



KODA LTD
(Company Registration No.:198001299R)
(The "Company", and together with its subsidiaries, the "Group")

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2025
("1H2026")**

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

		The Group		
		6 months ended		
		31 Dec 2025	31 Dec 2024	
Note		("1H2026") US\$'000	("1H2025") US\$'000	Change %
Revenue	4	29,622	27,740	6.8%
Cost of sales		(20,223)	(19,490)	3.8%
Gross profit		9,399	8,250	13.9%
Other income	5	426	422	0.9%
Selling and distribution costs		(4,130)	(3,788)	9.0%
Administrative expenses		(3,969)	(3,903)	1.7%
Other expenses	6	(20)	(51)	-60.8%
Finance costs		(249)	(285)	-12.6%
Profit before income tax	7	1,457	645	125.9%
Income tax expense	8	(307)	(227)	35.2%
Profit for the period		1,150	418	175.1%
Profit (Loss) attributable to :				
Owners of the Company		1,167	416	180.5%
Non-controlling interests		(17)	2	N.M
		1,150	418	175.1%
Other comprehensive income				
<u>Items that may be reclassified subsequent to profit or loss</u>				
Translation of differences arising from consolidation of foreign operations		239	437	-45.3%
Total other comprehensive income for the period, net of tax		239	437	-45.3%
Total comprehensive income for the period		1,389	855	62.5%
Total comprehensive income (loss) attributable to :				
Owners of the Company		1,412	852	65.7%
Non-controlling interests		(23)	3	N.M
		1,389	855	62.5%
Earning per share for profit for the period attributable to the owners of the Company:				
Basic (US cents)	9	1.40	0.50	
Diluted (US cents)	9	1.40	0.50	

N.M: Not meaningful

B. Condensed interim statements of financial position

Note	The Group		The Company	
	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Current assets				
Cash and cash equivalents	10,107	10,178	7,599	7,941
Trade receivables	10	10,792	7,357	11,776
Other receivables	11	6,035	5,048	13,363
Contract assets		-	46	-
Inventories	12	12,376	12,325	26
Total current assets	39,310	34,954	32,764	30,741
Non-current assets				
Investment in subsidiaries		-	18,611	18,611
Bank balances earmarked for credit facilities	14	-	479	-
Club memberships		32	32	32
Property, plant and equipment	13	23,307	23,735	8,343
Right-of-use assets		11,871	12,409	-
Other receivables	11	29	29	6,607
Total non-current assets	35,239	36,684	33,593	34,146
Total assets	74,549	71,638	66,357	64,887
LIABILITIES AND EQUITY				
Current liabilities				
Bills payable	14	424	381	-
Trade payables		3,048	3,614	120
Other payables		8,046	6,562	4,750
Lease liabilities	14	793	867	-
Current portion of bank loans	14	3,926	2,610	3,926
Income tax payable		428	371	423
Total current liabilities	16,665	14,405	9,219	8,629
Non-current liabilities				
Other payables		102	102	-
Deferred tax liabilities		301	179	56
Lease liabilities	14	3,080	3,436	-
Non-current portion of bank loans	14	7,120	7,624	7,120
Total non-current liabilities	10,603	11,341	7,176	7,624
Capital and reserves				
Share capital	15	4,919	4,919	4,919
Treasury shares		(50)	(50)	(50)
Capital reserve	16	(159)	(159)	-
Other reserves		211	211	137
Translation reserve		490	245	-
Accumulated profits		42,092	40,925	44,956
Equity attributable to owners of the Company	47,503	46,091	49,962	48,578
Non-controlling interests		(222)	(199)	-
Total equity	47,281	45,892	49,962	48,578
Total liabilities and equity	74,549	71,638	66,357	64,887

C. Condensed interim statements of changes in equity

The Group

	Share capital	Treasury shares	Capital reserve	Other reserves	Translation reserve	Accumulated profits	Attributable to equity holders	Non-controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 July 2025	4,919	(50)	(159)	211	245	40,925	46,091	(199)	45,892
<i>Total comprehensive income for the period:</i>									
Profit for the period	-	-	-	-	-	1,167	1,167	(17)	1,150
Other comprehensive income	-	-	-	-	245	-	245	(6)	239
Total	-	-	-	-	245	1,167	1,412	(23)	1,389
Balance as at 31 Dec 2025	4,919	(50)	(159)	211	490	42,092	47,503	(222)	47,281
Balance as at 1 July 2024	4,919	(50)	(159)	211	(858)	40,378	44,441	(225)	44,216
<i>Total comprehensive income for the period:</i>									
Profit for the period	-	-	-	-	-	416	416	2	418
Other comprehensive income	-	-	-	-	436	-	436	1	437
Total	-	-	-	-	436	416	852	3	855
Balance as at 31 Dec 2024	4,919	(50)	(159)	211	(422)	40,794	45,293	(222)	45,071

C. Condensed interim statements of changes in equity

The Company

	Share capital	Treasury shares	Other reserves	Accumulated profits	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 July 2025	4,919	(50)	137	43,572	48,578
<i>Profit for the period, representing total comprehensive income for the period</i>	-	-	-	1,384	1,384
Balance as at 31 Dec 2025	4,919	(50)	137	44,956	49,962
Balance as at 1 July 2024	4,919	(50)	137	42,218	47,224
<i>Profit for the period, representing total comprehensive income for the period</i>	-	-	-	1,325	1,325
Balance as at 31 Dec 2024	4,919	(50)	137	43,543	48,549

D. Condensed interim consolidated statements of cash flows

	The Group	
	6 months ended	
	31 Dec 2025	31 Dec 2024
	US\$'000	US\$'000
Operating activities		
Profit before income tax	1,457	645
Adjustments for:		
Depreciation of property, plant and equipment	666	803
Depreciation of right-of-use assets	542	687
Property, plant and equipment written off	4	-
Inventories written off	13	15
Gain on disposal of property, plant and equipments - net	(3)	(1)
Loss on disposal of club membership	-	13
Interest income	(100)	(186)
Interest expense	249	285
Operating cash flows before movements in working capital	2,828	2,261
Trade receivables	(3,432)	1,947
Other receivables	(1,332)	(947)
Contract assets	46	-
Inventories	456	597
Trade payables	(270)	(1,331)
Other payables	1,433	23
Cash (used in) generated from operations	(271)	2,550
Interest received	100	186
Interest paid	(249)	(285)
Income tax paid	(137)	(172)
Net cash (used in) from operating activities	(557)	2,279
Investing activities		
Proceeds from disposal of property, plant and equipment	3	1
Proceeds from disposal of club memberships	-	1
Purchase of property, plant and equipment	(30)	(75)
Net cash used in investing activities	(27)	(73)
Financing activities		
Proceeds from bills payables	43	(5)
Release of bank balances earmarked for credit facility	479	-
Repayment of bank loans	(5,168)	(2,777)
Proceeds from bank loans	5,578	1,275
Repayment of lease liabilities	(436)	(644)
Net cash from (used in) financing activities	496	(2,151)
Net (decrease) increase in cash and cash equivalents	(88)	55
Cash and cash equivalents at beginning of period	10,178	11,193
Effects of exchange rate change on balance of cash held in foreign currencies	17	(110)
Cash and cash equivalents at end of period	10,107	11,138

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Koda Ltd is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 31 December 2025 comprise the Company and its subsidiaries (collectively, the Group). The primary activities of the Company are those of relating to the export of furniture and fixtures of wood (including upholstery), furniture design service and investment holding.

The principal activities of the Group are:

- (a) Original Design Manufacturer of furniture and fixtures of wood (including upholstery); and
- (b) Retail, trading and export of furniture.

2. Basis of preparation

The condensed interim financial statements for the six months ended 31 December 2025 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last audited financial statements for the year ended 30 June 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

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

2.1 New and amended standards adopted by the Group

In the current financial period, the Group and the Company has adopted all the new and revised FRSs and Interpretation of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 July 2024. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior periods.

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2025.

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

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 Group determines its operating segments based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

The Group is organized into two business units based on their products on which information is prepared and reportable to the Group's chief operating decision maker for the purpose of resources allocation and assessment of performance.

The Group is principally engaged in two reportable segments, namely "manufacturing" and "retail and distribution".

Information regarding the Group's reporting segments is presented below.

6 months ended 31 Dec 2025 and 2024

Segment revenue and results

	Segment revenue			Segment profit / (loss)
	1H2026	1H2025	1H2026	1H2025
	US\$'000	US\$'000	US\$'000	US\$'000
Manufacturing	24,890	22,360	1,697	691
Retail and distribution	4,732	5,380	(397)	(132)
Total	29,622	27,740	1,300	559
Finance costs			(249)	(285)
Other income			426	422
Other expenses			(20)	(51)
Profit before income tax			1,457	645
Income tax expense			(307)	(227)
Profit for the period			1,150	418

Segment assets and liabilities

	31 Dec 2025 US\$'000	30 June 2025 US\$'000
Segment assets		
Manufacturing	65,959	62,781
Retail and distribution	8,558	8,825
Total segment assets	<u>74,517</u>	<u>71,606</u>
Unallocated assets	32	32
Consolidated total assets	<u>74,549</u>	<u>71,638</u>
Segment liabilities		
Manufacturing	14,596	12,111
Retail and distribution	5,830	6,232
Total segment liabilities	<u>20,426</u>	<u>18,343</u>
Unallocated liabilities	6,842	7,403
Consolidated total liabilities	<u>27,268</u>	<u>25,746</u>

Other segment information

	Depreciation		Additions to non-current assets	
	1H2026 US\$'000	1H2025 US\$'000	1H2026 US\$'000	1H2025 US\$'000
Manufacturing	753	885	25	46
Retail and distribution	455	605	8	231
Total	<u>1,208</u>	<u>1,490</u>	<u>33</u>	<u>277</u>

In addition to the information reported above, the following were attributable to the following reportable segments:

	1H2026 US\$'000	1H2025 US\$'000
Retail and distribution segment		
Inventories written off	13	15

Geographical information

The Group's revenue from external customers and information about its segment assets (non-current assets) including only property, plant and equipment) by geographical location are detailed below:

	Revenue from external customers based on location	
	1H2026	1H2025
	US\$'000	US\$'000
Asia-Pacific	5,861	6,178
North America	20,337	18,425
Europe	2,911	2,506
Others	513	631
	<hr/>	<hr/>
	29,622	27,740

Non-current assets of the Group are located in Asia Pacific.

5. Other income

	The Group	
	6 months ended	
	31 Dec 2025	31 Dec 2024
	("1H2026")	("1H2025")
	US\$'000	US\$'000
Interest income on bank balances	100	186
Foreign exchange gain - net	166	82
Gain on disposal of property, plant and equipment - net	3	1
Government grant income	12	27
Property tax and rental rebate	2	5
Rental income	18	-
Freight revenue	20	37
Design fee	3	-
Sundry income	102	84
	<hr/>	<hr/>
	426	422

6. Other expenses

	The Group	
	6 months ended	
	31 Dec 2025	31 Dec 2024
	("1H2026")	("1H2025")
	US\$'000	US\$'000
Inventories written off	13	15
Loss on disposal of club membership	-	13
Others	7	23
	<hr/>	<hr/>
	20	51

7. Profit / (Loss) before income tax

The profit / (loss) before income tax is arrived at after charging the following:

	The Group	
	6 months ended	
	31 Dec 2025 ("1H2026")	31 Dec 2024 ("1H2025")
	US\$'000	US\$'000
Depreciation of property, plant and equipment	666	803
Depreciation of right-of-use assets	542	687
Finance costs:		
- Bank interest	177	233
- Lease liabilities	72	52

8. Income tax expense

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

	The Group	
	6 months ended	
	31 Dec 2025 ("1H2026")	31 Dec 2024 ("1H2025")
	US\$'000	US\$'000
Current income tax	288	273
(Under) Overprovision in prior years :		
- Income tax	(94)	(46)
- Deferred tax	113	-
Total	<u>307</u>	<u>227</u>

9. Earnings / (Loss) per share

	The Group	
	6 months ended	
	31 Dec 2025 ("1H2026")	31 Dec 2024 ("1H2025")
	US\$'000	US\$'000
Based on the weighted average number of ordinary shares on issue (US cents)	1.40	0.50
Singapore cents equivalent	1.81	0.68
Weighted average number of shares	83,178,782	83,178,782

The fully diluted earnings per share and basic earnings per share are the same for the six months ended 31 December 2025 and 2024 respectively.

10. Trade receivables

	The Group		The Company	
	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
	US\$'000	US\$'000	US\$'000	US\$'000
Outside parties	10,792	7,357	10,632	7,308
Subsidiaries	-	-	1,144	1,088
	10,792	7,357	11,776	8,396

The table below is an analysis of trade receivables as at the end of reporting period :

	The Group		The Company	
	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
	US\$'000	US\$'000	US\$'000	US\$'000
Not past due and not impaired	9,894	6,082	9,920	6,158
Past due but not impaired ⁽ⁱ⁾	898	1,275	1,932	2,238
Total trade receivables, net	10,792	7,357	11,852	8,396

(i) Aging of receivables that are past due but not impaired :

	The Group		The Company	
	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
	US\$'000	US\$'000	US\$'000	US\$'000
< 30 days	482	1,231	555	1,289
31 to 90 days	167	20	281	158
91 to 180 days	196	2	378	82
181 to 360 days	50	7	50	30
> 360 days	3	15	668	679
	898	1,275	1,932	2,238

11. Other receivables

	The Group		The Company	
	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
	US\$'000	US\$'000	US\$'000	US\$'000
Subsidiaries	-	-	11,256	11,267
Deposits	447	453	8	8
Prepayments to third parties	1,426	906	204	157
Prepayments to subsidiaries	-	-	9,755	10,642
Government grant receivable	19	19	2	2
Value added tax recoverable	3,938	3,580	11	26
Others	234	119	21	74
	6,064	5,077	21,257	22,176
Less: Allowance for doubtful debts				
Subsidiaries	-	-	(1,287)	(1,287)
	6,064	5,077	19,970	20,889
Less: Non-current portion:				
Deposits	(29)	(29)	-	-
Prepayments	-	-	-	-
Subsidiaries	-	-	(6,607)	(6,607)
	6,035	5,048	13,363	14,282

12. Inventories

	The Group	
	31 Dec 2025	30 June 2025
	US\$'000	US\$'000
Raw material	5,551	5,202
Work-in-progress	2,809	3,557
Finished goods	5,988	5,538
	14,348	14,297
Less: Allowance for inventories	(1,972)	(1,972)
	12,376	12,325
 Movement in allowance for inventories:		
Balance at beginning of the year	1,972	2,614
(Reversal) Charge to profit or loss	-	(642)
Balance at end of the year	1,972	1,972

The Company held finished goods of US\$26,000 as at 31 Dec 2025 (30 June 2025: US\$76,000).

Inventories of US\$13,000 (1H2025: US\$15,000) were written off and recognized directly in profit or loss for goods which are not in saleable conditions.

13. Property, plant and equipment

	The Group	
	6 months ended	
	31 Dec 2025 ("1H2026") US\$'000	31 Dec 2024 ("1H2025") US\$'000
Property, plant and equipments acquired	30	75
Carrying amounts of property, plant and equipments disposed	-	-

14. Bank loans and lease liabilities

	The Group		The Company	
	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
	US\$'000	US\$'000	US\$'000	US\$'000
<u>Amount repayable within one year or on demand</u>				
Secured	992	1,044	199	177
Unsecured	4,151	2,814	3,727	2,433
	5,143	3,858	3,926	2,610
<u>Amount repayable after one year</u>				
Secured	9,723	10,662	6,643	7,226
Unsecured	477	398	477	398
	10,200	11,060	7,120	7,624

The banking facilities of the Group and Company are secured by the following:

- i) A negative pledge on the Group's and Company's assets;
- ii) One of the bank loans of the Company is secured by the charge over the Company's property;
- iii) An amount of US\$Nil (1H2025: US\$478,638) was earmarked for one of the bank loans of the Company; and
- iv) The banking facilities of subsidiaries are guaranteed by the Company.

Bank loans of US\$7,319,000 as at 31 December 2025 were mainly used for the financing of Group's property, plant and equipment.

15. Share capital

	The Group and Company			
	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
	Number of ordinary shares	US\$'000	US\$'000	US\$'000
Issued and paid up:				
At beginning and end of year	83,237,856	83,237,856	4,919	4,919

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

As at 31 December 2025, the number of ordinary shares of 83,237,856 included treasury shares of 59,074.

	As at 31 Dec	As at 30 June	
	2025	2025	2025
Ordinary shares	83,178,782	99.93%	83,178,782
Treasury shares	59,074	0.07%	59,074
Total	83,237,856	100.00%	83,237,856

16. Capital reserves

This represents the effects of changes in ownership interests in a subsidiary when there is no change in control. During 1Q2023, the Group increased its shareholding in one of the subsidiaries.

17. Financial assets and financial liabilities

The following table sets out the financial instruments as at the end of the reporting period.

	The Group		The Company	
	31 Dec 2025 US\$'000	30 June 2025 US\$'000	31 Dec 2025 US\$'000	30 June 2025 US\$'000
Financial assets				
Amortised cost (including cash and cash equivalent)	21,580	18,586	29,373	26,878
Financial liabilities				
Amortised cost	19,765	18,185	14,533	14,609
Lease liabilities	3,873	4,303	-	-

18. Related party transactions

Please refer to Note 9 of Section F for disclosure of the related party transactions. There are no other material related party transactions apart from those disclosed in Note 9 of Section F.

19. Dividends

No interim dividends were proposed by the Board of Directors for the 1H2026 and 1H2025.

20. Net asset value per share

	The Group		The Company	
	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
Net asset value per ordinary share				
- US cents	57.11	55.41	60.07	58.40
- Singapore cents	73.33	70.69	77.13	74.51

F Other information required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of Koda Ltd and its subsidiaries as at 31 December 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended and certain explanatory notes have not been audited or reviewed.

2. A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There are no sales, transfers, cancellation and/or use of treasury shares during 1H2026. The number of shares held as treasury shares as at 31 December 2025 was 59,074 (30 June 2025: 59,074), representing 0.07% of the total number of shares of the Company, excluding treasury shares (30 June 2025: 0.07% of the total number of shares of the Company, excluding treasury shares).

There were no convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.

3. A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

4. 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 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.

5. Review of performance of the Group

Condensed interim consolidated statement of profit or loss (1H2026 vs 1H2025)

Revenues increased by US\$1.9 million to US\$29.6 million in 1H2026, primarily due to higher export sales to both the US and Europe markets whereas export sales to the Asia-Pacific and other regions fell by US\$0.55 million as domestic consumption in China remained weak.

Gross profit rose by US\$1.1 million to US\$9.4 million on the back of higher revenue and gross margin. Gross margin rose by 2.0 percentage point to 31.7% as a result of improved factory efficiency and higher utilisation rates, thereby resulting in lower unit production cost.

Other income remained relatively unchanged at US\$0.43 million in 1H2026.

Selling and distribution costs increased by US\$0.34 million to US\$4.13 million, mainly due to higher sales and agent commission in line with higher revenue, offset by lower right-of-use assets depreciation expenses.

Administrative expenses remained relatively unchanged at US\$3.97 million.

Finance costs decreased by US\$0.04 million to US\$0.25 million, mainly due to lower interest expenses.

Income tax expense rose by US\$0.08 million to US\$0.31 million due mainly to higher taxable profit for our operations.

Given the above, the Group recorded a profit attributable to Owners of the Company ("Net Profit") of US\$1.17 million in 1H2026, as compared to a net profit of US\$0.42 million in 1H2025.

Condensed interim statements of financial position (31 December 2025 vs 30 June 2025)

Assets

Current assets increased by US\$4.4 million to US\$39.3 million. Significant movements during the period under review were as follows:

- Trade receivables increased by US\$3.4 million to US\$10.8 million, mainly due to longer credit terms for export customers in the US. Trade receivable turnover days was to 67 days (30 June 2025: 51 days). Subsequent to the reporting period US\$5.7 million has since been collected.
- Other Receivables increased by US\$1.0 million, mainly due to (i) increase in advance payment to suppliers and sub-contractors by US\$0.5 million to US\$1.1 million on the back of higher purchases for increased sales, and (ii) higher Value Added Tax receivables from our Vietnam operations, which increased by US\$0.34 million to US\$3.9 million.

Non-current assets decreased by US\$1.4 million to US\$35.2 million, due to (i) reclassification of the unearmarked funds of US\$0.48 million with a bank, and (ii) depreciation for and lower additions of fixed assets in 1H2026.

Liabilities

Current liabilities increased by US\$2.3 million to US\$16.7 million. Significant movements during the period under review were as follows:

- Other payables increased by US\$1.5 million to US\$8.0 million mainly due to accrual of commissions and service fees, including agent sales commission on the back of higher export sales.
- Bank borrowings increased by US\$1.3 million to US\$ 3.9 million primarily due to higher bills financing on the back of higher export sales.

Non-current liabilities fell by US\$0.7 million to US\$10.6 million due mainly to repayment of lease liabilities and bank loans.

Shareholders' equity

Equity attributable to the owners of the Company increased by US\$1.4 million to US\$47.5 million as of 31 December 2025 mainly due to Net Profit for the period and translation gain arising from the consolidation of foreign operations, attributable mainly to the weakening of the reporting currency (US dollar) against the functional currencies of the Group's overseas subsidiaries during the period.

Condensed interim consolidated statements of cash flows (1H2026 vs 1H2025)

Net cash used in operating activities was US\$0.56 million after accounting for operating cash inflows before working capital changes of US\$2.83 million, net working capital outflows of US\$3.1 million, net of payments for income tax and interest of US\$0.29 million.

Net cash used in investing activities was US\$0.03 million due mainly to purchase of machinery and equipment for our factories.

Net cash from financing activities was US\$0.5 million due mainly to the proceeds from bank borrowings of US\$5.6m, receipt of the unearmarked funds of US\$0.48 million with a bank, partially offset by repayments of bank loans and lease liabilities of US\$5.6 million.

As a result of the above, net cash and cash equivalents decreased by \$0.09 million to \$10.1 million as of 31 December 2025.

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

No forecast had previously been disclosed. As noted in our FY2025 results announcement, the Group's performance was supported by improved operational efficiencies. We recorded a Net Profit of US\$1.15 million for 1H2026.

7. 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

We observe that the tariff uncertainty had previously prompted many furniture distributors and retailers to front-load their inventories, which led to increased export shipments to our key market in the US. The new timeline in pushing back these trade tariffs appear to have further accelerated furniture outsourcing shift to Vietnam; and with our intensified marketing efforts in acquiring more new clients, we see healthy backlog orders and replenishment cycles.

If these trends continue, we may be able to ship more goods, improve factory utilisation rates and sustain our margins as we normalise our supply chain under this operating environment. However, we note that macro challenges arising from trade policy uncertainties and currency fluctuation are expected to persist.

Given the above, we believe that the Group will remain profitable in 2H2026, barring unforeseen circumstances.

8. Dividend information

8a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? No

8b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

8c. Date Payable

Not applicable.

8d. Books Closure Date

Not applicable.

9. Interested person transactions

The Group does not have a general mandate from shareholders for IPTs pursuant to Rule 920(1)(a)(ii).

IPT for 1H2026 the period under review was as follows:

Name of Interested Persons	Description of IPT	Value of IPT for the financial period under review (excluding transactions less than S\$100,000) (S\$'000)
Directors of the Company: Koh Jyh Eng Koh Shwu Lee	<p>The Group had, in June 2016, entered a 10-year long-term lease with Zenith Heights Sdn Bhd, of which Ernie Koh Jyh Eng and Koh Shwu Lee are Directors, for land owned by Zenith Heights Sdn Bhd to build warehousing facilities in Malaysia (the "Lease"). The lease was terminated in June 2023. Subsequently, in August 2023, the Group entered into a new lease to lease the land for 3 years, with an extension option to renew for 3 years, totaling 18 years upon expiry of the initial lease.</p> <p>The IPT for 1H2026 with regards to the Tenancy is as follow:</p> <p>(i) Rental expense (RM148,191)</p>	46 (Note 1)

Note 1: Based on 1H2026 average rate of S\$1= RM3.2468, the rental expense under the above IPT for 1H2026 was approximately 0.08% of the Group's latest audited Net Tangible Asset as at 30 June 2025.

10. Confirmation pursuant to Rule 705(5)

The Board of Directors of the Company hereby confirms that, to the best of their knowledge, nothing has come their attention which may render the unaudited condensed interim financial statements for the six months ended 31 December 2025 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 7.7) under Rule 720(1).

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

12. Review of performance of the Group – turnover and earnings

Please refer to item 5 above.

BY ORDER OF THE BOARD
JAMES KOH JYH GANG
Executive Chairman and Chief Executive Officer
12 February 2026