ASIA ENTERPRISES HOLDING LIMITED

MEDIA RELEASE

Asia Enterprises Posts Revenue of $11.9 Million for 1H2026, Backed by Improved Margins and Strong Balance Sheet

1H2026 Financial Highlights:

- Gross profit increased 22% to $3.0 million
- Gross profit margin improved to 25.1% compared to 14.0% in 1H2025
- Consistent contributions by newly acquired associate GKE Metal Logistics Pte Ltd
- Strong balance sheet with cash of $59.1 million and zero borrowings

Singapore, 7 August 2026 – Asia Enterprises Holding Limited ("**Asia Enterprises**" or the "**Company**", and together with its subsidiaries, the "**Group**"), a major distributor of steel products to industrial end-users in Singapore and the Asia-Pacific region, today announced its financial results for the six months ended 30 June 2026 ("**1H2026**").

Ms Yvonne Lee, Managing Director of Asia Enterprises, said, ***"In 1H2026, the Group achieved higher gross profit margin despite a challenging operating environment characterised by weak demand and persistent global steel overcapacity. This reflects our continued focus on disciplined sales, prudent inventory management, credit management and cost control."***

The global steel market remained challenging during 1H2026 as persistent excess capacity, weak demand and rising operational costs continued to weigh on business sentiments. Due to the challenging environment, the Group recorded revenue of $11.9 million, a 32% year-on-year decline compared to $17.5 million in the six months ended 30 June 2025 ("**1H2025**").

Despite this, the Group's gross profit increased 22% to $3.0 million from $2.5 million in 1H2025. Gross profit margin improved to 25.1% from 14.0%, due to a favourable change in product mix. Net profit increased to $0.3 million, driven by higher gross profit and lower other losses. This included a share of profit of $148,000 from the Group's 28.64%-owned associate, GKE Metal

Logistics Pte Ltd. As a result, earnings per share rose 125% to 0.09 cent in 1H2026 from 0.04 cent in 1H2025.

While the Group's sales to the marine and offshore segment decreased 47% to $7.0 million in 1H2026 from $13.2 million in 1H2025, it recorded a 41% expansion in revenue from the engineering/fabrication segment to $2.4 million from $1.7 million in 1H2025. Our customers in the engineering/fabrication segment support projects from both the marine and offshore sector as well as the construction sector.

On a geographical basis, Singapore remained the Group's largest market contributing $8.6 million, making up 72% of total revenue in 1H2026. Sales to Indonesia contracted to $2.5 million from $5.3 million and represented 21% of total sales mainly due to reduced newbuild activities, while sales to Malaysia halved to $0.7 million from $1.4 million.

The Group's financial position remained sound as at 30 June 2026 with $59.1 million in cash, $99.7 million in net assets and no borrowings. Net asset value per share stood at 27.0 cents, comprising cash and cash equivalents of 16.0 cents per share and inventory at book value of 4.4 cents per share.

Looking ahead to the second half of 2026, the global business environment is expected to remain challenging amid geopolitical uncertainties and ongoing trade tensions. The steel industry is expected to face continued volatility in prices and persistent overcapacity. Currency fluctuations, inflationary pressures and heightened competition will potentially challenge demand growth and weigh on business sentiments.

Nevertheless, there may be opportunities ahead for the Group to participate in specialised metals warehousing and logistics management through GKE Metal Logistics Pte Ltd. The Group will continue to exercise discipline in cost management and adopt a prudent approach to inventory management and credit control. The Group's strong financial provides resilience and is well-placed to navigate market volatility while we pursue suitable investment and expansion opportunities.

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This media release is to be read in conjunction with the SGXNET announcement released on the same date.

About Asia Enterprises Holding Limited (SGX: A55.SI)

Asia Enterprises Holding Limited is a major distributor of steel products to industrial end-users in Singapore and the Asia-Pacific region and is listed on the Main Board of SGX Stock Exchange since 1 September 2005.

With operating history dating back to 1973, the Group provides a one-stop solution and just-in-time delivery to over 1,200 steel products, serving more than 700 active customers across industries including marine and offshore, engineering and fabrication, oil and gas, construction, as well as precision manufacturing.

In addition to its steel distribution business, the Group provides precision steel processing services and holds a 28.64% equity interest in GKE Metal Logistics Pte. Ltd., a specialty warehousing and logistics provider for bulk commodities, including exchange-traded metals.

Asia Enterprises owns two facilities in Singapore, comprising a multi-storey warehouse and a steel processing plant-cum-warehouse, with a total combined land area of 33,769 square metres.

For more information, please visit the Group's website at: www.asiaenterprises.com.sg

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