, plant and equipment	280	-	15	-	295
Property, plant and equipment written off	200	-	-	-	200
Reversal of loss allowance on financial assets at amortised cost	(200)	-	-	-	(200)
Write-down of inventories	200	-	-	-	200

* Include leasing of industrial and commercial properties.

6. Segment and revenue information (continued)

6.1 Reportable segments (continued)

Business segments	Metals S$'000	Scaffolding S$'000	Engineering S$'000	Others* S$'000	Total S$'000
1 Jul 2024 to 30 Jun 2025 audited					
External revenue	46,425	6,321	53,397	-	106,143
Reportable segment results from operating activities	8,569	535	5,962	1,236	16,302
Share of profit from an associated company	-	-	-	221	221
Finance income					148
Finance costs					(2,372)
Unallocated corporate expenses					(4,027)
Profit before income tax					10,272
Income tax expense					(732)
Net profit for the financial year					9,540
Reportable segments assets	50,609	9,866	99,010	6,404	165,889
Unallocated assets					13,199
Total assets					179,088
Reportable segments liabilities	39,064	1,076	32,839	1,366	74,345
Unallocated liabilities					8,304
Total liabilities					82,649
<u>Other material items:</u>					
Amortisation of intangible assets	-	-	154	-	154
Depreciation of property, plant and equipment	1,244	539	3,367	170	5,320
Depreciation of right-of-use assets	1,851	50	549	-	2,450
Net fair value gain on investment properties	-	-	-	(171)	(171)
Gain on disposal of investment in an associated company	-	-	-	(85)	(85)
Loss on disposal of property, plant and equipment	140	1	7	-	148
Loss allowance/(reversal of loss allowance) on financial assets at amortised cost	400	-	(30)	-	370
Write-down of inventories	70	-	-	-	70

* Include leasing of industrial properties.

6. Segment and revenue information (continued)

6.2 Disaggregation of revenue

Geographical information (Top 5 sales by countries)	**Metals S$'000**	**Scaffolding S$'000**	**Engineering S$'000**	**Total S$'000**
1 Jan 2026 to 30 Jun 2026 unaudited				
Singapore	20,511	3,458	13,769	37,738
India	3,055	-	17	3,072
China	-	-	2,361	2,361
Colombia	-	-	1,662	1,662
Indonesia	-	-	1,231	1,231
Others*	1,695	-	3,286	4,981
Total	25,261	3,458	22,326	51,045
1 Jan 2025 to 30 Jun 2025 unaudited				
Singapore	12,851	3,174	8,268	24,293
China	98	-	7,386	7,484
India	4,501	-	-	4,501
Bangladesh	3,674	-	-	3,674
Guyana	-	-	2,560	2,560
Others^	715	-	4,318	5,033
Total	21,839	3,174	22,532	47,545

Geographical information (Top 5 sales by countries)	**Metals S$'000**	**Scaffolding S$'000**	**Engineering S$'000**	**Total S$'000**
1 Jul 2025 to 30 Jun 2026 unaudited				
Singapore	40,170	7,150	23,678	70,998
China	-	-	11,738	11,738
India	6,109	-	27	6,136
Vietnam	-	-	2,697	2,697
Malaysia	24	-	2,449	2,473
Others*	2,640	-	10,581	13,221
Total	48,943	7,150	51,170	107,263
1 Jul 2024 to 30 Jun 2025 audited				
Singapore	35,801	6,321	26,917	69,039
China	98	-	8,300	8,398
India	5,892	-	19	5,911
Bangladesh	3,674	-	-	3,674
Middle East	-	-	3,466	3,466
Others^	960	-	14,695	15,655
Total	46,425	6,321	53,397	106,143

* Include USA, Guyana, Bangladesh, Midde East, Mexico and etc.
^ Include Malaysia, Brazil, Indonesia, Thailand, Mexico, Korea, United Kingdom and etc.

6. Segment and revenue information (continued)

6.2 Disaggregation of revenue (continued)

Type of goods or services	Metals S$'000	Scaffolding S$'000	Engineering S$'000	Total S$'000
1 Jan 2026 to 30 Jun 2026 unaudited				
Sale of goods	20,511	-	4,850	25,361
Scaffolding services	-	3,457	-	3,457
Rental of materials and equipment	3,671	1	728	4,400
Mechanical construction and fabrication services	-	-	9,096	9,096
Engineering and metal services	1,079	-	7,652	8,731
Total	25,261	3,458	22,326	51,045
1 Jan 2025 to 30 Jun 2025 unaudited				
Sale of goods	16,179	51	4,690	20,920
Scaffolding services	-	3,121	-	3,121
Rental of materials and equipment	4,601	2	102	4,705
Mechanical construction and fabrication services	-	-	7,644	7,644
Engineering and metal services	1,059	-	10,096	11,155
Total	21,839	3,174	22,532	47,545

Type of goods or services	Metals S$'000	Scaffolding S$'000	Engineering S$'000	Total S$'000
1 Jul 2025 to 30 Jun 2026 unaudited				
Sale of goods	39,125	6	11,383	50,514
Scaffolding services	-	7,142	-	7,142
Rental of materials and equipment	7,363	2	1,002	8,367
Mechanical construction and fabrication services	-	-	22,089	22,089
Engineering and metal services	2,455	-	16,696	19,151
Total	48,943	7,150	51,170	107,263
1 Jul 2024 to 30 Jun 2025 audited				
Sale of goods	34,372	77	10,402	44,851
Scaffolding services	-	6,242	-	6,242
Rental of materials and equipment	9,469	2	179	9,650
Mechanical construction and fabrication services	-	-	18,521	18,521
Engineering and metal services	2,584	-	24,295	26,879
Total	46,425	6,321	53,397	106,143

6. Segment and revenue information (continued)

6.2 Disaggregation of revenue (continued)

Timing of revenue recognition	Metals S$'000	Scaffolding S$'000	Engineering S$'000	Total S$'000
1 Jan 2026 to 30 Jun 2026 unaudited				
At a point in time	21,590	-	9,602	31,192
Over time	3,671	3,458	12,724	19,853
Total	25,261	3,458	22,326	51,045
1 Jan 2025 to 30 Jun 2025 unaudited				
At a point in time	17,238	51	11,066	28,355
Over time	4,601	3,123	11,466	19,190
Total	21,839	3,174	22,532	47,545

Timing of revenue recognition	Metals S$'000	Scaffolding S$'000	Engineering S$'000	Total S$'000
1 Jul 2025 to 30 Jun 2026 unaudited				
At a point in time	41,580	6	21,658	63,244
Over time	7,363	7,144	29,512	44,019
Total	48,943	7,150	51,170	107,263
1 Jul 2024 to 30 Jun 2025 audited				
At a point in time	36,956	77	24,090	61,123
Over time	9,469	6,244	29,307	45,020
Total	46,425	6,321	53,397	106,143

7. Financial assets and financial liabilities

	Group		Company	
	30 June 2026 unaudited S$'000	**30 June 2025 audited S$'000**	**30 June 2026 unaudited S$'000**	**30 June 2025 audited S$'000**
Financial assets				
Cash and cash equivalents	**15,680**	20,073	**724**	1,006
Trade and other receivables	**32,111**	28,194	**5,846**	5,691
Less: contract assets, advance billing from suppliers and prepayments	**(11,990)**	(8,017)	**(33)**	(33)
Financial assets at amortised cost	**35,801**	40,250	**6,537**	6,664
Financial liabilities				
Borrowings	**51,240**	44,692	**2,171**	4,477
Trade and other payables	**15,610**	16,056	**4,656**	3,398
Lease liabilities	**21,651**	14,027	**-**	-
Less: rental billed in advance and contract liabilities	**(2,859)**	(2,043)	**-**	-
Financial liabilities at amortised cost	**85,642**	72,732	**6,827**	7,875

8. Profit before income tax

Significant items	**Group**			
	6 months ended 30 June 2026 unaudited S$'000	**6 months ended 30 June 2025 unaudited S$'000**	**12 months ended 30 June 2026 unaudited S$'000**	**12 months ended 30 June 2025 audited S$'000**
Income				
Bad debt recovery	**-**	-	**33**	964
Net fair value gain on investment properties	**22**	171	**22**	171
Government grants	**114**	184	**166**	242
Rental of leasehold properties and provision of warehousing services	**3,820**	2,060	**6,380**	4,142
Rental of investment properties	**647**	601	**1,201**	1,131
Reversal of/(loss allowance) on financial assets at amortised cost	**200**	44	**200**	(370)
Expenses				
Amortisation of other intangible assets	**-**	-	**-**	154
Depreciation of property, plant and equipment	**2,554**	2,708	**4,894**	5,320
Depreciation of right-of-use assets	**1,571**	1,215	**2,739**	2,450
Interest expense	**1,335**	1,216	**2,323**	2,372
Loss/(gain) on disposal of investment in an associated company	**-**	(85)	**66**	(85)
Loss/(gain) on disposal of property, plant and equipment	**325**	(7)	**295**	148
Property, plant and equipment written off	**200**	-	**200**	-
Write-down of inventories	**200**	70	**200**	70
Net foreign exchange (gains)/losses	**(7)**	257	**(53)**	207

9. Related party transactions

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand.

Related parties comprise mainly companies which are controlled or significantly influenced by the Group's key management personnel, directors and their close family members.

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the financial period/year was as follows:

	Group			
	6 months ended 30 June 2026 unaudited S$'000	**6 months ended 30 June 2025 unaudited S$'000**	**12 months ended 30 June 2026 unaudited S$'000**	**12 months ended 30 June 2025 audited S$'000**
Short-term benefits	**1,227**	1,816	**2,904**	3,547
Defined contribution plans	**31**	42	**64**	74
	1,258	1,858	**2,968**	3,621

10. Taxation

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

	Group			
	6 months ended 30 June 2026 unaudited S$'000	**6 months ended 30 June 2025 unaudited S$'000**	**12 months ended 30 June 2026 unaudited S$'000**	**12 months ended 30 June 2025 audited S$'000**
Tax expense/(credit) attributable to profit or loss is made up of:				
- Current income tax	**747**	267	**1,627**	1,679
- Deferred income tax	**106**	(417)	**48**	(556)
	853	(150)	**1,675**	1,123
Over-provision in prior financial period/year				
- Current income tax	**(49)**	(15)	**(96)**	(391)
- Deferred income tax	**-**	-	**(201)**	-
	(49)	(15)	**(297)**	(391)
	804	(165)	**1,378**	732

11. Dividends

	Group	
	30 June 2026 unaudited S$'000	30 June 2025 audited S$'000
Ordinary dividend		
Final dividend in respect of the financial year ended 30 June 2025, tax exempt one-tier final cash dividend of 0.85 cents per share (FY2025: 1.30 cents per share in respect of the financial year ended 30 June 2024), approved and paid during the financial year	**1,004**	1,536

12. Net asset value

	Group		Company	
	30 June 2026 unaudited S$'000	30 June 2025 audited S$'000	30 June 2026 unaudited S$'000	30 June 2025 audited S$'000
Net asset value per ordinary share	**86.59 cents**	81.64 cents	**57.24 cents**	54.54 cents

13. Disposal group classified as held-for-sale

During the financial year ended 30 June 2026, the Group entered into an agreement to dispose of its entire interest in Fastweld Engineering Construction Pte. Ltd. ("Fastweld"), an indirect wholly-owned subsidiary of the Company, to Eneco Singapore Pte. Ltd., a wholly-owned subsidiary of Eneco Energy Limited, an associated company of the Company. Accordingly, the assets and liabilities attributable to Fastweld were classified as a disposal group held-for-sale as at 30 June 2026. The disposal group forms part of the Group's Engineering segment.

The consideration for the proposed disposal shall be S$4,300,000 payable in cash on the completion date. As at 30 June 2026, the proposed disposal had not been completed and remained subject to the satisfaction of the conditions precedent under the sale and purchase agreement, including, where required, the in-principle approval of the SGX-ST and the approval of the shareholders of Eneco Energy Limited.

(a) Details of the assets of disposal group classified as held-for-sale were as follows:

	Group	
	30 June 2026 unaudited S$'000	30 June 2025 audited S$'000
Cash and cash equivalents	**1,419**	-
Trade and other receivables	**2,148**	-
Inventories	**183**	-
Property, plant and equipment	**204**	-
	3,954	-

13. Disposal group classified as held-for-sale (continued)

(b) Details of the liabilities directly associated with disposal group classified as held-for-sale were as follows:

	Group	
	30 June 2026 unaudited S$'000	**30 June 2025 audited S$'000**
Trade and other payables	**951**	-
Income tax payable	**5**	-
Deferred tax liabilities (Note 19)	**19**	-
	975	-

14. Property, plant and equipment

During the financial year ended 30 June 2026, the Group recorded additions in property, plant and equipment of S$14,280,000 (30 June 2025: S$25,334,000) arising from the acquisition of new assets. The increases were partially offset by depreciation charges of S$4,894,000 (30 June 2025: S$5,320,000), as well as the transfer of assets to inventories and disposal of property, plant and equipment with a total net book value of S$6,196,000 (30 June 2025: S$5,138,000). In the previous financial year, the Group reclassified a leasehold property with a net book value of S$1,026,000 from property, plant and equipment to investment property.

15. Right-of-use assets

	Group	
	30 June 2026 unaudited S$'000	**30 June 2025 audited S$'000**
Cost		
Beginning of the financial year	**20,287**	15,377
Additions	**10,255**	5,010
Lease remeasurement	**256**	3
Derecognition	**(383)**	(103)
End of the financial year	**30,415**	20,287
Accumulated depreciation		
Beginning of the financial year	**8,091**	5,744
Depreciation charge (Note 8)	**2,739**	2,450
Derecognition	**(383)**	(103)
End of the financial year	**10,447**	8,091
Carrying amount		
End of the financial year	**19,968**	12,196

16. Investment properties

	Group	
	30 June 2026 unaudited S$'000	**30 June 2025 audited S$'000**
Beginning of the financial year	**5,262**	4,065
Reclassification from property, plant and equipment (Note 14)	**-**	1,026
Reclassification to non-current asset held-for-sale	**(2,880)**	-
Amounts recognised in profit or loss (Note 8)		
- Fair value gain on an investment property	**880**	974
- Fair value loss on an investment property	**(858)**	(803)
	22	171
End of the financial year	**2,404**	5,262

During the financial year ended 30 June 2025, the Group reclassified a previously owner-occupied leasehold property from property, plant and equipment to investment property, with a net book value of S$1,026,000, as the said property was no longer used for operational purposes and was held to earn rental income. The said property was subsequently measured at fair value determined by an independent professional valuer at the financial year end to S$2,000,000. As a result, a fair value gain of S$974,000 was recognised in profit or loss.

During the financial year ended 30 June 2026, the Group reclassified the above-mentioned investment property to non-current asset held-for-sale as the criteria for classification as held-for-sale were satisfied following Management's commitment to a plan to sell the property. Immediately prior to reclassification, the property was measured at its fair value of S$2,880,000 which resulting fair value gain of S$880,000 was recognised in profit or loss for the financial year. The fair value was determined by management using the market comparison approach, taking into consideration relevant market transactions and other observable market information. Subsequently, the Group had on 11 July 2026 granted an Option to Purchase to a third party buyer for a purchase consideration of S$2,880,000 (Note 23).

<u>Valuation processes of the Group</u>

The fair values of the Group's investment properties at the end of financial year have been determined on the basis of valuation carried out at the reporting date by the independent valuers with recognised and relevant professional qualification and experience in the location and category of the properties being valued, and not related to the Group or management internally. The fair values were determined based on transacted prices for similar properties, adjusted for comparability. Such adjustments mainly relate to differences in remaining lease term and size of the comparable properties.

17. Goodwill

	Group	
	30 June 2026 unaudited S$'000	**30 June 2025 audited S$'000**
Beginning and end of the financial year	**7,699**	7,699

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units ("CGUs") that are expected to benefit from that business combination. The allocation is as follows:

	Group	
	30 June 2026 unaudited S$'000	**30 June 2025 audited S$'000**
Scaffolding services CGU - Hock Ann Metal Scaffolding Pte Ltd	**4,603**	4,603
Engineering CGU – BTH Holdings Pte. Ltd. and its subsidiary corporation ("BTH Holdings")	**2,307**	2,307
Other CGUs with insignificant goodwill	**789**	789
	7,699	7,699

Goodwill is tested annually for impairment or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of the scaffolding services CGUs and engineering CGUs are determined using value-in-use calculations, derived from the most recent financial budgets approved by management for the next five years. Key assumptions are as follows:

	Estimated average growth rate		Discount rate	
	30 June 2026 unaudited %	**30 June 2025 audited %**	**30 June 2026 unaudited %**	**30 June 2025 audited %**
Scaffolding services CGU	**2.0**	2.0	**7.5**	7.5
Engineering CGU – BTH Holdings	**5.0**	2.0	**8.0**	8.0

Discount rate used is derived from comparable rates used by other companies in the similar nature of business segment.

For other CGUs with insignificant goodwill, management has assessed that the financial impact would not be material to the Group regardless of whether impairment is required.

18. Investment in an associated company

	Group		Company	
	30 June 2026 unaudited S$'000	30 June 2025 audited S$'000	30 June 2026 unaudited S$'000	30 June 2025 audited S$'000
Equity investments at cost				
Beginning of the financial year	**8,362**	-	**8,141**	-
Addition	**656**	7,480	**656**	7,480
Conversion of warrants	**7,000**	2,520	**7,000**	2,520
Disposal	**(2,826)**	(1,859)	**(2,826)**	(1,859)
Share of profit	**484**	221	**-**	-
End of the financial year	**13,676**	8,362	**12,971**	8,141
Warrants at cost				
Beginning of the financial year	**2,500**	-	**2,500**	-
Addition	**-**	3,400	**-**	3,400
Conversion into ordinary shares	**(2,500)**	(900)	**(2,500)**	(900)
End of the financial year	**-**	2,500	**-**	2,500
Carrying amount				
End of the financial year	**13,676**	10,862	**12,971**	10,641

FY2025

The Company acquired a 29.4% equity interest in Eneco Energy Limited ("Eneco") for S$7.48 million, plus 680 million warrants for S$3.40 million. It later disposed of 169 million ordinary shares (proceeds: S$1.94 million) and exercised 180 million warrants at S$0.009 per share.

FY2026

The Company disposed of a further 240 million ordinary shares in Eneco (proceeds: S$2.76 million), exercised the remaining 500 million warrants, and acquired approximately 73 million additional shares on the open market. As at 30 June 2026, the Company held approximately 1,024 million ordinary shares in Eneco.

Set out below is the associated company which is material to the Group.

Name of associated company	**Place of incorporation**	**Effective equity interest and voting power held**	
Held by the Company		**30 June 2026 %**	**30 June 2025 %**
Eneco Energy Limited	Singapore	**26.94**	27.72

Eneco is an investment holding company and the principal activities of its subsidiary corporations are provision of transportation and logistics services.

19. Deferred taxes

The following are the major deferred tax assets and liabilities recognised by the Group and the Company, and the movements thereon, during the current and prior reporting periods:

	Group		Company	
	30 June 2026 unaudited S$'000	**30 June 2025 audited S$'000**	**30 June 2026 unaudited S$'000**	**30 June 2025 audited S$'000**
Beginning of the financial year	**(6,004)**	(6,560)	**(39)**	(39)
Credited to profit or loss	**153**	556	**-**	-
Transfer to liabilities directly associated with disposal group classified as held-for-sale	**19**	-	**-**	-
End of the financial year	**(5,832)**	(6,004)	**(39)**	(39)

The following is the analysis of the deferred tax balances (after offset) for statement of financial position purposes:

	Group		Company	
	30 June 2026 unaudited S$'000	**30 June 2025 audited S$'000**	**30 June 2026 unaudited S$'000**	**30 June 2025 audited S$'000**
Deferred tax assets	**112**	121	**-**	-
Deferred tax liabilities	**(5,944)**	(6,125)	**(39)**	(39)
	(5,832)	(6,004)	**(39)**	(39)

20. Borrowings

	Group		Company	
	30 June 2026 unaudited S$'000	30 June 2025 audited S$'000	30 June 2026 unaudited S$'000	30 June 2025 audited S$'000
Amount repayable within one year or on demand				
Secured	**34,432**	27,104	**2,171**	2,240
Amount repayable after one year				
Secured	**16,808**	17,588	**-**	2,237

The bank loans of the Group are secured by a charge over shares of a subsidiary corporation, leasehold land and buildings of the Group, and the corporate guarantee from the Company.

Reconciliation of liabilities arising from financing activities

				Non-cash changes			
	1 July 2025	Proceeds from borrowings	Principal and interest payments	Addition – new leases	Lease remeasurement	Interest expense	30 June 2026
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Bank loans	40,152	12,750	(10,138)	-	-	1,187	43,951
Bills payable	4,540	17,356	(14,863)	-	-	256	7,289
Lease liabilities	14,027	-	(3,767)	10,255	256	880	21,651
	58,719	30,106	(28,768)	10,255	256	2,323	72,891

				Non-cash changes			
	1 July 2024	Proceeds from borrowings	Principal and interest payments	Addition – new leases	Lease remeasurement	Interest expense	30 June 2025
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Bank loans	22,809	33,140	(17,225)	-	-	1,428	40,152
Bills payable	4,164	10,755	(10,560)	-	-	181	4,540
Lease liabilities	11,544	-	(3,293)	5,010	3	763	14,027
	38,517	43,895	(31,078)	5,010	3	2,372	58,719

21. Share capital

	The Group and the Company			
Issued and fully paid:	**30 June 2026 Number of ordinary shares**	**30 June 2025 Number of ordinary shares**	**30 June 2026 unaudited S$'000**	**30 June 2025 audited S$'000**
Beginning and end of the financial year	**118,134,300**	118,134,300	**36,603**	36,603

The Company did not hold any treasury shares as at 30 June 2026 and 30 June 2025.

The Company's subsidiary corporations did not hold any shares in the Company as at 30 June 2026 and 30 June 2025.

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

22. Investments in subsidiary corporations

	Company	
	30 June 2026 unaudited S$'000	**30 June 2025 audited S$'000**
Unquoted equity shares, at cost	**76,002**	76,002
Less: Transfer to a subsidiary corporation	**(49)**	-
Less: Allowance for impairment	**(21,308)**	(21,308)
	54,645	54,694
Movement in the allowance for impairment is as follows:		
Beginning and end of the financial year	**21,308**	21,308

The Company has considered indicators of impairment on certain subsidiary corporations and estimated the recoverable amount using the value-in-use calculations. Based on the impairment test performed, management concluded that no additional or reversal of allowance is required for financial year ended 30 June 2026 and 30 June 2025.

22. Investments in subsidiary corporations (continued)

The Group's subsidiary corporations as at the end of the current and prior financial years are listed in the table below.

Name of subsidiary corporation	Principal activities	Place of incorporation and business	Effective equity interest and voting power held	
			30 June 2026 %	**30 June 2025 %**
Held by the Company				
Union Steel Pte Ltd(1)	Trading of steel products.	Singapore	**100**	100
YLS Steel Pte Ltd(1)	Recycling of scrap metals, trading of steel products, waste collection and management, and rental of materials.	Singapore	**100**	100
Yew Lee Seng Metal Pte Ltd(1)	Trading of ferrous and non-ferrous scrap metals.	Singapore	**100**	100
Union Engineering Pte Ltd(1)	Investment property holding and rental of properties.	Singapore	**100**	100
Hock Ann Metal Scaffolding Pte Ltd(1)	Scaffolding services.	Singapore	**100**	100
Gee Sheng Machinery & Engineering Pte Ltd(1)	Mechanical engineering services.	Singapore	**100**	100
Transvictory Holdings Pte Ltd(1)	Investment holding and sale of marine deck equipment.	Singapore	**100**	100
BTH Holdings Pte. Ltd.(2)(4)	Investment holding.	Singapore	**100**	100
Held by the subsidiary corporations				
Hock Ann Access System Pte Ltd(1)	Scaffolding services.	Singapore	**100**	100
Union Applied Engineering Sdn Bhd(2)	Mechanical engineering services.	Malaysia	**100**	100
YLS Holdings Sdn Bhd(2)(3)(4)	Investment holding.	Malaysia	**45**	45
Transvictory Winch System Pte Ltd(1)	Sale of marine deck equipment.	Singapore	**100**	100
Steadfast Offshore & Marine Pte Ltd(1)	Sale of marine deck equipment.	Singapore	**100**	100

22. Investments in subsidiary corporations (continued)

Name of subsidiary corporation	Principal activities	Place of incorporation and business	Effective equity interest and voting power held	
			30 June 2026 %	**30 June 2025 %**
Held by the subsidiary corporations (continued)				
Used Equipment Pte Ltd[5]	Online portal for sales of industrial equipment.	Singapore	**-**	100
Applied Engineering Pte Ltd[2]	Process and industrial plant engineering design and consultancy services.	Singapore	**100**	100
Marshal Systems Pte Ltd[1]	Contractors for electronic and electrical engineering works.	Singapore	**100**	100
Marshal Offshore and Marine Engrg Co., Ltd[2]	Contractors for electronic and electrical engineering works.	China	**100**	100
Promoter Hydraulics Pte Ltd[1]	Sale and rental of marine equipment, marine accessories and parts.	Singapore	**100**	100
Fastweld Engineering Construction Pte Ltd[2]	Installation and construction of gas piping systems, aluminum or stainless fabrication and related structures.	Singapore	**100**	100

(1) Audited by CLA Global TS Public Accounting Corporation Singapore.
(2) Audited by other audit firm for local statutory requirement purpose.
(3) The Company is regarded as a subsidiary corporation as the Group has the rights to appoint 2 out of 3 members of its board of directors. The board of directors has the power to direct the relevant activities of YLS Holdings Sdn Bhd.
(4) Not significant to the Group.
(5) The subsidiary corporation was struck off from the register on 28 February 2026.

23. Subsequent event

<u>The Proposed Disposal of Investment Property located at 41 Middle Road #03-00 Singapore 188950</u>

The Company's wholly-owned subsidiary corporation, Hock Ann Metal Scaffolding Pte Ltd (the "**Vendor**"), had on 11 July 2026 granted an Option to Purchase (the "**OTP**") to Spike Brothers Pte Ltd (the "**Purchaser**"), a Singapore-incorporated company and an unrelated third-party purchaser in respect of the sale of the investment property located at 41 Middle Road #03-00 Singapore 188950 (the "**Property**") for a purchase consideration of S$2,880,000, exclusive of Goods and Services Tax ("**GST**"), upon the terms and conditions set out in the OTP (the "**Proposed Disposal**").

The Purchaser has validly exercised the OTP on 28 July 2026. Pursuant to such exercise, the OTP has become a binding agreement for the sale and purchase of the Property between the Vendor and the Purchaser, subject to the terms and conditions contained therein.

Upon the grant of the OTP on 11 July 2026, the Purchaser paid an option fee of S$28,800, representing 1% of the purchase price. Subsequent on 28 July 2026, a further deposit of S$115,200, representing 4% of the purchase price, was paid to the Vendor's solicitors as stakeholders pending completion. Together with the option fee paid upon the grant of the OTP, the Purchaser has paid an aggregate deposit of S$144,000, representing 5% of the purchase price.

Pursuant to the terms of the OTP, completion of the Proposed Disposal is scheduled to take place on 10 November 2026, or such other date as may be mutually agreed in writing between the Vendor and the Purchaser. Upon completion, the Purchaser shall pay the balance purchase price of S$2,736,000, together with the applicable GST, by way of cashier's order and/or electronic funds transfer in accordance with the terms of the OTP.

(F) Other information required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of Union Steel Holdings Limited and its subsidiary corporations as at 30 June 2026 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the second half year and full financial year ended 30 June 2026 and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

2H2026 (six months ended 30 June 2026) vs 2H2025 (six months ended 30 June 2025)
FY2026 (twelve months ended 30 June 2026) vs FY2025 (twelve months ended 30 June 2025)

Statements of Comprehensive Income

Revenue	**2H2026**	**2H2025**	+/ (-)	+/ (-)	**FY2026**	**FY2025**	+/ (-)	+/ (-)
	S$'million	S$'million	S$'million	%	S$'million	S$'million	S$'million	%
Metals	25.3	21.8	3.5	16.1	48.9	46.4	2.5	5.4
Engineering	22.3	22.5	(0.2)	(0.9)	51.2	53.4	(2.2)	(4.1)
Scaffolding	3.4	3.2	0.2	6.3	7.2	6.3	0.9	14.3
	51.0	47.5	3.5	7.4	107.3	106.1	1.2	1.1

The Group recorded revenue of S$107.3 million in FY2026, compared to S$106.1 million in FY2025, representing an increase of 1.1% or S$1.2 million. For 2H2026, revenue increased by 7.4% or S$3.5 million to S$51.0 million (2H2025: S$47.5 million). The revenue increase in both periods was mainly driven by the Metals segment, with additional contribution from the Scaffolding segment.

Annual sales from the Metals segment increased by 5.4% to S$48.9 million in FY2026 (FY2025: S$46.4 million), mainly attributable to higher sales volumes of new steel and scrap metal. The increase was partially offset by lower revenue from steel leasing activities. In 2H2026, revenue increased by 16.1% or S$3.5 million to S$25.3 million (2H2025: S$21.8 million).

Revenue from the Engineering segment decreased by 4.1% or S$2.2 million to S$51.2 million in FY2026 (FY2025: S$53.4 million). For 2H2026, revenue decreased marginally by 0.9% or S$0.2 million to S$22.3 million (2H2025: S$22.5 million). The lower revenue was mainly due to a more measured operating environment in the offshore marine and oil & gas sector, with a slower pace of project execution and more intensive market competition.

Geographical information

Geographically, Singapore remained the Group's largest market, contributing 66% or S$71.0 million of total revenue in FY2026 (FY2025: 65% or S$69.0 million) and 74% or S$37.7 million in 2H2026 (2H2025: 51% or S$24.3 million). Overseas revenue decreased to S$36.3 million in FY2026 from S$37.1 million in FY2025, mainly due to lower overseas sales from the Metals segment.

2. Review of performance of the Group (continued)

Statements of Comprehensive Income (continued)

Gross profit margin

The Group's gross profit decreased to S$23.2 million in FY2026 (FY2025: S$27.2 million), representing a decline of 14.7%. For 2H2026, gross profit decreased to S$10.2 million (2H2025: S$11.5 million), representing a decline of 11.3%. The decreases were mainly attributable to lower gross profit contribution from the Engineering segment and reduced steel leasing activities within the Metals segment.

Gross profit margin for FY2026 was contracted to 21.6%, compared to 25.6% in FY2025, reflecting the changes in segmental contributions. For 2H2026, the gross profit margin declined to 20.0% from 24.2% in 2H2025. The lower margins were mainly due to margin pressure in the Engineering segment amid intensified competition, as well as a change in sales mix within the Metals segment arising from lower steel leasing activities.

Other income

Other income increased by 6.3% to S$8.5 million in FY2026 (FY2025: S$8.0 million), and rose by 22.5% to S$4.9 million in 2H2026 (2H2025: S$4.0 million). The increase was mainly driven by higher income from rental and warehousing services, which increased by S$2.3 million during the financial year. This was partially offset by lower recoveries of bad debts previously written-off of S$0.9 million and the absence of certain non-recurring income recognised in the previous financial year, including a S$0.5 million recovery of costs relating to a cancelled project.

Administrative expenses

Administrative expenses decrease by 3.2% to S$18.2 million in FY2026 (FY2025: S$18.8 million) and by 4.2% to S$9.1 million in 2H2026 (2H2025: S$9.5 million). The decrease was mainly attributable to a S$0.4 million reduction in depreciation expenses, as a leasehold property had been fully depreciated by the end of the previous financial year, and a S$0.2 million reduction in performance-related remuneration in line with the Group’s financial performance.

Other operating expenses

Other operating expenses decreased by 13.2% to S$3.3 million in FY2026 (FY2025: S$3.8 million). The decrease was mainly attributable to S$0.5 million in lower depreciation and amortisation expenses relating to the fair value uplift on a property and customer relationships recognised in a prior business acquisition, which had been fully depreciated and amortised, respectively, by the end of the previous financial year. There was also a S$0.6 million reduction in net loss allowance expense, comprising a S$0.2 million reversal in FY2026 compared with a S$0.4 million allowance recognised in FY2025. These decreases were partially offset by a S$0.3 million increase in depreciation of right-of-use assets arising from new leases and a S$0.2 million increase in property, plant and equipment written off in respect of assets damaged or lost at customer sites.

For 2H2026, other operating expenses increased by 25.0% to S$2.0 million (2H2025: S$1.6 million), mainly due to higher expenses arising from the aforementioned increase in depreciation of right-of-use assets, property, plant and equipment written off, and loss on disposal of property, plant and equipment.

Finance cost

Finance costs decreased by S$0.1 million to S$2.3 million in FY2026 (FY2025: S$2.4 million), mainly due to lower interest rates during the current financial year.

2. Review of performance of the Group (continued)

Statements of Comprehensive Income (continued)

Tax expense

Tax expense increased by S$0.6 million in FY2026, mainly due to a S$0.2 million lower reversal of prior years' tax over-provision and a S$0.4 million lower deferred tax credit, while the current-year tax provision remained broadly unchanged.

Review of Financial Position

Statement of Financial Position as at 30 June 2026

Assets

Increase in property, plant and equipment of S$3.1 million in FY2026 mainly reflecting additions of S$14.3 million comprising the acquisition of a new property, replacement of rental materials, and purchases of machinery and other operational assets. These additions were partially offset by depreciation charge of S$4.9 million, transfer of plant and equipment of S$0.2 million to assets of disposal group classified as held-for-sale, and the disposal of plant and equipment, and transfer of damaged rental materials to inventories with an aggregated net value of S$6.2 million.

Right-of-use assets increased by S$7.8 million in FY2026, mainly due to additions of S$10.3 million arising from new leases and a S$0.2 million increase from lease remeasurements following changes in land rental rates. The increase was partially offset by depreciation charges of S$2.7 million recognised during the financial year.

Investment properties decreased by S$2.9 million to S$2.4 million in FY2026 (FY2025: S$5.3 million), mainly due to the reclassification of an investment property with a carrying value of S$2.9 million to non-current assets held-for-sale following Management's commitment to a disposal plan and commencement of efforts to sell the property.

Investment in an associated company increased by S$2.8 million in FY2026. The increase was mainly due to the exercise of 500 million warrants and the conversion into new ordinary shares at a total exercise cost of S$4.5 million, the acquisition of additional ordinary shares of S$0.6 million through the open market, and the Group's share of the associate's profit of S$0.5 million. These increases were partially offset by the disposal of a portion of the ordinary shares with a carrying amount of S$2.8 million.

Trade and other receivables increased by S$3.9 million, mainly due to increases of approximately S$2.0 million in trade receivables and S$4.0 million in contract assets within the Engineering segment. These increases arose principally from higher project activity at an Engineering subsidiary towards the end of the financial year, resulting in higher outstanding customer billings and an increase in project work performed but not yet billable under milestone billing arrangements. These increases were partially offset by the reclassification of S$2.1 million of receivables to assets of a disposal group classified as held-for-sale in connection with the proposed disposal of a subsidiary.

Inventories increased by S$3.2 million, mainly due to higher inventory levels within the Metals segment to support increased trading activities.

2. Review of performance of the Group (continued)

Review of Financial Position (continued)

Statement of Financial Position as at 30 June 2026 (continued)

Liabilities

Trade and other payables decreased by S$0.5 million mainly due to lower accruals and other payables, the reclassification of S$1.0 million to liabilities directly associated with a disposal group classified as held-for-sale in connection with the proposed disposal of a subsidiary. The decrease was offset with the higher contract liabilities arising from milestone billings for ongoing engineering projects.

Bank borrowings increased by S$6.5 million in FY2026, primarily due to new loan facilities secured to finance the acquisition of a leasehold property and the drawdown of bills payable to support the Group's operations. The increase was partially offset by repayments of existing bank loans and bills payable during the financial year.

Lease liabilities increased by S$7.6 million in FY2026, mainly due to additions of S$10.3 million arising from new leases and a S$0.2 million increase from lease remeasurements following changes in land rental rates. The increase was partially offset by lease repayments of S$2.9 million during the financial year.

Statement of Cash Flows

Net cash generated from operating activities decreased by S$14.7 million to S$12.3 million in FY2026 (FY2025: S$27.0 million). The decrease was mainly due to less favourable working capital movements, particularly a S$17.4 million adverse movement in trade and other receivables. FY2025 benefited from the collection of higher receivables carried forward from FY2024, whereas FY2026 recorded an increase in trade receivables and contract assets arising from higher Engineering project activity towards the end of the financial year. Lower profit before tax and reduced cash inflows from inventory movements also contributed to the decrease. These were partially offset by a S$7.5 million favourable movement in trade and other payables.

Net cash used in investing activities decreased by S$19.6 million to S$15.6 million in FY2026 (FY2025: S$35.2 million). The decrease was mainly due to a S$11.1 million reduction in purchases of property, plant and equipment, arising from lower expenditure on property acquisitions and rental materials, as well as a S$7.3 million reduction in investment outlays in the Group's associated company, Eneco.

Net cash generated from financing activities decreased by S$11.0 million to S$0.3 million in FY2026 (FY2025: S$11.3 million). The decrease was mainly due to S$20.4 million lower proceeds from bank loans, consistent with the Group's lower funding requirements for capital expenditure and additional investment in an associated company during the year. This was partially offset by S$7.1 million lower repayments of bank loans and a S$2.3 million higher increase in bills payable.

The Group's cash and cash equivalents decreased by S$3.0 million in FY2026 compared to FY2025. The net gearing of the Group (defined as the ratio of the aggregate of interest-bearing loans net of cash and cash equivalents to total equity) rose to 33.4%, up from 25.5% one year ago. The increase was mainly due to higher outstanding borrowings at the end of the financial year following new drawdowns during the year, coupled with a lower cash balance.

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

Not applicable.

4. 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

Metals
The Metals segment is expected to remain challenging amid continued pricing pressure and heightened competition. The Group will continue to strengthen its market coverage and pursue opportunities across its new steel trading, steel leasing and logistics activities, while remaining responsive to changes in market conditions and customer demand.

Scaffolding
The Scaffolding segment is expected to remain stable, supported by its recurring customer base. Nevertheless, pricing pressure and market competition are expected to persist, and the Group will continue to pursue opportunities to broaden its project portfolio.

Engineering
Demand from the energy sector and investments in sustainability-related initiatives continue to support the longer-term outlook for the Engineering segment. In the near term, geopolitical uncertainties and a cautious business environment may continue to affect the pace of project awards and execution, with certain projects being deferred or not proceeding as planned. Nevertheless, the segment remains supported by its existing order book, and the Group will continue to pursue opportunities in its target markets.

5. Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

Yes. The Directors are pleased to declare a tax exempt one-tier final cash dividend of 0.50 cent per share (FY2025: 0.85 cents per share) in respect of the full financial year ended 30 June 2026. The date of final dividend paid is to be announced at a later date.

Name of Dividend	**Final Dividend FY2026**	**Final Dividend FY2025**
Dividend type	Cash	Cash
Dividend amount per share	0.50 cents	0.85 cents
Tax rate	One tier tax-exempt	One tier tax-exempt
Number of ordinary shares (Note 21)	118,134,300	118,134,300

	Latest full financial year (in S$'000)	Prior full financial year (in S$'000)
Proposed final dividend	591	1,004
Total	591	1,004

5. Dividend (continued)

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes. A tax exempt one-tier final cash dividend of 0.85 cents per share was declared in respect of the full financial year ended 30 June 2025.

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

6. Interested person transactions

The Group does not have a general mandate from shareholders of the Company for Interested Person Transactions.

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

8. Review of performance of the Group – turnover and earnings

The Group	**2026** **S$'000**	2025 S$'000
Revenue reported for the first half year	**56,218**	58,598
Profit after tax reported for the first half year	**4,610**	6,079
Revenue reported for the second half year	**51,045**	47,545
Profit after tax reported for the second year	**2,127**	3,461

9. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes of duties and position held, if any, during the financial year
Mr. Ang Jun Long	35	Son of Executive Chairman and Chief Executive Officer and substantial shareholder, Mr. Ang Yu Seng, and nephew of Executive Director and substantial shareholder, Mr. Ang Yew Chye.	Non-Executive Director, Engineering Division since 31 December 2025.	Mr. Ang was appointed as Executive Director of the Engineering Division on 31 August 2022 and was re-designated as Non-Executive Director of the Engineering Division with effect from 31 December 2025.

BY ORDER OF THE BOARD

ANG YU SENG
Executive Chairman and Chief Executive Officer
26 August 2026