Vallianz Holdings Limited and its Subsidiaries

(Company Registration No.: 199206945E)
(Incorporated in the Republic of Singapore)

Condensed Unaudited Interim Financial Statements
For the Six Months Ended 30 June 2026 (“1HFY2026”)

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Vallianz Holdings Limited and its Subsidiaries

Condensed unaudited interim consolidated statement of profit or loss and other comprehensive income
For the Six Months ended 30 June 2026 ("1HFY2026")

	Note	Group		
		1HFY2026 US$'000	**1HFY2025 US$'000**	**Changes (%)**
Revenue	5	59,971	197,154	(70)
Cost of Sales		(58,830)	(188,222)	(69)
Gross profit		1,141	8,932	(87)
Other income, net		11,347	7,259	56
Administrative expenses		(5,328)	(4,952)	8
Finance costs		(8,470)	(8,714)	(3)
Share of results of joint venture		30	101	(70)
(Loss)/Profit before tax	6	(1,280)	2,626	NM
Income tax credit/(expense)	8	546	(141)	NM
(Loss)/Profit for the period		(734)	2,485	NM
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations		23	(197)	NM
Actuarial gain on post-employment benefit obligations		(2)	(2)	-
Other comprehensive gain/(loss) for the period, net of tax		21	(199)	NM
Total comprehensive (loss)/income for the period		(713)	2,286	NM
(Loss)/Profit for the period attributable to:				
Owners of the Company		328	3,555	(91)
Non-controlling interests		(1,062)	(1,070)	(1)
(Loss)/Profit for the period		(734)	2,485	NM
Total comprehensive (loss)/income for the period attributable to:				
Owners of the Company		349	3,356	(90)
Non-controlling interests		(1,062)	(1,070)	(1)
Total comprehensive (loss)/ income for the period		(713)	2,286	NM
Earnings per share attributable to owners of the Company				
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share ('000)		1,211,620	1,211,620	-
Basic and diluted earnings per share (cents)		0.03	0.29	(91)

Note:

(1) N/M – Not meaningful

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Explanatory Notes to the condensed interim consolidated statement of profit or loss and other comprehensive income

(a) **Revenue**

The Group recorded revenue of approximately US$59.9 million in 1HFY2026, a decrease of 70% from US$197.2 million in 1HFY2025.

This decline was mainly attributable to lower revenue from the Shipyard and Newbuild Management Services segment, arising from a lower number of ongoing projects and slower progress on certain newbuild projects during 1HFY2026. The uncertain geopolitical situation in the Middle East delayed the delivery of certain vessels, hence deferring the revenue recognition to subsequent periods.

Revenue from the Vessel Chartering and Management segment also decreased by 24%, mainly due to fewer vessel deployment opportunities and lower vessel utilisation amid geopolitical tensions in the Middle East and increased competition in other markets. Mobilisation income relating to certain vessels was similarly deferred due to delays in deploying the vessels to their intended operating locations due to uncertainties and logistics constraints affecting passage through the Strait of Hormuz.

The Vessel Chartering and Management segment and the Shipyard and Newbuild Management Services segment contributed approximately 39% and 61% respectively of the Group's revenue in 1HFY2026, compared to approximately 16% and 84% respectively in 1HFY2025.

(b) **Gross profit**

The Group recorded a gross profit of US$1.1 million in 1HFY2026, representing a decrease of US$7.8 million or 87% from US$8.9 million in 1HFY2025. The Vessel Chartering and Management segment reported lower gross profit compared to the corresponding period in the previous financial year due to higher operating costs, including war-risk insurance premiums, security and logistics-related expenses, and costs associated with operating vessels in the Gulf region.

The Group’s Shipyard and Newbuild Management Services segment had also registered a lower gross profit as compared to previous corresponding period. This was mainly due to lower revenue as explained above. Notwithstanding, the gross profit margin had remained consistent at 2.4%, unchanged from the prior corresponding period.

(c) **Other income, net**

The Group recorded other income of US$11.3 million in 1HFY2026, compared to US$7.3 million in 1HFY2025. The increase was mainly attributable to a gain of US$3.6 million arising from a loan settlement agreement entered into on 29 June 2026, and a higher net gain on disposal of plant and equipment by US$2.1 million and recovery of bad debts amounting to US$0.6 million. This was being offset against a lower net foreign exchange gain of US$2.3 million.

(d) **Administrative expenses**

The increase in administrative expenses by US$0.4 million, or 8%, from US$4.9 million in 1HFY2025 to US$5.3 million in 1HFY2026 was mainly attributable to higher professional fees.

(e) **Finance costs**

Finance costs amounted to US$8.5 million in 1HFY2026, compared to US$8.7 million in 1HFY2025. The slight decrease was mainly attributable to lower loan interest rates as compared to 1HFY2025, and lower interest on lease liabilities following the lease modification in 2HFY2025. This was partially offset by higher interest expense arising from the drawdown of advances from shareholders.

(f) **Share of results of joint venture**

The Group recorded a share of profit of US$30,000 from one of its joint ventures in 1HFY2026, a decrease of 70% from US$0.1 million in 1HFY2025. The joint venture, which was acquired in August 2024, remained profitable during the period, though its contribution was lower compared to the corresponding period, reflecting more moderate vessel chartering and ancillary service activity.

The Group's share of results is recognised based on the equity method of accounting, in accordance with SFRS(I) 1-28 *Investment in Associates and Joint Venture*.

(g) **Profit attributable to owners of the Company**

As a result of the above, the Group registered a lower profit attributable to owners of the Company of US$0.3 million in 1HFY2026 as compared to US$3.6 million in 1HFY2025.

Vallianz Holdings Limited and its Subsidiaries

Condensed unaudited interim statements of financial position
As at 30 June 2026

	Note	Group		Company	
		As at		As at	
		30 Jun 2026 US$'000	31 Dec 2025 US$'000	30 Jun 2026 US$'000	31 Dec 2025 US$'000
ASSETS					
Current assets					
Cash and cash equivalents		7,421	7,623	27	30
Trade receivables		140,779	106,937	-	-
Other receivables		65,713	53,670	365,394	377,934
Inventories		1,128	1,053	-	-
Contract assets		42,344	83,160	-	-
Total current assets		257,385	252,443	365,421	377,964
Non-current assets					
Property, plant and equipment	12	81,856	89,327	-	-
Right-of-use assets		67,457	70,537	-	-
Financial assets at fair value through other comprehensive income	11	60,853	60,853	-	-
Subsidiaries		-	-	500	500
Joint ventures		855	825	-	-
Deferred tax assets		2,715	785	-	-
Total non-current assets		213,736	222,327	500	500
Total assets		471,121	474,770	365,921	378,464

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Vallianz Holdings Limited and its Subsidiaries

Condensed unaudited interim statements of financial position
As at 30 June 2026

	Note	Group		Company	
		As at		As at	
		30 Jun 2026 US$'000	31 Dec 2025 US$'000	30 Jun 2026 US$'000	31 Dec 2025 US$'000
LIABILITIES AND EQUITY					
Current liabilities					
Term loans	14	7,272	10,212	456	443
Trade payables		80,892	77,001	-	-
Other payables		120,292	139,762	186,359	193,184
Contract liabilities		36,199	14,385	-	-
Lease liabilities		12,819	12,902	-	-
Income tax payable		-	285	-	-
Total current liabilities		257,474	254,547	186,815	193,627
Non-current liabilities					
Term loans	14	83,099	83,663	2,388	2,619
Other payables		312	381	312	381
Retirement benefit obligation		670	668	-	-
Lease liabilities		24,531	31,089	-	-
Deferred tax liabilities		5,124	3,798	-	-
Total non-current liabilities		113,736	119,599	2,700	3,000
Total liabilities		371,210	374,146	189,515	196,627
Equity					
Share capital	15	382,274	382,274	382,274	382,274
Foreign currency translation reserve		(160)	(183)	-	-
Shareholder's advances		121,911	121,911	121,911	121,911
Other reserve		(615)	(613)	28	28
Accumulated losses		(377,711)	(378,039)	(327,807)	(322,376)
Equity attributable to owners of the Company and capital securities holders		125,699	125,350	176,406	181,837
Non-controlling interests		(25,788)	(24,726)	-	-
Total equity		99,911	100,624	176,406	181,837
Total equity and liabilities		471,121	474,770	365,921	378,464

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Explanatory Notes to the condensed interim statements of financial position

(a) **Trade and other receivables**

Trade receivables increased from US$106.9 million as at 31 December 2025 to US$140.8 million as at 30 June 2026. The increase was mainly attributable to receivables arising from ongoing newbuild projects, which were billed in accordance with the billing schedules and milestone-based payment terms. This was partially offset by lower trade receivables from the Vessel Chartering and Management segment, driven by a lower level of vessel chartering activities during the period as compared to the prior period.

Other receivables increased from US$53.7 million as at 31 December 2025 to US$65.7 million as at 30 June 2026. This was mainly attributable to an increase in down-payments and prepayments made to third-party suppliers for the construction of new projects, in line with the progress of the newbuild projects.

(b) **Property, plant and equipment**

Property, plant and equipment decreased from US$89.3 million as at 31 December 2025 to US$81.9 million as at 30 June 2026. The decrease was mainly due to the disposal of plant and equipment with a net book value of US$4.0 million, coupled with depreciation expense of US$4.0 million recognised during the period. This was partially offset by additions of US$0.6 million during the period.

(c) **Right-of-use assets**

Right-of-use assets decreased from US$70.5 million as at 31 December 2025 to US$67.4 million as at 30 June 2026, mainly due to depreciation expenses recognised during the period.

(d) **Joint ventures**

The Group recorded a share of profit of US$30,000 in 1HFY2026 from one of its joint ventures, which increased its investment in joint ventures from US$0.83 million as at 31 December 2025 to US$0.86 million as at 30 June 2026.

(e) **Total current and non-current term loans**

Total current and non-current borrowings decreased from US$93.9 million as at 31 December 2025 to US$90.4 million as at 30 June 2026, mainly due to a reduction of US$3.6 million arising from the haircut discount under the loan settlement agreement entered into on 29 June 2026 and completed on 1 July 2026, as well as term loan repayments of US$0.6 million during the period. These decreases were partially offset by additional loan drawdowns of US$0.7 million.

(f) **Trade and other payables**

The Group's trade payables increased from US$77.0 million as at 31 December 2025 to US$80.9 million as at 30 June 2026. The increase was mainly attributable to higher charter hire expenses for vessels and the timing of payments to suppliers, which resulted in a lengthening of the payable cycle during the period.

Other payables decreased from US$139.8 million as at 31 December 2025 to US$120.3 million as at 30 June 2026. The decrease was primarily due to lower project-related accruals, partially offset by an increase in deposits received from customers.

Explanatory Notes to the condensed interim statements of financial position (cont'd)

(g) **Contract assets/(liabilities)**

The change in contract assets/(liabilities) is aligned with the stage of progress of the newbuild projects in the Shipyard and Newbuild Services segment.

(h) **Lease liabilities**

Total current and non-current lease liabilities decreased from US$44.0 million as at 31 December 2025 to US$37.4 million as at 30 June 2026, mainly due to repayments of lease liabilities during the period.

Vallianz Holdings Limited and its Subsidiaries

Condensed unaudited interim statements of changes in equity
For the six-month financial period ended 30 June 2026

Group

	Attributable to owners of the Company and capital securities holders							
	Share capital US$'000	**Foreign currency translation reserve US$'000**	**Shareholder's advances US$'000**	**Other reserve US$'000**	**Accumulated losses US$'000**	**Total US$'000**	**Non-controlling interests US$'000**	**Total equity US$'000**
Balance at 1 January 2026	382,274	(183)	121,911	(613)	(378,039)	125,350	(24,726)	100,624
Total comprehensive income								
Loss for the period	-	-	-	-	328	328	(1,062)	(734)
Other comprehensive gain for the period	-	23	-	(2)	-	21	-	21
Total	-	23	-	(2)	328	349	(1,062)	(713)
Balance at 30 June 2026	382,274	(160)	121,911	(615)	(377,711)	125,699	(25,788)	99,911
Balance at 1 January 2025	382,274	(3)	113,596	(621)	(388,689)	106,557	(23,123)	83,434
Total comprehensive income								
Profit for the period	-	-	-	-	3,555	3,555	(1,070)	2,485
Other comprehensive loss for the period	-	(197)	-	(2)	-	(199)	-	(199)
Total	-	(197)	-	(2)	3,555	3,356	(1,070)	2,286
Transactions with owners and capital securities holders								
Deemed investment by a shareholder, net	-	-	3,694	-	-	3,694	-	3,694
Total	-	-	3,694	-	-	3,694	-	3,694
Balance at 30 June 2025	382,274	(200)	117,290	(623)	(385,134)	113,607	(24,193)	89,414

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Condensed unaudited interim statements of changes in equity
For the six-month financial period ended 30 June 2026

Company

	Share capital US$'000	Shareholder's advances US$'000	Other reserve US$'000	Accumulated losses US$'000	Total equity US$'000
Balance at 1 January 2026	382,274	121,911	28	(322,376)	181,837
Loss for the period, representing total comprehensive loss for the period	-	-	-	(5,431)	(5,431)
Balance at 30 June 2026	382,274	121,911	28	(327,807)	176,406
Balance at 1 January 2025	382,274	113,596	28	(308,366)	187,532
Loss for the period, representing total comprehensive loss for the period	-	-	-	(4,158)	(4,158)
Transactions with owners and capital securities holders					
Deemed investment by a shareholder, net	-	3,694	-	-	3,694
Total	-	3,694	-	-	3,694
Balance at 30 June 2025	382,274	117,290	28	(312,524)	187,068

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Condensed unaudited consolidated interim statement of cash flows
For the six-month financial period ended 30 June 2026

	Group	
	1HFY2026	**1HFY2025**
	US$'000	**US$'000**
Operating activities		
(Loss)/profit before tax	(1,280)	2,626
Adjustments for:		
Loss allowance for trade and other receivables (reversed)/made	(160)	1
Bad debts written off	-	476
Depreciation of property, plant and equipment	3,992	6,490
Depreciation of right-of-use assets	3,150	2,836
Finance costs	8,470	8,714
Gain from disposal of property, plant and equipment, net	(6,004)	(3,877)
Gain arising from loan settlement agreement	(3,652)	-
Interest income	(2)	(8)
Plant and equipment written off	113	-
Share of profit of joint venture	(30)	(101)
Unrealised foreign exchange differences	(9)	(197)
Operating cash flows before movements in working capital	4,588	16,960
Changes in working capital:		
Trade and other receivables	(39,753)	(13,160)
Trade and other payables	(17,434)	75,357
Inventories	(75)	(650)
Contract assets	40,817	(6,465)
Contract liabilities	21,814	(65,430)
Cash generated from operations	9,957	6,612
Income taxes paid	(58)	-
Net cash generated from operating activities	9,899	6,612
Investing activities		
Interest received	2	8
Proceeds from disposal of plant and equipment, net	-	9,486
Purchase of property, plant and equipment	(558)	(1,072)
Net cash (used in)/ generated from investing activities	(556)	8,422
Financing activities		
Interest paid	(2,982)	(4,585)
Proceeds from new bank loan raised	700	-
Repayment of lease liabilities	(6,711)	(9,007)
Repayment of term loans	(552)	(1,745)
Net cash used in financing activities	(9,545)	(15,337)
Net decrease in cash and cash equivalents	(202)	(303)
Cash and cash equivalents at beginning of period	7,623	11,988
Cash and cash equivalents at end of period	7,421	11,685

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Explanatory Notes to the condensed consolidated statement of cash flows

(a) The Group's cash and cash equivalents decreased by US$0.2 million from US$7.6 million as at 31 December 2025 to US$7.4 million as at 30 June 2026.

(b) The Group generated net cash from operating activities of US$9.9 million in 1HFY2026. Net cash used in investing activities amounted to US$0.5 million, mainly attributable to the purchase of property, plant and equipment. Net cash used in financing activities amounted to US$9.5 million, mainly attributable to repayments of term loans, interest paid and payments of lease liabilities, partially offset by proceeds from the drawdown of new loan during the period.

1. Corporate information

Vallianz Holdings Limited (the "**Company**") is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The primary activity of the Company is that of investment holding. The principal activities of the Group are those of vessel ownership and chartering, provision of shipbuilding / shipyard and engineering services, manufacture, assembly and repair of ships and vessels and investment holding.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with Singapore Reporting Standards (International) ("**SFRS(I)**") 1-34 *Interim Financial Reporting*. 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 understanding the changes in the Group's financial position and performance since the last annual financial statements for the financial year ended 31 December 2025 ("**FY2025**").

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 2.3. The condensed unaudited financial statements are presented in United States dollar which is the Company's functional currency and all values are rounded to the nearest thousand ("**US$'000**") unless otherwise indicated.

2.1 Going concern assumption

As at 30 June 2026, the Group's net current liabilities amounted to US$89,000. The Group has total borrowings of US$90,371,000, of which US$7,272,000 was classified as current liabilities as at 30 June 2026. The Group recorded a net loss of US$734,000 and net cash inflows from operations of US$9,899,000 for the six months period ended 30 June 2026.

As at 30 June 2026, the Group breached certain financial covenants attached to its term loans. Waivers in respect of these covenant breaches have been obtained from the relevant lenders and remain valid up to 31 December 2026.

Notwithstanding the above, the Directors are of the opinion that the going concern assumption is appropriate in the preparation of the condensed interim consolidated financial statements for 1HFY2026, after taking into account the following:

(a) the Group has obtained from its ultimate holding company an undertaking to provide continuing financial and other support as necessary to the Group so as to enable it to continue its operations for the next 17 months from the letter of support dated 26 February 2026 and to continue to trade and to meet its financial obligations and commitments. As part of the financial support, the ultimate holding company and the subsidiary of the ultimate holding company which is controlled by the ultimate holding company will not demand the repayment of the shareholder's advances and is agreeable to classify these shareholder's advances (amounting to US$121,911,000 as at 30 June 2026) as equity; and

(b) as at the date of this announcement, the Group has not been served with any notices of events of default for any of its loans.

Accordingly, the Directors do not believe there is a material uncertainty over the ability of the Group to operate as a going concern and are satisfied that the Group will be able to continue in operational existence for the foreseeable future.

2.1 Going concern assumption (continued)

Given the geopolitical conflict and other uncertainties in the wider macro environment, any post balance sheet events that may have effects on the going concern of the Group cannot be and have not been incorporated into these condensed interim financial statements as at and for the six months period ended 30 June 2026.

2.2 Use of estimates and judgements

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 financial year ended 31 December 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements, assumptions and estimation uncertainties in applying accounting policies that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities are included in Note 11 – Financial assets held at fair value through other comprehensive income and Note 12 – Impairment and valuation of property, plant and equipment.

2.3 New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

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

The executive director of the Group, who reviews the consolidated results prepared in the following reportable segments when making decisions about allocating resources and assessing performance of the Group:

(a) Vessel chartering and management: chartering of vessels and third-party vessel management services;
(b) Shipyard and newbuild management services: in-house fabrication and engineering services such as ship building, fabrication works and ship repairs, brokerage income, commission income, as well as consultancy and vessel project management; and
(c) Investment holding: holding investments for long-term purposes.

For the purposes of monitoring segment performance and allocating resources between segments, the chief operating decision maker monitors the tangible and financial assets attributable to each segment based on the types of revenue it generates. All assets and liabilities are allocated to reportable segments, except for deferred tax assets and deferred tax liabilities.

Information about reportable segments

Group	Vessel Chartering and Management US$'000	Shipyard and Newbuild Management Services US$'000	Investment Holding US$'000	Elimination US$'000	Total US$'000
1HFY2026					
Revenue					
External sales	23,306	36,665	-	-	59,971
Inter-segment sales	650	474	2,236	(3,360)	-
	23,956	37,139	2,236	(3,360)	59,971
Results					
Segment results	9,809	311	(2,960)	-	7,160
Finance costs	(3,391)	(360)	(4,719)	-	(8,470)
Share of results of joint venture	30	-	-	-	30
Profit/(loss) before tax	6,448	(49)	(7,679)	-	(1,280)
Income tax credit					546
Profit for the period					(734)
Segment assets and segment liabilities					
Segment assets	164,365	208,521	95,520	-	468,406
Deferred tax assets					2,715
Total assets					471,121
Segment liabilities	160,675	192,259	13,152	-	366,086
Deferred tax liabilities					5,124
Total liabilities					371,210
Other information					
Loss allowance for trade and other receivables reversed	(150)	(10)	-	-	(160)
Depreciation of property, plant and equipment	3,136	704	152	-	3,992
Depreciation of right-of-use assets	1,956	928	266	-	3,150
Net foreign exchange (gain)/loss	(137)	(907)	(48)	-	(1,092)
Net gain on disposal of plant and equipment	(6,004)	-	-	-	(6,004)
Additions to plant and equipment	558	-	-	-	558

4 Segment and revenue information (continued)

Information about reportable segments (continued)

Group (continued)	Vessel Chartering and Management US$'000	Shipyard and Newbuild Management Services US$'000	Investment Business US$'000	Elimination US$'000	Total US$'000
1HFY2025					
Revenue					
External sales	30,836	166,318	-	-	197,154
Inter-segment sales	3,593	-	-	(3,593)	-
	34,429	166,318	-	(3,593)	197,154
Results					
Segment results	9,290	5,313	(3,364)	-	11,239
Finance costs	(4,716)	(288)	(3,710)	-	(8,714)
Share of results of joint venture	101	-	-	-	101
Profit/(loss) before tax	4,675	5,025	(7,074)	-	2,626
Income tax expense					(141)
Profit/(loss) after tax					2,485
Segment assets and segment liabilities					
Segment assets	166,201	195,718	125,986	-	487,905
Segment liabilities	168,058	187,099	42,237	-	397,394
Deferred tax liabilities					1,097
Total liabilities					398,491
Other information					
Bad debts written off/(recovered)	-	476	-	-	476
Loss allowance for trade and other receivables (reversed)/recognised	-	1	-	-	1
Depreciation of property, plant and equipment	5,540	792	158	-	6,490
Depreciation of right-of-use assets	2,458	-	378	-	2,836
Net foreign exchange (gain)/loss	(81)	(3,376)	245	-	(3,212)
Net gain on disposal of plant and equipment	(3,877)	-	-	-	(3,877)
Additions to plant and equipment	185	24	863	-	1,072

5. Disaggregation of Revenue

Geographical information

The directors of the Company consider that the nature of the Group's business where it operates across international waters precludes a meaningful allocation of revenue and non-current assets as defined under SFRS(I) 8 *Operating Segments*. The revenue is derived from, and non-current assets are primarily used in, geographical markets for vessel chartering and brokerage and management services throughout the world.

	Group	
	1HFY2026 US$'000	1HFY2025 US$'000
At a point in time:		
Vessel chartering and management	587	11,725
Shipyard and newbuild management services	4,000	8
	4,587	11,733
Over time:		
Vessel chartering and management	22,719	19,111
Shipyard and newbuild management services	32,665	166,310
	55,384	185,421
	59,971	197,154

6. (Loss)/Profit before tax

(Loss)/Profit for the period has been arrived at after charging/(crediting):

	Group	
	1HFY2026 US$'000	1HFY2025 US$'000
Bad debts written off	-	(476)
Reversal/(provision) of loss allowance for trade and other receivables	160	(1)
Depreciation of property, plant and equipment	(3,992)	(6,490)
Depreciation of right-of-use assets	(3,150)	(2,836)
Finance costs	(8,470)	(8,714)
Interest income	2	8
Net foreign exchange gains	1,092	3,212
Net gains from disposal of plant and equipment	6,004	3,877
Net gains arising from loan settlement agreement	3,652	-

7. Related party transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following transactions between the Group and related parties took place during the financial period:

	Group	
	1HFY2026 US$'000	1HFY2025 US$'000
Ultimate holding company		
Payment made on behalf of	12	10
Receipt of other goods and services	(105)	(65)
Related companies		
Charter hire expense	(8,585)	(8,284)
Loan interest	(4,655)	(3,694)
Payment made on behalf by	-	(877)
Payment made on behalf of	14	703
Shipyard and newbuild management services	30,297	99,386
Provision of other goods and services	668	493
Receipt of other goods and services	(230)	(313)

8. Income tax credit/(expense)

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

	Group	
	1HFY2026 US$'000	1HFY2025 US$'000
Current income tax credit	298	10
Deferred income tax credit relating to origination and reversal of temporary differences	295	40
Withholding tax expense	(47)	(191)
Total tax credit/(expense)	546	(141)

9. Dividends

No dividends were declared or recommended for the current reporting period.

10. Net Asset Value

	Group		Company	
	30 Jun 2026	**31 Dec 2025**	**30 Jun 2026**	**31 Dec 2025**
Net asset value (US$'000)	125,699	125,350	176,406	181,837
Number of ordinary shares issued ('000)	1,211,620	1,211,620	1,211,620	1,211,620
Net asset value per share (US cents)	10.37	10.35	14.56	15.01
Net asset value less shareholder's advances (US$'000)	3,788	3,439	54,495	59,926
Number of ordinary shares issued ('000)	1,211,620	1,211,620	1,211,620	1,211,620
Net asset value per share, excluding shareholder's advances (US cents)	0.31	0.28	4.50	4.95

11. Financial assets held at fair value through other comprehensive income

	Group	
	30 Jun 2026	**31 Dec 2025**
	US$'000	**US$'000**
Investment in equity instruments designated at fair value through other comprehensive income ("FVTOCI")		
Current assets		
Unquoted preference shares held in ROPL		
Beginning of financial period/year	-	27,308
Redemption	-	(23,308)
Fair value loss	-	(4,000)
End of financial period/year	-	-
Non-current assets		
*Unquoted equity shares held in Rawabi Vallianz Offshore Services ("**RVOS**")*		
Beginning and end of financial year	60,853	60,853

These investments in equity instruments are not held for trading. Accordingly, Management has elected to designate these investments in equity instruments as fair value through other comprehensive income ("**FVOCI**") as Management believes that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

No investment in unquoted preference shares and unquoted equity shares measured at FVOCI has been disposed of during the current and previous reporting period.

11. Financial assets held at fair value through other comprehensive income (continued)

Unquoted preference shares

The investments in unquoted preference shares represent preference shares issued by a related party, Resolute Offshore Pte Ltd ("**ROPL**") for the conversion of convertible bonds.

In 2011, the Group acquired the assets and liabilities from an unrelated party, CSOTL Offshore Limited ("**CSOTL**"). In the transaction, the vessel owned by CSOTL ("**Vessel**") was transferred to ROPL in exchange for US$155,000,000 of convertible bonds to be held by the Group. The Group had taken a bank loan which was secured against the Vessel held by ROPL ("**Term Loan**").

ROPL was subsequently disposed by its original shareholders to one of the Company's major shareholders, Swiber Holdings Limited. Pursuant to the change in shareholders, the convertible bonds were converted to preference shares issued by ROPL amounting to US$155,000,000.

The terms and conditions of the unquoted preference shares are set out below:
(a) Non-convertible;
(b) Non-voting;
(c) Dividend rate of 5.2% per annum payable semi-annually at the discretion of issuer. No dividend will be paid on the ordinary shares of ROPL if payment is not made on the preference share dividends; and
(d) Right to redeem the preference shares lies with the issuer. Redemption amount comprises the par value.

As at 30 June 2026, ROPL had redeemed a total of US$105,529,000 of preference shares held by the Group. There was nil redemption in 1HFY2026, while US$23,308,000 was redeemed during FY2025 through the disposal of the Vessel and applied towards repaying the Term Loan. This resulted in a fair value loss of US$4,000,000 in FY2025 being recognised on the remaining preference shares, as no recoverable value remained following the repayment of the Term Loan. Refer to Note 14 for further details on the arrangement for the Term Loan.

Since the financial period ended 31 March 2017, the Group has recognised an accumulated impairment loss of US$45,471,000 on the unquoted preference shares which was recognised in prior years upon the completion of a review of the fair value of the carrying amount of the asset, following the entry of the issuer's ultimate holding company into judicial management in July 2016.

Reconciliation of fair value measurement of the unquoted preference shares is as follows:

	Group	
	30 Jun 2026	**31 Dec 2025**
	US$'000	**US$'000**
Financial assets held at fair value through OCI		
Cost	155,000	155,000
Redemption	(105,529)	(105,529)
Accumulated impairment recognised	(45,471)	(45,471)
Fair value loss	(4,000)	(4,000)
Carrying amount	-	-

11. Financial assets held at fair value through other comprehensive income (continued)

Unquoted equity shares

The unquoted equity shares represent the Group's 19.77% interests in the ordinary share capital of Rawabi Vallianz Offshore Services ("**RVOS**").

The investment was valued by an independent valuer as at 31 December 2025 using valuation models that utilise observable market inputs where available. Where observable market inputs were unavailable, significant judgement was required in determining the fair value, including assumptions relating to long-term revenue growth and prevailing industry and market conditions. Changes in these assumptions could affect the reported fair value of the investment. No independent valuation was commissioned as at 30 June 2026. Management assessed the latest available financial information and relevant market developments and concluded that there had been no material change in the fair value of the investment since 31 December 2025.

12. Property, plant and equipment

During 1HFY2026, the Group acquired assets amounting to US$558,000 (FY2025: US$12,830,000) and disposed assets with carrying amounting to US$3,956,000 (FY2025: US$4,659,000).

Impairment and valuation of property, plant and equipment

The Group had considered the existence of impairment indicators and thereon assessed the recoverable amounts of vessels as at the end of each financial year end. The recoverable amounts were determined based on the valuations performed by independent vessel brokers which involve estimating the fair values less costs of disposal of the vessels. The valuation process involves significant judgement and estimations in the underlying assumptions to be applied. Amongst other matters, inputs and assumptions used in the valuations include, but are not limited to, recent transaction prices for similar vessels, adjusted for the age and conditions of the respective vessels. There is no additional impairment provided during the current reporting period (1HFY2025: US$Nil).

13. Financial assets and financial liabilities

	Group		Company	
	30 Jun 2026 US$'000	31 Dec 2025 US$'000	30 Jun 2026 US$'000	31 Dec 2025 US$'000
Financial assets				
Financial assets at amortised cost	180,094	141,021	365,421	377,964
Financial assets at fair value through OCI	60,853	60,853	-	-
Total	240,947	201,874	365,421	377,964
Financial liabilities				
Financial liabilities at amortised cost	257,833	270,931	189,203	196,246
Lease liabilities	37,350	43,991	-	-
Total	295,183	314,922	189,203	196,246

14. Term Loans

	Group	
	30 Jun 2026	31 Dec 2025
	US$'000	US$'000
Amount repayable within one year or on demand		
- Secured	7,272	10,212
Amount repayable after one year		
- Secured	83,099	83,663

On 29 June 2026, the Group entered into a loan settlement agreement with a financial institution in respect of an existing term loan of the Group, which had an outstanding principal amount of US$9,130,000, pursuant to which the financial institution agreed to a reduction of US$3,652,000, representing an approximately 40% reduction of the outstanding principal amount. The settlement was subsequently completed on 2 July 2026.

The Group's borrowings are secured by:

1) Mortgage over the Group's property, vessels and equipment and a vessel held by a related company of a corporate shareholder;

2) Assignment of marine insurances in respect of certain vessels;

3) Monies pledged;

4) Assignment of earnings / charter proceeds in respect of certain vessels;

5) Corporate guarantees from the Company;

6) The investment in unquoted preference shares held by the Group; and

7) The shares of subsidiary corporations incorporated in Singapore.

During FY2025, the Group redeemed its unquoted preference shares amounting to US$23,308,000, which was applied towards the repayment of one of its term loans. Concurrently, Resolute Pte Ltd ("**RPL**") entered into a restructuring arrangement with the financial institution in respect of the remaining balance of the same term loan, pursuant to which the Group undertook to pay an aggregate amount of US$4,000,000 in instalments for the full and final settlement of the term loan.

During the financial period, the Group breached certain financial covenants attached to its term loans. Waivers in respect of these covenant breaches have been obtained from the relevant lenders and remain valid up to 31 December 2026.

15. Share capital

	Group and Company	
	No. of shares	US$'000
Issued and fully paid, with no par value		
At 30 June 2026 and 31 December 2025	1,211,620	382,274

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

The Company did not hold any treasury shares and outstanding convertibles as at 30 June 2026 and 30 June 2025.

There is no change in share capital since the end of the previous period reported on.

16. Fair value of assets

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurement. The fair value hierarchy has the following levels:

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).

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The table below analyses the Group's assets that are measured at fair value on a recurring or non-recurring basis in the statement of financial position after initial recognition.

	Group		
	Level 1	Level 2	Level 3
	US$'000	US$'000	US$'000
Financial assets:			
Financial assets at FVTOCI			
- Unquoted equity shares	-	-	60,853
At 30 June 2026	-	-	60,853
Financial assets:			
Financial assets at FVTOCI			
- Unquoted equity shares	-	-	60,853
At 31 December 2025	-	-	60,853

Except as disclosed in the respective notes, the carrying amounts of the current financial assets and financial liabilities, including cash and cash equivalents, trade receivables, trade payables, lease liabilities and bank borrowing and the above financial assets, approximate their respective fair values.

17. Subsequent events

Except as disclosed above, there were no material events subsequent to 30 June 2026 and up to the date of this announcement.

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 statements of financial position of Vallianz Holdings Limited and its subsidiaries (the "**Group**") as at 30 June 2026 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed statements of changes in equity and condensed consolidated statement of cash flows for the six months financial period ended 30 June 2026 and certain explanatory notes have not been audited or reviewed.

2. 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.

Not applicable.

3. 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
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Please refer to Explanatory Notes to the unaudited condensed interim financial statements for the six months financial period ended 30 June 2026.

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

The Group's unaudited results for the financial period ended 30 June 2026 are in line with the Company's profit guidance announcement on 31 July 2026.

5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

For the remainder of the financial year ending 31 December 2026, the Group expects operating conditions to remain challenging and subject to a combination of geopolitical developments in the Middle East and broader macroeconomic uncertainty. These factors may affect offshore activity levels, vessel deployment opportunities and utilisation levels, operating costs and project execution and completion.

While the Group's vessels continue to operate with existing charters and new charters continue to be entered into where commercially appropriate, the prevailing geopolitical situation remains highly fluid. In its World Economic Outlook Update dated 8 July 2026 (1), the International Monetary Fund projected global GDP growth of 3.0% in 2026 and 3.4% in 2027, broadly unchanged from its April 2026 projections. The International Energy Agency's Oil Market Report dated 10 July 2026 (2) projected global oil supply to average approximately 102.6 mb/d for the year, taking into account the loss of Gulf output since the conflict began in late February 2026, with the projection being contingent on a swift de-escalation of renewed hostilities.

Subsequent developments have continued to demonstrate the volatility of the operating environment. Shipping activity through the Strait of Hormuz has fluctuated, with weekly transits recorded at 78 for the week of 13–19 July 2026, compared with 174 the week before [(3)], and Brent crude has traded at levels including near US$100 per barrel during the week of 20 July 2026 [(4)]. Prolonged disruption to shipping routes or further escalation in hostilities could result in additional cost pressures and constraints on vessel mobilisation.

Against this backdrop, the Group will continue to prioritise operational resilience, fleet utilisation, cost discipline and flexibility in vessel deployment, while working closely with its customers, partners, insurers and other stakeholders to mitigate cost pressures and operational disruptions where possible. Within these constraints, the Group will remain selective and disciplined in pursuing value-accretive opportunities across its core businesses, including chartering, shipyard operations and newbuild project management, as well as ship repair and other shipbuilding-related activities. It will also progressively develop its maritime electrification and hybrid marine solutions business, including electric and hybrid vessel systems and charging infrastructure, with the timing and pace of these initiatives managed with regards to prevailing market conditions, operational priorities and the Group's overall resource requirements. Notwithstanding these efforts, the Group's near-term operating and financial performance will remain dependent on the evolution of the geopolitical situation in the Middle East and its impact on operating costs, vessel deployment and project execution and completion. The duration and extent of the geopolitical developments remain uncertain and the ultimate financial impact cannot be determined with certainty. Nevertheless, the adverse operating conditions, higher costs, vessel utilisation pressures and mobilisation delays may persist and continue to affect the Group's operational and financial performance for the remainder of FY2026. The Group will continue to monitor developments closely and take appropriate measures to safeguard its personnel and assets, preserve operational flexibility and mitigate the impact on its businesses.

Footnotes:

(1) International Monetary Fund, World Economic Outlook Update, 8 July 2026: https://www.imf.org/en/publications/weo/issues/2026/07/08/world-economic-outlook-update-july-2026
(2) International Energy Agency, Oil Market Report, 10 July 2026: https://www.iea.org/reports/oil-market-report-july-2026
(3) USNI News, "Hormuz Transits Remain Low, Houthis Resume Attacks in Red Sea", 24 July 2026, citing Lloyd's List Intelligence shipping transit data. https://news.usni.org/2026/07/24/hormuz-transits-remain-low-houthis-resume-attacks-in-red-sea
(4) ICE Brent futures pricing data, week of 20 July 2026.

6. Dividend

(a) Whether an interim (final) ordinary dividend has been declared or recommended.

No dividend has been declared or recommended for the current financial period.

(b) Corresponding period of the immediately preceding financial year

No dividend has been declared or recommended for the financial period ended 30 June 2025.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state whether 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.

7. If no dividend has been declared (recommended), a statement to that effect and the reasons for the decision.

No dividend has been declared or recommended for the six months financial period ended 30 June 2026 to conserve cash in view of the current economic and interest rate environment.

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

The Company has in place the RHC IPT Mandate (as defined in the circular to shareholders dated 14 April 2026), which was approved by shareholders on 29 April 2026. Details of the interested person transactions conducted pursuant to the RHC IPT Mandate and those conducted outside the RHC IPT Mandate are set out in the table below.

Interest on shareholder's advances from RHC Group is in relation to the RHC Loan Agreement (as defined in the circular to shareholders dated 14 April 2025) and was approved by shareholders at the extraordinary general meeting held on 29 April 2025.

Save as disclosed below, there were no other interested person transactions (excluding transactions less than $100,000) entered into by the Group for the six months ended 30 June 2026.

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (including transactions less than S$100,000 and excluding 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 S$100,000)
Interest on shareholder's advances provided to the Group			
Rawabi Holding Company and its subsidiaries ("RHC Group")	Controlling shareholder of the Company	US$4,655,280	Not applicable
Other goods and services provided to the Group			
RHC Group	Controlling shareholder of the Company	Not applicable	US$320,080
Other goods and services provided by the Group			
RHC Group	Controlling shareholder of the Company	US$640,396	Not applicable
Chartering services provided to the Group			
RHC Group	Controlling shareholder of the Company	Not applicable	US$1,960,221
Shipbuilding services provided by the Group			
RHC Group	Controlling shareholder of the Company	Not applicable	US$17,655,649

9. 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 has procured undertakings from all its directors and executive officers as set out in Appendix 7H under Rule 720(1).

10. Disclosures pursuant to Rule 706A of the Catalist Rules

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

Confirmation by the Board
On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-months period ended 30 June 2026 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Ling Yong Wah
Executive Director
Chief Executive Officer
13 August 2026

Kevin Wong Chee Fatt
Independent Non-Executive Director

13 August 2026