Tye Soon Limited

Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2026

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

		Group 6 months ended 30 June	
		2026	**2025**
	Note	**$'000**	**$'000**
Revenue	4	128,596	130,872
Other income		195	149
Changes in inventories of finished goods		(5,846)	1,161
Cost of purchases		(92,504)	(103,528)
Staff costs		(14,817)	(14,069)
Depreciation expenses		(2,813)	(2,487)
Other operating expenses		(8,519)	(7,613)
Finance costs		(1,909)	(1,981)
Profit before tax		2,383	2,504
Tax expense	6	(277)	(343)
Profit for the period	7	2,106	2,161
Profit attributable to:			
Owners of the Company		2,093	2,120
Non-controlling interests		13	41
Profit for the period		2,106	2,161
Earnings per share			
Basic and diluted earnings per share (cents)	9	2.40	2.43
Profit for the period		2,106	2,161
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences of net assets/liabilities of foreign branch, subsidiaries and associate		(1,253)	479
Other comprehensive income for the period, net of tax		(1,253)	479
Total comprehensive income for the period		853	2,640
Total comprehensive income attributable to:			
Owners of the Company		836	2,604
Non-controlling interests		17	36
Total comprehensive income for the period		853	2,640

B. Condensed interim statements of financial position

		Group		Company	
	Note	**30 June 2026 $'000**	**31 December 2025 $'000**	**30 June 2026 $'000**	**31 December 2025 $'000**
Assets					
Plant and equipment	11	1,599	1,563	270	320
Right-of-use assets	12	9,711	7,292	1,792	1,634
Goodwill		89	86	–	–
Subsidiaries		–	–	23,019	23,264
Other investments		1,018	1,018	1,018	1,018
Deferred tax assets		1,679	1,660	–	–
Loan receivables		–	–	–	–
Non-current assets		14,096	11,619	26,099	26,236
Current tax assets		624	399	–	–
Inventories	13	128,625	134,463	35,453	40,841
Trade and other receivables	14	36,647	36,234	62,267	63,868
Cash and cash equivalents		11,858	13,318	2,338	1,917
Current assets		177,754	184,414	100,058	106,626
Total assets		191,850	196,033	126,157	132,862
Equity					
Share capital	16	38,057	38,057	38,057	38,057
Reserves		26,133	26,410	1,871	4,179
Equity attributable to owners of the Company		64,190	64,467	39,928	42,236
Non-controlling interests		816	799	–	–
Total equity		65,006	65,266	39,928	42,236
Liabilities					
Lease liabilities	12	5,697	3,849	830	967
Employee benefits		108	105	–	–
Deferred tax liabilities		16	16	–	–
Non-current liabilities		5,821	3,970	830	967
Loans and borrowings	15	86,598	84,097	70,517	69,772
Lease liabilities	12	4,250	3,721	972	700
Trade and other payables		27,418	37,242	11,548	17,976
Contract liabilities		2,400	1,261	2,362	1,211
Current tax liabilities		357	476	–	–
Current liabilities		121,023	126,797	85,399	89,659
Total liabilities		126,844	130,767	86,229	90,626
Total equity and liabilities		191,850	196,033	126,157	132,862

C. Condensed interim statements of changes in equity

	← Attributable to owners of the Company					→		
Group	**Share capital $'000**	**Other capital reserves $'000**	**Fair value reserve $'000**	**Translation reserve $'000**	**Retained earnings $'000**	**Total $'000**	**Non-controlling interests $'000**	**Total equity $'000**
At 1 January 2025	38,057	3,501	(105)	(13,453)	34,320	62,320	738	63,058
Total comprehensive income for the period								
Profit for the period	–	–	–	–	2,120	2,120	41	2,161
Other comprehensive income								
Foreign currency translation differences of net assets/liabilities of foreign branch, subsidiaries and associate	–	–	–	484	–	484	(5)	479
Total other comprehensive income	–	–	–	484	–	484	(5)	479
Total comprehensive income for the period	–	–	–	484	2,120	2,604	36	2,640
Transactions with owners, recognised directly in equity								
Dividend paid	–	–	–	–	(1,113)	(1,113)	–	(1,113)
At 30 June 2025	38,057	3,501	(105)	(12,969)	35,327	63,811	774	64,585

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C. Condensed interim statements of changes in equity (cont'd)

	← Attributable to owners of the Company →							
	Share capital $'000	**Other capital reserves $'000**	**Fair value reserve $'000**	**Translation reserve $'000**	**Retained earnings $'000**	**Total $'000**	**Non-controlling interests $'000**	**Total equity $'000**
Group								
At 1 January 2026	38,057	3,501	(105)	(13,350)	36,364	64,467	799	65,266
Total comprehensive income for the period								
Profit for the period	–	–	–	–	2,093	2,093	13	2,106
Other comprehensive income								
Foreign currency translation differences of net assets/liabilities of foreign branch, subsidiaries and associate	–	–	–	(1,257)	–	(1,257)	4	(1,253)
Total other comprehensive income	–	–	–	(1,257)	–	(1,257)	4	(1,253)
Total comprehensive income for the period	–	–	–	(1,257)	2,093	836	17	853
Transactions with owners, recognised directly in equity								
Dividend paid	–	–	–	–	(1,113)	(1,113)	–	(1,113)
At 30 June 2026	38,057	3,501	(105)	(14,607)	37,344	64,190	816	65,006

C. Condensed interim statements of changes in equity (cont'd)

	Share capital $'000	Fair value reserve $'000	Translation reserve $'000	Retained earnings $'000	Total equity $'000
Company					
At 1 January 2025	38,057	(105)	689	3,238	41,879
Total comprehensive income for the period					
Loss for the period	–	–	–	(468)	(468)
Other comprehensive income					
Foreign currency translation differences of net assets/liabilities of foreign branch, subsidiaries and associate	–	–	135	–	135
Total other comprehensive income	–	–	135	–	135
Total comprehensive income for the period	–	–	135	(468)	(333)
Transactions with owners, recognised directly in equity					
Dividend paid	–	–	–	(1,113)	(1,113)
At 30 June 2025	38,057	(105)	824	1,657	40,433

C. Condensed interim statements of changes in equity (cont'd)

	Share capital $'000	Fair value reserve $'000	Translation reserve $'000	Retained earnings $'000	Total equity $'000
Company					
At 1 January 2026	38,057	(105)	795	3,489	42,236
Total comprehensive income for the period					
Loss for the period	–	–	–	(1,195)	(1,195)
Other comprehensive income					
Foreign currency translation differences of net assets/liabilities of foreign branch, subsidiaries and associate	–	–	–	–	–
Total other comprehensive income	–	–	–	–	–
Total comprehensive income for the period	–	–	–	(1,195)	(1,195)
Transactions with owners, recognised directly in equity					
Dividend paid	–	–	–	(1,113)	(1,113)
At 30 June 2026	38,057	(105)	795	1,181	39,928

D. Condensed interim consolidated statement of cash flows

	Group 6 months ended 30 June	
	2026	**2025**
	$'000	**$'000**
Cash flows from operating activities		
Profit before tax	2,383	2,504
Adjustments for:		
Depreciation of plant and equipment and right-of-use assets	2,813	2,487
Loss/(gain) on sale of plant and equipment	3	(8)
Impairment loss on trade receivables	13	1
Write-down of inventories (net)	380	110
Interest income	(34)	(21)
Finance costs	1,909	1,981
Unrealised foreign exchange gain	209	114
Gain on derecognition of right-of-use assets	(1)	(2)
	7,675	7,166
Changes in working capital		
Changes in inventories	4,798	(210)
Changes in trade and other receivables	(880)	(2,094)
Changes in trade and other payables	(9,878)	(4,291)
Changes in contract liabilities	1,139	(378)
Changes in bills payable and trust receipts	(8,508)	8,398
Cash generated (used in)/from operating activities	(5,654)	8,591
Tax paid	(601)	(698)
Interest paid for bills payable and trust receipts	(513)	(959)
Net cash (used in)/from operating activities	(6,768)	6,934
Cash flows from investing activities		
Interest received	34	21
Proceeds from sale of plant and equipment	–	11
Acquisition of plant and equipment	(347)	(279)
Net cash used in investing activities	(313)	(247)
Cash flows from financing activities		
Proceeds from borrowings	39,583	37,659
Repayment of borrowings	(28,873)	(41,845)
Payment of lease liabilities	(2,436)	(2,282)
Interest paid for lease liabilities and unsecured bank loans	(1,303)	(1,062)
Dividend paid	(1,113)	(1,113)
Net cash generated from/(used in) financing activities	5,858	(8,643)
Net decrease in cash and cash equivalents	(1,223)	(1,956)
Cash and cash equivalents at the beginning of period	13,318	14,728
Effect of exchange rate changes on the balance of cash held in foreign currencies	(237)	(152)
Cash and cash equivalents at the end of period	11,858	12,620

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Tye Soon Limited (the "Company") is a company incorporated in Singapore. The address of the Company's registered office and principal place of business is 9 Toh Guan Road East #02-01 Singapore 608604.

These condensed interim consolidated financial statements of the Group as at and for the six months ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

The Group is primarily involved in the import and export, and distribution of automotive parts.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with Singapore Financial Reporting Standard (International) ("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.

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 2.1.

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

2.1 New and amended standards adopted by the Group

The Group has applied the following amendment to SFRS(I)s for the annual period beginning on 1 January 2026:

- Contracts Referencing Nature-dependent Electricity (Amendments to SFRS(I) 9 and SFRS(I) 7
- Annual Improvements to SFRS(I)s – Volume 11
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to SFRS(I) 9 and SFRS(I) 7)

The application of this amendment to standard and interpretations does not have a material effect on the financial statements.

2. Basis of Preparation (cont'd)

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 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 that applied to the consolidated financial statements as at and for the year ended 31 December 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management where appropriate. Revisions to accounting estimates are recognised prospectively.

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

Note 13 – Valuation of inventories
Note 14 – Valuation of trade receivables

Measurement of fair values

A number of the Group's accounting policies and disclosures requires the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has an overall responsibility for all significant fair value measurements, including Level 3 fair values, and reports directly to the Group Financial Controller.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2. Basis of Preparation (cont'd)

2.2. Use of judgements and estimates (cont'd)

Measurement of fair values (cont'd)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level of input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

2.3 New and amended standards not adopted by the Group

The following new accounting standards and amendments to standards are not yet effective for annual period beginning 1 January 2026 and early adoption is permitted. The Group has not early adopted the new accounting standards in preparing these financial statements:

- Presentation and Disclosure in Financial statements (SFRS(I) 18)
- Subsidiaries without Public Accountability: Disclosures (SFRS(I) 19)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1- 28 Investments in Associates and Joint Ventures)
- Subsidiaries without Public Accountability: Disclosures (SFRS(I) 19)
- Translation to a Hyperinflationary Presentation Currency (SFRS(I) 1-21)

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

Segment information is presented in respect of the Group's business segments, which reflects the Group's internal reporting structure that is regularly reviewed by the Executive Directors Committee for the purpose of allocating resources to the respective segments and performance assessment.

The Group is principally engaged in a single business line which relates to the distribution of automotive parts.

4. Segment and revenue information

4.1 Reportable segments

Geographical information

In presenting information on the basis of geographical segment, segment revenue is based on geographical location of the customers which the sales are made to regardless of where the sales originate. Segment assets are based on the geographical location of the assets.

	Singapore $'000	Malaysia $'000	Australia $'000	Thailand $'000	South Korea $'000	Others $'000	Total $'000
6 months ended 30 June 2026							
Total revenue from external customers	9,218	24,476	23,514	7,334	42,961	21,093	128,596
6 months ended 30 June 2025							
Total revenue from external customers	10,119	27,313	21,279	7,202	40,313	24,646	130,872
30 June 2026							
Non-current assets[(i)]	2,062	1,036	5,257	1	2,761	282	11,399
31 December 2025							
Non-current assets[(i)]	1,953	838	3,144	-	2,801	205	8,941

(i) Non-current assets presented consist of plant and equipment, right-of-use assets and goodwill.

Major Customer

For the periods ended 30 June 2026 and 2025, there was no single customer that contributed to 10% or more of the Group's revenue.

4. Segment and revenue information (cont'd)

4.2 Disaggregation of Revenue

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets.

	Group 6 months ended 30 June	
	2026	**2025**
	$'000	**$'000**
Primary geographical markets		
Singapore	9,218	10,119
Malaysia	24,476	27,313
Australia	23,514	21,279
Thailand	7,334	7,202
South Korea	42,961	40,313
Others	21,093	24,646
	128,596	130,872

5. Financial assets and financial liabilities

Fair value versus carrying amounts

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount					Fair value			
Group	**Mandatorily at FVTPL $'000**	**Amortised cost $'000**	**Equity investment at FVOCI $'000**	**Other financial liabilities $'000**	**Total $'000**	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
30 June 2026									
Financial assets not measured at fair value									
Trade and other receivables #	–	36,331	–	–	36,331				
Cash and cash equivalents	–	11,858	–	–	11,858				
	–	48,189	–	–	48,189				
Financial asset measured at fair value									
Equity investment – at FVOCI	–	–	1,018	–	1,018	–	–	1,018	1,018
Financial assets not measured at fair value									
Unsecured bank loans	–	–	–	46,666	46,666				
Bills payable and trust receipts	–	–	–	39,932	39,932				
Trade and other payables *	–	–	–	27,089	27,089				
	–	–	–	113,687	113,687				
Financial liabilities measured at fair value									
Derivative financial liabilities	25	–	–	–	25	–	–	25	25

\# Excludes prepayments.
* Excludes provision for site restoration and forward exchange contracts

5. Financial assets and financial liabilities (cont'd)

Group	Carrying amount					Fair value			
	Mandatorily at FVTPL $'000	Amortised cost $'000	Equity investment at FVOCI $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
31 December 2025									
Financial assets not measured at fair value									
Trade and other receivables [#]	–	35,822	–	–	35,822				
Cash and cash equivalents	–	13,318	–	–	13,318				
	–	49,140	–	–	49,140				
Financial asset measured at fair value									
Equity investment – at FVOCI	–	–	1,018	–	1,018	–	–	1,018	1,018
Financial liabilities not measured at fair value									
Unsecured bank loans	–	–	–	35,876	35,876				
Bills payable and trust receipts	–	–	–	48,221	48,221				
Trade and other payables *	–	–	–	36,990	36,990				
	–	–	–	121,087	121,087				
Financial liabilities measured at fair value									
Derivative financial liabilities	34	–	–	–	34	–	–	34	34

[#] Excludes prepayments.
* Excludes provision for site restoration and forward exchange contracts

5. Financial assets and financial liabilities (cont'd)

	Carrying amount					Fair value			
Company	**Mandatorily at FVTPL $'000**	**Amortised cost $'000**	**Equity investment at FVOCI $'000**	**Other financial liabilities $'000**	**Total $'000**	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
30 June 2026									
Financial assets not measured at fair value									
Trade and other receivables #	–	62,144	–	–	62,144				
Cash and cash equivalents	–	2,338	–	–	2,338				
	–	64,482	–	–	64,482				
Financial asset measured at fair value									
Equity investment – at FVOCI	–	–	1,018	–	1,018	–	–	1,018	1,018
Financial liabilities not measured at fair value									
Unsecured bank loans	–	–	–	39,576	39,576				
Bills payable and trust receipts	–	–	–	30,941	30,941				
Trade and other payables *	–	–	–	11,440	11,440				
	–	–	–	81,957	81,957				
Financial liabilities measured at fair value									
Derivative financial liabilities	11	–	–	–	11	–	–	11	11

Excludes prepayments.
* Excludes provision for site restoration and forward exchange contracts

5. Financial assets and financial liabilities (cont'd)

Company	Carrying amount					Fair value			
	Mandatorily at FVTPL $'000	Amortised cost $'000	Equity investment at FVOCI $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
31 December 2025									
Financial assets not measured at fair value									
Trade and other receivables #	–	63,809	–	–	63,809				
Cash and cash equivalents	–	1,917	–	–	1,917				
	–	65,726	–	–	65,726				
Financial asset measured at fair value									
Equity investment – at FVOCI	–	–	1,018	–	1,018	–	–	1,018	1,018
Financial liabilities not measured at fair value									
Unsecured bank loans	–	–	–	30,740	30,740				
Bills payable and trust receipts	–	–	–	39,032	39,032				
Trade and other payables *	–	–	–	17,846	17,846				
	–	–	–	87,618	87,618				
Financial liabilities measured at fair value									
Derivative financial liabilities	34	–	–	–	34	–	–	34	34

Excludes prepayments.
* Excludes provision for site restoration and forward exchange contracts

5. Financial assets and financial liabilities (cont'd)

Measurement of fair values

(i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Equity investment at FVOCI	Adjusted net asset method	Net asset value of the investee	The estimated fair value would increase/ (decrease) if net asset value for unquoted equity security was higher/(lower).

(ii) Transfer between Level 1, Level 2 and Level 3

There were no transfers of financial instruments between Level 1, Level 2 and Level 3.

(iii) Level 3 fair value

There were no changes on the opening balance and closing balance for Level 3 fair value.

Financial instruments not measured at fair value

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, bills payable and trust receipts and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

6. Tax expense

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 and other comprehensive income are:

	6 months ended 30 June	
	2026	**2025**
	$'000	**$'000**
Current income tax expense	266	331
Withholding tax	11	12
	277	343

7. Profit before tax

7.1 The following items have been included in arriving at the profit for the period:

	Group 6 months ended 30 June	
	2026	**2025**
	$'000	**$'000**
Depreciation of plant and equipment and right-of-use assets	2,813	2,487
Finance costs	1,909	1,981
Write-down of inventories (net)	380	110
Expenses relating to short term leases	900	980
Transportation expenses	2,600	2,224
Sales commission expenses	1,027	909
Utility expenses	949	890
Impairment loss on trade receivables	13	1
Foreign exchange loss, net	594	395
Included in other income:		
Interest income	(34)	(21)
Government grants and supports	(3)	(10)
Loss/(Gain) on sale of plant and equipment	3	(8)
Gain on derecognition of right-of-use assets	(1)	(2)

7. Profit before tax (cont'd)

7.2 Related party transactions

Transactions with key management personnel

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The directors and senior managers of the Company are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	Group 6 months ended 30 June	
	2026	**2025**
	$'000	**$'000**
Directors' fees	142	113
Short-term employee benefits	424	435
Post-employment benefits	20	19
	586	567

Other related party transactions

During the period, the following related party transactions are carried out on terms agreed between the parties:

	Group 6 months ended 30 June	
	2026	**2025**
	$'000	**$'000**
Related party #		
- Sales	104	94

A shareholder company of the Group

8. Dividends

	6 months ended 30 June	
	2026	2025
	$'000	$'000
Ordinary dividends paid (net of tax)	1,113	1,113

A final tax exempt (one-tier) dividend of $0.01275 per ordinary share, amounting to $1,113,000 in respect of the financial year ended 31 December 2025 was paid in the current reporting period.

9. Earnings per share

	6 months ended 30 June	
	2026	2025
	$'000	$'000
Profit attributable to owners of the Company	2,093	2,120

	2026	2025
	'000	'000
Weighted average number of ordinary shares	87,265	87,265

	6 months ended 30 June	
	2026	2025
Earnings per share (cents)		
- Basic	2.40	2.43
- Diluted	2.40	2.43

The basic and diluted earnings per share are the same for the period ended 30 June 2026 and 2025 as there were no dilutive instruments in issue as at 30 June 2026 and 30 June 2025.

10. Net asset value

	Group		Company	
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
Net asset value per ordinary share (cents)	73.6	73.9	45.8	48.4

10. Net asset value (cont'd)

Net asset value per ordinary share as at 30 June 2026 was computed based on equity attributable to owners of the Company of $64,190,000 (31 December 2025: $64,467,000) and existing ordinary shares of 87,265,029 (31 December2025: 87,265,029).

11. Plant and equipment

During the six months ended 30 June 2026, the Group acquired assets amounting to $347,000 (30 June 2025: $279,000).

12. Rights-of-use assets and lease liabilities

During the period ended 30 June 2026, the Group acquired right-of-use asset with an aggregate cost of $5,046,000 (30 June 2025: $2,153,000), of which $4,909,000 (30 June 2025: $2,140,000) was acquired via lease liabilities and $137,000 (30 June 2025: $13,000) pertains to provision for site restoration.

13. Inventories

	Group		Company	
	30 June 2026 $'000	**31 December 2025 $'000**	**30 June 2026 $'000**	**31 December 2025 $'000**
Finished goods	120,032	122,346	33,482	37,107
Goods-in-transit	8,593	12,117	1,971	3,734
	128,625	134,463	35,453	40,841

The net realisable value represents management's best estimate of the recoverable amount which involves significant management judgement. In deriving the net realizable value, the management considers the age of these inventories, prevailing market conditions including technological and environmental trends in the automotive parts industry, historical inventory utilisation experience as part of its inventory obsolescence assessment process. The provision required could change significantly if business and market conditions deviate from management's expectations.

The Group's cost of inventories for the period ended 30 June 2026 amounted to $98,350,000 (30 June 2025 $102,367,000) and was recognised as expense and included in cost of purchases and changes in inventories of finished goods.

Included in the Group's other operating expenses is the net write-down of inventories to net realisable value amounting to $380,000 (30 June 2025: $110,000).

14. Trade and other receivables

	Group		Company	
	30 June 2026 $'000	**31 December 2025 $'000**	**30 June 2026 $'000**	**31 December 2025 $'000**
Trade receivables	31,021	31,104	9,722	10,323
Trade amounts due from subsidiaries	–	–	13,247	13,940
Non-trade amounts due from subsidiaries	–	–	37,810	38,553
Other receivables	5,310	4,718	1,365	993
	36,331	35,822	62,144	63,809
Prepayments	316	412	123	59
	36,647	36,234	62,267	63,868

Expected credit loss (ECL) assessment

The Group identified trade receivables that are credit-impaired to be those where default event(s) has occurred. For such receivables, the Group assessed specifically the probability of recovery to the trade receivables and recognised the difference as impairment loss.

The Group uses an allowance matrix to measure the ECLs for the remaining trade receivables which comprises a large customer base with small balances and which are not credit impaired. The loss rates applied to the allowance matrix are calculated based on historical credit loss experience in the past 5 years adjusted for current conditions and the Group's view of economic conditions over the expected lives of the receivables only if these factors have a significant impact to the credit loss.

15. Loans and borrowings

	Group		Company	
	30 June 2026 $'000	**31 December 2025 $'000**	**30 June 2026 $'000**	**31 December 2025 $'000**
<u>Amount repayable within one year</u>				
Unsecured bank loans	46,666	35,876	39,576	30,740
Bills payable and trust receipts	39,932	48,221	30,941	39,032
	86,598	84,097	70,517	69,772

16. Share capital

	30 June 2026		31 December 2025	
	Number of shares	**$'000**	**Number of shares**	**$'000**
As beginning and end of period/year	87,265,029	38,057	87,265,029	38,057

The Company did not hold any treasury shares as at 30 June 2026 and 31 December 2025

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2026 and 31 December 2025.

Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed interim consolidated statement of financial position of Tye Soon Limited and its subsidiaries as at 30 June 2026 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement 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.

2. Review of performance of the Group

Review of Performance

Group turnover decreased by 1.7% to $128.6 million.

After appreciating against the currencies of three of the Group's main overseas operations over the past several years, the SGD weakened against two of these during 1H26: the AUD for Australia and MYR for Malaysia. The SGD continued to strengthen against the KRW, the currency of the Group's largest operation outside Singapore. Group turnover would have decreased to a lesser degree at 1.1% to $129.4 million had the average exchange rates for the above currencies remained the same against the SGD as in 1H25.

The current conflicts and war in the Middle East have had an impact on the Group's business. Although market demand for maintenance and replacement automotive parts have generally remained firm, a growing number of supply chains especially those involving lubricant and petro-chemical products, and those that are relying on the region as a transshipment area have been impacted. Prices of certain materials and finished products have been volatile. Shipping lead times and costs have also fluctuated.

The abovementioned scenario has had an impact on the Group's various operations but has been most acutely felt by the Singapore business. Many of the Group's suppliers maintain logistics nodes in the Asia Pacific region with Singapore having proportionately the least stocks and countries with larger domestic markets such as South Korea and Australia (where the Group has major operations) having proportionately more. The drop in supplies into Singapore resulted in a 14.9% decline in revenue for the Singapore business in 1H26.

Further market penetration and market share gains continued to drive the business in South Korea. Customer demand remained firm. 1H26 started well in Q1 building on the momentum from 2H25 but the strength tapered slightly in Q2 with consumer sentiment affected by energy cost concerns arising from the regional conflict in the Middle East. Revenue increased by 15.3% in KRW terms but at a lower rate of 6.6% in SGD terms due to the further weakening of the KRW against the SGD in 1H26.

2. Review of performance of the Group (cont'd)

Review of Performance (cont'd)

The competitive intensity faced by the business in Australia has been keenly felt over the past years since the latter half of FY23. Initiatives put in place last year were primarily aimed at retaining the customer base but such efforts, though succeeded in achieving the desired objectives, came at a cost of some margin erosion. As operating costs, especially those relating to rental premises and payroll, continued to rise, efforts shifted in 1H26 towards rebuilding margins resulting in a slower growth pace of 2.9% in AUD terms. The AUD strengthened in 1H26, reversing the trend during the past few years, and helped revenue measured in SGD terms to register an increase of 10.4% in comparison with 1H25.

The level of competitive intensity in Malaysia experienced in FY25 continued to prevail in 1H26. Continuing to adopt the stance taken in FY25, the Group continued to refrain from further intensifying the level of competition in favour of margin balance. Although margins were maintained, revenue declined by 5.2% with Q1 experiencing the most notable decrease. The encouraging uptick in sales seen in Q2, which was also eventually marred by supply delays, was not enough to swing back on the growth track. Measured in SGD, however, revenue increased by 0.6% as the MYR became stronger in comparison with the exchange rate in the corresponding period.

Total margins for the Group increased by $1.5 million in 1H26 as the gross margin rate improved noticeably.

Operating expenses increased by $1.5 million with staff and transportation/logistics costs accounting for most of the increase. Staff costs increased by $0.7 million whilst transportation/logistics costs increased by $0.4 million, with both cost categories increasing mainly in South Korea and Australia to support growth initiatives.

Profit from operations before FX (EBIT before FX) remained at about the same level at $4.9 million.

Foreign exchange loss amounted to $0.6 million in 1H26 compared to a loss of $0.4 million in 1H25.

Profit from operations (EBIT) decreased by 4.3% from $4.5 million to $4.3 million.

Total finance cost decreased by $0.1 million from $2.0 million to $1.9 million.

Profit before tax decreased by 4.8% from $2.5 million to $2.4 million.

Profit after tax decreased by 2.5% from $2.2 million to $2.1 million.

After accounting for foreign currency translation differences of net assets at overseas subsidiaries and branch, total comprehensive income amounted to $0.9 million.

2. Review of performance of the Group (cont'd)

Balance Sheet Review

Right-of-use (ROU) assets increased by $2.4 million from $7.3 million as at 31 December 2025 to $9.7 million as at 30 June 2026 mainly due to the reclassification of rental premises from short to longer term tenures as well as new rental premises.

Group inventory level was maintained at 7.8 months as at 30 June 2026 and 31 December 2025. Inventory decreased by $5.9 million from $134.5 million as at 31 December 2025 to $128.6 million as at 30 June 2026. Although inventory decreased by $5.9 million over the period, inventory turn measured in months did not decline due to the combination of a decline in revenue by 1.7% and an increase in the margin rate (with a corresponding lower cost of sales).

Group receivable level was maintained at 1.4 months as at 30 June 2026 and 31 December 2025. In absolute terms, trade receivables decreased by $0.1 million from $31.1 million as at 31 December 2025 to $31.0 million as at 30 June 2026.

Loans and borrowings, a large portion of which consisted of trade-related bills, increased by $2.5 million from $84.1 million as at 31 December 2025 to $86.6 million as at 30 June 2026. During the same period, Group payable level decreased by $9.8 million from $37.2 million as at 31 December 2025 to $27.4 million as at 30 June 2026.

Cash balances decreased by $1.4 million from $13.3 million as at 31 December 2025 to $11.9 million as at 30 June 2026.

The Group's Current Ratio remained relatively steady at 1.5 times as at 30 June 2026 and 31 December 2025.

The Group's net gearing level increased to 1.16 times as at 30 June 2026 from 1.10 times as at 31 December 2025 as a result of using bank facilities to pay down trade payables.

Cash Flow Statement Review

Cash generated from operations before accounting for changes in working capital amounted to $7.7 million for the six-month period. After accounting for changes in working capital, cash used for operating activities amounted to $5.7 million. Cash flows used for operating activities after accounting for tax and net interest paid amounted to $6.8 million. Net cash used in investing activities amounted to $0.3 million. Net cash generated from financing activities amounted to $5.9 million mainly due to net drawdowns of short-term bank facilities. Cash balances as at 30 June 2026 amounted to $11.9 million.

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

The Group has not disclosed any forecast.

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 operating period and the next 12 months.

Given the supply chain issues encountered in 1H26 as aforementioned in the Review of Performance, an evaluation of the Group's business outlook at this juncture requires two distinct bases and timeframes: medium/long term fundamentals and the very near term.

Global demand for automotive parts remains resilient as maintenance and replacement parts are needed by vehicle repair mechanics to keep vehicles running and road-worthy.

Efforts on improving the Group's revenue and margins have continued to progress. Such efforts have involved (I) recalibrating the Group's product and brand portfolio, and (ii) continuing with initiatives to enhance its market reach. The PP28 Initiative discussed in the announcement in February 2026 is a strategic priority. Intended to be a three-year initiative to help pivot the Group towards a longer-term direction that encompasses more products and brands, early efforts have yielded support from some existing and potential new supply principals. Market reach continues to improve via the incremental expansion in the Group's location network as well as its digital channels.

The outlook for the very near term, especially for the remaining months of FY26, will depend on how long the supply chain issues encountered in the 1H26 remain. Current developments and information relating to production/shipping lead times indicate the initial slowdown in incoming shipments in Q2 is expected to worsen in Q3 and hence an impact on revenue is expected. Whilst the timing of a return towards normalcy is difficult to predict, the Group expects some solutions to emerge from stakeholders in affected supply chains in the coming months.

5. Dividend information

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? Yes

The following interim tax exempt (one-tier) dividend was declared by the directors.

Name of dividend	Interim in respect for the six months ended 30 June 2026
Dividend type	Cash
Dividend per share	$0.00638
Tax rate	Tax exempt

5. Dividend information (cont'd)

5b. Corresponding Period of the Immediate Preceding Financial Year

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

Yes.

Name of dividend	Interim in respect for the six months ended 30 June 2025
Dividend type	Cash
Dividend per share	$0.00638
Tax rate	Tax exempt

6. Interested person transactions

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

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

The Company has procured signed undertakings from all of its directors and executive officers based on Appendix 7.7 of the SGX-ST Listing Manual.

8. Confirmation by the Board.

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company for the six-month period ended 30 June 2026 false or misleading in any material respects.

On behalf of the Board of Directors

David Chong Tek Yew
Managing Director

Ong Eng Chian Kelvin
Deputy Managing Director

11 August 2026