ES GROUP (HOLDINGS) LIMITED
(Company Registration No. 200410497Z)
(Incorporated in the Republic of Singapore)

ES GROUP (HOLDINGS) LIMITED

**UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026**

*This announcement has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Securities (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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ES GROUP (HOLDINGS) LIMITED

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

		Group		
		Unaudited HY2026	Unaudited HY2025 (Re-presented)[3]	Increase/ (Decrease)
	Note	S$'000	S$'000	%
Revenue	4	8,917	9,427	(5.4)
Cost of services		(6,234)	(6,886)	(9.5)
Gross profit		2,683	2,541	5.6
Other operating income		496	597	(16.9)
(Provision)/Reversal of loss allowance for trade receivables, net		(3)	77	n.m.
Administrative expenses		(2,454)	(2,637)	(6.9)
Other operating expenses		(980)	(999)	(1.9)
Finance costs		(60)	(106)	(43.4)
Loss before share of results of a joint venture	6	(318)	(527)	(39.7)
Share of results of a joint venture		(13)	(53)	(75.5)
Loss before income tax from continuing operations		(331)	(580)	(42.9)
Income tax expenses	14	-	-	-
Loss for the period from continuing operations		(331)	(580)	(42.9)
Discontinued operations				
Loss for the period from discontinued operations, net of tax	17	(764)	(8)	n.m.
Loss for the period		(1,095)	(588)	86.2
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operation		5	15	(66.7)
Total comprehensive loss for the period		(1,090)	(573)	90.2
(Loss)/Profit attributable to:				
Owners of the Company		(1,031)	(615)	67.6
Non-controlling interests		(64)	27	n.m.
		(1,095)	(588)	86.2
Total comprehensive (loss)/profit attributable to:				
Owners of the Company		(1,028)	(604)	70.2
Non-controlling interests		(62)	31	n.m.
		(1,090)	(573)	90.2
Loss per share[1] attributable to owners of the Company during the period:				
Basic[2] (SGD in cent)		(0.73)	(0.44)	
Diluted[2] (SGD in cent)		(0.73)	(0.44)	

n.m.: not meaningful

[1] Computed based on loss attributable to owners of the Company for the respective financial periods divided by the weighted average number of ordinary shares in issue during the respective financial periods.
[2] As there are no dilutive potential ordinary shares that were outstanding during the respective financial periods, the diluted loss per share is the same as the basic loss per share.
[3] Discontinued operations arise from shipping segment which results have been presented in accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations. Refer to Note 17 for details.

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		Group		Company	
		Unaudited 30/6/2026	Audited 31/12/2025	Unaudited 30/6/2026	Audited 31/12/2025
	Note	S$'000	S$'000	S$'000	S$'000
ASSETS					
Current assets					
Cash and bank balances		2,184	2,412	14	14
Trade receivables	12	4,242	4,368	5	*
Other receivables		1,215	734	34	30
Contract assets		4,932	4,666	-	-
Amount due from subsidiaries		-	-	13,735	13,068
Inventories		301	365	-	-
Asset classified as held for sale	17	7,161	-	-	-
Total current assets		20,035	12,545	13,788	13,112
Non-current assets					
Deposits		118	450	-	-
Investments in subsidiaries		-	-	12,030	12,546
Investment in a joint venture	15	24	37	-	-
Club membership		31	31	-	-
Property, plant and equipment	9	5,669	19,448	-	-
Total non-current assets		5,842	19,966	12,030	12,546
Total assets		25,877	32,511	25,818	25,658
LIABILITIES AND EQUITY					
Current liabilities					
Bank loans	10	2,004	4,715	-	-
Trade payables	13	1,679	1,687	3	3
Other payables		3,830	3,506	83	108
Amount due to subsidiaries		-	-	16,215	16,377
Lease liabilities	16	131	132	-	-
Total current liabilities		7,644	10,040	16,301	16,488
Non-current liabilities					
Bank loans	10	776	3,865	-	-
Lease liabilities	16	160	219	-	-
Deposits		45	45	-	-
Total non-current liabilities		981	4,129	-	-
Total liabilities		8,625	14,169	16,301	16,488
Capital, reserves and non-controlling interests					
Share capital	11	23,698	23,698	23,698	23,698
Retained earnings		12,677	13,708	(14,181)	(14,528)
Statutory surplus reserve		442	442	-	-
Currency translation reserve		(229)	(232)	-	-
Merger reserve		(18,570)	(18,570)	-	-
Equity attributable to owners of the Company		18,018	19,046	9,517	9,170
Non-controlling interests		(766)	(704)	-	-
Total equity		17,252	18,342	9,517	9,170
Total liabilities and equity		25,877	32,511	25,818	25,658

* Amount less than S$1,000.

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Share capital S$'000	Statutory surplus reserve S$'000	Retained earnings S$'000	Currency translation reserve S$'000	Merger reserve S$'000	Attributable to owners of the Company S$'000	Non-controlling interests S$'000	Total S$'000
Group								
Balance at 1 January 2026 (audited)	23,698	442	13,708	(232)	(18,570)	19,046	(704)	18,342
Total comprehensive income for the period:								
- Loss for the period	-	-	(1,031)	-	-	(1,031)	(64)	(1,095)
- Other comprehensive income for the period	-	-	-	3	-	3	2	5
Total	-	-	(1,031)	3	-	(1,028)	(62)	(1,090)
Balance at 30 June 2026 (unaudited)	23,698	442	12,677	(229)	(18,570)	18,018	(766)	17,252
Balance at 1 January 2025 (audited)	23,698	442	16,685	(227)	(18,570)	22,028	(589)	21,439
Total comprehensive income for the period:								
- (Loss)/Profit for the period	-	-	(615)	-	-	(615)	27	(588)
- Other comprehensive income for the period	-	-	-	11	-	11	4	15
Total	-	-	(615)	11	-	(604)	31	(573)
Balance at 30 June 2025 (unaudited)	23,698	442	16,070	(216)	(18,570)	21,424	(558)	20,866

	Share capital S$'000	Retained earnings S$'000	Total S$'000
Company			
Balance at 1 January 2026 (audited)	23,698	(14,528)	9,170
Profit for the period, representing total comprehensive income for the period	-	347	347
Balance at 30 June 2026 (unaudited)	23,698	(14,181)	9,517
Balance at 1 January 2025 (audited)	23,698	(10,530)	13,168
Profit for the period, representing total comprehensive income for the period	-	2,095	2,095
Balance at 30 June 2025 (unaudited)	23,698	(8,435)	15,263

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	Unaudited HY2026	**Unaudited HY2025 (Re-presented)**
	S$'000	**S$'000**
Operating activities		
Loss before income tax from continuing operations	(331)	(580)
Loss before income tax from discontinued operations	(764)	(8)
	(1,095)	(588)
Adjustments for:		
Interest income	(14)	(14)
Interest expense	242	206
Share of results of a joint venture	13	53
Depreciation of property, plant and equipment	947	1,143
Bad debts written off	-	12
Provision/(Reversal) of loss allowance for trade receivables, net	59	(109)
Property, plant and equipment written off	-	1
Gain on disposal of property, plant and equipment	(537)	(44)
Operating cash flows before movements in working capital	(385)	660
Trade receivables	65	1,242
Contract assets	(265)	(1,463)
Other receivables	(144)	(409)
Inventories	61	(25)
Trade payables	(2)	(104)
Contract liabilities	-	(330)
Other payables	240	(356)
Deposit received	-	3
Cash used in operations	(430)	(782)
Interest received	14	14
Income tax paid	-	(51)
Net cash used in operating activities	(416)	(819)
Investing activities		
Proceeds from disposal of property, plant and equipment	6,076	52
Purchases of property, plant and equipment	(45)	(1,051)
Net cash generated from/(used in) investing activities	6,031	(999)
Financing activities		
Interest paid	(221)	(185)
Proceeds from director of a subsidiary	237	-
Proceeds from term loans	-	6,418
Repayment of term loans	(5,799)	(1,108)
Repayment of lease liabilities	(61)	(70)
Net cash (used in)/generated from financing activities	(5,844)	5,055
Net (decrease)/increase in cash and bank balances	(229)	3,237
Cash and bank balances at the beginning of the period	2,412	3,114
Effects of exchange rate changes on the balance of cash held in foreign currencies	1	(28)
Cash and bank balances at the end of the period	2,184	6,323

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate information

ES Group (Holdings) Limited (the "**Company**") is a public company limited by shares, incorporated and domiciled in the Republic of Singapore with its registered office at 8 Ubi Road 2 #06-26 Zervex Singapore 408538. The Company's registration number is 200410497Z.

The Company is listed on the Catalist board of the Singapore Exchange Securities Trading Limited.

These unaudited condensed interim consolidated financial statements as at and for the six months ended 30 June 2026 comprise the Company and its subsidiaries (collectively, the "**Group**").

The principal activities of the Company are those of an investment holding company and provider of management and technical services.

The principal activities of the Company's subsidiaries are:
(a) New building and repair of vessel; and
(b) Other marine related activities.

2 Basis of Preparation

The unaudited condensed interim consolidated financial statements for the six months ended 30 June 2026 ("**HY2026**", and for the corresponding six months ended 30 June 2025, "**HY2025**") have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The unaudited condensed interim consolidated financial statements do not include all the information required for a complete set of financial statement. 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 audited consolidated financial statements for the year ended 31 December 2025.

The accounting policies and methods of computations adopted are consistent with those adopted by the Company in its most recently audited consolidated financial statements for the year 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 below in Note 2.1 of the condensed interim consolidated financial statements.

The unaudited condensed interim consolidated financial statements are presented in Singapore dollar ("**S$**" or "**$**") which is the Company's functional currency and presentation currency. All values in the tables are rounded to the nearest thousand (S$'000), except when otherwise indicated.

2.1 New and amended standards adopted by the Group

The Group and the Company have adopted all the new and revised SFRS(I)s and SFRS(I) Interpretations that are relevant to its operations and effective for the annual period beginning on 1 January 2026. The adoption of these new and revised SFRS(I)s and SFRS(I) Interpretations has no material effect on the performance and financial position of the Group and of the Company for the current financial period reported on. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these new and revised standards and interpretations.

2.2 Use of judgements and estimates

In preparing the condensed interim consolidated 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 last annual audited consolidated financial statements as at and for the 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 made by the management in applying the Group's accounting policies that have a significant effect on the amounts recognised in the condensed interim consolidated financial statements are as follows:

a) Control over ES Offshore and Marine Engineering (Thailand) Co., Ltd.

ES Offshore and Marine Engineering (Thailand) Co., Ltd. is a subsidiary of the Group, although the Group only owns 50% ownership interest in ES Offshore and Marine Engineering (Thailand) Co., Ltd.. Based on the contractual arrangements between the Group and other investors, the Group holds 51% of voting power that gives it the ability to direct the relevant activities of ES Offshore and Marine Engineering (Thailand) Co., Ltd. based on simple majority votes. Hence, the directors of the Company assessed and determined that the Group has control over ES Offshore and Marine Engineering (Thailand) Co., Ltd..

b) Joint control over Proxess Engineering Pte. Ltd.

The Group and a third-party partner hold 51% and 49% of the equity interest in Proxess Engineering Pte. Ltd. ("**Proxess**") respectively. The management has carried out an assessment to determine whether the Group has control over Proxess. Based on the shareholders' agreement entered with the third-party partner, unanimous consent is required for major decisions over the relevant activities of Proxess. Accordingly, the Group concluded that joint control exists and Proxess is classified as a joint venture of the Group.

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 as follows:

a) Impairment of property, plant and equipment

Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. The recoverable amounts of these assets are determined by the management based on their highest and best use using its fair value less costs of disposal.

In previous year, the recoverable amounts of these assets were determined by the management based on fair value less costs of disposal. The fair value of the vessel was determined by an independent professional valuer.

The carrying amounts of property, plant and equipment of the Group as at 30 June 2026 were S$5,668,631 (31 December 2025: S$19,447,534). No impairment loss was recognised for HY2026 and HY2025.

b) Revenue recognition

Revenue from rendering of services is recognised over time, using the input method to measure progress towards complete satisfaction of each performance obligation, as the customer simultaneously receives and consumes the benefits provided by the Group. The measure of progress is determined based on percentage of completion, which is measured by reference to the proportion of costs incurred to date to the estimated total costs for the contract. Consideration with customers is subject to negotiation when performance obligation is satisfied. The Group estimates the amount of variable consideration using the expected value method based on the historical profit margin earned in similar contracts and cumulative revenue is recognised to the extent that it is highly probable a significant reversal will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

In deriving the expected value method for each contract, management has performed the cost studies, the actual rates for other contracts and taking into account historical profit margin earned in similar contracts. The budget is regularly reviewed and revised, as appropriate.

Where the actual contract costs is different from the original budget, such difference will impact revenue, contract assets and contract liabilities in the period in which such budget has been changed.

c) Loss allowance for trade receivables and contract assets

The Group determines expected credit losses on trade receivables and contract assets from third parties by making individual assessment of expected credit loss for long overdue trade receivables and contract assets and using a provision matrix for remaining trade receivables that is based on its historical credit loss experience, past due status of the trade receivables and adjusted with forward looking assumptions, as appropriate. Management takes into account historical provision trend and other relevant factors.

The carrying amounts of trade receivables and contract assets as at 30 June 2026 were S$4,241,516 and S$4,932,429 respectively (31 December 2025: S$4,368,316 and S$4,665,891 respectively).

d) Impairment of investments in subsidiaries and joint venture

At the end of each financial year, an assessment is made on whether there are indicators that the Group’s and the Company’s investments are impaired. Where applicable, the Group’s and the Company’s assessments are based on the estimation of the value-in-use of the assets defined in SFRS(I) 1-36 Impairment of Assets by forecasting the expected future cash flows for a period of up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The Company’s carrying amount of investments in subsidiaries as at 30 June 2026 was S$12,030,467 (31 December 2025: S$12,546,120). The Group’s carrying amount of investments in joint venture as at 30 June 2026 was S$24,472 (31 December 2025: S$37,217).

e) Loss allowance for amount due from subsidiaries

The Company is required to assess and recognise a loss allowance for expected credit losses on amount due from subsidiaries in accordance with three-stage impairment model. Management has made the assessment based on whether there has been a significant increase in the credit risk of the amount due from subsidiaries since its initial recognition. Subsequently, determine the amount of allowance to be recognised either based on 12-month expected credit loss or lifetime expected credit loss as well as the amount of interest revenue, if any, to be recognised in future periods.

The assessment has led to the recognition of net reversal of impairment loss of S$794,890 during HY2026 (HY2025: S$2,327,844).

f) Inventory valuation method

Inventory is valued at the lower of cost and net realisable value. Management reviews the Group’s inventory levels in order to identify slow-moving and obsolete inventory and identifies items of inventory which have a market price, being the selling price quoted from the market of similar items, that is lower than its carrying amount. Management then estimates the amount of inventory loss as an allowance on inventory. Changes in demand levels, technological developments and pricing competition could affect the saleability and values of the inventory which could then consequentially impact the Group’s results, cash flows and financial position. The carrying amount of the Group’s inventories as at 30 June 2026 was S$301,500 (31 December 2025: S$364,791). There was no allowance made on inventory for HY2026 and HY2025.

3 Seasonal operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during HY2026.

4 Segment and revenue information

The Group is organised into the following main operating segments:

Segments	Principal activities
New building and repair	New building, conversion and repair of offshore and marine structures and vessels, and labour supply
Others	Other marine related activities

These operating segments are reported in a manner consistent with internal reporting provided to management for allocating resources and assessing performance of the operating segments.

During the period under review, the Group revised its reportable operating segments. Following the disposal of its vessels, the Group has ceased its vessel ownership and will no longer generate revenue from its shipping segment. Accordingly, the shipping segment has been removed and replaced by the ‘Others’ segment, which comprises revenue generated by the Group from other marine related activities.

4.1 Reportable segments

Segments	**New building and repair S$'000**	**Others S$'000**	**Total S$'000**
<u>HY2026</u>			
Revenue			
Segment revenue	8,806	111	8,917
Gross profit	2,672	11	2,683
Other operating income			496
Provision of loss allowance for trade receivables, net			(3)
Administrative expenses			(2,454)
Other operating expenses			(980)
Finance costs			(60)
Loss before share of results of a joint venture			(318)
Share of results of a joint venture			(13)
Loss before income tax			(331)
Income tax expense			-
Loss for the period from continued operations			(331)
Loss for the period from discontinued operations			(764)
Loss for the period			(1,095)
Other information			
Additions to property, plant and equipment			45
Depreciation of property, plant and equipment	-	(a)742	947
Assets and Liabilities			
Segment assets	11,953	836	12,789
Asset classified as held for sale			7,161
Unallocated corporate assets			5,927
Total assets			25,877
Segment liabilities	1,497	798	2,295
Unallocated corporate liabilities			6,330
Total liabilities			8,625

(a) The difference between the depreciation of others segment and the total depreciation of property, plant and equipment is attributable to property, plant and equipment for general purpose that are used for all segments.

Segments	New building and repair S$'000	Others (Re-presented) S$'000	Total (Re-presented) S$'000
<u>HY2025</u>			
Revenue			
Segment revenue	9,027	400	9,427
Gross profit / (loss)	2,542	(1)	2,541
Other operating income			597
Reversal of loss allowance for trade receivables, net			77
Administrative expenses			(2,637)
Other operating expenses			(999)
Finance costs			(106)
Loss before share of results of a joint venture			(527)
Share of results of a joint venture			(53)
Loss before income tax			(580)
Income tax expense			-
Loss for the period from continued operations			(580)
Loss for the period from discontinued operations			(8)
Loss for the period			(588)
Other information			
Additions to property, plant and equipment			1,051
Depreciation of property, plant and equipment	-	[(a)]819	1,143
Assets and Liabilities			
Segment assets	11,949	14,658	26,607
Unallocated corporate assets			10,640
Total assets			37,247
Segment liabilities	1,936	7,792	9,728
Unallocated corporate liabilities			6,653
Total liabilities			16,381

(a) The difference between the depreciation of others segment and the total depreciation of property, plant and equipment is attributable to property, plant and equipment for general purpose that are used for all segments.

4.2 Disaggregation of Revenue

	Group HY2026		
	New building and repair	Others	Total
	S$'000	S$'000	S$'000
Type of goods and services			
Service Revenue	8,806	-	8,806
Marine Supplies	-	104	104
Others	-	7	7
Total Revenue	8,806	111	8,917
Timing of transfer of goods and services			
At a point in time	-	111	111
Over time	8,806	-	8,806
Total Revenue	8,806	111	8,917
Geographical information			
Singapore	8,275	111	8,386
People's Republic of China	71	-	71
Malaysia	460	-	460
Total Revenue	8,806	111	8,917

	Group HY2025		
	New building and repair	Others (Re-presented)	Total (Re-presented)
	S$'000	S$'000	S$'000
Type of goods and services			
Service Revenue	9,028	-	9,028
Marine Supplies	-	399	399
Total Revenue	9,028	399	9,427
Timing of transfer of goods and services			
At a point in time	-	399	399
Over time	9,028	-	9,028
Total Revenue	9,028	399	9,427
Geographical information			
Singapore	8,477	399	8,876
People's Republic of China	86	-	86
Malaysia	456	-	456
Thailand	9	-	9
Total Revenue	9,028	399	9,427

5 Financial assets and financial liabilities

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

	Group		Company	
	30/6/2026	31/12/2025	30/6/2026	31/12/2025
	S$'000	S$'000	S$'000	S$'000
Financial assets				
Financial assets carried at amortised cost (Note 12)	6,719	7,819	13,749	13,081
Financial liabilities				
Financial liabilities carried at amortised cost (Note 13)	8,348	13,847	16,301	16,487

6 Loss before income tax

6.1 Significant items

	Group		
	HY2026	HY2025 (Re-presented)	Increase/ (Decrease)
	S$'000	S$'000	%
Continuing operations			
Depreciation of property, plant and equipment:			
- cost of services	29	150	(80.7)
- administrative expenses	116	112	3.6
- other operating expenses	60	62	(3.2)
	205	324	(36.7)
Audit fee:			
- paid/payable to auditors of the Company	52	52	-
- paid/payable to other auditors	5	5	-
Employee benefits expense (including directors' remuneration)	5,502	5,780	(4.8)
Costs of defined contribution plans (included in employee benefits expense)	234	258	(9.3)
Cost of inventories recognised as expense	1,130	1,204	(6.1)
Provision/(reversal) of loss allowance for trade receivables, net [(a)]	3	(77)	n.m.
Property, plant and equipment written off	-	1	n.m.
Interest expense [(b)]	60	106	(43.4)
Gain on disposal of property, plant and equipment [(c)]	-	(44)	n.m.
Interest income	(13)	(14)	(7.1)
Net foreign exchange loss	95	61	55.7

	Group		
	HY2026	HY2025 (Re-presented)	Increase/
	S$'000	S$'000	(Decrease)
Discontinued operations:			%
Depreciation of property, plant and equipment:			
- cost of services	742	819	9.4
Audit fee:			
- paid/payable to auditors of the Company	8	8	-
Provision/(reversal) of loss allowance for trade receivables, net [(d)]	56	(32)	n.m.
Interest expense [(e)]	168	62	>100
Interest expense (included in COGS) [(f)]	14	38	(63.2)
Gain on disposal of property, plant and equipment [(g)]	(537)	-	n.m.
Interest income	(1)	(5)	(80.0)
Net foreign exchange loss	3	26	(88.5)

n.m.: not meaningful

Notes:-

a) Reversal of provision of loss allowance made for trade receivables in HY2025 for customers from the Group's new building and repair segment where the management has assessed based on the probability of collection of the outstanding trade receivables. Management categorises trade receivables based on potential risk of default and adjusts the provision of loss allowance made for trade receivables based on a given percentage. During HY2026, there is a loss allowance made for trade receivables for the Group's new building and repair segment as management has assessed higher probability of default.

b) Interest expense reduced as the Group fully repaid two fixed rate term loans in October 2025.

c) Gain on disposal of property, plant and equipment for HY2025 arose mainly from the sale of machinery and equipment from one of the Company's subsidiaries, namely, ES Offshore and Marine Engineering (Thailand) Co., Ltd.

d) Higher provision of loss allowance made for trade receivables in HY2026 as management has assessed higher probability of default.

e) Interest expense increased as a result of interest paid for a vessel loan drawn down in May 2025. Following disposal of ES Aspire in 5 June 2026, the loan has fully repaid in May 2026.

f) Interest expense (included in COGS) decreased due to reduction in one of the Group's vessel loan as a result of repayment.

g) Gain on disposal of property, plant and equipment in HY2026 was from the disposal of the Group's vessel, ES Aspire.

6.2 Related party transactions

During HY2026, in addition to the information disclosed elsewhere in these condensed interim consolidated financial statements, the Group entities and the Company entered into the following transaction with a related party at rates and terms agreed between the parties:

	Group	
	HY2026	**HY2025**
	S$'000	**S$'000**
Professional fee paid to immediate family member of directors/shareholders	64	78
Loan from Director	237	-

7 Net asset value

	Group		Company	
	30/06/2026	**31/12/2025**	**30/06/2026**	**31/12/2025**
Net asset value per ordinary share based on the number of issued ordinary shares	12.76 cents [(a)]	13.49 cents [(b)]	6.74 cents [(a)]	6.49 cents [(b)]
Number of issued ordinary shares	141,200,000	141,200,000	141,200,000	141,200,000

Notes:-

a) Net asset value per ordinary share as at 30 June 2026 have been computed based on equity attributable to owners of the Company as at 30 June 2026 divided by the number of issued ordinary shares as at 30 June 2026.

b) Net asset value per ordinary share as at 31 December 2025 have been computed based on equity attributable to owners of the Company as at 31 December 2025 divided by the number of issued ordinary shares as at 31 December 2025.

8 Fair value of financial assets and financial liabilities

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used in making the measurements as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – unobservable inputs for the asset or liability.

The classification of an item into above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. There were no transfers between Levels 1 and 2 during HY2026.

<u>Fair value of financial instruments that are not carried at fair value</u>

The Group has no financial assets and financial liabilities carried at fair value as at end of HY2026.

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of financial assets and financial liabilities, classified as current assets and current liabilities on the statements of financial position, approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of non-current financial assets and liabilities are disclosed in Note 5 to the condensed interim consolidated financial statements.

9 Property, plant and equipment

During HY2026, the Group acquired assets amounting to S$44,727 (HY2025: S$1,051,008) and disposed of assets amounting to S$9,210,481 (HY2025: S$227,409). During HY2026 and HY2025, there were no assets acquired under lease arrangement.

10 Bank loans

	Group	
	30/6/2026	**31/12/2025**
	S$'000	**S$'000**
Bank loans (secured)		
- Term loan 1	-	471
- Term loan 2	880	937
- Term loan 3	-	5,172
- Money Market Loan	1,900	2,000
Total bank loans	2,780	8,580
Less: Amount due for settlement within 12 months (shown under current liabilities)	(2,004)	(4,715)
Amount due for settlement after 12 months (shown under non-current liabilities)	776	3,865

At the end of HY2026, the Group's bank loans are secured by:

(i) legal mortgage over the Group's leasehold land and property; and
(ii) corporate guarantees by the Company for all the monies owing.

11 Share capital

	Group and Company			
	30/6/2026 Number of Ordinary Shares ('000)	**30/6/2026 S$'000**	**31/12/2025 Number of Ordinary Shares ('000)**	**31/12/2025 S$'000**
Issued and fully paid, with no par value:				
At beginning and at end of period/year	141,200	23,698	141,200	23,698

The Company has one class of ordinary shares which carry one vote per share, has no par value and carries a right to dividend as and when declared by the Company.

There were no changes in the Company's issued and paid-up share capital during HY2026.

As at 30 June 2026, 31 December 2025 and 30 June 2025, the Company has no outstanding options, convertibles, treasury shares and subsidiary holdings.

12 Trade receivables

	Group		Company	
	30/6/2026 S$'000	31/12/2025 S$'000	30/6/2026 S$'000	31/12/2025 S$'000
Third parties	4,652	4,717	5	**
Less: Loss allowance for trade receivables	(410)	(349)	-	-
Net trade receivables	4,242	4,368	5	**
Add: Cash and bank balances	2,184	2,412	14	14
Add: Other receivables	1,333	1,184	34	30
Add: Amount due from subsidiaries	-	-	13,735	13,068
Less: Prepayments *	(704)	(141)	(34)	(30)
Less: Deferred cost *	(321)	-	-	-
Less: GST receivable *	(15)	(4)	(5)	**
Total financial assets carried at amortised cost	6,719	7,819	13,749	13,082

* These are part of other receivables.
** Amount less than S$1,000.

13 Trade payables

	Group		Company	
	30/6/2026 S$'000	31/12/2025 S$'000	30/6/2026 S$'000	31/12/2025 S$'000
Third parties	1,679	1,687	3	3
Total trade payables	1,679	1,687	3	3
Less: Goods and services tax payable	(172)	(212)	-	-
Add: Bank loans	2,780	8,580	-	-
Add: Other payables	3,830	3,506	83	108
Add: Amount due to subsidiaries	-	-	16,215	16,377
Add: Lease liabilities	291	351	-	-
Less: Withholding tax	(105)	(110)	-	-
Add: Deposits (Classified as non-current liability)	45	45	-	-
Total financial liabilities carried at amortised cost	8,348	13,847	16,301	16,488

14 Income tax expense

Domestic income tax is calculated at 17% (HY2025: 17%) of the estimated assessable profit for the period under review. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

There are no income tax expense for HY2026 and HY2025.

15 Investment in a joint venture

	Group 30/06/2026 S$'000	Group 31/12/2025 S$'000
Unquoted equity investment, at cost	250	250
Impairment loss	(12)	(12)
Dividend received	(82)	(82)
Share of post-acquisition results	(132)	(119)
	24	37

Details of the Group's joint venture are as follows:

Name of joint venture	Country of incorporation and principal place of business	Principal activities	Proportion of equity interest 30/06/2026 %	Proportion of equity interest 31/12/2025 %
Proxess Engineering Pte. Ltd.	Singapore	Provides wholesale trade of variety of goods and manufacture and repair of valves	51	51

There are no commitments to provide funding or contingent liabilities relating to the Group's interest in the joint venture.

16 Lease liabilities

	Minimum lease payments		Present value of minimum lease payments	
	30/6/2026 S$'000	31/12/2025 S$'000	30/6/2026 S$'000	31/12/2025 S$'000
Group				
Contractual undiscounted cash flows:				
- Within one year	143	147	131	132
- In the second to fifth years inclusive	172	227	160	210
- After five years	-	9	-	9
	315	383	291	351
Less: Future interest expense	(24)	(32)	-	-
Present value of lease liabilities	291	351	291	351
Presented in consolidated statement of financial position				
- Current			131	132
- Non-current			160	219
			291	351

The Group's obligations under lease liabilities are secured by the leased assets and corporate guarantees by the Company.

17 Asset Classified as held for sale and Loss from Discontinued Operations

The Group has completed disposal of its vessels, ES Aspire and ES Jewel, on 5 June 2026 and 8 July 2026 respectively. Following the disposals, the Group has ceased its vessel ownership and will no longer generate revenue from this business segment. The Group will instead focus its resources on its core shipbuilding, ship repair and other marine related activities.

Management has assessed that the disposal represents the disposal of a separate major line of business of the Group in accordance with SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations. Accordingly, the shipping segment has been classified as a discontinued operation.

In accordance with SFRS(I) 5, the results of the discontinued operation have been presented separately from those of the Group's continuing operations in the consolidated statement of profit or loss and other comprehensive income. Comparative information has also been re-presented to separately disclose the results of the discontinued operation for all periods presented, where applicable.

	Unaudited HY2026 S$'000	Unaudited HY2025 (Re-presented) S$'000
Revenue	3,638	4,783
Cost of services	(4,798)	(5,065)
Gross loss	(1,160)	(282)
Other operating income	665	487
(Provision)/reversal of loss allowance for trade receivables, net	(56)	32
Administrative expenses	(20)	(154)
Other operating expenses	(25)	(29)
Finance costs	(168)	(62)
Loss before income tax	(764)	(8)
Income tax expense	-	-
Loss for the period from discontinued operations	(764)	(8)

18 Contingent liabilities

The Company has given corporate guarantees to certain banks and insurers in respect of banking facilities and foreign worker bonds granted to certain subsidiaries. The maximum amount the Company could be forced to settle under the financial guarantee contract, if the full guaranteed amount is claimed by the counterparty to the guarantee, as at 30 June 2026 is S$2,780,234 (31 December 2025: S$8,579,712). The earliest period that the guarantee could be called is within 1 year (31 December 2025: 1 year) from the end of the reporting period.

The Company has evaluated the fair value of the corporate guarantee. Consequently, the Company is of the view that fair value of the guarantee to the financial institution with regard to the subsidiaries is not significant. The Company has not recognised any liability in respect of the guarantee given to the financial institution for credit facilities granted to the subsidiary as the Company's directors have assessed that the likelihood of the subsidiary defaulting on repayment is remote.

19 Subsequent events

Subsequent to the reporting date, the Group completed the disposal of its vessel, ES Jewel, on 8 July 2026, in accordance with the memorandum of agreement entered on 26 May 2026. Please refer to the announcement on the completion of disposal of ES Jewel dated 8 July 2026 for more information.

As ES Jewel had been classified as asset held for sale as at 30 June 2026, the disposal did not result in any adjustment to the classification of assets in these financial statements. The gain/(loss) arising from the disposal will be recognised in the financial year ending 31 December 2026.

There are no other known subsequent events which have led to adjustments to this set of unaudited condensed interim consolidated financial statements.

OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED LISTING MANUAL SECTION B: RULES OF CATALIST ("CATALIST RULES")

F. OTHER INFORMATION REQUIRED PURSUANT TO 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 consolidated statement of financial position of ES Group (Holdings) Limited and its subsidiaries as at 30 June 2026 and the related condensed interim consolidated profit of loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for HY2026 and explanatory notes have not been audited or reviewed by the Company's auditors.

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

Not applicable. The Group's latest audited consolidated financial statements for the financial year ended 31 December 2025 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

3 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

(a) Review of Financial Performance of the Group

Revenue decreased by S$0.5 million or 5.4%, from S$9.4 million in HY2025 to S$8.9 million in HY2026 as a result of the decrease in revenue contributed by both new building and repair segment and others segment of the Group.

Revenue from the Group's new building and repair segment decreased by S$0.2 million, from S$9.0 million in HY2025 to S$8.8 million in HY2026. The decrease in revenue was due to revenue from the Group's new building and repair segment not having fully recover as certain key customers of the Group are still ramping up their operations following the relocation of their shipyards. As a result, some downtime is expected before these shipyards can return to full operating capacity.

Revenue from the Group's others segment decreased by S$0.3 million, from S$0.4 million in HY2025 to S$0.1 million in HY2026. The decrease in revenue was primarily attributable to the cessation of ship chandling division in May 2026 as the division was no longer considered profitable.

Gross profit increased by S$0.2 million or 5.6%, from S$2.5 million in HY2025 to S$2.7 million in HY2026. Gross profit margin increased by 3.1 percentage points, from 27.0% in HY2025 to 30.1% in HY2026. The increase in gross profit and gross profit margin were the result of an increase in gross profit from the new building and repair segment due to improved productivity, despite a slight decline in revenue.

Other operating income decreased by S$0.1 million, from S$0.6 million in HY2025 to S$0.5 million in HY2026 mainly due to lower gain on disposal of property, plant and equipment, from the sale of machinery and equipment from the Company's subsidiary, ES Offshore and Marine Engineering (Thailand) Co., Ltd.

Administrative expenses decreased by S$0.1 million, from S$2.6 million in HY2025 to S$2.5 million in HY2026 mainly due to a decrease in salary and CPF payments following the reduction in office headcount.

Other operating expenses and finance costs remained relatively stable at approximately S$1.0 million and S$0.1 million respectively for both HY2026 and HY2025.

Share of results of a joint venture remains stable, with a loss of S$13,000 and S$53,000 recorded for HY2026 and HY2025 respectively.

Loss for the period from discontinued operations was relating to the revenue and all associated expenses from the Group's vessels, ES Aspire and ES Jewel. Following the disposal of both vessels, the Group's shipping segment was identified as discontinued operations. Accordingly, its financial performance has been presented separately from the Group's continuing operations. Loss for the period from discontinued operations was attributable to:

a) The Group's vessel, ES Jewel, experienced an unexpected breakdown during HY2026, resulting in intermittent downtime of approximately three months. In addition, ES Jewel had to undergo repairs, leading to an increase in repair and maintenance expenses and holding costs, as well as a decrease in revenue as ES Jewel was unable to operate and generate revenue during the repair period in HY2026; and

b) The Group's vessel, ES Aspire, completed fewer voyages during HY2026, resulted in lower revenue and profit. Furthermore, ES Aspire operated for only five (5) months in HY2026 before it was disposed on 5 June 2026.

As a result of the above, the Group recorded a net loss of S$1.1 million in HY2026, as compared to a net loss of S$0.6 million in HY2025. Net loss attributable to owners of the Company was S$1.0 million in HY2026, as compared to a net loss attributable to owners of the Company of S$0.6 million in HY2025.

(b) Review of Financial Position of the Group

The Group recorded positive working capital (current assets less current liabilities) of S$12.4 million as at 30 June 2026, as compared to S$2.5 million as at 31 December 2025.

Assets

Current assets

The Group's current assets increased by S$7.5 million, to S$20.0 million as at 30 June 2026 from S$12.5 million as at 31 December 2025, mainly due to:

(a) a reclassification of the Group's vessel, ES Jewel, from property, plant and equipment to asset classified as held for sale, amounting to S$7.2 million. The vessel was disposed subsequently on 8 July 2026, and

(b) an increase in other receivables of S$0.5 million mainly due to a deferred cost, being an advance billing from a supplier;

partially offset by a decrease in cash and cash equivalents of S$0.2 million from proceeds from disposal of property, plant and equipment net repayment of term loans.

Non-current assets

Non-current assets decreased by S$14.1 million, to S$5.8 million as at 30 June 2026 from S$19.9 million as at 31 December 2025 due to a disposal of the Group's vessel, ES Aspire and the Group's vessel, ES Jewel, being reclassified to current assets.

Liabilities

Current liabilities

Current liabilities decreased by S$2.4 million, to S$7.6 million as at 30 June 2026 from S$10.0 million as at 31 December 2025. This was mainly attributable to a decrease in bank loans of S$2.7 million as a result of repayments, partially offset by an increase in other payables of S$0.3 million from an interest free loan from a director and an interest bearing loan from a third party.

Non-current liabilities

Non-current liabilities decreased by S$3.1 million, to S$1.0 million as at 30 June 2026 from S$4.1 million as at 31 December 2025 as a result of repayment of term loans during the period under review.

Equity

As a result of the above, total equity of the Group decreased by S$1.1 million, to S$17.2 million as at 30 June 2026 from S$18.3 million as at 31 December 2025. The Group's equity attributable to owners of the Company decreased by S$1.0 million, to S$18.0 million as at 30 June 2026 from S$19.0 million as at 31 December 2025.

(c) Review of Statement of Cash Flows of the Group

In HY2026, net cash used in operating activities amounted to S$0.4 million, mainly due to (i) operating cash outflows before changes in working capital of S$0.4 million; (ii) net cash used in operations of S$0.1 million; and (iii) interest received amounting to S$0.1 million.

The operating cash outflows before changes in working capital of S$0.4 million in HY2026 was mainly due to operating loss for the period under review. The net cash used in operations of S$0.1 million in HY2026 was mainly due to increase in contract assets and other receivables, partially offset by increase in other payables.

Net cash generated from investing activities of S$6.0 million in HY2026 was related to proceeds from disposal of the Group's vessel, ES Aspire, during the period under review.

Net cash used in financing activities of S$5.8 million in HY2026 was mainly due to repayment of term loans.

As a result of the above and after the effects of exchange rate changes on the balance of cash held in foreign currencies, there was a net decrease in the Group's cash and cash equivalents of S$0.2 million, to S$2.2 million as at 30 June 2026 from S$2.4 million as at 1 January 2026.

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

The unaudited consolidated financial results of the Group for HY2026 as set out in this announcement, are in line with the profit guidance announcement for HY2026 released by the Company on 24 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 year and the next 12 months.

The marine sector continues to evolve amid geopolitical uncertainties, shifting global trade patterns, and ongoing industry consolidation. In response to these challenges and changing market dynamics, the Group is actively pursuing a broader and more diversified project portfolio to enhance business resilience and reduce concentration risks.

As part of its strategic initiatives to capitalise on emerging market opportunities, the Group has undertaken measures during HY2026 to rationalise its asset base and streamline operational processes, with the aim of improving efficiency and strengthening its competitive position.

The Group remains well-positioned to pursue new growth opportunities and build a more focused platform for sustainable long-term growth. Moving forward, the Group will continue to enhance its operational capabilities while maintaining a prudent financial strategy to preserve liquidity, strengthen financial resilience, and support future business expansion.

6 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No dividend has been declared or recommended for HY2026.

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date payable

Not applicable.

(d) The date on which Registrable Transfers received by the Company (up to 5.00 pm) 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 reason(s) for the decision.

No dividend has been declared or recommended for HY2026 in view of the Group's net loss position and the Group intends to conserve funds for working capital purposes.

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 not obtained a general mandate from shareholders in respect of interested person transactions.

The aggregate value of interested person transactions entered into during HY2026 are as follows:

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$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 S$100,000)
		S$'000	**S$'000**
Low Chye Hin - Professional fee	Low Chye Hin, the Group's consultant, is the father of Low Chee Wee (Executive Director, Chief Executive Officer cum Chief Operating Officer of the Company, and a controlling shareholder of the Company), Christopher Low Chee Leng (a controlling shareholder of the Company) and Yvonne Low-Triomphe (a controlling shareholder of the Company), as well as the spouse of Neo Peck Keow @ Ng Siang Keng (a controlling shareholder of the Company).	64	-
Total		**64**	**-**

9 Disclosure of acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period pursuant to Rule 706A of the Catalist Rules.

The Group does not have any acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period, up to 30 June 2026.

10 Negative confirmation pursuant to Rule 705(5) of the Catalist Rules.

We, Low Chee Wee and Eddy Neo Chiang Swee, being two directors of the Company, confirm on behalf of the board of directors of the Company ("**Board**") that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited condensed interim consolidated financial statements of the Group for HY2026 to be false or misleading in any material aspect.

11 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) of the Catalist Rules.

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

ON BEHALF OF THE BOARD OF DIRECTORS

Low Chee Wee	**Eddy Neo Chiang Swee**
Executive Director and Chief Executive Officer	**Executive Director**

13 August 2026