LS 2 HOLDINGS LIMITED

(Registration. No. 202016972G)
(Incorporated in Singapore)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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A. Condensed interim consolidated statement of comprehensive income

	Note	The Group 6 months ended 30 Jun 26 (Unaudited)	30 Jun 25 (Unaudited)	Change
		S$	S$	%
Revenue	E4	38,937,001	34,383,961	13.2
Other income:				
- Interest income - Bank deposit		19,099	32,852	(41.9)
- Others		59,231	70,295	(15.7)
		78,330	103,147	(24.1)
Other gains and (losses), net		(843)	(7,579)	(88.9)
Expenses:				
- Purchases and related costs		(4,392,833)	(3,800,189)	15.6
- Employee benefits		(22,946,527)	(22,362,447)	2.6
Direct operating costs		(27,339,360)	(26,162,636)	4.5
- Depreciation of property, plant and equipment		(1,914,737)	(2,000,026)	(4.3)
- Other expenses		(6,488,894)	(5,053,946)	28.4
- Finance expenses		(49,464)	(67,539)	(26.8)
Total expenses		(35,792,455)	(33,284,147)	7.5
Share of the loss of joint venture		(22,652)	(313)	N.M.
Profit before income tax	E6	3,199,381	1,195,069	167.7
Income tax expense	E7	(553,335)	(166,928)	231.5
Total comprehensive income, representing net profit for the financial period		2,646,046	1,028,141	157.4
Total comprehensive income, representing net profit attributable to:				
- Equity holders of the Company		2,635,919	1,022,839	157.7
- Non-controlling interests		10,127	5,302	91.0
		2,646,046	1,028,141	157.4
Earnings per share ("EPS") for net profit attributable to equity holders of the Company:				
Basic and diluted (in cents)[1]		1.42	0.55	158.2

Notes:

1. *The earnings per share have been calculated based on the net profit attributable to equity holders of the Company over weighted average share capital of 185,000,000 shares (1HY2025 share capital of 185,000,000). The basic and diluted EPS are the same as the outstanding share options are anti-dilutive.*

N.M denotes not meaningful

B. Condensed interim statements of financial position

	Note	The Group As at 30 Jun 26 (Unaudited)	The Group As at 31 Dec 25 (Audited)	The Company As at 30 Jun 26 (Unaudited)	The Company As at 31 Dec 25 (Audited)
		S$	**S$**	**S$**	**S$**
ASSETS					
Current assets					
Cash and bank balances		8,555,474	7,669,046	90,648	2,641,668
Trade and other receivables		25,813,344	23,775,824	106,010	436,318
Amount owing from subsidiary corporations		-	-	2,612,895	-
Inventories		126,216	85,591	-	-
		34,495,034	31,530,461	2,809,553	3,077,986
Non-current assets					
Investment in subsidiary corporations		-	-	715,598	715,598
Investment in joint venture		972	23,624	972	23,624
Property, plant and equipment		6,990,856	6,165,181	463	786
Deferred income tax assets		118,119	122,624	90,840	90,840
		7,109,947	6,311,429	807,873	830,848
Total assets		**41,604,981**	**37,841,890**	**3,617,426**	**3,908,834**
LIABILITIES					
Current liabilities					
Trade and other payables		10,883,740	10,677,307	282,422	211,737
Borrowings	E10	2,457,813	2,162,444	-	-
Current income tax liabilities		863,755	675,542	-	-
		14,205,308	13,515,293	282,422	211,737
Non-current liabilities					
Borrowings	E10	860,153	400,150	-	-
Deferred income tax liabilities		86,379	119,352	-	-
		946,532	519,502	-	-
Total liabilities		15,151,840	14,034,795	282,422	211,737
Net assets		**26,453,141**	**23,807,095**	**3,335,004**	**3,697,097**
EQUITY					
Capital and reserves					
Share capital	E11	5,363,897	5,363,897	5,363,897	5,363,897
Retained profits/(Accumulated losses)		17,980,091	15,344,172	(2,138,868)	(1,776,775)
Merger reserve		3,000,001	3,000,001	-	-
Share option reserve	E12	109,975	109,975	109,975	109,975
		26,453,964	23,818,045	3,335,004	3,697,097
Non-controlling interests		(823)	(10,950)	-	-
Total equity		**26,453,141**	**23,807,095**	**3,335,004**	**3,697,097**

C. Condensed interim statements of changes of equity

	← Attributable to equity holders of the Company →						
	Share capital	Retained profits	Merger reserve	Share option reserve	Total	Non-controlling interests	Total equity
	S$	S$	S$	S$	S$	S$	S$
<u>**The Group**</u>							
2026 (Unaudited)							
Balance as at 1 January 2026	5,363,897	15,344,172	3,000,001	109,975	23,818,045	(10,950)	23,807,095
Total comprehensive income - Net profit for the financial period	-	2,635,919	-	-	2,635,919	10,127	2,646,046
Balance as at 30 June 2026	**5,363,897**	**17,980,091**	**3,000,001**	**109,975**	**26,453,964**	**(823)**	**26,453,141**
2025 (Unaudited)							
Balance as at 1 January 2025	5,363,897	12,228,510	3,000,001	109,975	20,702,383	(24,241)	20,678,142
Total comprehensive income - Net profit for the financial period	-	1,022,839	-	-	1,022,839	5,302	1,028,141
Balance as at 30 June 2025	**5,363,897**	**13,251,349**	**3,000,001**	**109,975**	**21,725,222**	**(18,939)**	**21,706,283**

	Share capital	Accumulated losses	Share option reserve	Total equity
	S$	S$	S$	S$
<u>**The Company**</u>				
2026 (Unaudited)				
Balance as at 1 January 2026	5,363,897	(1,776,775)	109,975	3,697,097
Total comprehensive loss - Net loss of the financial period		(362,093)	-	(362,093)
Balance as at 30 June 2026	5,363,897	(2,138,868)	109,975	3,335,004
2025 (Unaudited)				
Balance as at 1 January 2025	5,363,897	(1,364,879)	109,975	4,108,993
Total comprehensive loss - Net loss of the financial period	-	(196,159)	-	(196,159)
Balance as at 30 June 2025	5,363,897	(1,561,038)	109,975	3,912,834

D. Condensed interim consolidated statement of cash flows

	Note	The Group 6 months ended 30 Jun 26 (Unaudited)	30 Jun 25 (Unaudited)
		S$	S$
Cash flows from operating activities			
Profit before income tax		3,199,381	1,195,069
Adjustments for:-			
- Depreciation of property, plant and equipment	E6	1,914,737	2,000,026
- Property, plant, and equipment written-off	E6	843	7,579
- Share of losses from investment in a joint venture		22,652	313
- Interest expenses	E6	49,464	67,539
- Interest income		(19,099)	(32,852)
		5,167,978	3,237,674
Change in working capital:			
- Inventories		(40,625)	(38,668)
- Trade and other receivables		(2,037,520)	2,198,519
- Trade and other payables		206,433	(655,727)
Cash generated from operations		3,296,266	4,741,798
Income tax paid		(401,590)	(180,609)
Income tax rebate received		8,000	-
Net cash provided by operating activities		2,902,676	4,561,189
Cash flows from investing activities			
Additions to property, plant and equipment	E9	(317,887)	(325,991)
Net cash used in investing activities		(317,887)	(325,991)
Cash flows from financing activities			
Principal repayment of lease liabilities		(1,292,996)	(1,279,458)
Repayment of borrowings		(375,000)	(375,000)
Interest income received		19,099	32,852
Interest paid		(49,464)	(67,539)
Net cash used in financing activities		(1,698,361)	(1,689,145)
Net increase in cash and cash equivalents		886,428	2,546,053
Cash and cash equivalents			
Beginning of the financial period		7,669,046	4,968,717
End of the financial period		8,555,474	7,514,770

D. Condensed interim consolidated statement of cash flows (Cont'd)

Reconciliation of liabilities arising from financing activities

	1 Jan 2026	Proceeds from borrowings	Principal and interest payments	Non-cash changes Interest expense	Additions	Modification	30 Jun 2026
	S$	S$	S$	S$	S$	S$	S$
Bank borrowings	812,500	-	(384,527)	9,527	-	-	437,500
Lease liabilities	1,750,094	-	(1,332,933)	39,937	616,385	1,806,983	2,880,466

	1 Jan 2025	Proceeds from borrowings	Principal and interest payments	Non-cash changes Interest expense	Additions	30 Jun 2025
	S$	S$	S$	S$	S$	S$
Bank borrowings	1,562,500	-	(396,548)	21,548	-	1,187,500
Lease liabilities	2,324,187	-	(1,325,450)	45,991	1,077,588	2,122,316

E. Notes to the condensed interim consolidated financial statements

1. General Information

The Company

LS 2 Holdings Limited (the "Company") is listed on Catalist, the sponsor-supervised listing platform of the Singapore Exchange Securities Trading Limited ("SGX-ST"), which is incorporated and domiciled in Singapore. The address of its registered office is at 1 Bukit Batok Crescent, #04–11 WCEGA Plaza, Singapore 658064. The principal activity of the Company is that of an investment holding. The principal activities of its subsidiaries are detailed in Note 4 below.

2. Basis of Preparation

The condensed interim 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 financial year ended 31 December 2025.

The accounting policies adopted are consistent with those adopted in the Group's audited financial statements for the financial years ended 31 December 2025 which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note E2.1.

The condensed interim financial statements are presented in Singapore Dollar (S$), except when otherwise indicated.

The condensed interim consolidated financial statements have been prepared on a going concern basis, since management has verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group's ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the financial period.

2.1 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), except that in the current financial period, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2026. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2025.

Estimates and underlying assumptions were 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 were no significant judgements made in applying the accounting policies in the condensed interim financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

E. Notes to the condensed interim consolidated financial statements (Cont'd)

2. Basis of Preparation (Cont'd)

2.2 Use of judgements and estimates (Cont'd)

Expected credit losses ("**ECL**") on trade receivables

ECL are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Group has used relevant historical information and loss experience to determine the probability of default of the instruments and incorporated forward-looking information, including significant changes in external market indicators which involved significant estimates and judgements.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to these receivables in estimating the probability of default of each of other receivables.

Notwithstanding the above, the Group evaluates the ECL on customers in financial difficulties separately. No loss allowances on trade receivables are recognised by the Group for the financial period ended 30 June 2026.

3. Seasonal operations

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

4. Segment and revenue information

Operating segments are aggregated into a single operating segment if they have similar economic characteristics. The Group's reportable operating segments under SFRS(I) 8 *Operating Segments* are as follows:

a) The cleaning services include conservancy services, facilities cleaning services, and pandemic disinfection services. This reportable segment has been formed by aggregating various cleaning services which are regarded by management to exhibit similar economic characteristics.

b) Pest control services comprise rubbish chute cleaning and fogging services.

c) Machinery relates to design, manufacture and repair of machinery and equipment in relation to the cleaning industry.

d) Integrated Facilities Management ("**IFM**") relates to provision of management services of physical workplaces and infrastructure which include overseeing the maintenance, operation, and enhancement of workplace and its facilities.

e) Others relate to cost incurred in investment activities and provision of treasury and administrative services.

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

The Board of Directors assesses the performance of the operating segments based on a measure of profit before income tax. This measurement basis excludes the effects of expenditure from the operating segments such as restructuring costs and impairment loss that are not expected to recur regularly in every period which are separately analysed.

E. Notes to the condensed interim consolidated financial statements (Cont'd)

4. Segment and revenue information

4.1 Reportable segments

The following table present revenue and profit information for the Group's business segments for the six months ended 30 June 2026.

	6 months ended 30 Jun 2026					
	Cleaning S$	**Pest S$**	**Machinery S$**	**IFM S$**	**Others S$**	**Total S$**
Revenue	**37,191,316**	**941,225**	**-**	**804,460**	**-**	**38,937,001**
Other Income	66,330	12,000	-	-	-	78,330
Other gains and (losses), net	(843)	-	-	-	-	(843)
Purchases and related costs	(3,540,719)	(828,046)	-	(24,068)	-	(4,392,833)
Employee benefits	(22,194,096)	-	-	(610,091)	(142,340)	(22,946,527)
Depreciation of property, plant and equipment	(1,752,470)	-	-	(5,928)	(156,339)	(1,914,737)
Executive directors and key management officers' remuneration	-	-	(16,911)	-	(2,405,043)	(2,421,954)
Foreign worker levies	(2,296,151)	-	(2,100)	-	-	(2,298,251)
Insurance	(415,648)	(2,963)	(492)	(1,164)	(4,188)	(424,455)
Staff welfare	(200,759)	(211)	-	-	(14,890)	(215,860)
Other expenses	(819,916)	(1,592)	(6,740)	(4,057)	(296,069)	(1,128,374)
Finance expenses	(49,464)	-	-	-	-	(49,464)
Segment profit/(loss) before income tax	**5,987,580**	**120,413**	**(26,243)**	**159,152**	**(3,018,869)**	**3,222,033**
Share of losses from investment in a joint venture						(22,652)
Income tax expense						(553,335)
Net profit						2,646,046
Segment assets	34,140,650	450,534	67,885	799,297	6,146,615	41,604,981
Addition to: Property, plant and equipment	927,203	-	-	-	7,069	934,272
Segment liabilities	11,045,553	688,586	14,418	58,363	3,344,920	15,151,840

E. Notes to the condensed interim consolidated financial statements (Cont'd)

4. Segment and revenue information (Cont'd)

4.1 Reportable segments (Cont'd)

The following table present revenue and profit information for the Group's business segments for the six months ended 30 June 2025.

	6 months ended 30 Jun 2025					
	Cleaning	**Pest**	**Machinery**	**IFM**	**Others**	**Total**
	S$	**S$**	**S$**	**S$**	**S$**	**S$**
Revenue	**33,119,823**	**566,338**	**-**	**697,800**	**-**	**34,383,961**
Other Income	41,868	19,200	2,000	2,000	38,079	103,147
Other gains and (losses), net	(7,579)	-	-	-	-	(7,579)
Purchases and related costs	(3,254,562)	(505,011)	(30)	(40,586)	-	(3,800,189)
Employee benefits	(21,757,182)	-	-	(536,586)	(68,679)	(22,362,447)
Depreciation of property, plant and equipment	(1,864,094)	-	(18,540)	(5,928)	(111,464)	(2,000,026)
Executive directors and key management officers' remuneration	-	-	(16,836)	-	(1,495,144)	(1,511,980)
Foreign worker levies	(2,123,077)	-	(2,100)	-	-	(2,125,177)
Insurance	(384,757)	(1,512)	(1,059)	-	(3,750)	(391,078)
Staff welfare	(130,208)	-	-	(46)	(16,273)	(146,527)
Other expenses	(710,594)	(4,418)	(5,763)	(6,709)	(151,700)	(879,184)
Finance expenses	(67,539)	-	-	-	-	(67,539)
Segment profit/(loss) before income tax	2,862,099	74,597	(42,328)	109,945	(1,808,931)	1,195,382
Share of losses from investment in a joint venture						(313)
Income tax expense						(166,928)
Net profit						**1,028,141**
Segment assets	**30,294,730**	**552,846**	**136,284**	**501,430**	**4,061,076**	**35,546,366**
Addition to:						
Property, plant and equipment	1,105,203	-	-	-	298,376	1,403,579
Segment liabilities	**9,706,342**	**549,418**	**12,405**	**48,482**	**3,523,436**	**13,840,083**

E. Notes to the condensed interim consolidated financial statements (Cont'd)

5. Financial assets and financial liabilities

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

	The Group		The Company	
	30 Jun 26 S$	**31 Dec 25 S$**	**30 Jun 26 S$**	**31 Dec 25 S$**
Financial assets				
At amortised cost:				
- Cash and bank balances	8,555,474	7,669,046	90,648	2,641,668
- Trade receivables	23,709,056	20,832,265	2,630,288	72,257
- Other receivables	733,368	517,858	33,907	196,059
	32,997,898	29,019,169	**2,754,843**	2,909,984
Financial liabilities				
At amortised cost:				
- Borrowings	3,317,966	2,562,594	-	-
- Trade and other payables	9,420,210	9,160,463	222,096	189,277
	12,738,176	**11,723,057**	**222,096**	**189,277**

6. Profit before income tax

6.1 Significant items

	The Group 6 months ended	
	30 Jun 26 S$	**30 Jun 25 S$**
Expenses		
Depreciation of property, plant and equipment	1,914,737	2,000,026
Interest expenses	49,464	67,539
Property, plant and equipment written off	843	7,579
Share of the losses from investment in joint venture	22,652	313

E. Notes to the condensed interim consolidated financial statements (Cont'd)

6.2 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

		The Group 6 months ended	
		30 Jun 26 S$	30 Jun 25 S$
(a)	Purchase of services		
	- Training course	153,060	83,765

The Group's subsidiary corporations engaged Integrated Training Consultants Pte Ltd, an associate company of Mr. Ong Khong Weng, Alvin, to provide trainings services to the Group.

(b) The remuneration of the Group's executive directors and other members of key management during the respective financial periods are as follows:

	The Group 6 months ended	
	30 Jun 26 S$	30 Jun 25 S$
Salaries and bonuses	2,351,757	1,440,821
Employer's contribution to Central Provident Fund	70,197	71,159
	2,421,954	1,511,980
Comprised of amounts paid to:		
- Executive directors	1,859,194	1,054,357
- Other key management personnel	562,760	457,623
	2,421,954	1,511,980

The salaries and bonuses disclosed above include S$1,173,965 (30 Jun 2025: S$456,921) of bonuses payable which are unpaid during the financial period and are included in accrued expenses.

E. Notes to the condensed interim consolidated financial statements (Cont'd)

7. Income tax

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

	The Group 6 months ended	
	30 Jun 26	**30 Jun 25**
	S$	**S$**
Tax expense/(credit) attributable to profit is made up of:		
- Current income tax	581,803	262,883
- Deferred income tax	(28,468)	(95,955)
	553,335	166,928

8. Net asset value

	The Group		**The Company**	
	30 Jun 26	**31 Dec 25**	**30 Jun 26**	**31 Dec 25**
	S(cents)	**S(cents)**	**S(cents)**	**S(cents)**
Net assets per ordinary share	14.30	12.87	1.80	2.00

Note:
Net assets per ordinary share is calculated based on number of issued 185,000,000 ordinary shares (excluding treasury shares) as at 30 June 2026 (31 December 2025: 185,000,000 (excluding treasury shares)).

9. Property, plant, and equipment ("PPE")

	The Group 6 months ended	
	30 Jun 26	**30 Jun 25**
	S$	**S$**
Purchase of PPE		
Total additions in the financial period	934,272	1,403,579
Less: Acquired under lease arrangements	(616,385)	(1,077,588)
Net cash outflow (refer to **Note D**)	317,887	325,991

E. Notes to the condensed interim consolidated financial statements (Cont'd)

10. Loans and borrowings consist of bank loans and lease liabilities

	The Group	
	30 Jun 26	**31 Dec 25**
	S$	**S$**
Secured borrowing		
Amount repayable in one year or less, or on demand	437,500	750,000
Amount repayable after one year	-	62,500
	437,500	812,500
Unsecured borrowing		
Amount repayable in one year or less, or on demand	2,020,313	1,412,444
Amount repayable after one year	860,153	337,650
	2,880,466	1,750,094
	3,317,966	**2,562,594**
Analyses as:		
Current		
Term loan (secured)	437,500	750,000
Lease liabilities	2,020,313	1,412,444
	2,457,813	2,162,444
Non-current		
Term loan (secured)	-	62,500
Lease liabilities	860,153	337,650
	860,153	400,150
	3,317,966	**2,562,594**

Security granted

a Term loan

Temporary bridge loan of S$437,500 (31 December 2025: S$812,500) is secured by a corporate guarantee from the Company; and

b Banker's guarantee

Banker's guarantee is granted to the Group during the financial year ended 31 December 2023 and is secured by the Group's leasehold properties and a corporate guarantee of the Company. Banker's guarantee has not been drawn down and there is no outstanding balance owing to the bank as at reporting date.

E. Notes to the condensed interim consolidated financial statements (Cont'd)

11. Share Capital

	The Group		The Company	
	30 June 2026		30 June 2026	
Issued and fully paid	**No. of shares**	**S$**	**No. of shares**	**S$**
Beginning and end of financial period	185,000,000	5,363,897	185,000,000	5,363,897

	The Group		The Company	
	30 June 2025		30 June 2025	
Issued and fully paid	**No. of shares**	**S$**	**No. of shares**	**S$**
Beginning and end of financial period	185,000,000	5,363,897	185,000,000	5,363,897

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the respective companies. All ordinary shares rank equally with regards to the respective companies' residual assets.

The Company did not hold any treasury shares and subsidiary holdings as at 30 June 2026 and 30 June 2025. There were no purchase, sale, transfer, disposal, cancellation and use of treasury shares and subsidiary holdings during the financial period ended 30 June 2026.

Share options

On 27 May 2022, the Company obtained the shareholders' approval on the adoption of the LS 2 Employee Share Option Scheme ("**LS2 ESOS**") at the annual general meeting.

LS2 ESOS is administered by the Remuneration Committee. Share options ("**Options**") are exercisable at the agreed exercise price.

On 2 October 2023, the Company announced that it had granted 5,500,000 Options pursuant to the LS 2 ESOS ("**2023 Options**"). The 2023 Options are exercisable from 2 October 2024 and expire on 1 October 2029.

Movements in the number of unissued ordinary shares under the LS 2 ESOS and their exercise prices are as follows:

	No. of ordinary shares under option						
	Beginning of the financial period	**Granted during the financial period**	**Cancelled/ lapsed during the financial period**	**Exercised during the financial period**	**End of financial period**	**Exercise price**	**Exercisable period**
Group and Company 2026							
2023 Options	5,500,000	-	-	-	5,500,000	$0.20	2 October 2024 to 1 October 2029

E. Notes to the condensed interim consolidated financial statements (Cont'd)

11. Share Capital (Cont'd)

Share options (Cont'd)

The fair value of the share options granted, determined using the Black Scholes model, and the significant inputs into the model are as follows:

Option grant date	Fair value of share options	Share price at the grant date	Exercise price of the options granted	Average expected life	Historical volatilities[1]	Singapore risk-free rate
2 October 2023	$109,948	$0.076	$0.20	3.5 years	68.0%	3.43%

(1) Expected volatility was determined by calculating the historical volatility of the Company's share price over the most recent period that is commensurate with the contractual life of the share options. As there is limited trading history of the Company, references to the historical volatilities of comparable companies have been made.

The total number of shares that may be issued on conversion of all outstanding Options is 5,500,000 shares (30 June 2025: 5,500,000 shares) and represents approximately 2.97% (30 June 2025: 2.97%) of the Company's total issued share capital as at end of the financial period.

Save from the above, the Company has no outstanding convertibles as at 30 June 2026 and 30 June 2025.

12. Share option reserve

	Group		Company	
	2026 S$	2025 S$	2026 S$	2025 S$
Beginning and ending of financial period	109,975	109,975	109,975	109,975

The share option reserve represents equity-settled share options granted to employees of the Group. The reserve is made up of the cumulative value of services received from the Group's employees recorded over the vesting period commencing from the grant date of equity-settled share options and is reduced by the cancellation/lapse or exercise of the share option.

13. Subsequent events

On 11 August 2026, the Group exercised the Option to Purchase for the properties located at 1 Bukit Batok Crescent, #09-48 and #09-49, WCEGA Plaza, Singapore 658064, for an aggregate purchase consideration of S$1,688,888.00.

F. Other Information Required by Appendix 7C of the Catalist Rules

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

The condensed interim statements of financial position of LS 2 Holdings Limited and its subsidiary corporations as at 30 June 2026 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

1A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

a) Updates on the efforts taken to resolve each outstanding audit issue.

b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable

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

a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Revenue

Revenue increased by S$4.6 million, or 13.2%, from S$34.4 million in the six months ended 30 June 2025 ("**1HY2025**") to S$38.9 million in the six months ended 30 June 2026 ("**1HY2026**"). The increase was primarily attributable to the full six-month revenue contribution from several contracts secured and commenced during the second half of 2025, which contributed to revenue throughout 1HY2026, as well as contractual rate adjustments for selected public and private sector projects.

Other income

Other income fell S$24,800, or 24.1%, from S$0.10 million in 1HY2025 to S$0.08 million in 1HY2026, mainly due to lower interest income of S$19,100 earned (1HY2025: S$32,900).

Direct operating costs

Direct operating costs rose S$1.2 million, or 4.5%, from S$26.2 million in 1HY2025 to S$27.3 million in 1HY2026, comprising purchases and related expenses of S$4.4 million (1HY2025: S$3.8 million) and employee benefits of S$22.9 million (1HY2025: S$22.4 million). Purchases rose on higher waste disposal charges, the commencement of landscape services and higher pest control expenses. Employee benefits rose on higher salaries, wages and employer's CPF contributions from headcount added for new contracts, together with Progressive Wage Model adjustments. These increases were partly offset by higher government grants of S$2.2 million (1HY2025: S$1.0 million) and lower casual labour costs of S$0.4 million (1HY2025: S$0.8 million).

F. Other Information Required by Appendix 7C of the Catalist Rules (Cont'd)

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (Cont'd)

a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (Cont'd)

Depreciation expenses

Depreciation of property, plant and equipment ("PPE") fell S$0.1 million, or 4.3%, from S$2.0 million in 1HY2025 to S$1.9 million in 1HY2026, mainly on lower charges for machinery, robotics and computer equipment approaching the end of their useful lives, partly offset by higher depreciation of right-of-use assets from renewed accommodation leases.

Other expenses

Other expenses rose S$1.4 million, or 28.4%, from S$5.1 million in 1HY2025 to S$6.5 million in 1HY2026, mainly on (i) higher directors' remuneration of S$1.9 million (1HY2025: S$1.1 million), largely from performance bonuses of S$1.2 million (1HY2025: S$0.4 million) in line with the Group's improved performance; (ii) higher foreign worker levies of S$2.3 million (1HY2025: S$2.1 million) mainly due to increase of work permit levies; (iii) professional fees of S$0.2 million (1HY2025: S$0.08); and (iv) higher staff course fees of S$0.2 million (1HY2025: S$0.1 million).

Finance expenses

Finance expenses fell S$18,000, or 26.8%, from S$68,000 in 1HY2025 to S$49,000 in 1HY2026, mainly on lower interest on the working capital term loan following progressive repayment and lower interest on lease liabilities.

Income tax expense

Income tax expense rose to S$0.6 million in 1HY2026 from S$0.2 million in 1HY2025, in line with higher estimated taxable profit. The current period provision rose to S$0.6 million from S$0.3 million, while the deferred tax credit narrowed to S$28,000 from S$0.1 million**.**

b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Non-current assets

Non-current assets rose S$0.8 million, from S$6.3 million as at 31 December 2025 to S$7.1 million as at 30 June 2026, mainly on new and modified right-of-use assets of S$2.4 million and PPE additions of S$0.3 million, partly offset by depreciation charges of S$1.9 million during 1HY2026.

As at 30 June 2026, PPE with an aggregate carrying amount of S$1,699,850 was pledged as collateral for bank facilities (31 December 2025: S$1,164,933).

Trade and other receivables

Trade and other receivables increased by S$2.0 million, from S$23.8 million as at 31 December 2025 to S$25.8 million as at 30 June 2026. The increase was mainly attributable to higher trade receivables of S$23.7 million (31 December 2025: S$20.8 million), primarily due to higher outstanding balances from public sector clients. This was partially offset by lower other receivables, as amounts outstanding as at 31 December 2025 were collected during the current reporting period.

F. Other Information Required by Appendix 7C of the Catalist Rules (Cont'd)

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (Cont'd)

b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (Cont'd)

Trade and other payables

Trade and other payables rose S$0.2 million, from S$10.7 million as at 31 December 2025 to S$10.9 million as at 30 June 2026, mainly on higher trade payables and GST payable of S$2.2 million (31 December 2025: S$1.5 million), partly offset by lower payroll accruals following payment of prior year bonuses.

Borrowings

Total loans and borrowings increased by S$0.8 million, from S$2.6 million as at 31 December 2025 to S$3.3 million as at 30 June 2026, mainly due to the recognition of new lease liabilities and lease modifications amounting to S$2.4 million, partially offset by lease repayments of S$1.3 million and scheduled term loan repayments of S$0.4 million.

Deferred tax liabilities

Deferred tax liabilities fell S$33,000, from S$119,000 as at 31 December 2025 to S$86,000 as at 30 June 2026, mainly on the reversal of temporary differences between the accounting and tax treatment of certain assets.

Statement of cash flows of the Group

The Group recorded a net cash provided by operating activities of S$2.9 million in 1HY2026, comprising S$5.2 million of operating cash flows before working capital changes, a net working capital outflow of S$1.9 million and net tax payments of S$0.4 million.

Net cash used in investing activities was S$0.3 million in 1HY2026, solely for additions to property, plant and equipment.

Net cash used in financing activities was S$1.7 million in 1HY2026, comprising lease liability repayments of S$1.3 million, term loan repayments of S$0.4 million and net interest paid of S$30,000.

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

Not applicable.

F. Other Information Required by Appendix 7C of the Catalist Rules (Cont'd)

4. A commentary on 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 environmental services industry continues to operate in a challenging environment characterized by persistent manpower constraints, rising operating costs and increasing customer expectations for higher productivity, service quality and sustainability. At the same time, the industry is undergoing digital transformation through the adoption of artificial intelligence ("AI"), robotics and Internet of Things ("IoT") technologies, supported by government initiatives to enhance productivity and workforce capabilities.

Against this backdrop, the Group will continue to focus on operational excellence, digital transformation and business expansion. The Group is progressively adopting AI and digital technologies to streamline business processes, automate routine administrative and operational tasks, improve resource planning and enhance decision-making through data-driven insights. These initiatives are expected to improve productivity, strengthen operational efficiency and mitigate the impact of inflationary cost pressures and ongoing talent constraints, while enabling employees to focus on higher-value and customer-centric activities.

On 3 June 2026, the Company updated its subsidiary's corporate name to DearHome Pte. Ltd. (formerly known as Clean Envirotech Pte. Ltd.) and revised its principal activity to the provision of household cleaning services.

As announced on 11 August 2026, the Group entered into an acquisition of a new property for its own operational use. The acquisition is expected to strengthen the Group's operational capabilities by providing additional warehousing and operational space, supporting future business growth and enhancing the Group's long-term asset base.

Barring any unforeseen circumstances and a material deterioration in economic conditions, the Board remains cautiously optimistic about the Group's outlook for the second half of FY2026. The Group will continue to pursue sustainable growth through technology adoption, operational efficiency, prudent cost management and business expansion while remaining focused on delivering long-term value to its shareholders.

5. If a decision regarding dividend has been made:

a) Whether an interim (final) ordinary dividend has been declared (recommended): and

None

b) (i) Amount per share: Not applicable
(ii) Previously corresponding period: Not applicable

c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable

d) The date the dividend is payable

Not applicable

e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable

F. Other Information Required by Appendix 7C of the Catalist Rules (Cont'd)

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

No dividend has been declared or recommended for the financial period ended 30 June 2026. The available funds will be retained for working capital use.

7. If the group has obtained a general mandate from shareholders for Interested Parties Transactions (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.

The Company has not obtained a general mandate from shareholders for Interested Person Transaction ("IPT"). During the financial period, the aggregated transaction amount with each interested person exceeded S$100,000 but did not exceed 1% of the Group's latest audited net tangible assets.

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)
Integrated Training Consultants Pte Ltd	Associate of Chief Executive Officer and Executive Director, Mr Ong Khong Weng	S$153,060	Not applicable

8. Negative confirmation pursuant to Rule 705(5).

On behalf of the Board of Directors of the Company, Mr. Tan Hoo Kiat, Executive Chairman and Executive Director and Mr. Ong Khong Weng Alvin, Chief Executive Officer and Executive Director hereby confirm to the best of their knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the condensed interim financial statements for the six months period ended 30 June 2026 to be false or misleading in any material aspect.

9. Disclosure on Acquisitions and Sales of Shares pursuant to Catalist Rule 706A.

There were no acquisition or realisation of shares resulting (i) in a change in the shareholding percentage in any subsidiary or associated company of the Group, or (ii) an entity becoming or ceasing to be a subsidiary or associated company of the Group during the financial period under review.

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

The Company confirms that it has received undertakings from all of its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

BY ORDER OF THE BOARD
On Behalf of LS 2 Holdings Limited

Tan Hoo Kiat Executive Chairman and Executive Director	Ong Khong Weng Alvin Chief Executive Officer and Executive Director

14 August 2026

This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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