ISOTEAM

ISOTEAM LTD.
(Company Registration No. 201230294M)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 30 JUNE 2026

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Group			Group		
		Six Months Ended			Twelve Months Ended		
	Note	30.06.26	30.06.25	Change	30.06.26	30.06.25	Change
		$'000	$'000	%	$'000	$'000	%
Income Statement							
Revenue	3	52,690	53,814	(2.1)	105,748	119,208	(11.3)
Cost of sales		(43,205)	(44,572)	(3.1)	(86,392)	(100,102)	(13.7)
Gross profit		9,485	9,242	2.6	19,356	19,106	1.3
Other income	4	1,599	3,284	(51.3)	2,001	3,720	(46.2)
Marketing and distribution expenses		(427)	(445)	(4.0)	(827)	(839)	(1.4)
General and administrative expenses		(6,044)	(6,587)	(8.2)	(11,417)	(12,398)	(7.9)
Finance costs	5	(1,349)	(1,025)	31.6	(2,513)	(2,218)	13.3
Impairment loss on receivables and contract assets		(69)	(105)	(34.3)	(69)	(105)	(34.3)
Other operating expenses		(787)	(21)	N/M	(807)	(601)	34.3
Profit before tax	6	**2,408**	**4,343**	(44.6)	**5,724**	**6,665**	(14.1)
Tax expense	7	(842)	(1,097)	(23.2)	(895)	(1,108)	(19.2)
Profit and total comprehensive income for the period/year		**1,566**	**3,246**	(51.8)	**4,829**	**5,557**	(13.1)
Profit/(loss) and total comprehensive income/(loss) attributable to:							
Equity holders of the Company		1,639	3,212	(49.0)	4,903	5,132	(4.5)
Non-controlling interests		(73)	34	N/M	(74)	425	N/M
		1,566	**3,246**	(51.8)	**4,829**	**5,557**	(13.1)

"N/M" denotes Not Meaningful

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 30.06.26	As at 30.06.25	As at 30.06.26	As at 30.06.25
		$'000	$'000	$'000	$'000
Assets					
Non-current assets					
Property, plant and equipment	10	17,472	17,727	-	-
Goodwill	11	1,662	1,662	-	-
Intangible assets		52	79	-	-
Investment in subsidiaries	12	-	-	41,728	39,450
Other investments	13	7,353	7,353	7,353	7,353
Deferred tax assets		800	800	-	-
Total non-current assets		27,339	27,621	49,081	46,803
Current assets					
Contract assets		48,161	41,370	-	-
Inventories		17	-	-	-
Other investments	13	500	-	500	-
Trade and other receivables		34,450	34,479	20,913	21,499
Cash and bank balances		18,957	17,205	5,210	1,605
Total current assets		102,085	93,054	26,623	23,104
Total assets		**129,424**	**120,675**	**75,704**	**69,907**
Liabilities					
Non-current liabilities					
Lease liabilities	14	2,542	2,387	-	-
Deferred tax liabilities		105	105	4	4
Derivative financial instruments	15	462	-	462	-
Borrowings	14	9,762	7,676	2,653	442
Total non-current liabilities		12,871	10,168	3,119	446
Current liabilities					
Contract liabilities		831	675	-	-
Borrowings	14	29,397	36,574	9,452	15,002
Trade and other payables		24,202	22,858	10,227	7,489
Lease liabilities	14	631	593	-	-
Provision for taxation		1,395	1,381	-	-
Total current liabilities		56,456	62,081	19,679	22,491
Total liabilities		**69,327**	**72,249**	**22,798**	**22,937**
Net assets		**60,097**	**48,426**	**52,906**	**46,970**

B. **CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT'D)**

	Note	Group		Company	
		As at 30.06.26	As at 30.06.25	As at 30.06.26	As at 30.06.25
		$'000	$'000	$'000	$'000
Share capital and reserves					
Share capital	16	42,266	35,027	42,266	35,027
Treasury shares	17	(152)	(152)	(152)	(152)
Accumulated profits		24,797	20,529	10,587	12,079
Foreign currency translation reserve		30	30	-	-
Merger reserve		(7,305)	(7,305)	-	-
Other reserves		486	(91)	205	16
Equity attributable to equity holders of the Company		60,122	48,038	52,906	46,970
Non-controlling interests		(25)	388	-	-
Total equity		**60,097**	**48,426**	**52,906**	**46,970**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

The Group	Share capital $'000	Treasury shares $'000	Merger reserve $'000	Foreign currency translation reserve $'000	Other reserves $'000	Accumulated (losses)/profits $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
	Attributable to equity holders of the Company								
Balance at 1 July 2024	**54,321**	**(152)**	**(7,305)**	**30**	**62**	**(4,044)**	**42,912**	**(37)**	**42,875**
Profit for the year	-	-	-	-	-	5,132	5,132	425	5,557
Contribution by and distributions to equity holders									
Cancellation of share capital	(20,000)	-	-	-	-	20,000	-	-	-
Dividend paid	-	-	-	-	-	(558)	(558)	-	(558)
Equity-settled share-based payment vested	705	-	-	-	(705)	-	-	-	-
Equity-settled share-based payment exercised	-	-	-	-	552	-	552	-	552
Transaction costs related to issue of ordinary shares	1	-	-	-	-	(1)	-	-	-
Total transaction with equity holders of the Company	(19,294)	-	-	-	(153)	19,441	(6)	-	(6)
At 30 June 2025	**35,027**	**(152)**	**(7,305)**	**30**	**(91)**	**20,529**	**48,038**	**388**	**48,426**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

The Group	Attributable to equity holders of the Company								
	Share capital $'000	Treasury shares $'000	Merger reserve $'000	Foreign currency translation reserve $'000	Other reserves $'000	Accumulated profits $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 July 2025	**35,027**	**(152)**	**(7,305)**	**30**	**(91)**	**20,529**	**48,038**	**388**	**48,426**
Profit for the year	-	-	-	-	-	4,903	4,903	(74)	4,829
Contribution by and distributions to equity holders									
Placement of shares	7,001	-	-	-	-	-	7,001	-	7,001
Share issue expenses	(349)	-	-	-	-	-	(349)	-	(349)
Dividend paid	-	-	-	-	-	(635)	(635)	-	(635)
Acquisition of NCI	-	-	-	-	388	-	388	(388)	-
Equity-settled share-based payment vested	-	-	-	-	189	-	189	-	189
Equity-settled share-based payment exercised	587	-	-	-	-	-	587	-	587
Capital contributions from non-controlling interests	-	-	-	-	-	-	-	49	49
Total transaction with equity holders of the Company	7,239	-	-	-	577	(635)	7,181	(339)	6,842
At 30 June 2026	**42,266**	**(152)**	**(7,305)**	**30**	**486**	**24,797**	**60,122**	**(25)**	**60,097**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

The Company	Share capital $'000	Treasury shares $'000	Other reserves $'000	Accumulated (losses)/profits $'000	Total equity $'000
Balance at 30 June 2024 and 1 July 2024	**54,321**	**(152)**	**169**	**(9,648)**	**44,690**
Profit and total comprehensive income for the year	-	-	-	2,285	2,285
Contribution by and distributions to equity holders					
Transaction costs related to issue of share capital	1	-	-	-	1
Equity-settled share-based payment	-	-	552	-	552
Cancellation of share capital	(20,000)			20,000	-
Equity-settled share-based payment exercised	705	-	(705)	-	-
Dividend paid	-	-	-	(558)	(558)
	(19,295)	-	(153)	19,442	(6)
Total transactions with equity holders of the Company	(19,295)	-	(153)	19,442	(6)
Balance at 30 June 2025	**35,027**	**(152)**	**16**	**12,079**	**46,970**
Balance at 30 June 2025 and 1 July 2025	**35,027**	**(152)**	**16**	**12,079**	**46,970**
Loss and total comprehensive loss for the year	-	-	-	(857)	(857)
Contribution by and distributions to equity holders					
Placement of shares	7,001	-	-	-	7,001
Share issuance expenses	(349)	-	-	-	(349)
Equity-settled share-based payment vested	-	-	189	-	189
Equity-settled share-based payment exercised	587	-	-	-	587
Dividend paid	-	-	-	(635)	(635)
	7,239	-	189	(635)	6,793
Total transactions with equity holders of the Company	7,239	-	189	(635)	6,793
Balance at 30 June 2026	**42,266**	**(152)**	**205**	**10,587**	**52,906**

D. **CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	Group	
	Twelve Months Ended	
	30.06.26	**30.06.25**
	$'000	**$'000**
Cash flows from operating activities		
Profit before income tax	5,724	6,665
Adjustments for: -		
Amortisation of intangible assets	31	49
Depreciation of property, plant and equipment	2,144	2,917
Loss/(gain) on disposal of property, plant and equipment (net)	40	(33)
Impairment loss on receivables and contract assets	65	105
Interest income	(75)	(45)
Interest expense	2,259	1,928
Bad debts written off	4	-
Bad debts recovered	(565)	(42)
Equity-settled share-based payments	776	552
Fair value gain on other investments	-	(2,678)
Fair value gain on derivative financial instruments	(678)	-
Operating profit before working capital changes	**9,725**	**9,418**
Contract assets	(6,791)	867
Contract liabilities	156	(960)
Inventories	(17)	-
Trade and other receivables	574	(6,652)
Trade and other payables	1,315	(2,575)
Cash generated from operations	**4,962**	**98**
Interest received	75	45
Tax paid	(881)	-
Net cash generated from operating activities	**4,156**	**143**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	Group	
	Twelve Months Ended	
	30.06.26	30.06.25
	$'000	$'000
Cash flows from investing activities		
Purchases of property, plant and equipment	(1,005)	(320)
Additions to intangible assets	(4)	-
Proceeds from disposal of property, plant and equipment	9	106
Placement of other investments	(500)	-
Net cash used in investing activities	**(1,500)**	**(214)**
Cash flows from financing activities		
Proceeds from issue of convertible bonds	3,000	-
Proceeds from issue of ordinary shares	7,001	-
Share issue expense	(349)	-
Withdrawal/(placement) of fixed deposits pledged to banks	842	(3)
Placement of restricted cash collateral	(375)	-
Dividend paid	(635)	(558)
Drawdown of bank borrowings	56,882	71,008
Repayment of bank borrowings	(64,112)	(60,777)
Interest paid	(1,980)	(1,890)
Repayment of lease liabilities	(711)	(1,254)
Net cash (used in)/generated from financing activities	**(437)**	**6,526**
Net increase in cash and cash equivalents	**2,219**	**6,455**
Cash and cash equivalents at beginning of financial year	14,031	7,576
Cash and cash equivalents at end of financial year	**16,250**	**14,031**

Notes to the Consolidated Statement of Cash Flows

Cash and cash equivalents included in the consolidated statement of cash flows consist of the following: -

	Group	
	Twelve Months Ended	
	30.06.26	30.06.25
	$'000	$'000
Cash in hand and at bank	15,248	14,031
Fixed deposits	3,334	3,174
Cash collateral	375	-
	18,957	**17,205**
Less: Fixed deposits pledged	(2,332)	(3,174)
Less: Restricted cash collateral	(375)	-
	16,250	**14,031**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

The Company (Co. Reg. No. 201230294M) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is at No. 8 Changi North Street 1, Singapore 498829.

The principal activities of the Group are provision of repair and redecoration services, addition and alteration services, provision of coating and painting services and others including revenue from home retrofitting business, landscaping works, interior designs, mechanical & electrical engineering works, renewable solutions works, vector control services and handyman services.

2. Basis of preparation

The condensed interim financial statements for the six months and full year ended 30 June 2026 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 interim financial statements for the period ended 31 December 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar ("$") which is the Company's functional currency and all values are rounded to the nearest thousand ("$'000") as indicated.

2.1. New and amended standard adopted by the Group

A number of amendments to SFRS(I)s have become applicable for the current reporting period/year which does not have significant impact to the Group.

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.

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 included in the following note:

(i) Note 11: Impairment testing of goodwill – Key assumptions underlying recoverable amounts

(ii) Note 12: Impairment testing of investment in subsidiaries – Key assumptions underlying recoverable amounts

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

(iii) Fair value of financial assets not quoted in an active market

As disclosed in Note 13, other investments are relatively illiquid with no public market. Management valued the investments in Greater Heights Sub-Fund based on the Group's share of the fair value of the underlying net assets of portfolio companies invested as per the quarterly report issued by the Variable Capital Company ("VCC")'s professional fund manager based on the income approach method.

Because of the inherent uncertainty of the valuation, management's estimate of fair values which are derived from the reported proportionate share of the fair value of the underlying net assets of the portfolio companies, may differ significantly from the values that would have been used had a ready market existed for the investment.

(iv) Construction contracts

The Group recognises contract revenue over time by reference to the stage of completion of the contract work. The stage of completion is determined by reference to the contract costs incurred to-date relative to the estimated total contract costs for the contract.

Significant assumptions are used to estimate the total contract revenue (including variation of claims) and total contract costs (including estimated costs to complete), at the inception of the contract and at the end of each reporting period and the determination of the stage of completion. In making these estimates, management devised a robust process for budgeting contract costs and also relied on past experience and technical knowledge of the contract team. The contract teams monitor contract costs incurred closely and ensure that any project cost overruns, provision for onerous contract, liquidated damages and rectification cost are accounted for appropriately in the financial statements.

The carrying amounts of the contract assets and liabilities arising at the end of each reporting period are $48,161,000 and $831,000 as at 30 June 2026 (30 June 2025: $41,370,000 and $675,000).

(v) Valuation of Convertible bonds

Management has determined that the bonds issued by the Company are hybrid financial instruments with a derivative financial instrument component, in accordance with SFRS(I) 9 Financial Instruments.

Significant judgements and estimates from management are involved in estimating the fair value of the derivative financial instrument arising from the issuance of the convertible bonds by the Company. Key assumptions, including but not limited to, the discount rate used and the probability of certain terms and conditions being exercised were considered during the fair value measurement of the derivative financial instruments issued by the Company.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

3. Segment and revenue information

The Group is organised into the following main business segments:

- Segment 1: Repairs & Redecoration ("R&R")
- Segment 2: Addition & Alteration ("A&A")
- Segment 3: Coating & Painting ("C&P")
- Segment 4: Others included revenue from home retrofitting business, landscaping works, interior design, mechanical & electrical engineering works, renewable solutions works, vector control services and handyman services.

These operating segments are a component of the Group that engages in business activities from which it may earn revenues and incurs expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

3.1. Operating segments

1 January 2026 to 30 June 2026	R&R $'000	A&A $'000	C&P $'000	Others $'000	Total $'000
Segment revenue	11,348	25,237	7,243	8,862	**52,690**
Segment profit/(loss)	1,793	4,982	(385)	(1,744)	**4,646**
Depreciation and amortisation					(1,104)
Other non-cash income					164
Interest income					51
Finance costs					(1,349)
Profit before tax					**2,408**
Segment assets	16,345	38,500	12,614	27,103	94,562
Unallocated assets					34,862
Total assets					**129,424**
Segment liabilities	2,059	100	4,060	14,450	20,669
Unallocated liabilities					48,658
Total liabilities					**69,327**

1 January 2025 to 30 June 2025	R&R $'000	A&A $'000	C&P $'000	Others $'000	Total $'000
Segment revenue	9,935	26,261	7,368	10,250	**53,814**
Segment profit/(loss)	(282)	3,941	(389)	752	**4,022**
Depreciation and amortisation					(1,227)
Other non-cash income					2,584
Interest income					(11)
Finance costs					(1,025)
Profit before tax					**4,343**
Segment assets	16,658	33,871	12,678	18,738	81,945
Unallocated assets					38,730
Total assets					**120,675**
Segment liabilities	3,145	191	4,525	18,644	26,505
Unallocated liabilities					45,744
Total liabilities					**72,249**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

3.1. Operating segments (cont'd)

1 July 2025 to 30 June 2026	**R&R $'000**	**A&A $'000**	**C&P $'000**	**Others $'000**	**Total $'000**
Segment revenue	23,432	46,646	13,673	21,997	**105,748**
Segment profit	2,997	4,574	1,114	1,195	**9,880**
Depreciation and amortisation					(2,175)
Other non-cash income					457
Interest income					75
Finance costs					(2,513)
Profit before tax					**5,724**
Segment assets	16,345	38,500	12,614	27,103	94,562
Unallocated assets					34,862
Total assets					**129,424**
Segment liabilities	2,059	100	4,060	14,450	20,669
Unallocated liabilities					48,658
Total liabilities					**69,327**

1 July 2024 to 30 June 2025	**R&R $'000**	**A&A $'000**	**C&P $'000**	**Others $'000**	**Total $'000**
Segment revenue	28,779	56,526	14,876	19,027	**119,208**
Segment profit	3,504	4,187	1,013	987	**9,691**
Depreciation and amortisation					(2,966)
Other non-cash income					2,113
Interest income					45
Finance costs					(2,218)
Profit before tax					**6,665**
Segment assets	16,658	33,871	12,678	18,738	81,945
Unallocated assets					38,730
Total assets					**120,675**
Segment liabilities	3,145	191	4,525	18,644	26,505
Unallocated liabilities					45,744
Total liabilities					**72,249**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

3.2. Disaggregation of revenue

	The Group 6 months ended 30 June 2026				
	R&R	**A&A**	**C&P**	**Others**	**Total**
1 January 2026 to 30 June 2026	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Types of goods or service:					
Revenue from contracts	11,348	24,606	7,243	8,588	51,785
Revenue from other services	-	631	-	274	905
Total revenue	11,348	25,237	7,243	8,862	52,690
Timing of revenue recognition:					
At a point in time	-	631	-	-	631
Over time	11,348	24,606	7,243	8,862	52,059
Total revenue	**11,348**	**25,237**	**7,243**	**8,862**	**52,690**

	The Group 6 months ended 30 June 2025				
	R&R	**A&A**	**C&P**	**Others**	**Total**
1 January 2025 to 30 June 2025	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Types of goods or service:					
Revenue from contracts	9,935	26,261	7,368	9,908	53,472
Revenue from other services	-	-	-	342	342
Total revenue	9,935	26,261	7,368	10,250	53,814
Timing of revenue recognition:					
At a point in time	-	1,173	-	-	1,173
Over time	9,935	25,088	7,368	10,250	52,641
Total revenue	**9,935**	**26,261**	**7,368**	**10,250**	**53,814**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

3.2. Disaggregation of revenue (cont'd)

	The Group 12 months ended 30 June 2026				
	R&R	**A&A**	**C&P**	**Others**	**Total**
1 July 2025 to 30 June 2026	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Types of goods or service:					
Revenue from contracts	23,432	44,925	13,673	21,293	103,323
Revenue from other services	-	1,721	-	704	2,425
Total revenue	23,432	46,646	13,673	21,997	105,748
Timing of revenue recognition:					
At a point in time	-	1,721	-	-	1,721
Over time	23,432	44,925	13,673	21,997	104,027
Total revenue	**23,432**	**46,646**	**13,673**	**21,997**	**105,748**

	The Group 12 months ended 30 June 2025				
	R&R	**A&A**	**C&P**	**Others**	**Total**
1 July 2024 to 30 June 2025	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Types of goods or service:					
Revenue from contracts	28,779	56,526	14,876	16,836	117,017
Revenue from other services	-	-	-	2,191	2,191
Total revenue	28,779	56,526	14,876	19,027	119,208
Timing of revenue recognition:					
At a point in time	-	2,533	-	-	2,533
Over time	28,779	53,993	14,876	19,027	116,675
Total revenue	**28,779**	**56,526**	**14,876**	**19,027**	**119,208**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4. Other Income

	The Group			
	6 months ended		12 months ended	
	30 June 2026 $'000	30 June 2025 $'000	30 June 2026 $'000	30 June 2025 $'000
Government grants	139	338	180	357
Gain on disposal of property, plant and equipment	4	2	6	52
Interest income	51	-	75	45
Administrative income	88	6	88	60
Foreign exchange gain	1	4	5	4
Bad debts recovered	565	-	565	42
Fair value gain on other investment	-	2,678	-	2,678
Fair value gain on derivative financial instrument	386	-	678	-
Dividend income	100	-	100	-
Others	265	256	304	482
	1,599	**3,284**	**2,001**	**3,720**

5. Finance costs

	The Group			
	6 months ended		12 months ended	
	30 June 2026 $'000	30 June 2025 $'000	30 June 2026 $'000	30 June 2025 $'000
Interest expenses	1,248	887	2,259	1,928
Bank charges	89	120	222	244
Factoring charges	12	18	32	46
	1,349	**1,025**	**2,513**	**2,218**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

6. Profit before tax

	The Group			
	6 months ended		12 months ended	
	30 June 2026 $'000	30 June 2025 $'000	30 June 2026 $'000	30 June 2025 $'000
Amortisation of intangible assets	11	21	31	49
Allowance for impairment on receivables and contract assets	65	105	65	105
Depreciation of property, plant and equipment	1,093	1,213	2,144	2,917
Equity-settled share-based payment	776	-	776	552
Loss/(gain) on disposal of plant and equipment (net)	22	(31)	40	(33)

7. Tax expense

	The Group			
	6 months ended		12 months ended	
	30 June 2026 $'000	30 June 2025 $'000	30 June 2026 $'000	30 June 2025 $'000
Tax expense attributable to profit is made up of:				
Current income tax:				
- Current year	698	960	698	960
- Under provision of taxation in prior years	144	137	197	137
Deferred tax:				
- Current year	-	-	-	11
	842	1,097	895	1,108

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

8. Earnings per share

The following reflects the profit attributable to the equity holders of the Company and the number of ordinary shares used in the earnings per share computation:

	The Group			
	6 months ended		12 months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Profit attributable to equity holders of the Company ($'000)	1,639	3,212	4,903	5,132
Weighted average number of ordinary shares Ordinary shares used in calculation of basic earnings per ordinary share	776,841,081	702,338,095	776,841,081	702,338,095
Potential convertible bonds to be exercised	32,873,000	-	32,873,000	-
Weighted average number of ordinary shares outstanding for diluted earnings per ordinary shares	809,714,081	702,338,095	809,714,081	702,338,095
Basic earnings per share (cents)	0.21	0.46	0.63	0.73
Diluted earnings per share (cents)	0.20	0.46	0.61	0.73

For the financial year ended 30 June 2026, the potential ordinary shares used to compute the "diluted earnings per share" included the issuance of convertible bonds to be exercised. For the financial year ended 30 June 2025, there are no potential ordinary shares dilution.

9. Net Asset Value

	The Group		The Company	
	As at		As at	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Net assets value ($'000) (Excluding Non-controlling interests)	60,122	48,038	52,906	46,970
Number of ordinary shares	800,484,000	707,241,862	800,484,000	707,241,862
Net assets value per ordinary share (cents)	7.51	6.79	6.61	6.64

10. Property, plant and equipment

During the 6 months and 12 months ended 30 June 2026, the Group acquired plant and equipment amounting to $952,000 and $1,956,000 respectively of which $12,000 and $107,000 respectively relates to the new leases of right-of-use assets which were not acquired by means of hire purchase. Cash payment of $582,000 and $898,000 respectively was made to purchase plant and equipment. The Group had disposed of plant and equipment amounting to $46,000 and $67,000 respectively. During the 12 months ended 30 June 2026, total sales proceeds from the disposal amounted to $27,000, of which $9,000 was received in cash and $18,000 represented a non-cash settlement against the purchase of plant and equipment.

11. Goodwill

	The Group As at	
	30 June 2026	**30 June 2025**
	$'000	**$'000**
Net carrying value	1,662	1,662

Impairment testing of goodwill

The recoverable amount of the cash generating unit ("CGU") has been determined based on value-in-use calculation using cash flow projections from financial budgets approved by management covering a five-year period.

As at 30 June 2026, the Group reviewed the key assumptions used in the value-in-use ("VIU") calculation as at 30 June 2025 impairment test and has made changes to the assumptions. No impairment loss was recognised as at 30 June 2026. Goodwill allocated to the respective CGU are as follows:

	The Group As at	
	30 June 2026	**30 June 2025**
Cash Generating Unit and principal activities		
	$'000	**$'000**
CGU 1 - Repair & redecoration and coatings & paintings	1,383	1,383
CGU 2 - Landscaping works	279	279
	1,662	**1,662**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

11. Goodwill (Cont'd)

Impairment testing of goodwill (Cont'd)

Key assumptions used in value-in-use calculations

The recoverable amounts for the above CGUs have been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering a 5-year period. These key inputs and assumptions were estimated by management based on prevailing economic and other conditions at the end of the reporting period. The key assumptions applied to the 5-year cash flow projections are as follows:

	CGU 1	CGU 2
2026		
Terminal value growth rate	2.50%	2.50%
Pre-tax discount rate	7.69%	7.33%
2025		
Terminal value growth rate	2.50%	2.50%
Pre-tax discount rate	8.63%	9.37%

Forecast revenue growth rate - Revenue is computed based on secured order book and potential contracts.

Terminal value growth rate - Cash flows beyond the five-year period are forecasted based on terminal growth rate of 2.5% which does not exceed the nominal GDP rates for the countries in which the CGU operates.

Pre-tax discount rate - Discount rates represent the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity.

Sensitivity to changes in assumptions

With regards to the assessment of value in use, management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying value of the CGU to materially exceed its recoverable amount.

12. Investment in subsidiaries

Impairment assessment of the Company's investment in subsidiaries

Determining whether investments in subsidiaries are impaired requires an estimate of the value-in-use ("VIU") of the subsidiaries. Estimating the VIU requires the Company to make an estimate of the future cash flows expected from the cash generating unit and appropriate discount rate in order to calculate the present value of these cash flows. The forecasts used to estimate the future cash flows are subject to the risks noted in the impairment assessments of the goodwill. Information about the assumptions and risk factors are disclosed in Note 11.

Based on the Company's assessment, the recoverable amounts assessed to be more than the carrying amounts of the cash generating units.

13. Other investments

	The Group As at	
	30 June 2026	**30 June 2025**
	$'000	**$'000**
Current		
Debt security - Financial assets at amortised cost	500	-
Non-current		
Unquoted equity shares - Financial assets at fair value through profit or loss	7,353	7,353
	7,853	**7,353**

Notes

a) The sub-fund will be managed by a fund manager appointed by the VCC during the investment period of 36 months (the "Term"). Upon expiry of the Term or the occurrence of certain events, the Company will redeem its investment in the sub-fund with the redemption price being the net proceeds from the liquidation or disposal of the investments in the sub-fund. Consequently, the Group measures the interests in the sub-fund at fair value through profit or loss.

The fair value of Greater Heights VCC Sub-Fund is determined by reference to quarterly reports issued by the VCC's professional fund manager based on the income approach method. This fair value measurement was categorised in Level 3 of the fair value hierarchy.

b) During the financial year, the Group has invested in debt security, with maturity dates on 9 February 2027.

The carrying amounts of other financial assets at amortised cost approximate their fair values (Level 2) due to short-term nature where the effect of discounting is immaterial.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

14. Borrowings & Lease liabilities

	The Group As at	
	30 June 2026	**30 June 2025**
	$'000	**$'000**
Amount repayable in one year or less, or on demand		
Term loans - secured	23,087	26,514
Lease liabilities - secured	631	593
Term loans - unsecured	1,250	3,600
Short-term securities loan - unsecured	5,060	6,460
Amount repayable after one year		
Term loans - secured	7,110	7,676
Lease liabilities - secured	2,542	2,387
Term loans - unsecured	520	-
Redeemable convertible bonds	2,132	-
	42,332	47,230

Notes

a) Borrowings amounting to $30.2 million are secured by:

i. charges over fixed deposits;
ii. mortgage over the Group's leasehold properties;
iii. first fixed charge over receivables arising from invoices financed directly or indirectly over the account in which the receivables are deposited; and
iv. corporate guarantee from the Company and a subsidiary;

b) Lease liabilities of the Group amounting to $3.2 million are secured by the rights to the leased equipment, machineries and motor vehicles.

c) The short-term securities loan is the issuance of tokenised short-term commercial papers on a regulated digital private market platform to fund the Group's working capital requirements.

d) On 19 September 2025, the Company had issued Convertible Bonds with an aggregate principal amount of $3.0 million to certain subscribers. The Convertible bonds are unsecured, bear interests of 4% per annum and are convertible into new ordinary shares of the Company (the "Conversion Shares") at any time during the three-year tenure at a conversion price of S$0.09126 per Conversion Share with a minimum conversion price should a bona fide offer be made under the Singapore Code on Take-overs and Mergers for all shares in the form of a mandatory offer, voluntary offer, scheme of arrangement, delisting and exit offer, and amalgamation (but not a partial offer) and such offer becomes unconditional and the offer price is below the current conversion price, the conversion price will be adjusted to the offer price but not lower than S$0.08126.

15. Derivative financial instruments

	The Group As at	
	30 June 2026	**30 June 2025**
	$'000	**$'000**
Current		
Redeemable convertible bonds	-	-
Non-current		
Redeemable convertible bonds	462	-
	462	**-**

The derivative financial instruments arise from the issuance of the Convertible Bonds issued by the Company, as disclosed in Note 14 to the financial statements. The fair value of the derivative financial instruments falls within Level 3 of the fair value hierarchy.

As at 30 June 2026, the fair value of embedded derivative was valued by an independent valuer. In estimating the fair value of the derivative liability component, market-observable data is used to the extent it is available. Where Level 1 inputs are not available, management establishes inputs that are appropriate to the circumstances. Measurement inputs include actual share price, expected volatility, implied credit spread and risk-free rate.

Information about the significant unobservable inputs used in Level 3 fair value measurement of the derivative financial instruments is disclosed in Note 19.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

16. Share capital

	Group and Company			
	30 June 2026		30 June 2025	
	Number of issued shares '000	Issued share capital $'000	Number of issued shares '000	Issued share capital $'000
At 1 July	708,437	35,027	698,762	54,321
Cancellation of share capital	-	-	-	(20,000)
Shares issuance	86,158	7,001	-	-
Shares issuance expenses	-	(349)	-	-
Transaction costs related to issue of share capital	-	-	-	1
Equity-settled share-based payment vested	-	-	9,675	705
Equity-settled share-based payment exercised	7,084	587	-	-
At 30 June	801,679	42,266	708,437	35,027

On 23 September 2025, the Company allotted and issued 86,158,138 Placement Shares to the placees. A portion of the proceeds from the Placement Shares has been utilised as disclosed in Note 14 of Appendix 7C.

Following the issuance of 1,084,000 and 6,000,000 shares under ISOTeam PSP on 2 January 2026 and 30 January 2026 respectively, the total number of issued shares (including treasury shares) has increased from 708,437,521 shares as at 30 June 2025 to 801,679,659 shares as at 30 June 2026.

As at 30 June 2026, there are convertible bonds as disclosed under Note 15. However, when as at 30 June 2025, the Company did not have any outstanding convertibles.

	Group and Company	
	30 June 2026	30 June 2025
	No. of shares '000	No. of shares '000
Total number of issued shares, including treasury shares	801,679	708,437
Treasury shares	(1,195)	(1,195)
Total number of issued shares, excluding treasury shares	**800,484**	**707,242**

There were no shares held by subsidiary holdings as at 30 June 2026 and 30 June 2025.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

17. Treasury shares

	Group and Company			
	2026		2025	
	Number of treasury shares '000	Value of shares $'000	Number of treasury shares '000	Value of Shares $'000
At 1 July and 30 June	1,195	152	1,195	152
Percentage (%) of treasury shares against total number of shares outstanding as at 30 June	0.2%		0.2%	

Treasury shares relate to ordinary shares of the Company that is held by the Company.

Accordingly, the Company has a total number of 1,195,659 treasury shares as at 30 June 2025 and as at 30 June 2026, there were no sales, transfers, cancellation and/or use of treasury shares during FY2026.

18. Related parties

18a. In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and the related parties at terms agreed between the parties:

	The Group			
	6 months ended		12 months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Group	$'000	$'000	$'000	$'000
With related parties				
Expenses				
Purchases	1,909	1,838	3,812	4,224
Company				
Loan	4,200	5,420	8,550	6,286
Repayment of loan	(9,653)	(100)	(10,358)	(700)
Income				
Management fee	(970)	(883)	(1,840)	(2,038)
Interest income	(2)	(16)	(26)	(32)
Expenses				
Recharge of expense	704	1,077	747	1,132

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

18. Related parties

18b. Compensation of key management personnel.

There was no replacement for the retirement of Contracts Director, Mr. Lim Kim Hock, Johnny pursuant to the end of his re-employment contract as announced by the Company dated 14 January 2026. There were no changes to the compensation scheme in FY2026.

19. Fair value hierarchy

The Group and Company classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

a) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

c) Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The financial assets at fair value through profit or loss was classified as Level 3. The fair value of the unquoted equity shares was determined by reference to the quarterly reports issued by the VCC's professional fund manager based on the income approach method. The measurement of fair value of the unquoted equity shares was performed by the Group's finance team, based on evidence obtained from the investee company to assess if the share issuance transaction price is supportable and the appropriate classification of the fair value level hierarchy measurement for this financial asset.

A higher share issuance transaction price will result in a higher fair value measurement.

Movements in Level 3 assets and liabilities measured at fair value

	Unquoted equity shares	
	2026	**2025**
	$'000	**$'000**
Balance at beginning of financial year	7,353	4,675
Fair value gain recognised in profit or loss	-	2,678
Balance at end of financial year	7,353	7,353

	Derivative financial instruments	
	2026	**2025**
	$'000	**$'000**
Balance at beginning of financial year	-	-
Issuance of convertible bonds	1,140	-
Fair value gain recognised in profit or loss	(678)	-
Balance at end of financial year	462	-

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

19. Fair value hierarchy (Cont'd)

Information about significant unobservable inputs used in Level 3 fair value measurement for financial liabilities, at FVPL

The following table shows the information about fair value measurement of financial liabilities, at FVPL using significant unobservable inputs (Level 3) as at 30 June 2026:

Financial instrument	**Valuation techniques**	**Unobservable inputs**	**30 June 2026**
Convertible Bonds	Tri-nominal model	Risk-free rate	1.58%
		Volatility rate	33.57%

Movements in Level 2 assets and liabilities measured at amortised cost

	Debt security	
	2026	**2025**
	$'000	**$'000**
Balance at beginning of financial year	-	-
Placement of debt security	500	-
Balance at end of financial year	500	-

20. Subsequent events

On 1 July 2026, the Company has incorporated two wholly-owned subsidiaries in Singapore known as ISOTeam EleD Engineering Pte. Ltd. ("**EleD**") and RIT Workforce and Resources Pte. Ltd. ("**RITWR**") with an issued and paid-up share capital of S$1 divided into 1 ordinary share and paid-up share capital of S$1,000 divided into 1,000 ordinary share respectively. The principal business of EleD is the provision of electrical engineering services. The principal business of RITWR is the provision of addition and alteration services and repair and redecoration services.

Other Information required pursuant to

Appendix 7C of the Catalist Rules

OTHER INFORMATION

1. The condensed interim consolidated statements of financial position of ISOTeam Ltd and its subsidiaries as at 30 June 2026 and the related condensed interim consolidated statement of comprehensive income, condensed interim consolidated statements of changes in equity and condensed interim consolidated statements of cash flows for the six-months period and full year ended 30 June 2026 and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

	Group						**Group**				
	Six Months Ended						**Twelve Months Ended**				
Revenue	**30.06.26**		**30.06.25**		**Change**		**30.06.26**		**30.06.25**		**Change**
	$'000	**%**	**$'000**	**%**	**%**		**$'000**	**%**	**$'000**	**%**	**%**
R&R	11,348	21.6	9,935	18.5	14.2		23,432	22.2	28,779	24.1	(18.6)
A&A	25,237	47.9	26,261	48.8	(3.9)		46,646	44.1	56,526	47.4	(17.5)
C&P	7,243	13.7	7,368	13.7	(1.7)		13,673	12.9	14,876	12.5	(8.1)
Others [a]	8,862	16.8	10,250	19.0	(13.5)		21,997	20.8	19,027	16.0	15.6
	52,690	**100.0**	**53,814**	**100.0**	(2.1)		**105,748**	**100.0**	**119,208**	**100.0**	(11.3)

[a] Others included revenue from home retrofitting business, landscaping works, interior design, mechanical & electrical engineering works, renewable solutions works, vector control services and handyman services.

Condensed Interim Consolidated Statement of Comprehensive income

Revenue

2HY2026 vs 2HY2025

The Group's revenue decreased by $1.1 million or 2.1% from $53.8 million in 2HY2025 to $52.7 million in 2HY2026. Revenue decrease was mainly due to lower revenue generated by A&A, C&P and the Others business segment, partially offset by the increase in revenue from R&R segment.

FY2026 vs FY2025

The Group's revenue decreased by $13.5 million or 11.3% from $119.2 million in FY2025 to $105.7 million in FY2026. Revenue decrease was mainly due to lower revenue generated by the core business segments (R&R, A&A and C&P), mainly due to the timing of revenue recognition, which is influenced by project commencement and completion. This was partially offset by an increase from the Others business segment, which saw more renewable solutions contracts completed and delivered.

Gross profit and gross profit margin

2HY2026 vs 2HY2025 and FY2026 vs FY2025

The Group's gross profit increased by $0.3 million from $9.2 million in 2HY2025 to $9.5 million in 2HY2026 and increased by $0.3 million from $19.1 million in FY2025 to $19.4 million in FY2026. This was because of reduced cost of sales due to savings from the conversion of part of the Group's headquarters into a workers' dormitory to house its own workers partially offset by energy-related costs due to geopolitical development in the Middle East.

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

Condensed Interim Consolidated Statement of Comprehensive income (Cont'd)

Other income

2HY2026 vs 2HY2025 and FY2026 vs FY2025

The Group's other income decreased by $1.7 million or 51.3% from $3.3 million in 2HY2025 to $1.6 million in 2HY2026 and decreased by $1.7 million or 46.2% from $3.7 million in FY2025 to $2.0 million in FY2026 mainly due to absence of one-off fair value gain on other investment in FY2025, partially offset by fair value gain on derivative financial instrument and bad debts recovered in FY2026.

Marketing and distribution expenses

2HY2026 vs 2HY2025 and FY2026 vs FY2025

There are no material changes to the marketing and distribution expenses.

General and administrative expenses

2HY2026 vs 2HY2025 and FY2026 vs FY2025

The Group's general and administrative expenses decreased by $0.6 million or 8.2% from $6.6 million in 2HY2025 to $6.0 million in 2HY2026 and decreased by $1.0 million or 7.9% from $12.4 million in FY2025 to $11.4 million in FY2026. The decrease was mainly attributable to the decrease in staff salaries & bonuses and professional fees.

Finance costs

2HY2026 vs 2HY2025 and FY2026 vs FY2025

The Group's finance costs increased by $0.3 million or 31.6% from $1.0 million in 2HY2025 to $1.3 million in 2HY2026 and increased by $0.3 million or 13.3% from $2.2 million in FY2025 to $2.5 million in FY2026. This was mainly due to the unwinding of interest expense on the host liability component of the convertible bonds issued in FY2026.

Impairment loss on receivables and contract assets

2HY2026 vs 2HY2025 and FY2026 vs FY2025

The Group's impairment loss on receivables and contract assets decreased by $0.1 million from $0.2 million in 2HY2025 and FY2025 to $0.1 million in 2HY2026 and FY2026. This was due to the decrease in credit risk and changes in market conditions that has affected the value of contract assets and receivables.

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

Condensed Interim Consolidated Statement of Comprehensive income (Cont'd)

Other operating expenses

2HY2026 vs 2HY2025 and FY2026 vs FY2025

The Group's other operating expenses increased by $0.7 million from $0.1 million in 2HY2025 to $0.8 million in 2HY2026 and increased by $0.2 million from $0.6 million in FY2025 to $0.8 million in FY2026. The increase was mainly due to equity-settled share-based compensation.

Profit before tax

2HY2026 vs 2HY2025 and FY2026 vs FY2025

As a result of the above, the Group recorded a profit before tax of $2.4 million in 2HY2026 compared to a profit before tax of $4.3 million in 2HY2025 and a profit before tax of $5.7 million in FY2026 compared to a profit before tax of $6.7 million in FY2025.

Tax expenses

2HY2026 vs 2HY2025 and FY2026 vs FY2025

The Group's tax expense decreased by $0.2 million from $1.1 million in 2HY2025 and FY2025 to tax expense of $0.9 million in 2HY2026 and FY2026 mainly due to lower profit before tax in 2HY2026 and FY2026.

Condensed Interim Statements of Financial Position

Non-current assets

There are no material changes to the non-current assets.

Current assets

The increase in current assets of $9.0 million or 9.7% from $93.1 million as at 30 June 2025 to $102.1 million as at 30 June 2026 was mainly due to an increase in cash and bank balances, contract assets and debt security.

Non-current liabilities

The increase in non-current liabilities of $2.7 million or 26.6% from $10.2 million as at 30 June 2025 to $12.9 million as at 30 June 2026 was mainly due to issuance of convertible bonds in FY2026.

Current liabilities

The decrease in current liabilities of $5.6 million or 9.1% from $62.1 million as at 30 June 2025 to $56.5 million as at 30 June 2026 was mainly due to repayment of borrowings.

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

Condensed Interim Consolidated Statement of Cash Flows

Net cash generated from operating activities

FY2026

Net cash generated from operating activities amounted to $4.2 million in FY2026, mainly due to operating profit before working capital changes. This was partially offset by the increase in contract assets and tax paid during the year, but mitigated by the decrease in trade and other receivables and increase in trade and other payables.

Net cash used in investing activities

FY2026

Net cash used in investing activities amounted to $1.5 million was mainly due to the purchases of property, plant and equipment and placement of debt security.

Net cash used in financing activities

FY2026

Net cash used in financing activities of $0.4 million in FY2026 was mainly due to drawn down of borrowings, proceeds from issuance of ordinary shares and convertible bonds, which were offset by repayment of borrowings, interest paid and repayment of lease liabilities.

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

Not applicable.

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

According to the latest statistics released by the Ministry of Trade and Industry on 11 August 2026[1], the construction sector grew 5.8% yoy in the second quarter, slower than the 12.9% growth in the preceding quarter. Growth during the quarter was supported by expansions in both public and private sector construction output. On a quarter-on quarter seasonally-adjusted basis, the sector contracted by 2.5 per cent, a reversal from the 7.4 per cent growth in the previous quarter. Meanwhile, the Building and Construction Authority ("**BCA**") has projected construction demand to range between S$47.0 billion and S$53.0 billion in 2026, similar to 2025[2]. Over the medium-term from 2027 to 2030, BCA expects the total construction demand to reach an average of between S$39.0 billion and S$46.0 billion per year.

As at 1 July 2026, the order book of the Group stands at $185.3 million. The Group will selectively tender for public and private sector projects, taking into consideration the prevailing market conditions including rising manpower and material costs. Accordingly, the Group continues to prioritise cash conservation and cost control.

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[1] *MTI press release: MTI Upgrades 2026 GDP Growth Forecast to "4.5 to 5.5 Per Cent"*

[2] *BCA press release: Steady Construction Demand in 2026*

5. **If a decision regarding dividend has been made:**

(a) **Whether an interim (final) ordinary dividend has been declared (recommended); and**

Yes.

(b)(i) **Amount per share in cents**

0.11 Singapore cents per ordinary share.

(b)(ii) **Previous corresponding period in cents**

Name of dividend:	**Ordinary (Final)**
Type of dividend:	**Cash**
Dividend per share	**0.08 Singapore cents per ordinary share**
Tax rate:	**Tax exempt (one-tier)**

(c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

A final tax exempt one-tier dividend of 0.11 Singapore cents per ordinary share has been recommended in respect of the financial year ended 30 June 2026.

(d) **The date the dividend is payable**

To be determined and announced at a later date.

(e) **The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

To be determined and announced at a later date.

6. **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

7. **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 Group has not obtained a general mandate from shareholders for IPTs pursuant to Rule 920(1)(a)(ii).

8. **Acquisition or sale of shares in subsidiaries and/or associated companies under Rule 706A**

There was no acquisition or sale of share in subsidiaries and/or associates companies that had taken place during the period of 1 January 2026 to 30 June 2026.

9. Segmented revenue and results for operating segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. In the review of performance, the factors, leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to Note 2 of this appendix.

10. A breakdown of sales.

	Group		
	30.06.26 $'000	**30.06.25 $'000**	**Change %**
Sales reported for first half year	53,058	65,394	(18.9)
Operating profit after tax before deducting non-controlling interest reported for first half year	3,263	2,311	41.2
Sales reported for second half year	52,690	53,814	(2.1)
Operating profit after tax before deducting non-controlling interest reported for second half year	1,566	3,246	(51.8)

"N/M" denotes Not Meaningful

11. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total annual dividend	**FY2026 $'000**	**FY2025 S'000**
Final tax-exempt dividend of 0.08 cents per ordinary share paid in respect of previous financial year ended 30 June 2025	635	558

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

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

13. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10), the Company confirms that there is no person occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

14. Use of Proceeds

On 11 September 2025, the Company announced that the Company has on 10 September 2025 entered into:

a) a Share Placement Agreement with SAC Capital Private Limited as sub-placement agent to procure subscriptions for an aggregate of up to 86,158,138 fully paid-up ordinary shares in the capital of the Company at an issue price of $0.08126 per Placement Share, amounting to an aggregate consideration of up to approximately $7,001,210.
b) a Convertible Bond Placement Agreement with Soochow Singapore Capital Markets (Asia) Pte. Ltd. as sub-placement agent, to procure subscribers to subscribe for unlisted convertible bonds in the aggregate principal amount of up to $3,000,000 due September 2028 by way of placement which may be converted into shares in the capital of the Company at a conversion price of $0.09126.

The Share Placement Agreement and Convertible Bond Placement Agreement were completed on 23 September 2025 and 19 September 2025 respectively. The Company has raised Net Proceeds of approximately $10.0 million from the Placement of New Shares and Convertible Bonds.

As at the date of this announcement, the Net Proceeds from the Placement of New Shares and Convertible Bonds has been utilised as follows:

	Net Proceeds	**Amount utilised**	**Balance**
	$'000	**$'000**	**$'000**
General working capital for the Company	3,860	(3,860)	-
Commercialisation of drones	3,861	-	3,861
Final development of drones	1,931	-	1,931
Total	**9,652**	**(3,860)**	**5,792**

Pending the deployment of the Net Proceeds for its intended use, the proceeds may be placed as deposits with financial institutions, or invested in short-term money market or debt instruments, or for any other purposes on a short-term basis as the Directors may deem fit in the interests of the Group. The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the stated use of proceeds and in accordance with the percentage allocated.

BY ORDER OF THE BOARD

David Ng Cheng Lian
Executive Chairman
26 August 2026

Anthony Koh Thong Huat
CEO

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange 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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