ASIA ENTERPRISES HOLDING LIMITED
(Registration No: 200501021H)

Interim Financial Information
As at and for the Period Ended
30 June 2026

ASIA ENTERPRISES HOLDING LIMITED

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ASIA ENTERPRISES HOLDING LIMITED

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

FOR THE HALF YEAR ENDED 30 JUNE 2026

	Notes	6 months ended 30 June 2026 $'000	2025 $'000	% +/(-)
Revenue	5.3	**11,908**	17,506	(32)
Cost of sales		**(8,921)**	(15,049)	(41)
Gross profit		**2,987**	2,457	22
Other income and gains	6	**695**	1,122	(38)
Marketing and distribution costs		**(87)**	(169)	(49)
Administrative expenses		**(3,053)**	(3,006)	2
Finance costs		**(152)**	(157)	(3)
Other losses	6	**(29)**	(155)	(81)
Share of profit from equity-accounted associate		**148**	139	6
Profit before tax from continuing operations		**509**	231	120
Income tax expense	7	**(171)**	(84)	104
Profit from continuing operations, net of tax and total comprehensive income		**338**	147	130
Earnings per share		**Cent**	Cent	
Earnings per share				
Basic and diluted		**0.09**	0.04	

The accompanying notes form an integral part of these financial statements.

ASIA ENTERPRISES HOLDING LIMITED

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2026

		Group		Company	
	Notes	As at 30 Jun 2026 $'000	As at 31 Dec 2025 $'000	As at 30 Jun 2026 $'000	As at 31 Dec 2025 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	**8,146**	9,018	**–**	–
Right-of-use assets	11	**7,552**	7,723	**–**	–
Investment property	12	**321**	331	**–**	–
Investments in subsidiaries		**–**	–	**45,680**	45,680
Investments in associate		**4,789**	4,641	**3,607**	3,607
Other financial assets, non-current	13	**8,904**	6,639	**1,274**	753
Total non-current assets		**29,712**	28,352	**50,561**	50,040
Current assets					
Inventories		**16,224**	15,760	**–**	–
Trade and other receivables		**5,108**	6,185	**10,434**	11,934
Other financial assets, current	13	**1,752**	3,994	**–**	372
Cash and cash equivalents		**59,090**	58,463	**1,907**	1,633
Derivative financial assets		**3**	–	**–**	–
Total current assets		**82,177**	84,402	**12,341**	13,939
Total assets		**111,889**	112,754	**62,902**	63,979
EQUITY AND LIABILITIES					
Equity					
Share capital	14	**62,463**	62,463	**62,463**	62,463
Treasury shares		**(138)**	(138)	**(138)**	(138)
Retained earnings		**36,842**	37,613	**166**	1,368
Capital reserve		**575**	575	**–**	–
Total equity		**99,742**	100,513	**62,491**	63,693
Non-current liabilities					
Provision, non-current		**1,672**	1,647	**–**	–
Deferred tax liabilities		**776**	784	**–**	–
Lease liabilities, non-current		**7,689**	7,848	**–**	–
Total non-current liabilities		**10,137**	10,279	**–**	–
Current liabilities					
Income tax payable		**311**	314	**2**	15
Provision, current		**36**	37	**–**	–
Lease liabilities, current		**649**	622	**–**	–
Trade and other payables		**1,014**	987	**409**	271
Derivative financial liabilities		**–**	2	**–**	–
Total current liabilities		**2,010**	1,962	**411**	286
Total liabilities		**12,147**	12,241	**411**	286
Total equity and liabilities		**111,889**	112,754	**62,902**	63,979

The accompanying notes form an integral part of these financial statements.

ASIA ENTERPRISES HOLDING LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2026

Group	Total equity $'000	Share capital $'000	Treasury shares $'000	Capital reserve $'000	Retained earnings $'000
Current year					
Opening balance at 1 January 2026	**100,513**	**62,463**	**(138)**	**575**	**37,613**
Changes in equity					
Total comprehensive income for the period ended 30 June 2026	**338**	**–**	**–**	**–**	**338**
Dividends (Note 8)	**(1,109)**	**–**	**–**	**–**	**(1,109)**
Closing balance at 30 June 2026	**99,742**	**62,463**	**(138)**	**575**	**36,842**
Previous year					
Opening balance at 1 January 2025	97,459	58,856	(138)	575	38,166
Changes in equity					
New shares issued (Note 14)	3,607	3,607	–	–	–
Total comprehensive income for the period ended 30 June 2025	147	–	–	–	147
Dividends (Note 8)	(1,848)	–	–	–	(1,848)
Closing balance at 30 June 2025	99,365	62,463	(138)	575	36,465

Company	Total equity $'000	Share capital $'000	Treasury shares $'000	Retained earnings $'000
Current year				
Opening balance at 1 January 2026	**63,693**	**62,463**	**(138)**	**1,368**
Changes in equity				
Total comprehensive income for the period ended 30 June 2026	**(93)**	**–**	**–**	**(93)**
Dividends (Note 8)	**(1,109)**	**–**	**–**	**(1,109)**
Closing balance at 30 June 2026	**62,491**	**62,463**	**(138)**	**166**
Previous year				
Opening balance at 1 January 2025	60,689	58,856	(138)	1,971
Changes in equity				
New Shares issued (Note 14)	3,607	3,607	–	–
Total comprehensive income for the period ended 30 June 2025	(51)	–	–	(51)
Dividends (Note 8)	(1,848)	–	–	(1,848)
Closing balance at 30 June 2025	62,397	62,463	(138)	72

The accompanying notes form an integral part of these financial statements.

ASIA ENTERPRISES HOLDING LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 JUNE 2026

	Group 6 months ended 30 June 2026 $'000	 2025 $'000
Cash flows from operating activities		
Profit before tax	**509**	231
Adjustment for:		
Interest income	**(607)**	(944)
Interest expense on lease liabilities	**126**	132
Unwinding of discount arise from provision for dismantling and removing	**24**	24
Share of profit from equity-accounted associates	**(148)**	(139)
Depreciation of investment property	**10**	10
Depreciation of plant and equipment	**872**	853
Depreciation of right-of-use assets	**333**	262
Unrealised gain on derivative financial instruments	**(5)**	(61)
Dividend income	**(63)**	(99)
Deaccretion in amortised cost	**19**	1
Loss on disposal of Investments in debt assets instruments at amortised cost	**17**	21
Fair value gain on investments at FVTPL	**(7)**	(10)
Operating cash flows before changes in working capital	**1,080**	281
Inventories	**(465)**	1,504
Trade and other receivables	**1,100**	(248)
Trade and other payables	**25**	185
Net cash flows from operations	**1,740**	1,722
Income taxes paid	**(184)**	(237)
Net cash flows from operating activities	**1,556**	1,485
Cash flows from investing activities		
Other financial assets - increase	**(50)**	(274)
Dividend received	**63**	99
Interest received	**586**	931
Net cash flows from investing activities	**599**	756
Cash flows used in financing activities		
Dividends paid to equity owners	**(1,109)**	(1,848)
Lease liabilities - principal paid	**(293)**	(295)
Lease liabilities - interest portion	**(126)**	(132)
Net cash flows used in financing activities	**(1,528)**	(2,275)
Net increase / (decrease) in cash and cash equivalents	**627**	(34)
Cash and cash equivalents, statement of cash flows, beginning balance	**58,463**	51,421
Cash and cash equivalents, statement of cash flows, ending balance	**59,090**	51,387

The accompanying notes form an integral part of these financial statements.

ASIA ENTERPRISES HOLDING LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATE FINANCIAL STATEMENTS

1. Corporate information

Asia Enterprises Holding Limited is incorporated and domiciled in Singapore and whose shares are publicly traded 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 is an investment holding company.

The principal activities of the Group are:
(a) importing, exporting and marketing of steel products; and
(b) processing and marketing of steel products; and
(c) investment and management activities.

2. Basis of preparation of the financial statements

2.1. Statement of compliance

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

2.2. Basis of measurement

The interim financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these interim financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

2.3. Functional and presentation currencies

The condensed interim financial statements are presented in Singapore Dollar which is the Company's functional currency.

2.4. 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.

2. Basis of preparation of the financial statements (Cont'd)

2.5. Use of judgements and estimates

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting period are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Assessment of expected credit loss allowance on trade receivables

The assessment of expected credit losses ("ECL") requires a degree of estimation and judgement. In measuring ECL, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward looking information such as forecasts of economic conditions. The carrying amounts might change materially within the next reporting period but these changes may not arise from assumptions or other sources of estimation of uncertainty at the end of the reporting period.

Assessment of allowance on inventories

The assessment of allowance for impairment loss on inventories requires a degree of estimation and judgement. The level of loss allowance is assessed by taking into account the recent sales experience, the aging of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories.

Estimation of useful lives of property, plant and equipment

The estimates for the useful lives and related depreciation charges for property, plant and equipment are based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting period that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset or class of assets at the end of the reporting period affected by the assumption is $8.1 million (2025: $9.0 million).

Provisions for dismantling and removing

Provision is made for dismantling and removing costs, based on future estimated expenditures, discounted to present values. Where appropriate, the establishment of a provision is recorded as part of the original cost of the related property, plant and equipment. Changes in the provision arising from revised estimates or discount rates or changes in the expected timing of expenditures that relate to property, plant and equipment are recorded as adjustments to their carrying value and depreciated prospectively over their remaining estimated useful economic lives, otherwise such changes are recognised in profit or loss. The unwinding of the discount is included within the profit or loss as a finance charge.

3. Seasonal operations

The Group's businesses are affected by cyclical factors impacted by periods of economic expansion and contraction during the financial year.

4. Related party transactions

The financial reporting standard on related party disclosures requires the Company to disclose: (a) related party relationships, transactions and outstanding balances, including commitment; and (b) relationships between parent and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

4A. Members of a group:

Related companies in these financial statements include the members of the Company's group of companies. Associates also include those entities that are associates of members of the above group.

Name	Relationship	Country of incorporation
Asia Enterprises (Private) Limited	Subsidiary	Singapore
Asia-Beni Steel Industries (Pte) Ltd	Subsidiary	Singapore
GKE Metal Logistics Pte. Ltd.	Associate	Singapore

4B. Related party transactions and balances:

There are transactions and arrangements between the Company and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations, if any, are unsecured, without fixed repayment terms and interest or charge unless stated otherwise. The transactions were not material.

Intra-group transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

Related party transactions:

	Group 6 months ended 30 June	
	2026 $'000	2025 $'000
Associate		
Purchases of goods	8	–

5. Segment and revenue information

The Group is organised into the following main business segments:
- Segment 1: Steel distribution - procuring, distributing and trading of steel products; and
- Segment 2: Provision of steel processing - processing of steel materials for sale; and
- Segment 3: Corporate - investment and management activities

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

5. Segment and revenue information (Cont'd)

5.1. Reportable segments

Group	Steel distribution $'000	Provision of steel processing $'000	Corporate $'000	Unallocated $'000	Total $'000
1 January 2026 to 30 June 2026					
Revenue by segment					
Total revenue by segment	11,008	939	28	–	11,975
Inter-segment sales	(26)	(13)	(28)	–	(67)
Total revenue	10,982	926	–	–	11,908
Recurring EBITDA	977	268	(126)	–	1,119
Depreciation	(1,027)	(188)	–	–	(1,215)
Investment income	–	–	–	148	148
Interest income	–	–	–	607	607
Interest expense on lease liabilities	–	–	–	(126)	(126)
Unwinding of discount from provision for dismantling and removing	–	–	–	(24)	(24)
ORBIT	(50)	80	(126)	605	509
Other unallocated items					–
Profit before tax from continuing operations					509
Income tax expense					(171)
Profit from continuing operations					338
Other material items and reconciliations					
Depreciation expense	1,027	188	–	–	1,215
Assets and reconciliation					
Total assets for reportable segments	92,007	11,772	2,027	5,972	111,778
Unallocated assets	–	–	–	111	111
Total group assets	92,007	11,772	2,027	6,083	111,889
Liabilities and reconciliations					
Total liabilities for reportable segments	5,168	5,479	198	–	10,845
Other payables	21	194	–	–	215
Income tax payable	–	–	–	311	311
Deferred tax liabilities	–	–	–	776	776
Total group liabilities	5,189	5,673	198	1,087	12,147

5. Segment and revenue information (Cont'd)

5.1. Reportable segments (Contd)

Group	Steel distribution $'000	Provision of steel processing $'000	Corporate $'000	Unallocated $'000	Total $'000
1 January 2025 to 30 June 2025					
Revenue by segment					
Total revenue by segment	16,477	1,072	28	–	17,577
Inter-segment sales	(26)	(17)	(28)	–	(71)
Total revenue	16,451	1,055	–	–	17,506
Recurring EBITDA	296	240	(107)	–	429
Depreciation	(960)	(165)	–	–	(1,125)
Investment income	–	–	–	139	139
Interest income	–	–	–	944	944
Interest expense on lease liabilities	–	–	–	(132)	(132)
Unwinding of discount from provision for dismantling and removing	–	–	–	(24)	(24)
ORBIT	(664)	75	(107)	927	231
Other unallocated items					–
Profit before tax from continuing operations					231
Income tax expense					(84)
Profit from continuing operations					147
Other material items and reconciliations					
Depreciation expense	960	165	–	–	1,125
Assets and reconciliation					
Total assets for reportable segments	93,138	12,550	2,693	3,885	112,266
Unallocated assets	–	–	–	291	291
Total group assets	93,138	12,550	2,693	4,176	112,557
Liabilities and reconciliations					
Total liabilities for reportable segments	6,007	5,609	200	–	11,816
Other payables	21	194	–	–	215
Income tax payable	–	–	–	363	363
Deferred tax liabilities	–	–	–	798	798
Total group liabilities	6,028	5,803	200	1,161	13,192

5. Segment and revenue information (Cont'd)

5.2. Geographical information

The Group's operations are located in Singapore. An analysis of the Group revenue by geographical area which is analysed based on the billing address of each individual customer is provided below.

	Group 6 months ended 30 June	
	2026	**2025**
	$'000	**$'000**
Singapore	**8,555**	10,645
Indonesia	**2,468**	5,255
Malaysia	**743**	1,385
Other regions	**142**	221
Total revenue	**11,908**	17,506

5.3. Revenue

The Company's revenue is from sales of goods and services based on point in time and all the contracts are less than 12 months.

	Group 6 months ended 30 June	
	2026	**2025**
	$'000	**$'000**
Sales of goods and related services	**10,891**	16,607
Service income	**528**	450
Rental income	**386**	449
Others	**103**	–
Total revenue	**11,908**	17,506

6. Other income and gains and (other losses)

	Group 6 months ended 30 June	
	2026	**2025**
	$'000	**$'000**
Dividend income	**63**	99
Fair value gain on investments at FVTPL	**7**	10
Foreign exchange adjustments losses	**(12)**	(134)
Loss on disposal of Investments in debt assets instruments at amortised cost	**(17)**	(21)
Government grant	**6**	5
Interest income from financial institutions	**435**	792
Other interest income	**172**	152
Unrealised gain on derivative financial instruments	**5**	61
Sundry income	**7**	3
Net	**666**	967
Presented in profit or loss as:		
Other income and gains	**695**	1,122
Other losses	**(29)**	(155)
	666	967

7. Taxation

	Group 6 months ended 30 June 2026 $'000	2025 $'000
Income tax expense		
Current tax expense	**179**	86
Subtotal	**179**	86
Deferred tax income		
Deferred tax income	**(8)**	(2)
Subtotal	**(8)**	(2)
Total income tax expense	**171**	84

8. Dividend

No interim dividend has been recommended for the period ended 30 June 2026.

Recommendation for dividend will be considered with full-year results.

9. Net asset value

	Group		Company	
	As at 30 Jun 2026	As at 31 Dec 2025	As at 30 Jun 2026	As at 31 Dec 2025
Net asset value per ordinary share (cents)	**26.99**	27.20	**16.91**	17.24

10. Property, plant and equipment

Group	Leasehold properties $'000	Plant and equipment $'000	Total $'000
Cost			
At 1 January 2025	25,249	11,896	37,145
Additions	135	302	437
Write off	–	(173)	(173)
At 31 December 2025	25,384	12,025	37,409
At 30 June 2026	**25,384**	**12,025**	**37,409**
Accumulated depreciation			
At 1 January 2025	15,723	11,122	26,845
Depreciation for the year	1,573	146	1,719
Write off	–	(173)	(173)
At 31 December 2025	17,296	11,095	28,391
Depreciation for the period	791	81	872
At 30 June 2026	**18,087**	**11,176**	**29,263**
Carrying value			
At 1 January 2025	9,526	774	10,300
At 31 December 2025	8,088	930	9,018
At 30 June 2026	**7,297**	**849**	**8,146**

11. Right-Of-Use Assets

The right-of-use assets in the statement of financial position. The details are as follows:

Group	Leasehold land $'000
Cost	
At 1 January 2025	11,250
Remeasurement	936
At 31 December 2025	12,186
Remeasurement	162
At 30 June 2026	**12,348**
Accumulated depreciation	
At 1 January 2025	3,874
Depreciation for the year	589
At 31 December 2025	4,463
Depreciation for the period	333
At 30 June 2026	**4,796**
Carrying value	
At 1 January 2025	7,376
At 31 December 2025	7,723
At 30 June 2026	**7,552**

11. Right-Of-Use Assets (Cont'd)

A lease conveys the right-to-use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised right-of-use asset is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. An interest expense is recognised on the lease liability (included in finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

12. Investment property

	Group	
	As at 30 Jun 2026 $'000	**As at 31 Dec 2025 $'000**
Cost		
At 1 January	886	886
At end of the period/year	**886**	886
Accumulated depreciation		
At 1 January	555	535
Depreciation for the period/year	10	20
At end of the period/year	**565**	555
Carrying value		
At 1 January	331	351
At end of the period/year	**321**	331

The investment properties are leased out under operating leases.

13. Other financial assets

	Group		Company	
	As at 30 Jun 2026 $'000	**As at 31 Dec 2025 $'000**	**As at 30 Jun 2026 $'000**	**As at 31 Dec 2025 $'000**
Balance is made up of:				
Non-current				
A. Investments in debt asset instruments at amortised cost	**8,904**	6,639	**1,274**	753
Total non-current portion	**8,904**	6,639	**1,274**	753
Current				
A. Investments in debt asset instruments at amortised cost	**506**	500	**–**	250
B. Investment at fair value through profit or loss (FVTPL)	**1,246**	3,494	**–**	122
Total current portion	**1,752**	3,994	**–**	372
Total at end of the period/year	**10,656**	10,633	**1,274**	1,125

13. Other financial assets (Cont'd)

Fair value measurement of Investment at fair value through profit or loss (FVTPL):

		Group		Company	
	Level	As at 30 Jun 2026 $'000	As at 31 Dec 2025 $'000	As at 30 Jun 2026 $'000	As at 31 Dec 2025 $'000
Debt asset instruments:					
Mutual funds investments - high yield debt securities, China, US, Taiwan, North America, UK, Europe, Asia Pacific ex-Japan	2	**1,246**	3,494	**–**	122

For fair value measurements categorised within Level 2 of the fair value hierarchy, the carrying value approximate the fair values of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

14. Share capital

Group and Company	Number of shares issued '000	Share capital $'000	Treasury shares $'000	Total $'000
Ordinary shares of no par value:				
Balance at 1 January 2025	341,129	58,856	(138)	58,718
New shares issued	28,400 #	3,607	–	3,607
Balance at 31 December 2025, 1 January 2026 and 30 June 2026	**369,529 ***	**62,463**	**(138)**	**62,325**

Acquisition of associate company GKE Metal Logistics Pte. Ltd. by means of an equity issue.
* Excluding non-voting 788,600 treasury shares and subsidiary shareholdings.

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements.

15. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2026 and 31 December 2025:

	Group		Company	
	As at 30 Jun 2026 $'000	As at 31 Dec 2025 $'000	As at 30 Jun 2026 $'000	As at 31 Dec 2025 $'000
Financial assets				
Financial assets at amortised cost	**73,608**	71,787	**13,615**	14,570
Financial assets at FVTPL	**1,249**	3,494	**–**	122
At end of the period/year	**74,857**	75,281	**13,615**	14,692
Financial liabilities				
Financial liabilities measured at amortised cost	**9,352**	9,457	**409**	271
Financial liabilities at FVTPL	**–**	2	**–**	–
At end of the period/year	**9,352**	9,459	**409**	271

OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of Asia Enterprises Holding Limited and its subsidiaries 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 period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of Performance of the Group

Review of the Steel Industry

OECD Steel Outlook 2026, published on 4 June 2026, cited substantial increases in steel production capacity, with global excess capacity projected to rise from 640 million tonnes in 2025 to 745 million tonnes by 2028, despite sluggish demand growth of around 0.9% per year, which could potentially depress capacity utilisation, exerting immense pressure on the industry players. The OECD further noted that elevated energy costs and rising investment requirements linked to decarbonisation continue to constrain the industry's upside potential, while raw material costs have trended upward since early 2025, adding further pressure on steelmakers' margins.

The World Steel Association (worldsteel), in its short-range outlook released on 14 April 2026, forecasted global steel demand growth of 0.3% in 2026 to approximately 1,724 million tonnes, with a more pronounced recovery of 2.2% expected in 2027, as the industry continues to bottom out following a protracted period of structural adjustment since 2022.

Overview

Asia Enterprises is a major distributor of steel products to industrial end-users in Singapore and the Asia-Pacific region. The Group offers a wide range of products that is complemented by its value-added steel processing services to offer a 'one-stop' solution and 'just-in-time' delivery to its customers in the marine and offshore, oil and gas, engineering/fabrication, construction and manufacturing industries. With operating history dating back to 1973, the Group has forged a strong reputation as a reliable distributor of steel products to the marine and offshore industries. In May 2025, the Group acquired a 28.64% stake in GKE Metal Logistics Pte Ltd which specialises in exchange-traded metals warehousing and logistics management.

Review of Statement of Comprehensive Income

Revenue

Revenue ($ m)	1H	2H	Full Year
FY2026	**11.9**	**–**	**–**
FY2025	17.5	15.1	32.6
y-o-y change	-32%	–	–

For the six months ended 30 June 2026 (1H26), the Group's revenue declined 32% to $11.9 million from $17.5 million in 1H25 due largely to lower sales volume amid geopolitical uncertainties affecting business sentiments. This lower demand is however partially offset by higher average selling prices (ASP) compared to 1H25, driven upward primarily by elevated costs of steel production and transportation as a result of the US-Iran war and US trade tariffs.

2. Review of Performance of the Group (Cont'd)

Revenue Breakdown by Industry

Industry	1H26 ($ m)	1H26 %	1H25 ($ m)	1H25 %	y-o-y %
Marine & offshore	**7.0**	**59**	13.2	75	**(47)**
Engineering/fabrication	**2.4**	**20**	1.7	10	**41**
Construction	**0.6**	**5**	0.7	4	**(14)**
Stockists & traders	**1.2**	**10**	1.1	6	**9**
Manufacturing, precision metal stamping & others	**0.7**	**6**	0.8	5	**(12)**
Total	**11.9**	**100**	17.5	100	**(32)**

In 1H26, the Group's demand profile shifted towards Singapore domiciled industrial end-users. Consequently, the mix of sales across its key customers adjusted slightly compared to 1H25.

Sales to the marine and offshore segment decreased 47% to $7.0 million in 1H26. This was attributed mainly to a reduction in newbuilding projects offset against increased demand from vessel repairs and maintenance. The marine and offshore sector remained the Group's largest segment, though its contribution eased to 59% in 1H26 from 75% in 1H25.

Revenue from the engineering/fabrication segment increased 41% to $2.4 million in 1H26. Our customers in this industry support both marine and offshore as well as construction projects. This segment accounted for 20% of Group revenue in 1H26 (1H25: 10%).

Revenue from the construction sector eased to $0.6 million in 1H26 from $0.7 million previously, making up 5% of Group revenue in 1H26 (1H25: 4%).

The stockists and traders segment grew 9% to $1.2 million in 1H26, contributing 10% of Group revenue (1H25: 6%). Meanwhile, the manufacturing, precision metal stamping and other segments declined 12% to $0.7 million in 1H26 from $0.8 million in 1H25, making up 6% of Group revenue (1H25: 5%).

Revenue Breakdown by Geographical Market

Countries	1H26 ($ m)	1H26 %	1H25 ($ m)	1H25 %	y-o-y %
Singapore	**8.6**	**72**	10.6	61	**(19)**
Indonesia	**2.5**	**21**	5.3	30	**(53)**
Malaysia	**0.7**	**6**	1.4	8	**(50)**
Others	**0.1**	**1**	0.2	1	**(50)**
Total	**11.9**	**100**	17.5	100	**(32)**

N.B: Revenue breakdown is based on billing addresses of customers

The Group's sales to customers in Singapore declined 19% to $8.6 million in 1H26 primarily due to lower sales volume to its key industry segment. Billings to customers in Singapore include sales that are shipped to domestic and overseas destinations. The Singapore segment's contribution to Group revenue rose to 72% in 1H26 (1H25: 61%) due to a shift towards Singapore domiciled end users.

2. Review of Performance of the Group (Cont'd)

Sales to customers in Indonesia contracted 53% to $2.5 million in 1H26, due to a lower demand for newbuilding projects. As a result, Indonesia's contribution to revenue reduced to 21% in 1H26 compared with 30% in 1H25.

Sales to customers in Malaysia contracted 50% to $0.7 million in 1H26 from $1.4 million in 1H25, making up 6% of Group revenue in 1H26 compared to 8% in 1H25.

Sales to customers in other markets reduced to $0.1 million in 1H26 from $0.2 million in 1H25, making up 1% of Group revenue in both periods.

Gross Profit and Gross Profit Margin

		1H	2H	Full Year
Gross Profit ($ m)	**FY2026**	**3.0**	–	–
	FY2025	2.5	2.8	5.3
Gross Profit Margin	**FY2026**	25.1%	–	–
	FY2025	14.0%	19.1%	16.4%

The Group's gross profit increased 22% to $3.0 million in 1H26 from $2.5 million in 1H25, mainly due to a favourable change in product mix. Gross profit margin rose to 25.1% in 1H26 from 14.0% in 1H25 despite lower sales volume.

The Group's gross profit margin typically fluctuates across periods during a financial year. Underlying factors include differences in selling prices due to seasonal factors and market conditions, sales mix, foreign currency fluctuations and changes in its weighted average cost of inventory sold as the Group sells and replaces its inventory across different periods.

Other income and gains

Other income and gains decreased 38% to $0.7 million in 1H26 from $1.1 million in 1H25, mainly due to lower interest income amid declining deposit rates.

Distribution Costs, Administrative Expenses, Finance Costs and Other Losses

Marketing and distribution costs decreased 49% to $0.1 million in 1H26 from $0.2 million in 1H25, in line with lower sales volume. Administrative expenses at $3.1 million in 1H26, is broadly comparable to $3.0 million in 1H25.

In line with the adoption of SFRS(I) 16, the Group recognised non-cash interest expense on lease liabilities of around $0.1 million in 1H26 (1H25: $0.1 million). Other losses amounted to $29,000 in 1H26 compared to $155,000 in 1H25, due mainly to lower foreign exchange losses.

Net Profit

		1H	2H	Full Year
Profit before Tax ($ m)	**FY2026**	0.5	–	–
	FY2025	0.2	1.2	1.4
Net Profit ($ m)	**FY2026**	0.3	–	–
	FY2025	0.1	1.2	1.3

GKE Metal Logistics Pte Ltd, an associate of the Group, contributed a share of profit of $148,000 in 1H26 (1H25: $139,000).

2. Review of Performance of the Group (Cont'd)

The Group's profit before tax (PBT) increased to $0.5 million in 1H26 from $0.2 million in 1H25, due to higher gross profit and lower other losses, partly offset by lower other income and gains. The Group reports a net profit of $0.3 million in 1H26 compared to a net profit of $0.1 million in 1H25. Tax expense is higher in line with higher profits.

Review of Financial Position

Statement of Financial Position as at 30 June 2026

The Group's balance sheet continues to be sound as at 30 June 2026 with cash and cash equivalents of $59.1 million and zero borrowings. Shareholders' equity (excluding treasury shares) eased to $99.7 million as at 30 June 2026 from $100.5 million as at 31 December 2025 after a dividend distribution of $1.1 million in respect of FY2025 profits. The Group's net asset value as at 30 June 2026 stood at 27.0 cents per share, comprising of cash and cash equivalents of 16.0 cents per share and inventory with book value of 4.4 cents per share.

Property, plant and equipment decreased to $8.1 million as at 30 June 2026 from $9.0 million as at 31 December 2025 due mainly to depreciation charges. In line with SFRS(I) 16, the present value of the operating lease payment commitments for the Group's warehouse facilities are recognised on its balance sheet as right-of-use assets and lease liabilities. As at 30 June 2026, the Group's right-of-use assets and lease liabilities stood at $7.6 million and $8.3 million respectively (31 December 2025: $7.7 million and $8.5 million).

Other financial assets as at 30 June 2026 is maintained at $10.7 million compared to $10.6 million as at 31 December 2025.

Trade and other receivables decreased to $5.1 million as at 30 June 2026 from $6.2 million as at 31 December 2025, in line with the lower level of sales activity and billings during the period.

Inventories (measured on a weighted average cost basis) comprise primarily stock of steel materials that the Group purchases and holds for sale to its customers as part of its core business. As at 30 June 2026, inventories stood at $16.2 million compared to $15.8 million as at 31 December 2025. Inventory turnover for 1H26 was around 332 days (annualised) compared to 211 days for FY2025.

Non-current and current provisions at $1.7 million as at 30 June 2026 remain comparable to $1.7 million as at 31 December 2025.

Trade and other payables arose mainly from purchases of inventories and services from third parties on credit terms. Trade and other payables as at 30 June 2026 maintained at $1.0 million (31 December 2025: $1.0 million).

Statement of Cash Flows

Net cash from operating activities amounted to $1.6 million in 1H26. This was attributed to operating cash flows before changes in working capital of $1.1 million and net working capital inflows of $0.7 million, offset partially by payment of income tax of $0.2 million.

Net cash from investing activities in 1H26 was $0.6 million. This was attributed mainly to interest and dividend income of $0.6 million.

Net cash used in financing activities in 1H26 amounted to $1.5 million, which was mainly due to the distribution of $1.1 million as dividends to shareholders in respect of FY2025 profits and net lease liability payments of $0.4 million.

2. Review of Performance of the Group (Cont'd)

As a result of the above, the Group's cash and cash equivalents stood at $59.1 million as at 30 June 2026 compared to $51.4 million as at 30 June 2025.

Significant trends and competitive conditions

Looking to the second half of 2026, the global business environment is expected to remain challenging due to prevailing geopolitical and economic headwinds.

The steel industry in Singapore is expected to experience operating challenges due to volatile international steel prices, currency fluctuations, inflationary pressures and heightened business competitive conditions amid a backdrop of potentially slower demand from steel end-users. According to the OECD's Steel Outlook 2026, global steel demand has now contracted for four consecutive years through 2025, and industry forecasts point to only near-stagnant demand growth in 2026, with capacity utilisation expected to decline further amid continued excess capacity.

The Group will continue to be vigilant in our sales and credit management, as well as maintain tight control of operating expenses. We also take a prudent approach to inventory management while ensuring sufficient steel supplies and a good mix of products to meet the demands of our customers.

We will also continue to seek favourable investment and expansion opportunities. The Group believes that our sound, debt-free balance sheet gives us the financial resilience to seize opportunities and to weather challenges.

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

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers in accordance with Rule 720(1) of the Listing Manual.

4. Disclosure pursuant to Rule 706A of the Listing Manual

During the first half of FY2026 and as at the date of this announcement, there were no changes to the Company's and the Group's shareholding percentage in its respective subsidiaries or associated companies nor incorporation of any new subsidiary or associate by the Company or any of the Group's entities.

5. Confirmation pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited (SGX-ST).

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited (SGX-ST).

By Order of the Board

Siau Kuei Lian
Company Secretary
7 August 2026

ASIA ENTERPRISES HOLDING LIMITED

OTHER INFORMATION

NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

We, Choo Boon Tiong and Lee Yih Chyi, being two directors of Asia Enterprises Holding Limited (the Company), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the interim financial statement to be false or misleading in any material aspect.

On behalf of the Board of Directors

Choo Boon Tiong Non-Executive, Independent Chairman	Lee Yih Chyi Managing Director