SHS HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 197502208Z)

Unaudited Condensed Interim Financial Statements For The Half Year Ended 30 June 2026

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SHS HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No.: 197502208Z)

Condensed Interim Financial Statements for The Period Ended 30 June 2026

(A) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Group Unaudited First Half Year Ended 30-Jun-26 S$'000	30-Jun-25 S$'000	Change %
Revenue	3.3	174,048	48,533	258.6
Cost of sales of goods and services		(171,676)	(42,963)	299.6
Gross profit		2,372	5,570	(57.4)
Other income		4,354	1,134	284.0
Selling and distribution expenses		(580)	(316)	83.5
Administrative expenses		(3,897)	(3,282)	18.7
Other operating expenses		(3,347)	(4,583)	(27.0)
Reversal of impairment losses on financial assets, net		24	-	N.M
Finance costs		(2,161)	(506)	327.1
Share of loss of associate, net of tax*		-	-	-
Loss before income tax	4	(3,235)	(1,983)	63.1
Income tax (expenses)/credit	5	(55)	2	N.M
Loss after tax for the period		(3,290)	(1,981)	66.1
Other comprehensive (loss)/income net of tax:				
Items that will not be reclassified subsequently to profit or loss				
Changes in the fair value of equity investments at fair value through other comprehensive income		(925)	6,150	(115.0)
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations		(844)	(143)	490.2
Other comprehensive (loss)/income for the period		(1,769)	6,007	(129.4)
Total comprehensive (loss)/income for the period		(5,059)	4,026	(225.7)
Loss for the financial period attributable to:				
Equity holders of the Company		(3,285)	(1,950)	68.5
Non-controlling interest		(5)	(31)	(83.9)
		(3,290)	(1,981)	66.1
Total comprehensive (loss)/income for the period attributable to:				
Equity holders of the Company		(5,077)	4,063	(225.0)
Non-controlling interest		18	(37)	(148.6)
		(5,059)	4,026	(225.7)
Loss per share (cents per share):				
Basic and diluted	6	(0.53)	(0.32)	65.6

**Amount below S$1,000*
N.M. Not meaningful

The above condensed interim consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Condensed Interim Financial Statements for The Period Ended 30 June 2026

(B) Condensed Interim Statements of Financial Positions

	Note	Group		Company	
		Unaudited 30-Jun-26 S$'000	Audited 31-Dec-25 S$'000	Unaudited 30-Jun-26 S$'000	Audited 31-Dec-25 S$'000
ASSETS					
Non-current assets					
Property, plant and equipment	9	105,119	102,697	245	285
Right-of-use assets		28,418	28,893	627	709
Investment property	10	-	-	4,442	5,029
Investment in subsidiaries		-	-	34,227	34,227
Investment in associates		64	64	-	-
Intangible asset and goodwill	11	14,417	14,059	-	-
Other financial assets	12	4,896	4,896	4,896	4,896
Other receivables and prepayment	13	7,437	7,135	-	-
		160,351	157,744	44,437	45,146
Current assets					
Cash and bank balances		56,805	37,274	34,401	12,129
Other financial assets	12	-	29,594	-	29,594
Inventories		23,589	13,090	-	-
Trade and other receivables	13	172,679	115,541	678	697
Contract assets	14	7,715	6,791	-	-
Amount due from subsidiaries		-	-	70,970	62,746
		260,788	202,290	106,049	105,166
Total assets		**421,139**	**360,034**	**150,486**	**150,312**
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	15	183,459	119,539	1,386	1,616
Contract liabilities	14	2,204	3,883	-	-
Amounts due to bankers	16	1,432	1,142	-	-
Term loans	16	17,821	17,039	-	-
Lease liabilities		377	418	186	180
Provision for income tax		517	1,266	91	392
		205,810	143,287	1,663	2,188
Non-current liabilities					
Other payables	15	21,009	18,922	-	-
Deferred income		4,479	4,458	-	-
Term loans	16	23,220	22,564	-	-
Lease liabilities		30,147	29,269	593	687
Deferred tax liabilities		2,008	2,009	755	755
		80,863	77,222	1,348	1,442
Total liabilities		**286,673**	**220,509**	**3,011**	**3,630**

(B) Condensed Interim Statements of Financial Positions (Continued)

	Note	Group		Company	
		Unaudited 30-Jun-26 S$'000	Audited 31-Dec-25 S$'000	Unaudited 30-Jun-26 S$'000	Audited 31-Dec-25 S$'000
Equity					
Share capital	17	155,547	155,547	155,547	155,547
Treasury shares	17	(11,529)	(11,529)	(11,529)	(11,529)
Asset revaluation reserve		18,327	18,327	8,582	8,582
Fair value reserve		5,356	6,281	4,532	5,457
Foreign currency translation reserve		(1,154)	(287)	-	-
Other reserve		-	-	3,297	3,297
Accumulated losses		(32,407)	(29,122)	(12,954)	(14,672)
Equity attributable to owners of the Company		134,140	139,217	147,475	146,682
Non-controlling interest		326	308	-	-
Total equity		**134,466**	139,525	**147,475**	**146,682**
Total liabilities and equity		**421,139**	360,034	**150,486**	**150,312**

The above condensed interim statements of financial positions should be read in conjunction with the accompanying notes.

(C) Condensed Interim Statements of Changes in Equity

	Attributable to equity holders of the Company								
	Share capital	**Treasury shares**	**Asset revaluation reserve**	**Fair value reserve**	**Foreign currency translation reserve**	**Accumulated losses**	**Total**	**Non-controlling interest**	**Total equity**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Group									
Unaudited									
At 1 January 2026	155,547	(11,529)	18,327	6,281	(287)	(29,122)	139,217	308	139,525
Loss for the period	-	-	-	-	-	(3,285)	(3,285)	(5)	(3,290)
Other comprehensive loss, net of tax	-	-	-	(925)	(867)		(1,792)	23	(1,769)
Total comprehensive loss for the period	-	-	-	(925)	(867)	(3,285)	(5,077)	18	(5,059)
At 30 June 2026	155,547	(11,529)	18,327	5,356	(1,154)	(32,407)	134,140	326	134,466

(C) Condensed Interim Statements of Changes in Equity (Continued)

	Attributable to equity holders of the Company								
	Share capital	Treasury shares	Asset revaluation reserve	Fair value reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Group									
Unaudited									
At 1 January 2025	155,547	(11,524)	18,329	(8,212)	(274)	(14,283)	139,583	462	140,045
Loss for the period	-	-	-	-	-	(1,950)	(1,950)	(31)	(1,981)
Other comprehensive income, net of tax	-	-	-	6,150	(137)	-	6,013	(6)	6,007
Total comprehensive income for the period	-	-	-	6,150	(137)	(1,950)	4,063	(37)	4,026
Transactions with owners of the Company									
Dividends (Note 7)	-	-	-	-	-	(1,398)	(1,398)	-	(1,398)
Purchase of treasury shares	-	(5)	-	-	-	-	(5)	-	(5)
Total contributions and distributions	-	(5)	-	-	-	(1,398)	(1,403)	-	(1,403)
Changes in ownership interests in subsidiary									
Effects of acquiring part of non-controlling interests in a subsidiary	-	-	(2)	-	(6)	116	108	(108)	-
Total changes in ownership interests in subsidiary	-	-	(2)	-	(6)	116	108	(108)	-
At 30 June 2025	155,547	(11,529)	18,327	(2,062)	(417)	(17,515)	142,351	317	142,668

(C) Condensed Interim Statements of Changes in Equity (Continued)

	Attributable to equity holders of the Company						
	Share capital	Treasury shares	Asset revaluation reserve	Other Reserve	Fair value reserve	Accumulated losses	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Company							
Unaudited							
At 1 January 2026	155,547	(11,529)	8,582	3,297	5,457	(14,672)	146,682
Profit for the period	-	-	-	-	-	1,718	1,718
Other comprehensive income, net of tax	-	-	-	-	(925)	-	(925)
Total comprehensive income for the period	-	-	-	-	(925)	1,718	793
Transactions with owners of the Company							
Dividends (Note 7)	-	-	-	-	-		-
Purchase of treasury shares	-	-	-	-	-	-	-
Total contributions and distributions	-	-	-	-	-	-	-
At 30 June 2026	155,547	(11,529)	8,582	3,297	4,532	(12,954)	147,475
Unaudited							
At 1 January 2025	155,547	(11,524)	8,582	3,297	(8,550)	(12,236)	135,116
Loss for the period	-	-	-	-	-	(2,413)	(2,413)
Other comprehensive income, net of tax	-	-	-	-	6,143	-	6,143
Total comprehensive income for the period	-	-	-	-	6,143	(2,413)	3,730
Transactions with owners of the Company							
Dividends (Note 7)	-	-	-	-	-	(1,398)	(1,398)
Purchase of treasury shares	-	(5)	-	-	-	-	(5)
Total contributions and distributions	-	(5)	-	-	-	(1,398)	(1,403)
At 30 June 2025	155,547	(11,529)	8,582	3,297	(2,407)	(16,047)	137,443

The above condensed interim statements of changes in equity should be read in conjunction with the accompanying notes.

Condensed Interim Financial Statements for The Period Ended 30 June 2026

(D) Condensed Interim Consolidated Statement of Cash Flows

	Note	Group	
		Unaudited	Unaudited
		First Half Year Ended	
		30-Jun-26	30-Jun-25
		S$'000	S$'000
Cash Flows from Operating Activities			
Loss before tax for the period		(3,235)	(1,983)
Adjustments for:			
Depreciation of property, plant and equipment	4	3,338	2,033
Depreciation of right-of-use assets	4	1,423	170
Amortisation of grant income		(137)	-
Loss on disposal of property, plant and equipment	4	-	50
Gain on disposal of land held for development	4	-	(143)
Reversal of allowance for inventory obsolescence	4	(5)	-
Reversal of impairment losses on financial assets, net	4	(24)	-
Dividend income	4	(982)	-
Interest income	4	(267)	(329)
Interest expense	4	2,161	506
Share of loss of associate, net of tax		*	*
Unrealised foreign exchange gain – net		(1,966)	(70)
Operating cash flows before working capital changes		**306**	**234**
Changes in working capital:			
Inventories		(10,494)	1,646
Contract assets, receivables and prepayments		(58,345)	6,971
Contract liabilities and payables		62,183	(5,199)
Cash (used in)/from operations		**(6,350)**	**3,652**
Interest received		267	329
Income tax paid		(804)	(348)
Net cash (used in)/from operating activities		**(6,887)**	**3,633**
Cash Flows from Investing Activities			
Acquisition of a subsidiary, net of cash acquired	19(c)	-	106
Dividend income from other financial assets		982	-
Payment for purchase of property, plant and equipment		(1,742)	(1,176)
Proceeds from disposal of financial assets		28,669	157
Net cash from/(used in) investing activities		**27,909**	**(913)**
Cash Flows from Financing Activities			
Drawdown of term loan		1,679	9,393
Repayment of term loans		(1,535)	(11,111)
Drawdown of trust receipts		2,541	2,950
Repayment of trust receipts and bills payable		(2,251)	(1,896)
Payment of dividends	7	-	(1,398)
Purchase of treasury shares		-	(5)
Payment of lease liabilities		(147)	(149)
Transaction with non-controlling interests		-	(40)
Interest paid		(1,518)	(467)
Net cash used in financing activities		**(1,231)**	**(2,723)**
Net changes in cash and cash equivalents		**19,791**	**(3)**
Cash and cash equivalents at the beginning of period		37,274	38,284
Effects of exchange rate changes on the balances of cash held in foreign currencies		(260)	(143)
Cash and cash equivalents at the end of the period		**56,805**	**38,138**

**Amounts below SGD1,000*

The above condensed interim consolidated statement of cash flows should be read in conjunction with the accompanying notes.

E Notes to the Condensed Interim Consolidated Financial Statements

1 Corporate information

SHS Holdings Ltd. (the “Company”) is a public limited liability company incorporated and domiciled in Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”). These condensed interim consolidated financial statements as at and for the six months ended 30 June 2026 comprise the Company and its subsidiaries (collectively, the Group).

The Company’s registered address and principal place of business is at 19 Tuas Avenue 20, Singapore 638830. The principal activities of the Company are investment holding and those of grit blasting and painting.

The principal activities of the Group are those corrosion prevention services, engineering and construction, solar energy related services, precision aluminium manufacturing, aluminium recycling and trading of aluminium products.

2 Basis of preparation

2.1 The condensed interim consolidated financial statements for the six months ended 30 June 2026 have been prepared in Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2025. The condensed interim consolidated 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 annual consolidated financial statements.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended Standards as set out in note 2.2.

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

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

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except that in the current financial period, the Group has adopted all the new and revised standards and interpretations which are effective for annual financial periods beginning on or after 1 January 2026. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Group.

2.3 **Use of estimates and judgements**

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

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements as at and for the year ended 31 December 2025.

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. Management is of the opinion that there are no critical judgements made in applying the Group’s accounting policies and no assumptions and estimation of uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

E Notes to the Condensed Interim Consolidated Financial Statements

3 Segmental reporting

Segment information reported externally was analysed on the basis of the types of goods supplied and services provided by the Group's operating divisions. Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance of the Group. The Group's reportable operating segments are as follows:

Engineering & Construction ("EC")

The engineering & construction segment is in the business of designing, engineering and construction of steel, aluminium and glass structures, and design and construction services including major upgrading works.

Corrosion Prevention ("CP")

The corrosion prevention segment provides coating services to marine, oil and gas, construction and infrastructure industries.

Solar Energy ("Solar")

The solar energy segment specialises in solar energy development and engineering and project management for electrical works.

Trading and Manufacturing of Commodities ("Commodities")

The trading and manufacturing segment specialises in promoting and selling of metals and aluminium-related products including the business of newly acquired China entities engaging in precision aluminium manufacturing and aluminium recycling activities.

Others

Others segment consists of property development business, warehousing, corporate head office and strategic investments.

3.1 Segment revenues, results, assets and liabilities

	EC		CP		Solar		Commodities		Others		Total	
	1H 2026	1H 2025	**1H 2026**	1H 2025	**1H 2026**	1H 2025	**1H 2026**	1H 2025	**1H 2026**	1H 2025	**1H 2026**	1H 2025
	S$'000	S$'000	**S$'000**	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Segment revenue	8,444	17,177	3,794	6,594	11,700	7,574	150,110	17,188	-	-	**174,048**	48,533
<u>Results</u>												
Segment profits/(loss)	138	1,547	(307)	1,085	1,263	1,036	(2,342)	(457)	(312)	(2,539)	**(1,560)**	672
Impairment losses on financial assets, net	-	-	24	-	-	-	-	-	-	-	**24**	-
Allowance for inventory obsolescence	-	-	2	-	3	-	-	-	-	-	**5**	-
Finance costs	(155)	(336)	(27)	(33)	(17)	(14)	(1,962)	(124)	-	-	**(2,161)**	(507)
Share of loss of associate, net of tax*											**-**	-
Other income											**4,354**	1,134
Central administration costs and directors' remuneration											**(3,897)**	(3,282)
Loss before tax											**(3,235)**	(1,983)
Income tax credit/(expenses)											**(55)**	2
Loss for the period											**(3,290)**	(1,981)
<u>Other information</u>												
Addition to property, plant and equipment (PPE)	20	117	37	143	2	4	1,683	912	-	-	**1,742**	1,176
Depreciation of PPE and Right of use assets (ROU)	1,025	1,029	1,086	1,085	88	88	2,562	1		-	**4,761**	2,203
(Loss)/gain on fair value of equity investments at fair value through other comprehensive income	-	-	-	-	-	-	-	5	(925)	6,145	**(925)**	6,150

**Amount below $1,000*

3.1 Segment revenues, results, assets and liabilities (continued)

	EC		CP		Solar		Commodities		Others		Total	
	30-Jun-26	31-Dec-25	**30-Jun-26**	31-Dec-25	**30-Jun-26**	31-Dec-25	**30-Jun-26**	31-Dec-25	**30-Jun-26**	31-Dec-25	**30-Jun-26**	31-Dec-25
	S$'000	S$'000	**S$'000**	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Assets												
Segment assets	49,916	52,991	19,958	22,364	14,823	13,829	281,985	209,412	39,976	47,315	**406,658**	345,911
Intangible asset and goodwill	6,000	6,000	-	-	-	-	8,417	8,059	-	-	**14,417**	14,059
Investment in associate	64	64	-	-	-	-	-	-	-	-	**64**	64
Total segment assets											**421,139**	360,034
Liabilities												
Segment liabilities	15,443	17,369	2,025	2,293	5,233	5,339	260,058	190,616	1,389	1,617	**284,148**	217,234
Unallocated liabilities												
- Provision for taxation											**517**	1,266
- Deferred income tax											**2,008**	2,009
Total segment liabilities											**286,673**	220,509

**Amount below $1,000*

E Notes to the Condensed Interim Consolidated Financial Statements

3.1 Segment revenues, results, assets and liabilities (continued)

Revenue reported above represents revenue generated from external customers. Inter-segment sales for 1H2026 were S$53,000 (1H2025: S$87,000). Segment results represent the profit/(loss) earned by each segment without allocation of central administration costs and directors' remuneration, share of loss of associates and other income. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

3.2 Geographical information

The Group's continuing operations is primarily carried out in Singapore. The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical locations are detailed below.

	Group's revenue from external customers		Group's non-current assets (i)	
	1H 2026	1H 2025	30 Jun 26	31 Dec 25
	S$'000	S$'000	S$'000	S$'000
Singapore	22,082	28,837	39,160	41,391
Rest of South East Asia (ii)	1,786	2,499	36	38
People's Republic of China	150,121	17,188	108,822	111,418
Others (III)	59	9	-	-
	174,048	48,533	148,018	152,847

(i) Non-current assets exclude other receivables and other financial assets
(ii) Rest of Southeast Asia includes Malaysia, Brunei, Philippines and Indonesia
(iii) Others include Greece, Netherlands, Pakistan and Sri Lanka

3.3 Disaggregation of revenue from contracts with customers

	Group	
	1H 2026	1H 2025
	S$'000	S$'000
Principal geographical market		
Singapore		
- Engineering & construction services	8,444	17,177
- Services rendered – grit blasting and painting	2,859	5,300
- Solar power installation service	4,950	3,599
- Sale of blasting equipment goods	-	676
- Sale of solar power equipment goods	5,917	2,085
	22,170	28,837
Rest of South East Asia(i)		
- Sale of solar power equipment goods	823	1,890
- Sale of blasting equipment goods	875	609
	1,698	2,499
People's Republic of China		
- Sales and manufacturing of aluminium products	150,121	17,188
Others(ii)		
- Sale of blasting equipment goods	59	9
Total Revenue	174,048	48,533

E Notes to the Condensed Interim Consolidated Financial Statements

3.3 Disaggregation of revenue from contracts with customers (continued)

	Group	
	1H 2026	**1H 2025**
	S$'000	S$'000
Major products or service lines and time of revenue recognition		
At a point in time		
- Sale of solar power equipment goods	935	3,975
- Sale of blasting equipment goods	6,725	1,294
- Sale of aluminium products	150,110	17,188
	157,770	22,457
Over time		
- Engineering & construction services	8,444	17,177
- Services rendered – grit blasting and painting	2,859	5,300
- Solar power installation service	4,975	3,599
	16,278	26,076
Total Revenue	174,048	48,533

(i) *Rest of Southeast Asia includes Malaysia, Brunei, Philippines and Indonesia*
(ii) *Others include Greece, Netherlands, Pakistan and Sri Lanka*

4 Loss before tax

Loss before tax for the period is arrived at after crediting/(charging) the following:

	Group	
	1H 2026	**1H 2025**
	S$'000	S$'000
Rental income	1,006	499
Dividend income	982	-
Other income	543	163
Interest income	267	329
Government grant	137	-
Gain on disposal of land held for development	-	143
Gain on disposal of property, plant and equipment	-	50
Interest on borrowings and leases	(2,161)	(506)
Depreciation of property, plant and equipment	(3,338)	(2,033)
Depreciation of right-of-use assets	(1,423)	(170)
Reversal of impairment losses on financial assets, net	24	-
Reversal of allowance for inventory obsolescence	5	-
Foreign currency exchange gain/(loss), (net)	1,419	(2,124)

E Notes to the Condensed Interim Consolidated Financial Statements

5 Income tax expense/(credit)

	Group	
	1H 2026	**1H 2025**
	S$'000	S$'000
Current income tax:		
- Current period	56	11
- (Over)/under provision in respect of prior year	-	(12)
	56	(1)
Deferred tax:		
- Origination and reversal of temporary differences	(1)	(1)
	(1)	(1)
Income tax expense/(credit)	55	(2)

The corporate income tax applicable to the Company and other Singapore incorporated entities of the Group is 17% (1H2025: 17%). The entities of the Group in China, Malaysia and Indonesia are subject to a corporate income tax rate of 25%, 24% and 22% (1H2025: 25% China, 24% Malaysia and 22% Indonesia). The remaining entities of the Group operating in other jurisdictions are considered not material.

6 Loss per share

Basic loss per share is calculated by dividing the Group's loss for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted loss per share is calculated by dividing the Group's loss for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The loss and share data used in the calculation of basic and diluted loss per share for the period ended 30 June are as follows:

	Group	
	1H 2026	**1H 2025**
Loss per ordinary share for the period based on net loss attributable to the equity holders of the Company		
(i) Based on weighted average number of ordinary shares	(53) cents	(32) cents
Weighted average number of shares	610,353,412	610,403,412
(ii) On a diluted basis	(53) cents	(32) cents
Weighted average number of shares	610,353,412	610,403,412

7 Dividends

	Group	
	1H 2026	**1H 2025**
	S$'000	S$'000
Dividends on ordinary shares paid:		
Final exempt (one-tier) dividend of S$0.00229 per ordinary share in respect of the financial year ended 31 December 2024	-	1,398

There is no dividend recommended for the period ended 30 June 2026 (30 June 2025: Nil).

E Notes to the Condensed Interim Consolidated Financial Statements

8 Net asset value

	Group		Company	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
Net asset backing per ordinary share	22.03 cents	22.86 cents	24.16 cents	24.03 cents
Based on the number of shares in issue, excluding treasury shares	610,353,412	610,353,412	610,353,412	610,353,412

9 Property, plant and equipment

Addition of property, plant and equipment

During the six months ended 30 June 2026, the Group acquired property, plant and equipment with an aggregate cost amounting to S$1,742,000 (30 June 2025: S$1,176,000).

Assets under construction

As at the reporting date, the Group's assets under construction had an aggregate cost of S$36,649,390 (30 June 2025: S$53,481,000) which is expected to be complete within one to three years period.

Assets pledged as security

At the reporting date, the Group's leasehold properties at 19 Tuas Avenue 20 Singapore 638830 with carrying values amounting to S$20,439,149 (2025: S$21,215,319) at 81 Tuas South Street 5 Singapore 637651 and 19 Tuas Avenue 20 Singapore 638830) are mortgaged to secure the credit facilities of the Group.

As at reporting date, leasehold land, buildings and factory equipment, including assets under construction, held by the Group's subsidiaries and located at Liu Jing Industrial Park and No. 1 Puling Road, Yongning District, Nanning City, People's Republic of China, with an aggregate carrying amount of RMB 219,279,000 equivalent to S$41,773,000 (2025: RMB 229,467,000 equivalent to S$42,155,000), were mortgaged to secure the credit facilities granted to the Group's subsidiaries (Note 16).

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever there is any indication that the assets may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amount of an asset or group of assets is assessed as the higher of its fair value less costs of disposal and its value in use.

The Group carried out a review and determined that there is no indicator of impairment loss to these assets for the current financial period.

E Notes to the Condensed Interim Consolidated Financial Statements

10 Investment property

	Company	
	30 Jun 2026	31 Dec 2025
	S$'000	S$'000
At cost		
At beginning and end of the reporting period	14,400	14,400
Accumulated depreciation		
At beginning of the reporting period	9,371	8,200
Depreciation charge	587	1,171
At end of the reporting period	9,958	9,371
Net book value		
At end of the reporting period	4,442	5,029

The Group's leasehold buildings located at 81 Tuas South Street 5 is leased to certain subsidiaries of the Group to earn leasing revenue. Accordingly, the leasehold building is classified as an investment property on the statement of financial position of the Company. Investment property held for long-term rental yields and/or for capital appreciation, is initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The fair value of the investment property is determined by independent real estate valuation experts using market comparable approach by referring to market evidence of recent transactions for similar properties. In determining the fair value, the valuer has used the direct sales comparison method by referring to market evidence of recent transactions for similar properties. The Group carried out a review and determined that there is no indicator of impairment loss to these assets for the current financial period.

11 Intangible asset and goodwill

		Group	
	Goodwill	Development costs	Total
	S$'000	S$'000	S$'000
At cost			
At 31 December 2025	13,368	691	14,059
Currency re-alignment	332	26	358
At 30 June 2026	13,700	717	14,417
Accumulated amortisation			
At 31 December 2025 and 30 June 2026	-	-	-
Net book value			
At 30 June 2026	13,700	717	14,417
At 31 December 2025	13,368	691	14,059

E Notes to the Condensed Interim Consolidated Financial Statements

12 Other financial assets

	Group		Company	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
	S$'000	S$'000	S$'000	S$'000
Equity investments measured at fair value through other comprehensive income (FVOCI)				
- Quoted	-	29,594	-	29,594
- Unquoted	4,896	4,896	4,896	4,896
Equity securities in investee companies	4,896	34,490	4,896	34,490
Presented as:				
Current	-	29,594	-	29,594
Non-current	4,896	4,896	4,896	4,896
	4,896	34,490	4,896	34,490

The Group has elected to carry the unquoted equity investments at FVOCI due to the Group's intention to hold these equity instruments for long-term appreciation.

At the reporting date, the Group measured the fair value of these unquoted equity investments based on the adjusted net asset value of the investee companies or based on recent transaction prices between knowledgeable and willing parties. These valuation inputs are categorised as Level 3 in the fair value hierarchy.

The movement in other financial assets is as follows:

	Group		Company	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
	S$'000	S$'000	S$'000	S$'000
At 1 January	34,490	20,597	34,490	20,597
Addition	-	25,313	-	25,313
Fair value (loss)/gain recognised in other comprehensive (loss)/income	(925)	14,013	(925)	14,007
Disposals	(28,669)	(25,433)	(28,669)	(25,427)
At end of the reporting period	4,896	34,490	4,896	34,490

During the financial year 2025, SED Energy Holdings Plc (formally known as SeaBird Exploration Plc) ("SED Energy"), a company listed on Euronext Oslo Børs, acquired 100% of the issued share capital of Energy Drilling Pte Ltd ("Energy Drilling") through a share-for-share arrangement. Pursuant to the arrangement, the shareholders of Energy Drilling surrendered their shares in Energy Drilling in exchange for newly issued ordinary shares in SED Energy. Following the completion of the transaction, Energy Drilling became a wholly owned subsidiary of SED Energy.

Prior to the completion of the transaction, the Company held 4,569,986 ordinary shares in Energy Drilling, representing approximately 3.14% of the issued share capital of Energy Drilling. The investment in Energy Drilling was classified as an equity investment designated at fair value through other comprehensive income as the investment was held for long term capital appreciation.

Upon completion of the share-for-share arrangement on 26 May 2025, the Company surrendered its shares in Energy Drilling and received 20,246,614 newly issued ordinary shares in SED Energy, representing approximately 2.79% of the issued share capital of SED Energy. Accordingly, the Company derecognised its equity investment in Energy Drilling and recognised a new equity investment in SED Energy. The quoted market price of the SED Energy shares on the share-for-share arrangement was NOK6.14 per share, equivalent to SGD0.7810 per share. Accordingly, the fair value of the SED Energy shares received and recognised on the completion date amounted to approximately SGD15.81 million.

Immediately before derecognition, the Company's investment in Energy Drilling was remeasured to fair value. The resulting fair-value gain of approximately SGD4,461,000 was recognised in other comprehensive income. The cumulative fair-value loss of approximately SGD1,750,000 previously recognised in the fair value reserve in respect of the Energy Drilling shares was not reclassified to profit or loss upon derecognition.

E Notes to the Condensed Interim Consolidated Financial Statements

12 Other financial assets (continued)

At the date of initial recognition of the SED Energy shares, the Company made an irrevocable election to present subsequent changes in the fair value of the investment in other comprehensive income. Management assessed that the SED Energy shares were not held for trading as the Company intended to retain the investment for long term capital appreciation.

On 11 September 2025, the Company entered into a share buyback agreement with Globalfund Capital Pte. Ltd. ("Globalfund"). Pursuant to the agreement, the Company surrendered its 1,815,663 ordinary shares in Globalfund in exchange for 8,043,373 ordinary shares in SED Energy. The quoted market price of the SED Energy shares on the share buyback date was NOK9.08 per share, equivalent to SGD1.18185 per share. Accordingly, the fair value of the SED Energy shares received amounted to SGD9.506 million.

Immediately before derecognition, the carrying amount of the Company's investment in Globalfund was remeasured from SGD4.43 million to its fair value of SGD9.51 million. The resulting fair-value gain of SGD5.08 million was recognised in other comprehensive income.

The Group derecognised its investment in Globalfund upon completion of the share buyback arrangement. The cumulative fair-value gain recognised in other comprehensive income in respect of the Globalfund shares amounted to SGD1.77 million at the date of derecognition. In accordance with SFRS(I) 9, the cumulative gain was not reclassified to profit or loss upon derecognition.

During 1H26, the Company received a cash dividend of approximately S$0.98 million in respect of its investment in SED Energy. The dividend income was recognised in profit or loss.

During 1H26, the Group disposed of its entire equity interest in SED Energy for cash consideration of approximately S$29.1 million.

Immediately prior to derecognition, the investment in SED Energy was remeasured to its fair value at the disposal date, resulting in a fair value loss of approximately S$0.9 million, which was recognised in other comprehensive income. Upon derecognition, the cumulative fair value gain of approximately S$3.5 million previously recognised in the fair value reserve in respect of the investment was not reclassified to profit or loss.

E Notes to the Condensed Interim Consolidated Financial Statements

13 Trade and other receivables

	Group		Company	
	30 Jun 2026	31 December 2025	30 June 2026	31 Dec 2025
	S$'000	S$'000	S$'000	S$'000
Trade receivables[a]				
- third parties	149,214	88,330	-	11
- related company	162	162	-	-
Less: Allowance for expected credit loss	(2,791)	(1,680)	-	-
	146,585	86,812	-	11
Other receivables				
Sundry debtors	1,680	2,869	568	531
Refundable deposits	499	474	-	-
Deposits for performance bond	521	521	151	211
Advances to subcontractors/suppliers[b]			-	-
- third parties	7,319	5,417	-	-
Less: Impairment loss on advances to suppliers	(4,058)	(4,058)	-	-
Long-term non-trade receivables[c]	11,276	11,159	-	-
Other receivables due from third parties[d]	17,585	16,958	-	-
Interest receivable	23	16	23	16
Advances to staff	46	61	-	-
Prepayments [e]	602	4,383	36	28
Sales tax receivable	2,217	2,782	-	-
Tax recoverable	221	37	-	-
Less: Allowance for expected credit loss	(4,400)	(4,755)	(100)	(100)
	33,531	35,864	678	686
Trade and other receivables	180,116	122,676	678	697
Presented as:				
Current	172,679	115,541	678	697
Non-current	7,437	7,135	-	-
	180,116	122,676	678	697

(a) Trade receivables are non-interest bearing and the Group generally extend credit period ranges from 30 – 90 days (2025: 30 to 90 days) from date of invoice. They are recognised at the transaction price which represent their fair value on initial recognition.

(b) Advances to sub-contractors/suppliers are mainly to support on-going projects and material procurement.

(c) Long-term non-trade receivables are secured, non-interest bearing and repayable over the next three years.

(d) Other receivables due from third parties are unsecured, non-interest bearing and repayable on demand.

(e) Prepayments refer to amounts paid in advance for the purchase of plant and equipment, or for operating expenses.

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 default rates analyzed in accordance to days past due. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

E Notes to the Condensed Interim Consolidated Financial Statements

14 Contract assets and contract liabilities

	Group	
	30 Jun 2026	31 Dec 2025
	S$'000	S$'000
Contract assets – current		
Unbilled revenue (i)	7,715	6,791
Contract liabilities – current		
Advance consideration	2,204	3,883

(i) Unbilled revenue represents the Group's rights in consideration of work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when invoices are billed to the customer.

15 Trade and other payables

	Group		Company	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
	S$'000	S$'000	S$'000	S$'000
Trade payables[a]				
- third parties	155,724	93,434	56	-
- related company	56	57	45	45
Accrued operating expenses	3,636	1,992	277	525
Retention sums payable	779	812	-	-
Other payable[b]	18,989	18,312	-	-
Sundry creditors[c]	1,214	1,446	530	568
Provision for foreseeable loss	165	165	-	-
Payable - deferred consideration[d]	21,459	19,767	-	-
Employee benefits payable	1,277	1,228	-	-
Interest payable	-	7	-	-
Foreign workers' tax withheld	68	68	66	66
Advances from customer	414	4	412	-
Deposit payable	236	799	-	412
Sales tax and VAT tax payables	451	370	-	-
	204,468	138,461	1,386	1,616
Presented as:				
Current	183,459	119,539	1,386	1,616
Non-current	21,009	18,922	-	-
	204,468	138,461	1,386	1,616

(a) Trade payables are normally settled on terms ranging from 14 to 90 days (2025: 14 to 90 days) and are non-interest bearing.

(b) Other payable represents a legal dispute relating to matters preceding the Group's acquisition of Nanning Tidal Aluminium Co., Ltd. ("NTAC"). The legal proceedings concern a dispute with a construction vendor in relation to construction work at NTAC's facility in China. The construction work, which remains in progress, has a total contract value of approximately RMB 203 million, of which RMB 44.7 million has been paid to date. The vendor has unilaterally ceased work and initiated legal action to seek payment of RMB99,681,000 (equivalent to S$18,989,000 (2025: S$18,312,000) as progress payments allegedly owing by NTAC. In 2nd July 2026, NTAC entered into a settlement agreement with the construction vendor. Pursuant to the settlement agreement, the final agreed amount payable by NTAC is approximately RMB 89.4 million, The reduction arises primarily from the Contractor's agreement to waive its claims for interest, loss of profits and other ancillary claims, with the settlement based on the value of the construction works determined through the judicial valuation process.

(c) Sundry creditors are unsecured, non-interest bearing and are repayable on demand.

(d) The balance consideration payable relates to the acquisition of new subsidiaries as disclosed in Note 20. The amount is unsecured, bears interest at 5% per annum, and is repayable within five years from 17 June 2025.

E Notes to the Condensed Interim Consolidated Financial Statements

16 Bank borrowings

	Group 30 Jun 2026 S$'000	31 Dec 2025 S$'000
Amounts due to bankers - *Current*		
Trust receipts	1,432	1,142
Term Loans - *Secured*		
Revolving credit facility, repayable on demand	3,707	3,707
Bank term loans repayable within one year	14,114	13,332
	17,821	17,039
Bank loans repayable after one year	23,220	22,564
Total	41,041	39,603

As of reporting period, the credit facilities (including trust receipts) of the Group are generally secured by the following:

- first legal mortgage over property located at No. 19 Tuas Avenue 20, Singapore 638830;
- first deed of debenture duly executed, incorporating a fixed and floating charge over the present and future undertaking, assets, revenues and rights of a subsidiary of the Group;
- corporate guarantee from the Company to its subsidiaries for a total of S$34.9million (2025: S$34.9 million);
- personal guarantee from the legal representative and general manager of the China subsidiaries of the Group;
- first legal mortgage over properties located in Nanning and Beijing owned by Nanning Tidal Investment Co., Ltd. (the "Vendor") and its related company, in respect of the subsidiary, Guangxi Tidal Precision Technology Co., Ltd., securing a loan amount of RMB42,000,000 equivalent to S$8,001,000 (2025: S$7,715,800);
- corporate guarantee provided by the Vendor (Note 20) in respect of a total amount of RMB123,874,000 equivalent to S$23,597,997 (2025: S$22,522,000); and
- first legal mortgage over the equipment, leasehold land and buildings of the subsidiaries of the Group amounting to RMB 219,279,000 equivalent to S$41,773,000 (2025: RMB 229,467,000 equivalent to S$42,155,000).

17 Issued and paid-up capital

	Group and Company 30 June 2026 Number of ordinary shares	S$'000	31 December 2025 Number of ordinary shares	S$'000
Issued and fully paid, with no par value:				
At beginning and end of the period/year	678,109,912	155,547	678,109,912	155,547

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction, except for treasury shares, at general meetings of the Company and rank equally with regards to the Company's residual assets.

There were no subsidiary holdings as at 30 June 2026 and 31 December 2025.

E Notes to the Condensed Interim Consolidated Financial Statements

18 Treasury shares

	Group and Company			
	30 June 2026		31 December 2025	
	Number of ordinary shares	S$'000	Number of ordinary shares	S$'000
Issued and fully paid, with no par value				
At beginning of the financial year	67,756,500	(11,529)	67,706,500	(11,524)
Share buy-back during the year	-	-	50,000	(5)
At end of the financial year	67,756,500	(11,529)	67,756,500	(11,529)

At 30 June 2026, the Group and Company hold a total of 67,756,500 shares (2025: 67,756,500 shares) amounting to S$11,529,000 (2025: S$$11,529,000).

During the financial year ended 31 December 2025, the Company repurchased 50,000 shares at S$0.121 per share, which were held as treasury shares.

Number of issued shares (excluding Treasury Shares) as at 30 June 2026 is 610,353,412 (31 December 2025 is 610,353,412).

There are no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on. There are no sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

19 Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the Group entered into transactions with related parties during the financial period, on terms agreed between the parties, as shown below.

	Group	
	1H 2026	1H 2025
	S$'000	S$'000
Sales of goods to a related party	13	-

E Notes to the Condensed Interim Consolidated Financial Statements

20 Business combinations

The Group did not undertake any business combinations during the current reporting period.

On 16 June 2025 (the "Completion Date"), the Company's wholly owned subsidiary, SHS Capital Pte. Ltd., a company incorporated in Singapore, through its subsidiary, Guangxi XinXin Technology Co., Ltd. ("GXTC"), completed the acquisition of the 100% equity interests in Guangxi Tidal Precision Technology Co., Ltd. ("GTPT") and Nanning Tidal Aluminium Co., Ltd. ("NTAC") from Nanning Tidal Investment Co., Ltd. (the "Vendor").

GTPT and NTAC are both based in Nanning, the People's Republic of China, and are principally engaged in aluminium-related businesses. GTPT is principally engaged in precision aluminium manufacturing, while NTAC is principally engaged in aluminium recycling.

Details of the consideration paid, the assets acquired and liabilities assumed and the effects on the cash flows of the Group, at the acquisition date, are as follows:

(a) Purchase consideration

	RMB'000	Equivalent to S$'000
Cash paid	32,949	5,991
Fair value of deferred consideration	105,335	18,663
Total purchase consideration	138,284	24,654

Deferred consideration	RMB'000	Equivalent to S$'000
Contractual cash flow payables	117,433	20,937
Less: Unamortised finance charges	(12,098)	(2,157)
Fair value of deferred consideration at acquisition date	105,335	18,780

The total purchase consideration for the acquisition, before discounting, amounted to RMB150,382,000. During the financial period, the Group has paid cash consideration of RMB32,949,000 (equivalent to S$5,991,000) to the Vendor.

Pursuant to the Sale and Purchase Agreement dated 4 September 2024, the remaining consideration of RMB93,967,000 (equivalent to S$16,753,000) is payable within five years from the completion date. The timing of settlement is at the discretion of GXTC. The outstanding balance bears interest at 5% per annum from the completion date, resulting in total interest of approximately RMB23,466,000 (equivalent to S$4,184,000). As disclosed in the SGX announcement dated 20 May 2026, the remaining consideration is subject to adjustment for any uncollected net receivables, repayment obligations arising from government-assisted loans and additional social security contributions incurred in respect of the acquisition in prior years, with the amount payable reduced accordingly.

Deferred consideration

The fair value of the total consideration inclusive of the finance cost as at the acquisition date was estimated to amount to RMB150,382,000 equivalent to S$26,812,000 discounted at 2.4% per annum. This is a Level 3 fair value measurement.

The deferred consideration represents the remaining purchase consideration payable to the Vendor in accordance with the Sale and Purchase Agreement. The liability includes a significant financing component arising from the extended payment terms and is initially recognised at fair value based on the present value of the expected future cash flows.

Subsequently, the deferred consideration is measured at amortised cost using the effective interest method. The unwinding of the discount is recognised as finance costs in profit or loss over the repayment period.

E Notes to the Condensed Interim Consolidated Financial Statements

20 Business combinations (continued)

(a) Purchase consideration (Continued)

Deferred consideration (Continued)

During financial year 2025, the total deferred consideration payable to the Vendor of S$19,767,000 is included within trade and other payables.

(b) Fair values of the identifiable assets and liabilities of GTPT and NTAC as at the date of acquisition

	S$'000
ASSETS	
Non-current assets	
Property, plant and equipment	67,032
Right-of-use assets	26,308
Intangible asset	691
Other receivables	12,952
Total non-current assets	106,983
Current assets	
Cash and cash equivalents	106
Inventories	2,818
Trade and other receivables	15,228
Total current assets	18,152
Total assets	125,135
Non-current liabilities	
Term loans	21,461
Lease liabilities	25,735
Deferred income	4,457
Deferred tax liability	46
Total non-current liabilities	51,699
Current liabilities	
Trade and other payables	45,251
Term loans	9,788
Lease liabilities	759
Provision for income tax	194
Total current liabilities	55,992
Total liabilities	107,691
Net identifiable assets acquired	17,444
Add: Goodwill	7,210
Consideration transferred for the business	24,654

E Notes to the Condensed Interim Consolidated Financial Statements

20 Business combinations (continued)

(b) Identifiable assets acquired and liabilities assumed:

Goodwill arising from the acquisition is primarily attributable to the expected synergies arising from the integration of the acquired businesses with the Group's existing aluminium-related operations, the anticipated benefits from enhanced operational scale and the future growth opportunities arising from the acquisition. None of the goodwill recognised is expected to be deductible for income tax purposes.

(c) The net cash outflow resulting from the acquisition is presented below:

	S$'000
Cash paid	-
Less: Cash and bank balances in subsidiary acquired	(106)
Cash inflow on acquisition as of 30 June 2025	(106)
Cash paid during 31 July 2025 to 31 December 2025	5,991
Net cash outflow on acquisition during the financial year ended 31 December 2025	5,885

21 Seasonal operations

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

22 Subsequent events

Other than the subsequent events disclosed in the notes to the condensed interim financial statements, there are no known material subsequent events that have resulted in adjustments to these condensed interim financial statements.

F Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of SHS Holdings Ltd. and its subsidiaries as at 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the auditors.

2. Review of performance of the Group

Overview

For the half-year ended 30 June 2026 ("1H26"), the Group recorded revenue of S$174.0 million, an increase of 258.6% compared with S$48.5 million in 1H25. The increase was mainly attributable to the Commodities segment, which recorded a full six-month contribution during the current reporting period compared with approximately half a month's contribution in the corresponding period last year following the commencement of the business.

Despite the higher revenue, the Group recorded a loss attributable to equity holders of S$3.3 million in 1H26, compared with S$2.0 million in 1H25. The loss was mainly affected by the operating loss from commodities segment.

As at 30 June 2026, the Group's shareholders' equity stood at S$134.5 million (31 December 2025: S$139.5 million).

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

Revenue	1H26	1H25	Change
	S$'000	S$'000	(%)
Engineering & Construction ("EC")	8,444	17,177	(50.8)
Corrosion Prevention ("CP")	3,794	6,594	(42.5)
Solar Energy ("Solar")	11,700	7,574	54.5
Commodities	150,110	17,188	N.M
Total	**174,048**	**48,533**	258.6

N.M: No meaning

The Group's revenue increased by 258.6% to S$174.0 million for 1H26, compared with S$48.5 million for 1H25, primarily attributable to the higher revenue generated by the Commodities segment.

EC Segment

Revenue for the Engineering & Construction ("EC") segment decreased by 50.8% to S$8.4 million in 1H26 (1H25: S$17.2 million), primarily due to the timing of project milestones achieved and revenue recognition from ongoing projects during the current reporting period.

CP Segment

Revenue for the Corrosion Prevention ("CP") segment decreased by 42.5% to S$3.8 million in 1H26 (1H25: S$6.6 million), primarily due to a lower volume of site activities and blasting works undertaken during the period.

Solar Segment

Revenue for the Solar Energy segment increased by 54.5% to S$11.7 million in 1H26 (1H25: S$7.6 million), mainly attributable to higher sales of solar power equipment and related products during the current reporting period.

Commodities segment

Revenue for the Commodities segment increased significantly to S$150.1 million in 1H26 (1H25: S$17.2 million), primarily attributable to a full six-month contribution from the Commodities business in the current reporting period, compared with approximately half a month's contribution in the corresponding period following the commencement of the business. The increase also reflected a higher level of trading activities undertaken during the current reporting period.

F Other Information Required by Listing Rule Appendix 7.2

2. Review of performance of the Group

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

Gross Profit and Gross Profit Margin

	Gross Profit			Gross Profit Margin	
	1H26	1H25	Change	1H26	1H25
	S$'000	S$'000	(%)		
EC	1,001	2,582	(61.2)	11.9	15.0
CP	228	1,605	(85.8)	6.0	24.3
Solar	1,664	1,616	3.0	14.2	21.3
Commodities	(521)	(233)	N.M.	(0.3)	(1.4)
Total	**2,372**	**5,570**	**(57.4)**	**1.4**	**11.5**

N.M: No meaning

The Group's gross profit decreased by 57.4% to S$2.4 million in 1H26 (1H25: S$5.6 million), while gross profit margin declined to 1.4% (1H25: 11.5%). The decrease in gross profit margin was primarily attributable to the change in revenue mix, with a significantly higher contribution from the Commodities segment, which operates on a lower margin profile compared with the Group's other business segments.

EC segment

The EC segment recorded gross profit of S$1.0 million in 1H26 (1H25: S$2.6 million), with gross profit margin decreasing to 11.9% (1H25: 15.0%). The decrease was mainly attributable to the lower revenue contribution.

CP segment

The CP segment recorded gross profit of S$0.2 million in 1H26 (1H25: S$1.6 million), with gross profit margin declining to 6.0% (1H25: 24.3%). The decrease in gross profit and margin was primarily attributable to the lower volume of site blasting activities undertaken.

Solar segment

The Solar Energy segment recorded gross profit of S$1.7 million in 1H26 (1H25: S$1.6 million), while gross profit margin declined to 14.2% (1H25: 21.3%). The decrease in gross profit margin was primarily attributable to a change in revenue mix, with a greater contribution from the trading of solar panels and inverters, which generally carry a lower margin profile compared with EPC projects.

Commodities segment

The Commodities segment recorded a gross loss of S$0.5 million in 1H26 (1H25: gross loss of S$0.2 million), with gross profit margin remaining negative at 0.3% (1H25: negative 1.4%). The gross loss was primarily attributable to the production volume not having reached the desired level during the period, which impacted the segment's margin performance.

Other Income

Other income increased by 284.0% to S$4.4 million in 1H26 (1H25: S$1.1 million), mainly attributable to higher foreign exchange gains, dividend income and rental income recognised during the current reporting period.

F Other Information Required by Listing Rule Appendix 7.2

2. Review of performance of the Group

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

Selling, Distribution, Administrative and Other Operating Expenses

	1H26	1H25	Change
	S$'000	S$'000	(%)
Selling and distribution	(580)	(316)	83.5
Administrative	(3,897)	(3,282)	18.7
Other operating expenses	(3,347)	(4,583)	(27.0)
Reversal on impairment losses on financial assets, net	24	-	N.M.
Total OPEX	(7,800)	(8,181)	(4.7)

Total operating expenses ("OPEX") decreased by 4.7% to S$7.8 million in 1H26 (1H25: S$8.2 million), mainly due to lower other operating expenses incurred during the current reporting period, partially offset by higher selling and distribution expenses and administrative expenses.

Selling and distribution expenses increased by 83.5% to S$0.6 million in 1H26 (1H25: S$0.3 million), mainly attributable to increase business activities during the current reporting period.

Administrative expenses increased by 18.7% to S$3.9 million in 1H26 (1H25: S$3.3 million), mainly due to higher operating costs incurred during the period.

Other operating expenses decreased by 27.0% to S$3.3 million in 1H26 (1H25: S$4.6 million), mainly due to lower foreign exchange losses recorded during the current reporting period.

The Group recorded a net reversal of impairment losses on financial assets of S$24,000 in 1H26 (1H25: nil).

Finance Costs

Finance costs increased by 327.1% to S$2.2 million in 1H26 (1H25: S$0.5 million), mainly due to higher interest costs incurred by the Commodities business during the period.

Share of Associate' Results

For 1H26 and 1H25, share of loss from associated company was insignificant.

F Other Information Required by Listing Rule Appendix 7.2

2. Review of performance of the Group

Condensed Interim Statements of Financial Positions

As at 30 June 2026, the Group's total assets increased to S$421.1 million from S$360.0 million as at 31 December 2025. The increase was mainly attributable to higher current assets, particularly trade and other receivables and inventories, arising from the expansion of the Group's business activities during the period.

Non-current assets increased marginally to S$160.4 million as at 30 June 2026 (31 December 2025: S$157.7 million). The increase was mainly due to higher property, plant and equipment of S$105.1 million (31 December 2025: S$102.7 million) and intangible assets and goodwill of S$14.4 million (31 December 2025: S$14.1 million).

Current assets increased to S$260.8 million as at 30 June 2026 (31 December 2025: S$202.3 million). The increase was primarily driven by:

❖ Trade and other receivables increased to S$172.7 million from S$115.5 million, mainly due to higher business activities and increased revenue contribution from the Commodities segment during the period;

❖ Inventories increased to S$23.6 million from S$13.1 million, mainly due to higher inventory holdings from its manufacturing commodities arm to support the Group's business operations; and

❖ Cash and bank balances increased to S$56.8 million from S$37.3 million, mainly due to the disposal of other financial assets.

Current liabilities increased to S$205.8 million from S$143.3 million, primarily attributable to:

❖ Trade and other payables increased significantly to S$183.5 million (31 December 2025: S$119.5 million), mainly in line with the higher scale of operations and procurement activities during the period; and

❖ Contract liabilities decreased to S$2.2 million from S$3.9 million, mainly due to the utilisation of advance billings and

Non-current liabilities increased to S$80.9 million as at 30 June 2026 (31 December 2025: S$77.2 million), mainly due to higher other payables and term loans during the period. Term loans increased to S$41.0 million (31 December 2025: S$39.6 million), while lease liabilities increased to S$30.1 million (31 December 2025: S$29.3 million).

Overall, the Group maintained a stable financial position as at 30 June 2026, with cash and bank balances of S$56.8 million to support its ongoing operations and working capital requirements.

Condensed Interim Consolidated Statement of Cash Flows

During the six months ended 30 June 2026, the Group recorded a net increase in cash and cash equivalents of S$19.8 million.

Net cash used in operating activities amounted to S$6.9 million, compared to net cash generated from operating activities of S$3.6 million in the corresponding period last year. The operating cash outflow was principally attributable to higher working capital requirements arising from the Commodities segment, as reflected by the increase in contract assets, receivables and inventories, partially offset by the increase in contract liabilities and payables.

Net cash generated from investing activities amounted to S$27.9 million, compared to net cash used in investing activities of S$0.9 million in 1H25. This was mainly attributable to proceeds from the disposal of financial assets, partially offset by capital expenditure incurred for the acquisition of property, plant and equipment.

Net cash used in financing activities amounted to S$1.2 million, compared to S$2.7 million in 1H25. The net cash outflow primarily reflected interest payments and the net repayment of borrowings, partially offset by proceeds from the drawdown of term loans and trust receipts during the period. The lower net cash outflow compared to the corresponding period was mainly attributable to the dividend payments in respect of the 1H25.

Accordingly, after taking into account the above cash flow movements and the net effect of foreign exchange translation on cash balances, the Group's cash and cash equivalents increased to S$56.8 million as at 30 June 2026 from S$37.3 million as at 31 December 2025, primarily due to the proceeds received from the disposal of financial assets.

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.

The Group remains cautiously optimistic about the business outlook across its core operating segments.

The Engineering & Construction and Corrosion Prevention businesses continue to benefit from a healthy pipeline of public and private sector projects, supported by ongoing infrastructure development and maintenance activities in Singapore. However, the operating environment remains competitive, with persistent cost pressures arising from labour, material prices and subcontracting costs.

The Group's Solar Energy business is expected to continue benefiting from the growing emphasis on sustainability and the transition towards renewable energy, although project execution remains subject to project award timelines and market competition. For the Group's Commodities segment, Management remains focused on improving operational efficiency, increasing capacity utilisation and exercising prudent capital management amid evolving market conditions. In light of the prevailing global economic uncertainties, ongoing geopolitical developments and persistent inflationary pressures, the Group will continue to adopt a prudent and disciplined approach in managing its operations.

Management will remain vigilant and focused on operational efficiency, cost management and capital allocation to navigate the evolving business environment.

At the same time, the increasing global focus on climate change and decarbonisation continues to support the long-term growth of renewable energy and related technologies. The Group believes these trends will continue to create opportunities for its renewable energy business and related products, supporting its strategy of building a more sustainable business portfolio.

5. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

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

It is not the Company’s policy to declare interim dividends and will only declare dividends at year end subject to company’s performance as well as its cash requirements.

7. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect,

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Entraco Marine Engineering Pte Ltd	100% owned by Teng Choon Kiat, a Director and Controlling shareholder of the company	SGD 12,961/-	--
Total		SGD 12,961/-	--

8. Confirmation Pursuant to Rule 705(5) of the Listing Manual

We, Ng Han Kok, Henry and Teng Choon Kiat being two directors of SHS Holdings Ltd. (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the first half year ended 30 June 2026 condensed interim financial statements to be false or misleading in any material respect.

9. Undertaking from Directors and Executive Officers pursuant to Rule 720(1) of the SGX Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX Listing Manual.

BY ORDER OF THE BOARD

NG HAN KOK, HENRY
Group CEO
14 August 2026