SERIAL ACHIEVA LIMITED

(Company Registration Number: LL 12218)
(Incorporated in Labuan, Malaysia)
AND ITS SUBSIDIARIES

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2026

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

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SERIAL ACHIEVA LIMITED
AND ITS SUBSIDIARIES

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SERIAL ACHIEVA LIMITED
AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	The Group		
		6 months ended 30 June 2026	6 months ended 30 June 2025	Change
		US$'000	US$'000	%
Sales	5	**47,364**	49,634	-5
Cost of sales	6	**(45,387)**	(47,959)	-5
Gross profit		**1,977**	1,675	18
Gross profit margin		**4.2%**	3.4%	*0.8*
Other income		**1,069**	690	55
Interest income	5	**870**	8	10,775
Other operating income	5	**199**	682	-71
Expenses				
Distribution	6	**(961)**	(1,057)	-9
Administrative	6	**(322)**	(442)	-27
Finance	7	**(947)**	(222)	327
Other:				
Loss allowance on trade and other receivables	6	**(20)**	(20)	-
Other operating	6	**(1,518)**	(978)	55
Total expenses		**(3,768)**	(2,719)	39
Loss before income tax	6	**(722)**	(354)	104
Income tax expense	9	**(1)**	(1)	-
Loss after income tax		**(723)**	(355)	104
Attributable to:				
Equity holders of the Company		**(311)**	(445)	-30
Non-controlling interests		**(412)**	90	NM
		(723)	(355)	104
Loss per share attributable to equity holders of the Company:				
Basic	24	**(0.18) cent**	(0.26) cent	-31
Diluted	24	**(0.18) cent**	(0.26) cent	-31

NM – Not meaningful

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	The Group	
	6 months ended 30 June 2026	6 months ended 30 June 2025
	US$'000	US$'000
Net loss for the period	**(723)**	(355)
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences	**43**	219
Other comprehensive income for the period, net of tax	**43**	219
Total comprehensive loss for the period	**(680)**	(136)
Attributable to:		
Equity holders of the Company	**(295)**	(198)
Non-controlling interests	**(385)**	62
	(680)	(136)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		The Group		The Company	
		30 June 2026	31 December 2025	**30 June 2026**	31 December 2025
	Note	**US$'000**	US$'000	**US$'000**	US$'000
ASSETS					
Current assets					
Cash and cash equivalents		**7,591**	7,423	**5,021**	1,938
Trade and other receivables	12	**23,597**	18,270	**39**	24
Finance lease receivables	13	**6,562**	6,261	**-**	-
Amounts due from related companies	14	**887**	823	**285**	180
Inventories	15	**8,168**	8,040	**-**	-
		46,805	40,817	**5,345**	2,142
Non-current assets					
Investments in subsidiaries		**-**	-	**23,035**	23,035
Investments in joint venture		**49**	-	**49**	-
Property, plant and equipment	16	**109**	175	**2**	3
Investment property	17	**123**	123	**-**	-
Intangible assets	18	**86**	15	**-**	-
Finance lease receivables	13	**8,532**	11,934	**-**	-
		8,899	12,247	**23,086**	23,038
Total assets		**55,704**	53,064	**28,431**	25,180
LIABILITIES					
Current liabilities					
Trade and other payables	19	**20,980**	12,894	**158**	341
Amounts due to holding company and related companies	20	**7,086**	11,089	**1,369**	1,300
Borrowings	21	**12,363**	13,311	**-**	-
Current income tax liabilities		**28**	28	**-**	-
		40,457	37,322	**1,527**	1,641
Non-current liabilities					
Borrowings	21	**8,344**	11,748	**-**	-
Deferred tax liabilities		**18**	18	**-**	-
Provision for severance benefits		**31**	32	**-**	-
		8,393	11,798	**-**	-
Total liabilities		**48,850**	49,120	**1,527**	1,641
NET ASSETS		**6,854**	3,944	**26,904**	23,539
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	22	**18,384**	14,794	**30,387**	26,797
Treasury shares	22	**-**	-	**(1)**	(1)
Currency translation reserve		**1,207**	1,191	**59**	59
Accumulated losses		**(12,233)**	(11,922)	**(3,541)**	(3,316)
		7,358	4,063	**26,904**	23,539
Non-controlling interest		**(504)**	(119)	**-**	-
TOTAL EQUITY		**6,854**	3,944	**26,904**	23,539

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

The Group	Share capital **US$'000**	Currency translation reserve **US$'000**	Accumulated losses **US$'000**	Total attributable to equity holders of the Company **US$'000**	Non-controlling interests **US$'000**	Total equity **US$'000**
Balance at 1 January 2026	**14,794**	**1,191**	**(11,922)**	**4,063**	**(119)**	**3,944**
Loss for the period	**-**	**-**	**(311)**	**(311)**	**(412)**	**(723)**
Other comprehensive income/(loss):						
Currency translation differences	**-**	**16**	**-**	**16**	**27**	**43**
Other comprehensive income for the period, net of tax	**-**	**16**	**-**	**16**	**27**	**43**
Total comprehensive loss for the period	-	16	(311)	(295)	(385)	(680)
Others:						
Issuance of ordinary shares pursuant to a share placement	3,590	-	-	3,590	-	3,590
Balance at 30 June 2026	**18,384**	**1,207**	**(12,233)**	**7,358**	**(504)**	**6,854**
Balance at 1 January 2025	14,794	849	(11,253)	4,390	(3)	4,387
Loss for the period	-	-	(445)	(445)	90	(355)
Other comprehensive income/(loss):						
Currency translation differences	-	247	-	247	(28)	219
Other comprehensive income for the period, net of tax	-	247	-	247	(28)	219
Total comprehensive loss for the period	-	247	(445)	(198)	62	(136)
Balance at 30 June 2025	14,794	1,096	(11,698)	4,192	59	4,251

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

The Company	Share capital **US$'000**	Treasury shares **US$'000**	Currency translation reserve **US$'000**	Accumulated losses **US$'000**	Total equity **US$'000**
Balance at 1 January 2026	**26,797**	**(1)**	**59**	**(3,316)**	**23,539**
Total comprehensive loss for the period	**-**	**-**	**-**	**(225)**	**(225)**
Others:					
Issuance of ordinary shares pursuant to a share placement	**3,590**	**-**	**-**	**-**	**3,590**
Balance at 30 June 2026	**30,387**	**(1)**	**59**	**(3,541)**	**26,904**
Balance at 1 January 2025	26,797	(1)	7	(2,517)	24,286
Loss for the period	-	-	-	(425)	(425)
Other comprehensive income for the period:					
Currency translation differences	-	-	57	-	57
Total comprehensive loss for the period	-	-	57	(425)	(368)
Balance at 30 June 2025	26,797	(1)	64	(2,942)	23,918

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	The Group	
	6 months ended 30 June 2026 US$'000	6 months ended 30 June 2025 US$'000
Cash flows from operating activities		
Loss before income tax	**(722)**	(354)
Adjustments for:		
Amortisation of intangible assets (computer software license costs)	**4**	2
Depreciation of property, plant and equipment	**73**	63
Loss allowance on trade receivables	**20**	20
Allowances for inventory obsolescence	**209**	112
Inventories written off	**-**	2
Fair value (gain)/loss on derivative financial instruments	**(63)**	87
Unrealised exchange loss/(gain)	**765**	(430)
Provision for severance benefits	**-**	17
Interest income	**(870)**	(8)
Interest expense	**947**	222
Operating cash flow before working capital changes	**363**	(267)
Changes in working capital		
Trade and other receivables	**(5,760)**	8,190
Inventories	**(594)**	(3,661)
Finance lease receivables	**3,119**	-
Trade and other payables	**8,198**	(7,555)
Holding company	**-**	(4)
Related companies	**(4,217)**	4,320
Cash from operations	**1,109**	1,023
Income tax (paid)/refunded	**(1)**	5
Net cash generated from operating activities	**1,108**	1,028
Cash flows from investing activities		
Payments for property, plant and equipment	**(6)**	(31)
Payments for intangible assets (computer software license costs)	**(75)**	(20)
Payment for investment in a joint venture	**(49)**	-
Interest received	**870**	8
Net cash generated from/(used in) investing activities	**740**	(43)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares pursuant to a share placement	**3,590**	-
Proceeds from bank borrowings	**9,657**	18,215
Repayment of bank borrowings	**(10,783)**	(17,209)
Principal payments of lease liabilities	**(3,898)**	(53)
Repayment to holding company	**(121)**	-
Repayment to related companies	**(78)**	(3,904)
Interest paid	**(145)**	(222)
Net cash used in financing activities	**(1,778)**	(3,173)
Net increase/(decrease) in cash and cash equivalents held	**70**	(2,188)
Cash and cash equivalents at the beginning of the financial period	**6,155**	5,043
Effect of currency translation on cash and cash equivalents	**97**	215
Cash and cash equivalents at the end of the financial period	**6,322**	3,070

Cash and cash equivalents comprise the following:

	The Group	
	6 months ended 30 June 2026 US$'000	6 months ended 30 June 2025 US$'000
Cash and bank balances per condensed interim statements of financial position	**7,591**	3,070
Less: Pledged bank fixed deposit	**(1,269)**	-
Cash and cash equivalents per condensed interim consolidated statement of cash flows	**6,322**	3,070

Cash and cash equivalents included bank fixed deposit amounting to US$1,269,000 (30 June 2025: Nil) which is not freely remissible for use by the Group as it is pledged as security for lease liabilities in relation to the leasing of data centre colocation space.

1. General information

Serial Achieva Limited (the "Company") is incorporated and domiciled in the Federal Territory of Labuan, Malaysia. The address of its registered office and the principal place of business is as follows:

Registered office:
Lot A020, Level 1
Podium Level, Financial Park
Jalan Merdeka
87000 Federal Territory of Labuan, Malaysia

Principal place of business:
2.03, 2nd Floor
Wisma Academy
No.4A, Jalan 19/1
46300 Petaling Jaya, Selangor Darul Ehsan, Malaysia

The Company is listed on the Catalist Board of Singapore Exchange Securities Trading Limited (the "SGX-ST").

These condensed interim 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 that of investment holding and provision of management services to its subsidiaries.

The principal activities of the Group are the distribution and marketing of information technology, computer peripherals, parts, software and related products, artificial intelligence products (collectively "consumer products"), and leasing and sub-leasing of colocation services, comprising rental of data centre space, provision of power supply, and related infrastructure for customers to host their IT equipment.

The holding company of the Company is Serial System Ltd, an entity listed on the Mainboard of SGX-ST.

2. Basis of preparation

2.1 Statement of compliance

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(1)") 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 annual financial statements for the year ended 31 December 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

The condensed interim financial statements are presented in United States Dollar (US$). The Company's functional currency is Singapore Dollar (S$). All values are rounded to the nearest thousand (US$'000) except when otherwise indicated.

2.2 New and amended standards adopted by the Group

The following are the amendments to SFRS(I)s, that took effect from financial year beginning on or after 1 January 2026:

(i) Amendments to SFRS(I) 9 and SFRS(I) 7 Amendments to the Classification and Measurement of Financial Instruments
(ii) Annual Improvements to SFRS(I)s Volume 11

The adoption of the above amendments to SFRS(I) did not have a material impact on the condensed interim financial statements.

2. Basis of preparation (continued)

2.3 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, and income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited annual 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.

3. Seasonal operations

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

4. Segment information

4.1 Operating Segments

Management has determined the Company and Group as one reportable segment as the Company and Group are primarily involved in the distribution and marketing of information technology, computer peripherals, parts, software and related products, and artificial intelligent products (collectively "consumer products"). The following summary describes the operation of the Group reportable segments:

Revenue from customers is within the scope of SFRS(I) 15:

	The Group	
	6 months ended 30 June 2026 US$'000	6 months ended 30 June 2025 US$'000
Distribution and marketing of information technology, computer peripherals, parts, software and related products, and artificial intelligent products	**47,364**	49,634

4.2 Geographical segments

The geographical segments comprised four broad primary geographic areas, namely: Singapore, Malaysia Thailand and Vietnam, which reflect the current business process and monitoring in these primary geographic business segments in which the Group operates in. Management considers the business from the geographical segments' perspective based on the reports reviewed to make strategic decisions. The geographical segments are reported in a manner consistent with the internal reporting provided to the management whose members are responsible for allocating resources and assessing performance of the geographical segments.

Performance is measured based on sales, gross profit and profit after tax, as included in the internal management reports that are reviewed by the Chief Executive Officer and Financial Controller on a monthly basis. These criteria are used to measure performance as management believes that such information is the most relevant in evaluating the results of each entity within the same geographical segment. Inter-segment transactions are determined on an arm's length basis.

4. Segment information (continued)

4.2 Geographical segments (continued)

Sales are based on the geographical area in which the entities are located. Non-current assets are shown by the geographical area where the assets are located.

	Sales		Non-current assets[1]	
The Group	**6 months ended 30 June 2026 US$'000**	6 months ended 30 June 2025 US$'000	**30 June 2026 US$'000**	31 December 2025 US$'000
Malaysia	**19,872**	28,828	**312**	309
Thailand	**18,132**	20,806	**6**	4
Singapore	**9,360**	-	**-**	-
Vietnam – Joint venture	**-**	-	**49**	-
Total	**47,364**	49,634	**367**	313

Note:
[1] Non-current assets exclude finance lease receivables.

5. Revenue

	The Group	
	6 months ended 30 June 2026 US$'000	6 months ended 30 June 2025 US$'000
Sales of goods	**47,364**	49,634
Other operating income	**199**	682
Interest income	**870**	8
	48,433	50,324
Sales of goods:		
Performance obligations satisfied at a point in time		
Sales of consumer products	**47,364**	49,634
Other operating income:		
Rebate income from suppliers	**44**	158
Rental income	**6**	11
Foreign exchange gain	**-**	512
Fair value gain on derivative financial instruments	**63**	-
Sundry income	**86**	1
Total other operating income	**199**	682
Interest income:		
Leasing	**863**	-
Bank balances	**7**	8
Total interest income	**870**	8

6. Loss before income tax

	The Group	
	6 months ended 30 June 2026	6 months ended 30 June 2025
	US$'000	US$'000
This is arrived at after charging:		
Amortisation of intangible assets (computer software license costs)*	**4**	2
Depreciation of property, plant and equipment*	**73**	63
Loss allowance on trade receivables*	**20**	20
Inventories:		
- cost of inventories recognised as an expense (included in cost of sales)	**45,387**	47,959
- allowances for inventory obsolescence*	**209**	112
- inventories written off*	**-**	2
Employee benefits expense	**1,155**	912
Management fees - holding company and related companies*	**218**	333
Rental expense - operating leases (short term lease)	**20**	19
Freight and handling charges	**90**	134
Travelling and transportation expenses	**49**	49
Foreign exchange loss*	**557**	-
Fair value loss on derivative financial instruments*	**-**	87
Other expenses (included in distribution, administrative and other operating expenses)	**426**	764
Total cost of sales, distribution, administrative and other operating expenses	**48,208**	50,456

* Included in “other operating expenses”

7. Finance expense

	The Group	
	6 months ended 30 June 2026	6 months ended 30 June 2025
	US$'000	US$'000
Interest expenses:		
Bank borrowings	**294**	200
Letter of credit	**16**	16
Lease liabilities	**637**	6
	947	222

8. Related party transactions

A related party is a person or entity who is related to the entity that is preparing its financial statements ("reporting entity").

Parties are considered to be related if (a) a person or a close member of that person's family is related to a reporting entity, if that person (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity and (b) an entity is related to a reporting entity if (i) the entity and the reporting entity are members of the same group; (ii) one entity is an associate or joint venture of the other entity; (iii) both entities are joint ventures of the same third party; (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) the entity is controlled or jointly controlled by a person identified in (a); (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity; and (viii) the entity or any member of a group of which is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Related parties (related companies) in these financial statements refer to the holding company, Serial System Ltd and related companies, Serial I-Tech (Far East) Pte. Ltd., Serial Microelectronics Pte. Ltd. and SerialTec (Japan) Co., Ltd, all wholly-owned subsidiaries of Serial System Ltd.

8.1 Sales and purchases of goods and services

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

	The Group	
	6 months ended 30 June 2026 US$'000	6 months ended 30 June 2025 US$'000
With holding company:		
- Management fees	**121**	72
With related companies:		
- Purchases of goods	**13,058**	23,718
- Sales of goods	**114**	12
- Management fees	**97**	261

Sales and purchases of goods and services were carried out on commercial terms and conditions as agreed between the parties.

9. Income tax expense

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

	The Group	
	6 months ended 30 June 2026 US$'000	6 months ended 30 June 2025 US$'000
Tax expense attributable to profit is made up of:		
Current income tax – Malaysia	**1**	1

10. Financial assets and financial liabilities

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

	The Group		The Company	
	30 June 2026 US$'000	31 December 2025 US$'000	**30 June 2026 US$'000**	31 December 2025 US$'000
Financial assets at amortised cost:				
Cash and bank balances	**7,591**	7,423	**5,021**	1,938
Trade and other receivables (excluding prepayments)	**23,219**	17,795	**4**	4
Finance lease receivables	**15,094**	18,195	**-**	-
Amounts due from related companies	**887**	823	**285**	180
Total	**46,791**	44,236	**5,310**	2,122
Financial liabilities at amortised cost:				
Trade and other payables	**20,980**	12,894	**158**	341
Amounts due to holding company and related companies	**7,086**	11,089	**1,369**	1,300
Borrowings	**20,707**	25,059	**-**	-
Total	**48,773**	49,042	**1,527**	1,641

11. Net assets value

	The Group		The Company	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025
Net assets value (US$'000)	**7,358**	4,063	**26,904**	23,539
Number of issued ordinary shares	**190,779,228**	169,774,355	**190,779,228**	169,774,355
Net assets value per ordinary share (US cents)	**3.86**	2.39	**14.10**	13.86

Net assets value per ordinary share as at 30 June 2026 and 31 December 2025 are calculated based on the net assets value attributable to the equity holders of the Company as at the end of the respective period.

12. Trade and other receivables

	The Group		The Company	
	30 June 2026 US$'000	31 December 2025 US$'000	**30 June 2026 US$'000**	31 December 2025 US$'000
Trade receivables	**21,074**	15,548	**-**	-
Loss allowance	**(205)**	(185)	**-**	-
Net trade receivables	**20,869**	15,363	**-**	-
Other receivables	**1,536**	2,353	**4**	4
Deposits	**786**	79	**-**	-
Prepayments	**378**	475	**35**	20
Derivative financial instruments	**28**	-	**-**	-
Net other receivables	**2,728**	2,907	**39**	24
Total	**23,597**	18,270	**39**	24

The Group has an unconditional right to consideration in exchange for goods or services that it has transferred to its customers. Accordingly, the Group has no contract asset as defined in SFRS(I) 15 and records of the amounts of consideration as trade receivables for its sales arrangements with the customers.

The Group generally grants a credit period that ranges from 7 to 90 days to its customers. Trade receivables are recognised initially at the amounts of consideration that are unconditional unless they contain significant financing components, of which they will be recognised at fair value. Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit exposure to an individual counterparty is restricted by credit limit that is approved by the management based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective head of operation, and finance department and at the Group level by the holding company's corporate finance and management team.

The Group purchased credit insurance to reduce credit risk from extension of credit to certain customers.

13. Finance lease receivables

	The Group	
	30 June 2026 US$'000	31 December 2025 US$'000
Current	**6,562**	6,261
Non-current	**8,532**	11,934
Total	**15,094**	18,195

The Group sub-leases its leased data centre colocation space to a third party under a three-year non-cancellable lease arrangement which has no provision for any early termination options. The Group's exposure to residual value risk is not significant as the sub-lease is specifically assigned to the underlying colocation space and the key terms of the sub-lease agreement are substantially aligned with those of the lessor's head lease agreement. Lease payments are fixed and do not include any variable lease payments.

13. Finance lease receivables (continued)

As at the reporting date, the maturity of the finance lease receivables is as follows:

	The Group	
	30 June 2026 US$'000	31 December 2025 US$'000
Within one year	**7,787**	7,809
Between one to two years	**7,787**	7,809
Between two to three years	**1,297**	5,205
Total undiscounted lease payments	**16,871**	20,823
Less: unearned finance income	**(1,777)**	(2,628)
	15,094	18,195

There have not been any significant changes in the carrying amount of the finance lease receivables as at the reporting date.

The interest rate inherent in the leases is fixed at 10% per annum at the contract date for the entire lease term.

The loss allowance on finance lease receivables is measured based on lifetime expected credit loss. As at the reporting date, none of the finance lease receivables is past due or credit- impaired, and taking into account the subsequent repayment and future prospects of the industries in which the lessee operates, the Group considers that the expected credit loss allowance on the finance lease receivables to be insignificant.

14. Amounts due from related companies

	The Group		The Company	
	30 June 2026 US$'000	31 December 2025 US$'000	**30 June 2026 US$'000**	31 December 2025 US$'000
Amounts due from subsidiaries				
Non-trade	**-**	-	**285**	180
Amounts due from related companies				
Trade	**193**	129	**-**	-
Non-trade	**718**	718	**-**	-
	911	847	**-**	-
Loss allowance	**(24)**	(24)	**-**	-
	887	823	**-**	-
Total	**887**	823	**285**	180

The amounts due from subsidiaries are unsecured, interest bearing at 7.4% (31 December 2025: 7.4%) per annum and repayable on demand.

The trade amounts due from related companies are unsecured, interest-free with a credit term granted of 30 to 60 days.

The non-trade amounts due from related companies are unsecured, interest-free and repayable on demand.

15. Inventories

	The Group	
	30 June 2026 US$'000	31 December 2025 US$'000
Finished goods	**8,168**	8,040

During the financial period, the Group provided allowances for inventory obsolescence amounting to US$209,000 (30 June 2025: US$112,000).

16. Property, plant and equipment

	The Group		The Company	
	30 June 2026 US$'000	31 December 2025 US$'000	**30 June 2026 US$'000**	31 December 2025 US$'000
Property, plant and equipment	**46**	50	**2**	3
Right-of-use assets	**63**	125	**-**	-
	109	175	**2**	3

The Group's right-of-use assets arose from rental of office and warehouse.

Cash payments of US$6,000 (30 June 2025: US$31,000) were made to purchase property, plant and equipment.

17. Investment property

	The Group	
	30 June 2026 US$'000	31 December 2025 US$'000
Beginning of financial period	**123**	112
Currency translation differences	**-**	11
End of financial period	**123**	123

17.1 Valuation

Investment property is carried at fair value, determined annually by independent registered valuer based on market evidence of transaction prices for similar properties and in which certain values are adjusted for differences in key attributes such as property size, age and location under the comparison method. Changes in fair values are recognised in the consolidated statement of profit or loss.

18. Intangible assets

	The Group	
	30 June 2026 US$'000	31 December 2025 US$'000
Computer software license costs	**86**	**15**

During the financial period, the Group acquired computer software license costs amounting to US$75,000 (30 June 2025: US$20,000).

19. Trade and other payables

	The Group		The Company	
	30 June 2026 US$'000	31 December 2025 US$'000	**30 June 2026 US$'000**	31 December 2025 US$'000
Trade payables - Third parties	**14,802**	8,584	**-**	-
Other payables and accrued operating expenses	**6,178**	4,277	**158**	341
Derivative financial instruments	**-**	33	**-**	-
Total	**20,980**	12,894	**158**	341

20. Amounts due to holding company and related companies

	The Group		The Company	
	30 June 2026 US$'000	31 December 2025 US$'000	**30 June 2026 US$'000**	31 December 2025 US$'000
Amounts due to holding company				
Non-trade	**128**	45	**-**	-
Amount due to subsidiary				
Non-trade	**-**	-	**1,367**	1,299
Amounts due to related companies				
Trade	**6,454**	10,664	**-**	-
Non-trade	**504**	380	**2**	1
	6,958	11,044	**2**	1
Total	**7,086**	11,089	**1,369**	1,300

The non-trade amounts due to holding company, subsidiary and related companies are unsecured, interest-free and repayable on demand.

The trade amounts due to related companies are unsecured, interest-free with a credit term granted of 30 to 90 days.

21. Borrowings

	The Group	
	30 June 2026 US$'000	31 December 2025 US$'000
Amount repayable within one year or on demand:		
Secured		
Lease liabilities	**6,602**	6,381
Unsecured		
Bank borrowings	**5,695**	6,808
Lease liabilities	**66**	122
	12,363	13,311
Amount repayable after one year:		
Secured		
Lease liabilities	**8,344**	11,739
Unsecured		
Lease liabilities	**-**	9
	8,344	11,748
Total	**20,707**	25,059

21. Borrowings (continued)

21.1 Details of any collateral

Current bank borrowings of US$4,930,000 (31 December 2025: US$5,836,000) are supported by corporate guarantee provided by the holding company, Serial System Ltd and a bank's irrevocable standby letter of credit provided by Serial System Ltd. The remaining current bank borrowings of US$765,000 (31 December 2025: US$972,000) are supported only by corporate guarantee provided by Serial System Ltd.

Secured lease liabilities of US$14,946,000 (31 December 2025: US$18,120,000) in relation to the leasing of data centre colocation space from a third-party lessor, are secured by a bank's letter of guarantee which is pledged on a bank fixed deposit of the Company amounting to US$1,269,000 (31 December 2025: US$1,269,000).

21.2 Loan compliance

The Group regularly monitors its compliance with the covenants and is up to date with the scheduled repayments of the bank borrowings. As at 30 June 2026, the Group did not fully comply with the covenants entered with banks, which the banks have the right to call for immediate repayment of outstanding current bank borrowings of US$5,695,000 (31 December 2025: US$6,808,000). As at the date of this report, current bank borrowings of US$1,922,000 have been repaid and these banks have not called for any immediate repayment for the remaining amount of US$3,773,000. The Group's subsidiary has been servicing the repayments of the bank borrowings and its interests as and when they fall due and the utilization of the bank facilities continues as usual as at the date of this report.

22. Share capital and treasury shares

	Issued number of shares		Total share capital	
	Share capital	Treasury shares	Share capital	Treasury shares
The Group			**US$'000**	**US$'000**
2026				
At 1 January 2026	**169,774,355**	**1,212**	**14,794**	**-**
Issuance of ordinary shares pursuant to a share placement	**21,004,873**	**-**	**3,590**	**-**
At 30 June 2026	**190,779,228**	**1,212**	**18,384**	**-**
2025				
At 1 January 2025 and 31 December 2025	169,775,355	1,212	14,794	-
The Company				
2026				
At 1 January 2026	**169,774,355**	**1,212**	**26,797**	**(1)**
Issuance of ordinary shares pursuant to a share placement	**21,004,873**	**-**	**3,590**	**-**
At 30 June 2026	**190,779,228**	**1,212**	**30,387**	**(1)**
2025				
At 1 January 2025 and 31 December 2025	169,774,355	1,212	26,797	(1)

On 11 June 2026, the Company completed the issuance of 21,004,873 new ordinary shares pursuant to a share placement to UFCT Technology Co., Limited, a Hong Kong-incorporated company at an issue price of S$0.22 (equivalent to approximately US$0.17) per share, for an aggregate consideration of S$4,621,000 (equivalent to approximately US$3,621,000). Accordingly, UFCT Technology Co., Limited holds 11.01% equity interest in the Company upon completion of the share issuance.

There were no outstanding share options and subsidiary holdings as at 30 June 2026 and 31 December 2025.

There were no purchase, sale, transfer, disposal, cancellation and use of treasury shares and subsidiary holdings during the six months ended 30 June 2026.

23. Review

The condensed interim statements of financial position of Serial Achieva Limited and its subsidiaries as at 30 June 2026 and the condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six months period then ended and certain explanatory notes have not been audited or reviewed by the auditors.

24. Loss per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Half Year Ended	
	30 June 2026	30 June 2025
Based on the weighted average number of ordinary shares in issue (in US$); and	**(0.18) cent**	(0.26) cent
On a fully diluted basis (in US$)	**(0.18) cent**	(0.26) cent

Loss per ordinary share on existing issued share capital are computed based on the weighted average number of shares in issue during the six months ended 30 June 2026 of 171,979,286 (30 June 2025: 169,774,355).

Loss per ordinary share on a fully diluted basis are computed based on the weighted average number of shares in issue during the six months ended 30 June 2026 of 171,979,286 (30 June 2025: 169,774,355) after adjusting assumed conversion of all potential dilutive ordinary shares.

25. 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.

Condensed Interim Consolidated Statement of Profit or Loss

The Group recorded revenue of US$47.4 million for the six months ended 30 June 2026 ("1H2026"), representing a decrease of 5% from US$49.6 million for the corresponding period ended 30 June 2025 ("1H2025").

The decline in revenue was primarily attributable to lower sales from the Group's Malaysia and Thailand consumer and enterprise IT products distribution segments, which decreased by US$8.9 million and US$2.7 million, respectively. The weaker performance was mainly due to softer demand for desktop CPUs, VGA cards and motherboards, arising from product shortages and higher selling prices. The decline was substantially mitigated by US$9.4 million in sales of advance high-performance network switches ("AI products") during 1H2026.

Overall gross profit increased by US$0.3 million, or 18%, to US$2.0 million in 1H2026 from US$1.7 million in 1H2025. Consequently, the Group's gross profit margin improved to 4.2% from 3.4% in the corresponding period. The improvement was mainly attributable to higher profit margins achieved on selected products by the Group's Malaysia consumer and enterprise IT products distribution subsidiary.

Interest income increased significantly to US$0.9 million in 1H2026 from US$8,000 in 1H2025. The increase was mainly due to finance lease interest income arising from a three-year non-cancellable finance lease agreement entered into by the Group's Malaysia subsidiary in September 2025 for the sub-lease of data centre colocation space to a third party.

25. A review of the performance of the group (continued)

Condensed Interim Consolidated Statement of Profit or Loss (continued)

Other income decreased by US$0.5 million, or 71%, to US$0.2 million in 1H2026. The decrease was mainly due to lower supplier rebate income of US$0.1 million and US$Nil net foreign exchange gain in 1H2026 versus net foreign exchange gain of US$0.5 million in 1H2025. In 1H2026, the Group recorded net foreign exchange loss of US$0.6 million, included under other operating expenses. These decreases were partially offset by a fair value gain of US$0.1 million on derivative financial instruments recognised during 1H2026.

Distribution expenses decreased by US$0.1 million, or 9%, to US$1.0 million in 1H2026. The decrease was mainly due to lower freight and handling costs, as well as reduced advertising and promotional expenses, which were consistent with the lower level of sales recorded during the period.

Administrative expenses decreased by US$0.1 million, or 27%, to US$0.3 million in 1H2026. The decrease was mainly due to lower professional and statutory expenses incurred during the period.

Finance expenses increased by US$0.7 million or 327% to US$0.9 million in 1H2026. The increase was mainly due to interest expenses on lease liabilities of US$0.6 million arising from the data centre colocation space during the period.

Other operating expenses increased by US$0.5 million, or 55%, to US$1.5 million in 1H2026. The increase was mainly due to net foreign exchange loss of US$0.6 million, compared with net foreign exchange gain of US$0.5 million recognised under other operating income in 1H2025. The increase was partially offset by lower management fees charged during the period.

Net loss attributable to equity holders of the Company improved to US$0.3 million in 1H2026 from US$0.4 million in 1H2025.The improvement was primarily attributable to higher gross profit resulting from improved margins achieved by the Group's Malaysia consumer and enterprise IT products distribution subsidiary, together with profit contributions from the data centre colocation space sub-leasing business and sales of AI products during 1H2026. These improvements were substantially offset by foreign exchange losses incurred by the Group's Thailand consumer and enterprise IT products distribution subsidiary and higher allowances for inventory obsolescence recognised during the period.

Condensed Interim Statements of Financial Position

Trade and other receivables increased by US$5.4 million to US$23.6 million as at 30 June 2026. The increase was mainly attributable to trade receivables arising from the sales of AI products and the sub-leasing of data centre colocation space. Average trade receivables turnover days improved to 70 days in 1H2026 from 78 days for the financial year ended 31 December 2025 ("FY2025"), attributable to more efficient collection of trade receivables.

Finance lease receivables of US$6.6 million and US$8.5 million included in current assets and non-current assets respectively as at 30 June 2026 were related to a three-year non-cancellable finance lease agreement entered into in September 2025 for the sub-lease of data centre colocation space to a third party. The overall decrease of US$3.1 million compared with FY2025 was due to lease repayments received in accordance with the terms of the finance lease agreement.

Amounts due from related companies increased by US$0.06 million to US$0.9 million as at 30 June 2026. The marginal increase was due to higher outstanding trade balances with related companies.

Inventories increased marginally by US$0.1 million to US$8.2 million as at 30 June 2026. The increase was mainly attributable to higher inventories held by the Group's Malaysia consumer and enterprise IT products distribution subsidiary to support its business, partially offset by lower inventory holdings at the Group's Thailand consumer and enterprise IT products distribution subsidiary due to prudent inventory management. Average inventory turnover days improved to 33 days in 1H2026 from 39 days in FY2025.

25. A review of the performance of the group (continued)

Condensed Interim Statements of Financial Position (continued)

Trade and other payables increased by US$8.1 million to US$21.0 million as at 30 June 2026. Trade payables increased by US$6.2 million, mainly due to purchases of AI products, the data centre colocation space leasing business, and higher direct purchases by the Group's Thailand consumer and enterprise IT products distribution subsidiary. These were partially offset by lower trade payables at the Group's Malaysia consumer and enterprise IT products distribution subsidiary due to lower purchases during the period. Other payables increased by US$1.9 million, mainly due to higher balances of suppliers' marketing rebates recorded by the Group's Malaysia and Thailand consumer and enterprise IT products distribution subsidiaries. Average trade payable days improved to 47 days in 1H2026 from 59 days in FY2025.

Amounts due to holding company and related companies decreased by US$4.0 million to US$7.1 million as at 30 June 2026.The decrease was mainly due to increase in repayment of trade amounts due to related companies.

Borrowings, comprising current liabilities of US$12.4 million (FY2025: US$13.3 million) and non-current liabilities of US$8.3 million (FY2025: US$11.7 million) decreased by US$4.4 million to US$20.7 million as at 30 June 2026. The decrease was mainly due to repayments of the lease liabilities arising from the data centre colocation space and decrease in bank borrowings by the Group's Malaysia consumer and enterprise IT products distribution subsidiary.

As at 30 June 2026, the Group's net gearing ratio (excluding secured lease liabilities as the gearing risk would offset against finance lease receivables) was negative 0.08 points (31 December 2025: net gearing ratio 0.2 points). The net gearing ratio was derived as net debts (total borrowings minus cash and cash equivalents, excluding pledged bank fixed deposit of US$1.3 million) divided by total equity. The substantial decrease in net gearing ratio was mainly due to net cash proceeds of US$3.6 million from the share placement during 1H2026.

Condensed Interim Consolidated Statement of Cash Flows

Net cash from operating activities amounted to US$1.1 million in 1H2026 due to increase in trade and other payables of US$8.2 million, decrease in finance lease receivables of US$3.1 million and positive operating cash flow before working capital changes of US$0.4 million, substantially offset by increases in trade and other receivables of US$5.8 million, inventories of US$0.6 million and repayments to related companies of US$4.2 million.

Net cash generated from investing activities amounted to US$0.7 million in 1H2026 due to interest received of US$0.9 million, partially offset by payments for property, plant and equipment and computer software licence costs totalling US$0.08 million, and investment of US$0.05 million in a 49% joint venture, Achieva Vietson Co., Ltd.

Net cash used in financing activities amounted to US$1.8 million in 1H2026 due to net repayments of bank borrowings of US$1.1 million, payments of lease liabilities arising from the data centre colocation space of US$3.9 million, repayments of non-trade amounts to holding company and related companies totalling US$0.2 million and interest payments of US$0.2 million, substantially offset by net proceeds of US$3.6 million from the share placement.

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

No forecast or prospect statement was previously issued in respect of the current reporting period.

27. 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.

The Group will continue to strengthen its consumer and enterprise IT products distribution business in Malaysia and Thailand through disciplined inventory, pricing and working capital management. While the Group has yet to see a meaningful contribution from its 49% joint venture in Vietnam, it will actively work towards completing the onboarding of suppliers and accelerating business development.

At the same time, the Group will continue to grow and strengthen its AI infrastructure, cloud computing and data-centre capabilities as part of its strategy to diversify into higher-value and recurring-income segments. It will also explore opportunities arising from its strategic cooperation with UFCT Technology Co., Limited in AI, cloud computing, advanced storage, supply-chain synergies and regional business development.

The Group continues to operate in a highly competitive and low margin environment, with significant working capital requirements and exposure to foreign exchange volatility. Geopolitical tensions, trade restrictions and industry-wide component shortages may also constrain product availability, affecting sales, project delivery timelines and margins. The Group will manage these challenges through disciplined execution, prudent financial management and selective regional expansion.

28. Dividend

a) Current Financial Period Reported On

Any dividend declared (recommended) for the current financial period reported on?

No.

b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

c) Date payable

Not applicable.

d) Books closure date

Not applicable.

29. If no dividend has been declared/recommended, a statement to that effect.

No interim dividend has been declared or recommended for the current financial period reported as the Group and Company incurred losses and have accumulated losses as at 30 June 2026.

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

The Group has obtained a renewal of the general mandate for IPT from Shareholders at the Company's annual general meeting on 29 April 2026.

Name of interested person	Nature of relationship	Aggregate value of all IPTs during 1H2026 (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules) **S$'000**	Aggregate value of all IPTs during 1H2026 conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S$100,000) **S$'000**
Serial System Ltd (2)	Holding company	-	**155**
Serial I-Tech (Far East) Pte. Ltd. (1) & (3)	Related company	-	**9,059**
Serial Microelectronics Pte. Ltd. (1) , (4) & (5)	Related company	-	**7,918**
SerialTec (Japan) Co. Ltd., (1) & (5)	Related company	-	**144**

Notes:
(1) Wholly-owned subsidiaries of Serial System Ltd.
(2) It represents management fees.
(3) It represents management fees and purchases of goods.
(4) It represents purchases of goods.
(5) It represents sales of goods.

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

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

32. Additional information required pursuant to Rules 706A.

(a) On 27 February 2026, the Company completed the incorporation of a joint venture, Achieva Vietson Co., Ltd., in which it holds a 49% equity interest, for a total cash consideration of US$49,000.

(b) On 11 March 2026, the Company entered into a subscription agreement with UFCT Technology Co., Limited, a Hong Kong-incorporated company, for the subscription of 21,004,873 new ordinary shares in the capital of the Company at an issue price of S$0.22 (equivalent to approximately US$0.17) per share, for an aggregate consideration of S$4,621,000 (equivalent to approximately US$3,621,000). The issuance and allotment of new ordinary shares was completed on 11 June 2026.To date, UFCT Technology Co., Limited holds 11.01% equity interest in the Company.

(c) At an Extraordinary General Meeting held on 3 July 2026, the shareholders of the Company approved the proposed re-domiciliation of the Company from Labuan, Malaysia to Singapore, the adoption of a new constitution and a new share issue mandate. The re-domiciliation process is currently in progress.

(d) On 10 August 2026, the Company's wholly-owned subsidiary, Achieva Cloud Services Pte. Ltd., incorporated a wholly-owned Malaysia subsidiary, Achieva Cloud Alpha Sdn. Bhd., with an issued and paid-up share capital of MYR 2.00 (USD 0.49). Achieva Cloud Alpha Sdn. Bhd. is principally engaged in the leasing and sub-leasing of colocation services, comprising rental of data centre space, provision of power supply, and related infrastructure for customers to host their IT equipment.

33. Update on the use of Compliance Placement net proceeds and Share Placement net proceeds

The Company has raised net proceeds of approximately S$1.85 million (net of listing expenses of approximately S$0.65 million) from the compliance placement which was completed on 25 June 2024 (the "Compliance Placement Net Proceeds"). In addition, the Company has raised net proceeds of approximately S$4.6 million from the share placement, pursuant to the subscription agreement with UFCT Technology Co., Limited, which was completed on 11 June 2026 (the "Share Placement Net Proceeds").

As at the date of this report, the status of the utilization of the Compliance Placement Net Proceeds and the Share Placement Net Proceeds, in accordance with the intended uses, is set out below:

a) Compliance Placement Net Proceeds

Intended use of proceeds	Amount Allocated **S$'000**	Cumulative amount utilised as at the date of report **S$'000**	Balance **S$'000**
Business expansion within ASEAN	**1,000**	**925**	**75**
Upgrading business operations capabilities	**100**	**-**	**100**
Working capital [(1)]	**750**	**750**	**-**
Listing expenses	**650**	**650**	**-**
Total	**2,500**	**2,325**	**175**

Note:
[(1)] Working capital of S$750,000 comprised payments for personnel costs of S$452,000 and professional fees of S$298,000.

b) Share Placement Net Proceeds

Intended use of proceeds	Amount Allocated **S$'000**	Cumulative amount utilised as at the date of report **S$'000**	Balance **S$'000**
Working capital [(2)]	**2,760**	**1,581**	**1,179**
Repayment of loans	**1,840**	**-**	**1,840**
Total	**4,600**	**1,581**	**3,019**

Note:
[(2)] Working capital of S$1,581,000 comprised payments for inter-company trade payables for purchase of inventories of S$1,290,000, personnel costs of S$103,000, and professional fees of S$188,000.

The Company will make periodic announcements on the utilization of the Compliance Placement Net Proceeds and the Share Placement Net Proceeds as and when such proceeds are materially disbursed, or utilised and will disclose whether such use is in accordance with the stated use of proceeds. A status report will also be provided in the Company's annual report and in its half-yearly and full-year financial results statements until such time as the respective Compliance Placement Net Proceeds and the Share Placement Net Proceeds have been fully utilised.

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

The Board of Directors of the Company confirms to the best of their knowledge that nothing has come to their attention which may render the unaudited half year interim financial results for the period ended 30 June 2026 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Victoria Goh Si Hui
Executive Director and Chief Executive Officer
13 August 2026