

EMERGING TOWNS & CITIES SINGAPORE LTD.
(Company Registration No. 198003839Z)

EMERGING TOWNS & CITIES SINGAPORE LTD. (Incorporated in the Republic of Singapore) (Company Registration No. 198003839Z)

Condensed Interim Financial Statements for the Second Quarter and Six Months ended 30 June 2026

Pursuant to Rule 705(2) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Company is required to announce its quarterly financial statements in view of the qualified opinion issued by the Company's auditor in the latest audited financial statements for the financial year ended 31 December 2025.

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

		Group			
	Note	2 nd Quarter Ended 30-June-26 Unaudited S\$'000	2 nd Quarter Ended 30-June-25 Unaudited S\$'000	Half-Year Ended 30-June-26 Unaudited S\$'000	Half-Year Ended 30-June-25 Unaudited S\$'000
Revenue	4	4,886	4,803	8,910	5,779
Other income	6	141	10	214	167
Changes in inventories		84	(185)	(162)	(30)
Purchases and related costs		(751)	(421)	(1,307)	(1,169)
Amortisation of intangible assets		-	-	(1)	(1)
Depreciation of property, plant and equipment		(159)	(99)	(341)	(231)
Depreciation of right-of-use assets		(267)	(252)	(584)	(495)
Staff costs		(1,671)	(1,545)	(3,995)	(3,409)
HJC management share option expense	16	(1,970)	-	(1,970)	-
Short-term lease expenses		(6)	(4)	(12)	(10)
Other operating expenses	7	(1,233)	(551)	(2,238)	(1,424)
Finance costs	8	(64)	(28)	(188)	(54)
Share of loss of associate	13	(40)	-	(59)	-
(Loss)/profit before taxation		(1,050)	1,728	(1,733)	(877)
Taxation	10	(59)	(164)	(112)	(172)
(Loss)/profit for the period		(1,109)	1,564	(1,845)	(1,049)
Other comprehensive income/(loss)					
Items that may be reclassified to profit or loss in subsequent periods (net of tax)					
Foreign currency translation gain/(loss) arising from consolidation of foreign currency		222	(174)	372	(204)
Total comprehensive (loss)/income the period		(887)	1,390	(1,473)	(1,253)
Loss)/profit attributable to:					
- Owners of the Company		(1,206)	1,377	(1,943)	(1,087)
- Non-controlling interests		97	187	98	38
		(1,109)	1,564	(1,845)	(1,049)
Total comprehensive (loss)/profit attributable to:					
- Owners of the Company		(1,002)	1,223	(1,603)	(1,270)
- Non-controlling interests		115	167	130	17
		(887)	1,390	(1,473)	(1,253)
(Loss)/profit per share attributable to owners of the Company (Singapore cents)					
- Basic	19	(0.09)	0.14	(0.14)	(0.11)
- Diluted	19	(0.09)	0.12	(0.14)	(0.11)

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30-June-26	31-Dec-25	30-June-26	31-Dec-25
		Unaudited	Audited	Unaudited	Audited
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-Current					
Plant and equipment	11	2,003	1,409	2	3
Right-of-use assets		4,090	3,870	-	-
Intangible assets		20	21	-	-
Subsidiaries	12	-	-	3,100	2,100
Associate	13	78	88	-	-
Finance lease receivables	14	316	417	-	-
Long-term deposits	15	149	104	-	-
		6,656	5,909	3,102	2,103
Current					
Finance lease receivables	14	468	370	-	-
Inventories		679	517	-	-
Trade and other receivables	15	1,631	1,401	823	1,076
Prepayments		1,541	844	13	12
Cash and bank balances		10,971	13,416	979	2,124
		15,290	16,548	1,815	3,212
Total assets		21,946	22,457	4,917	5,315
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	16	66,520	43,580	66,520	43,580
Reserves		(55,292)	(36,800)	(62,842)	(43,170)
Equity attributable to owners of the Company		11,228	6,780	3,678	410
Non-controlling interests		912	782	-	-
Total equity		12,140	7,562	3,678	410
LIABILITIES					
Non-Current					
Borrowings	17	57	4,040	-	3,977
Lease liabilities	18	3,244	2,971	-	-
		3,301	7,011	-	3,977
Current					
Borrowings	17	16	15	-	-
Lease liabilities	18	1,533	1,512	-	-
Trade and other payables		4,872	6,131	1,239	928
Current tax payable		84	226	-	-
		6,505	7,884	1,239	928
Total liabilities		9,806	14,895	1,239	4,905
Total equity and liabilities		21,946	22,457	4,917	5,315

C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Note	Group	
	Half-Year Ended 30-June-26 S\$'000	Half-Year Ended 30-June-25 S\$'000
Cash Flows from Operating Activities		
Loss before taxation	(1,733)	(877)
Adjustments for:		
Amortisation of intangible assets	1	1
HJC management share option expense	1,970	-
Depreciation of plant and equipment	341	231
Depreciation of right-of-use assets	584	495
Finance income on net investments in finance leases	(14)	(14)
Gain on disposal of subsidiaries	-	(149)
Gain on disposal of leases	(67)	-
Late settlement interest income	(43)	-
Loss on disposal of plant and equipment	44	-
Interest expense	188	54
Interest income	(14)	(4)
Share of loss of associate	59	-
Operating profit/(loss) before working capital changes	1,316	(263)
Inventories	(158)	(30)
Trade and other receivables	(1,283)	(700)
Trade and other payables	(1,186)	743
Cash used in operations	(1,311)	(250)
Income taxes paid	(260)	(254)
Interest received	14	4
Net cash used in operating activities	(1,557)	(500)
Cash Flows from Investing Activities		
Collection of receivable from disposal of subsidiary	300	-
Interest received	14	14
Investment in associate	(46)	-
Proceeds from finance lease receivables	46	-
Purchase of plant and equipment	(917)	(467)
Net cash used in investing activities	(603)	(453)
Cash Flows from Financing Activities		
Interest paid	(83)	-
Payment of lease liabilities	(532)	(425)
Repayment of bank loan	(10)	-
Net cash used in financing activities	(625)	(425)
Net decrease in cash and cash equivalents	(2,785)	(1,378)
Cash and cash equivalents at beginning of period	13,416	5,471
Effect of exchange rate fluctuations on cash and cash equivalents	340	(1)
Cash and cash equivalents at end of period	10,971	4,092

D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group

The Group	Share capital S\$'000	Capital reduction reserve S\$'000	Capital reserve S\$'000	Share option reserve S\$'000	Equity component of convertible loan and convertible bonds S\$'000	Exchange fluctuation reserve S\$'000	Statutory reserve S\$'000	Accumulated losses S\$'000	Equity attributable to owners of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance as at 1 January 2026	43,580	15,998	10,987	730	14,992	(20)	513	(80,000)	6,780	782	7,562
Total comprehensive income/(loss) for the period	-	-	-	-	-	340	-	(1,943)	(1,603)	130	(1,473)
Contributions by and distributions to owners											
HJC management share option	-	-	-	1,970	-	-	-	-	1,970	-	1,970
Interest incurred on convertible loan	-	-	-	-	67	-	-	(67)	-	-	-
Issue of new shares	22,940	-	(3,800)	-	(15,059)	-	-	-	4,081	-	4,081
	22,940	-	(3,800)	1,970	(14,992)	-	-	(67)	6,051	-	6,051
Transfer to statutory reserve	-	-	-	-	-	-	(2)	2	-	-	-
Balance at 30 June 2026	66,520	15,998	7,187	2,700	-	320	511	(82,008)	11,228	912	12,140

The Group	Share capital S\$'000	Capital reduction reserve S\$'000	Capital reserve S\$'000	Share option reserve S\$'000	Equity component of convertible loan S\$'000	Exchange fluctuation reserve S\$'000	Statutory reserve S\$'000	Accumulated losses S\$'000	Equity attributable to owners of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance as at 1 January 2025	43,580	15,998	10,987	730	14,150	12	134	(82,191)	3,400	460	3,860
Total comprehensive (loss)/income for the period	-	-	-	-	-	(183)	-	(1,087)	(1,270)	17	(1,253)
Contributions by and distributions to owners											
Interest incurred on convertible loan	-	-	-	-	83	-	-	(83)	-	-	-
Capital injection by non-controlling interest	-	-	-	-	-	-	-	-	-	43	43
	-	-	-	-	83	-	-	(83)	-	43	43
Transfer to statutory reserve	-	-	-	-	-	-	179	(179)	-	-	-
Balance at 30 June 2025	43,580	15,998	10,987	730	14,233	(171)	313	(83,540)	2,130	520	2,650

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

Company

The Company	Share capital	Capital reduction reserve	Capital reserve	Equity component of convertible loan and convertible bonds	Share option reserve	Accumulated losses	Total equity attributable to owners of the Company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2026	43,580	15,998	10,987	14,992	730	(85,877)	410
Total comprehensive loss for the period	-	-	-	-	-	(2,783)	(2,783)
Contributions by and distributions to owners							
HJC management share option	-	-	-	-	1,970	-	1,970
Interest incurred on convertible loan	-	-	-	67	-	(67)	-
Issue of new shares	22,940	-	(3,800)	(15,059)	-	-	4,081
	22,940	-	(3,800)	(14,992)	1,970	(67)	6,051
Balance at 30 June 2026	66,520	15,998	7,187	-	2,700	(88,727)	3,678

The Company	Share capital	Capital reduction reserve	Capital reserve	Equity component of convertible loan	Share option reserve	Accumulated losses	Total equity attributable to owners of the Company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2025	43,580	15,998	10,987	14,150	730	(84,171)	1,274
Interest incurred on convertible loan	-	-	-	83	-	(83)	-
Total comprehensive loss for the period	-	-	-	-	-	(586)	(586)
Balance at 30 June 2025	43,580	15,998	10,987	14,233	730	(84,840)	688

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Emerging Towns & Cities Singapore Ltd. (the “**Company**”) is incorporated as a limited company and domiciled in Singapore. The Company is listed on the Catalist of the Singapore Exchange Securities Trading Limited.

These condensed interim consolidated financial statements as at and for the second quarter and six months ended 30 June 2026 comprise the Company and its subsidiaries (the “**Group**”).

The principal activities of the Company are those relating to investment holding. The principal activities of the subsidiaries are:

- a) Investment holding; and
- b) E-commerce and retail business, including online and offline sales of consumer products.

2. Summary of significant accounting policies

2.1 Basis of Preparation

The condensed interim financial statements for the second quarter and six months ended 30 June 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting*. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2025 (“**FY2025**”).

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s. The Group has applied various new accounting standards and interpretations of accounting standards for the first time for the financial period beginning on 1 January 2026. The application of these standards and interpretations did not have a material effect on the condensed interim financial statements.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

2.2 Going concern

For the financial period ended 30 June 2026, the Group generated a net loss of S\$1.8 million, including non-cash share-based payment expense of S\$2.0 million, and net cash used of \$1.6 million in operating activities, mainly due to changes in working capital. The directors are of the view that the going concern assumption remains appropriate for the preparation of the financial statements as the Group and the Company reported net current assets of S\$8.8 million and S\$0.6 million, respectively, as at 30 June 2026. In addition, the Group and the Company had net assets of S\$12.1 million and S\$3.7 million, respectively, as at 30 June 2026.

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, income and expenses. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates.

2 Summary of significant accounting policies (Cont'd)

2.3 Use of judgements and estimates (Cont'd)

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 were applied to the consolidated financial statements as at and for the year ended 31 December 2025.

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

3 Seasonal operations

The Group typically experiences lower sales in the first quarter of the financial year, primarily due to seasonal factors associated with the Chinese New Year holiday and the nature of its product offerings, which affects consumer demand and operational activity during this period. Sales generally normalise in the subsequent quarters, with business activities rebounding as market demand stabilises and growth strengthening on the back of improved momentum.

4 Segment and revenue information

The Group's business is organised into two business segments, namely: -

- (i) Corporate – comprises the corporate office in Singapore which incurs general corporate expenses and the dormant or inactive entities in the Group; and
- (ii) Sale of goods – relates to the sale of consumer products in the People's Republic of China ("PRC").

The Group accounts for inter-segment transactions on terms agreed between parties. Inter-segment transactions comprising advances between segments are eliminated on consolidation.

Segment revenue and expenses:

Segment revenue and expenses are the operating revenue and expenses reported in the consolidated statement of profit or loss and other comprehensive income that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on a reasonable basis to a segment.

Segment results, assets and liabilities:

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Capital expenditure includes the total cost incurred to acquire plant and equipment directly attributable to a segment.

Management monitors the operating results of the operating segments for the purpose of making decisions about resource allocation and performance assessment.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit or loss before income tax, as included in the internal management reports that are reviewed by the management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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4.1 Reportable segments

	Sale of goods		Corporate		Eliminations		Total	
	Second Quarter Ended		Second Quarter Ended		Second Quarter Ended		Second Quarter Ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue	4,886	4,803	-	-	-	-	4,886	4,803
Results								
Segment profit/(loss)	1,586	2,085	(2,429)	(246)	-	-	(843)	1,839
Other (expense)/income	(189)	(95)	(18)	(16)	-	-	(207)	(111)
Profit/(loss) before taxation	1,397	1,990	(2,447)	(262)	-	-	(1,050)	1,728
Taxation	(59)	(164)	-	-	-	-	(59)	(164)
Profit/(loss) for the period	1,338	1,826	(2,447)	(262)	-	-	(1,109)	1,564
Attributable to:								
Owners of the Company	1,241	1,639	(2,447)	(262)	-	-	(1,206)	1,377
Non-controlling interests	97	187	-	-	-	-	97	187
	1,338	1,826	(2,447)	(262)	-	-	(1,109)	1,564

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4.1 Reportable segments (Cont'd)

	Sale of goods		Corporate		Eliminations		Total	
	Half-Year Ended		Half-Year Ended		Half-Year Ended		Half-Year Ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue	8,910	5,779	-	-	-	-	8,910	5,779
Results								
Segment profit/(loss)	1,471	46	(2,765)	(546)	-	-	(1,294)	(500)
Other expense	(419)	(321)	(20)	(56)	-	-	(439)	(377)
Profit/(loss) before taxation	1,052	(275)	(2,785)	(602)	-	-	(1,733)	(877)
Taxation	(112)	(172)	-	-	-	-	(112)	(172)
Profit/(loss) for the period	940	(447)	(2,785)	(602)	-	-	(1,845)	(1,049)
Attributable to:								
Owners of the Company	842	(485)	(2,785)	(602)	-	-	(1,943)	(1,087)
Non-controlling interests	98	38	-	-	-	-	98	38
	940	(447)	(2,785)	(602)	-	-	(1,845)	(1,049)
Assets and liabilities								
Segment assets	19,190	9,762	2,756	3,262	-	(57)	21,946	12,967
Segment liabilities	8,568	5,657	1,238	4,717	-	(57)	9,806	10,317

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4.2 Geographical segments

Geographical Segments

	People's Republic of China S\$'000	Singapore S\$'000	Total S\$'000
Second Quarter ended 30 June 2026			
Revenue	4,886	-	4,886
Second Quarter ended 30 June 2025			
Revenue	4,803	-	4,803

Geographical Segments

	People's Republic of China S\$'000	Singapore S\$'000	Total S\$'000
Half-Year ended 30 June 2026			
Revenue	8,910	-	8,910
Non-current assets*	6,427	2	6,429
Half-Year ended 30 June 2025			
Revenue	5,779	-	5,779
Non-current assets*	4,767	4	4,771

*Non-current assets comprise plant and equipment, right-of-use assets, finance lease receivables and intangible assets, and exclude long-term deposits and associate.

Major customers

For the financial period ended 30 June 2026 and 30 June 2025, there is no revenue from transactions with a single external customer that amounts to 10 per cent or more of the Group's revenue.

4.3 Disaggregation of revenue

	Group			
	Second Quarter Ended		Half-Year Ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Sale of goods	4,886	4,803	8,910	5,779
Timing of transfer of goods and services in respect of revenue from contracts with customers				
- At a point in time	4,886	4,803	8,910	5,779

5 Financial assets and financial liabilities

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

	Group		Company	
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets at amortised cost				
Finance lease receivables (Note 14)	784	787	-	-
Trade and other receivables (Note 15)	1,780	1,505	823	1,076
Cash and bank balances	10,971	13,416	979	2,124
	13,535	15,708	1,802	3,200
Financial liabilities at amortised cost				
Borrowings (Note 17)	73	4,055	-	3,977
Lease liabilities (Note 18)	4,777	4,483	-	-
Trade and other payables*	1,761	1,707	1,239	928
	6,611	10,245	1,239	4,905

* Excluding advances from customers and net output taxes

6 Other income

	Group			
	Second Quarter Ended		Half-Year Ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Finance income on net investments in finance leases	7	7	14	14
Gain on disposal of subsidiaries	-	-	-	149
Gain on disposal of leases	67	-	67	-
Late settlement interest	18	-	43	-
Interest income	6	3	14	4
Marketing income	37	-	70	-
Others	6	-	6	-
	141	10	214	167

7 Other operating expenses

Other operating expenses include the following items:

	Group			
	Second Quarter Ended		Half-Year Ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Entertainment expenses	12	17	60	65
Marketing and advertising expenses	703	374	1,312	700
Professional fees	188	66	286	193
Travel expenses	104	38	205	174

8 Finance costs

	Group			
	Second Quarter Ended		Half-Year Ended	
	30 June	30 June	30 June	30 June
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Interest expenses on:				
- bank loan	1	-	2	-
- convertible bonds	23	-	104	-
- lease liabilities (Note 18)	40	28	82	54
	64	28	188	54

9 Related party transactions

Other than as disclosed elsewhere in the financial statements, the Company did not have any related party transactions during the period.

10 Taxation

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

	Group			
	Second Quarter Ended		Half-Year Ended	
	30 June	30 June	30 June	30 June
	2026	2025	2026	2025
	S\$'000	S\$'000	S\$'000	S\$'000
Current taxation	(59)	(164)	(112)	(172)

11 Plant and equipment

During the half-year ended 30 June 2026, the Group acquired assets amounting to S\$917,000 (1H2025: S\$467,000).

12 Subsidiaries

	Company
	S\$'000
At 31 December 2025, at carrying amount	2,100
Half-Year ended 30 June 2026	
At 1 January 2026	
Addition	1,000
At 30 June 2026, at carrying amount	3,100

12 Subsidiaries (Cont'd)

On 26 February 2026, the Company increased the issued and paid-up share capital of its wholly-owned subsidiary, ETC Capital Pte. Ltd., to S\$3,100,000.

During the financial period ended 30 June 2026, Hainan Jiupeng Chuhe Technology Co., Ltd. ("HJC") incorporated 11 subsidiaries in the PRC, comprising direct and indirect subsidiaries, as follows:

- Jinzhong Chuhe Jinyao Technology Co., Ltd. (晋中初禾晋耀科技有限公司)
- Changzhi Chuhe Heyao Technology Co., Ltd. (长治初禾禾曜科技有限公司)
- Chengdu Kangyuan Chengtai Technology Co., Ltd. (成都康源诚泰科技有限公司)
- Chengdu Zhenyi Kangcheng Technology Co., Ltd. (成都臻颐康城科技有限公司)
- Chengdu Qinghe Boyue Technology Co., Ltd. (成都清和铂悦科技有限公司)
- Chengdu Zerrui Tiancheng Technology Co., Ltd. (成都泽瑞天成科技有限公司)
- Sichuan Mairong Technology Co., Ltd. (四川麦容科技有限公司)
- Chengdu Qingyue Anhe Technology Co., Ltd. (成都清悦安和科技有限公司)
- Mianyang Fangda Jiayue Technology Co., Ltd. (绵阳方达佳越科技有限公司)
- Chengdu Gaoxin Yuan Chuhe Yaojun Tang Traditional Chinese Medicine Clinic Co., Ltd. (成都高新元初禾药君堂中医诊所有限公司)
- Chengdu Chunlingkang Health Technology Co., Ltd. (成都椿龄康健康科技有限公司)

Details of subsidiaries are:

Name	Principal activities	Country of incorporation/ Principal place of business	Percentage of effective equity interest held by the Group	
			30 June 2026	31 December 2025
			%	%
<u>Held by the Company</u>				
ETC Capital Pte. Ltd. (“ETCC”)	Investment holding	Singapore	100	100
<u>Held by ETCC</u>				
Hainan Jiupeng Chuhe Technology Co., Ltd. (海南九鹏初禾科技有限公司) (“HJC”)	Sale of consumer products	People’s Republic of China	100	100
Chongqing Jiupeng Chuhe Technology Co., Ltd. (重庆九鹏初禾科技有限公司)	Dormant	People’s Republic of China	100	100
<u>Held by HJC</u>				
Chengdu Chuhe Chengjin Technology Co., Ltd. (成都初禾诚锦科技有限公司)	Sale of consumer products	People’s Republic of China	90	90
Chengdu Chuhe Fengyang Technology Co., Ltd. (成都初禾峰洋科技有限公司)	Sale of consumer products	People’s Republic of China	90	90

12 Subsidiaries (Cont'd)

Name	Principal activities	Country of incorporation/ Principal place of business	Percentage of effective equity interest held by the Group	
			30 June 2026 %	31 December 2025 %
<u>Held by HJC (Cont'd)</u>				
Chengdu Chuhe Heyang Technology Co., Ltd. (成都初禾合洋科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Chengdu Chuhe Hexin Technology Co., Ltd. (成都初禾合鑫科技有限公司) ("CCHT")	Sale of consumer products	People's Republic of China	100	100
Chengdu Chuhe Huitong Technology Co., Ltd. (成都初禾汇通科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Chengdu Chuhe Jinming Technology Co., Ltd. (成都初禾金铭科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Chengdu Chuhe Jiulin Technology Co., Ltd. (成都初禾玖霖科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Chengdu Chuhe Junming Technology Co., Ltd. (成都初禾军明科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Chengdu Chuhe Pengcheng Technology Co., Ltd. (成都初禾鹏程科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Chengdu Chuhe Runjie Technology Co., Ltd. (成都初禾润洁科技有限公司) ("CCRT")	Sale of consumer products	People's Republic of China	100	100
Chongqing Chenfang Chunhong Technology Co., Ltd. (重庆宸方春洪科技有限责任公司) ("CCCT")	Sale of consumer products	People's Republic of China	100	100
Chongqing Chuhe Beirong Technology Co., Ltd. (重庆初禾倍荣科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Chongqing Chuhe Deyi Technology Co., Ltd. (重庆初禾德亿科技有限公司)	Sale of consumer products	People's Republic of China	90	90

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12 Subsidiaries (Cont'd)

Name	Principal activities	Country of incorporation/ Principal place of business	Percentage of effective equity interest held by the Group	
			30 June 2026 %	31 December 2025 %
<u>Held by HJC (Cont'd)</u>				
Chongqing Chuhe Jinyao Technology Co., Ltd. (重庆初禾金耀科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Chongqing Chuhe Qingxiang Technology Co., Ltd. (重庆初禾青湘科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Chongqing Chuhe Quanxing Technology Co., Ltd. (重庆初禾权星科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Chongqing Chuhe Xiangrui Technology Co., Ltd. (重庆初禾祥睿科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Chongqing Chuhe Yincheng Technology Co., Ltd. (重庆初禾引晨科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Chongqing Chuhe Yude Technology Co., Ltd. (重庆初禾域德科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Chongqing Chuhe Zhixing Technology Co., Ltd. (重庆初禾之星科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Deyang Chuhe Yuanxu Technology Co., Ltd. (德阳初禾元旭科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Jincheng Chuhe Mingde Technology Co., Ltd. (晋城初禾明德科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Jincheng Chuhe Muxiang Technology Co., Ltd. (晋城初禾牧疆科技有限公司)	Sale of consumer products	People's Republic of China	100	100

12 Subsidiaries (Cont'd)

Name	Principal activities	Country of incorporation/ Principal place of business	Percentage of effective equity interest held by the Group	
			30 June 2026 %	31 December 2025 %
<u>Held by HJC (Cont'd)</u>				
Jincheng Chuhe Yihe Technology Co., Ltd. (晋城初禾一禾科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Jincheng Shikun Xuanyuan Trading Co., Ltd. (晋城十琨轩园商贸有限公司)	Sale of consumer products	People's Republic of China	70	70
Luoyang Chuhe Jiangyuan Technology Co., Ltd. (洛阳初禾疆源科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Shenyang Chuhe Chenxing Technology Co., Ltd. (沈阳初禾宸星科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Shenyang Chuhe Wanxiang Technology Co., Ltd. (沈阳初禾万祥科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Shenyang Jiufu Millennium Technology Co., Ltd. (沈阳玖佛千禧科技有限责任公司)	Sale of consumer products	People's Republic of China	100	100
Sichuan Qijiu Kunming Technology Co., Ltd. (四川七玖坤明科技有限公司) ("SQKT")	Sale of consumer products	People's Republic of China	100	100
Yibin Chuhe Yuan Dream Technology Co., Ltd. (宜宾初禾源梦科技有限公司)	Sale of consumer products	People's Republic of China	100	100
Changzhi Chuhe Heyao Technology Co., Ltd. (长治初禾禾曜科技有限公司)	Sale of consumer products	People's Republic of China	99	-
Jinzhong Chuhe Jinyao Technology Co., Ltd. (晋中初禾晋耀科技有限公司)	Sale of consumer products	People's Republic of China	99	-
Chengdu Chunlingkang Health Technology Co., Ltd. (成都椿龄康健康科技有限公司)	Sale of consumer products	People's Republic of China	100	-

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12 Subsidiaries (Cont'd)

Name	Principal activities	Country of incorporation/ Principal place of business	Percentage of effective equity interest held by the Group	
			30 June 2026 %	31 December 2025 %
<u>Held by CCCT</u>				
Chengdu Chuhe Dexu Technology Co., Ltd. (成都初禾德旭科技有限公司)	Sale of consumer products	People’s Republic of China	100	100
Chengdu Chuhe Hongxiang Technology Co., Ltd. (成都初禾鸿祥科技有限公司)	Sale of consumer products	People’s Republic of China	100	100
Chengdu Chuhe Yunjie Technology Co., Ltd. (成都初禾韵捷科技有限公司)	Sale of consumer products	People’s Republic of China	100	100
Chengdu Chuhe De Yun Technology Co., Ltd. (成都初禾德韵科技有限公司)	Sale of consumer products	People’s Republic of China	100	100
Chengdu Chuhe Zhenxuan Technology Co., Ltd. (成都初禾甄选科技有限公司)	Sale of consumer products	People’s Republic of China	100	100
Chengdu Kangyuan Chengtai Technology Co., Ltd. (成都康源诚泰科技有限公司)	Sale of consumer products	People’s Republic of China	100	-
Chengdu Zhenyi Kangcheng Technology Co., Ltd (成都臻颐康城科技有限公司)	Sale of consumer products	People’s Republic of China	100	-
Chengdu Qinghe Boyue Technology Co., Ltd (成都清和铂悦科技有限公司)	Sale of consumer products	People’s Republic of China	100	-
Chengdu Zerrui Tiancheng Technology Co., Ltd. (成都泽瑞天成科技有限公司)	Sale of consumer products	People’s Republic of China	100	-
<u>Held by SQKT</u>				
Jincheng Chuhe Canyang Technology Co., Ltd. (晋城初禾灿阳科技有限公司)	Sale of consumer products	People’s Republic of China	90	90

12 Subsidiaries (Cont'd)

Name	Principal activities	Country of incorporation/ Principal place of business	Percentage of effective equity interest held by the Group	
			30 June 2026 %	31 December 2025 %
<u>Held by SQKT (Cont'd)</u>				
Jincheng Chuhe Hefan Technology Co., Ltd. (晋城初禾禾帆科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Chengdu Chuhe Fen Sheng Technology Co., Ltd. (成都初禾峰盛科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Chengdu Chuhe Mengyan Technology Co., Ltd. (成都初禾梦炎科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Chengdu Chuhe Qingyu Technology Co., Ltd. (成都初禾清煜科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Chengdu Chuhe Yujie Technology Co., Ltd. (成都初禾雨洁科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Jincheng Chuhe Heyang Technology Co., Ltd. (晋城初禾禾洋科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Jincheng Chuhe Taifeng Technology Co., Ltd. (晋城初禾泰丰科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Mianyang Chuhe Qingce Technology Co., Ltd. (绵阳初禾青测科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Mianyang Chuhe Ze Huai Technology Co., Ltd. (绵阳初禾泽怀科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Mianyang Chuhe Zhengyi Technology Co., Ltd. (绵阳初禾正伊科技有限公司)	Sale of consumer products	People's Republic of China	90	90

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12 Subsidiaries (Cont'd)

Name	Principal activities	Country of incorporation/ Principal place of business	Percentage of effective equity interest held by the Group	
			30 June 2026 %	31 December 2025 %
Held by SQKT (Cont'd)				
Zigong Chuhe Feiya Technology Co., Ltd. (自贡初禾飞亚科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Zigong Chuhe Fenghua Technology Co., Ltd. (自贡初禾丰华科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Zigong Chuhe Quanxing Technology Co., Ltd. (自贡初禾权星科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Zigong Chuhe Yulin Technology Co., Ltd. (自贡初禾煜林科技有限公司)	Sale of consumer products	People's Republic of China	90	90
Sichuan Mairong Technology Co., Ltd. (四川麦容科技有限公司)	Sale of consumer products	People's Republic of China	99	-
Chengdu Qingyue Anhe Technology Co., Ltd. (成都清悦安和科技有限公司)	Sale of consumer products	People's Republic of China	99	-
Mianyang Fangda Jiayue Technology Co., Ltd. (绵阳方达佳越科技有限公司)	Sale of consumer products	People's Republic of China	99	-
Chengdu Gaoxin Yuan Chuhe Yaojun Tang Traditional Chinese Medicine Clinic Co., Ltd. (成都高新元初禾药君堂中医诊所有限公司)	Sale of consumer products	People's Republic of China	99	-
Held by CCHT				
Sichuan Jiyu Technology Co., Ltd. (四川即遇科技有限公司)	Dormant	People's Republic of China	49	49

13 Associate

	Group
	S\$'000
At 1 January 2026, at carrying amount	88
Addition	46
Share of loss	(59)
Exchange difference on translation	3
At 30 June 2026, at carrying amount	78

On 25 November 2025, HJC, through CCRT, acquired 49% equity interest in a newly incorporated associate, Chengdu Chenghua Guzheng Baohe Tang Traditional Chinese Medicine Clinic Co., Ltd. (成都成华固正保和堂中医诊所有限公司), for a cash consideration of RMB 490,000. The associate commenced operations in January 2026. During the financial period ended 30 June 2026, the Group made an additional capital contribution of RMB 245,000, with no change in its equity interest.

14 Finance lease receivables

	Group	
	30 June 2026	31 December 2025
	S\$'000	S\$'000
Non-current	316	417
Current	468	370
	784	787

	Group
	S\$'000
At 31 December 2025	787

Half-Year ended 30 June 2026	
At 1 January 2026	
Accreted interest (Note 6)	14
Proceeds from finance lease receivables	(46)
Exchange difference on translation	29
At 30 June 2026	784

The finance lease receivables relate to certain retail shops leased by the Group which are in turn rented to third parties.

15 Trade and other receivables

	Group		Company	
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Amounts due from subsidiaries (non-trade)	-	-	75	70
Trade receivables	503	325	-	-
Long-term deposits	149	104	-	-

15 Trade and other receivables (Cont'd)

	Group		Company	
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Short-term deposits	24	24	-	-
Consideration receivable	744	1,002	744	1,002
Others	360	50	4	4
	1,780	1,505	823	1,076
Represented by:				
Non-current	149	104	-	-
Current	1,631	1,401	823	1,076
	1,780	1,505	823	1,076

As at 30 June 2026, consideration receivable relates to an outstanding amount of S\$744,000 (2025: S\$1.0 million) representing the last tranche and accrued interest to be received in respect of the disposal of 100% equity interest in DAS Pte. Ltd. During the financial period ended 30 June 2026, the Company has received S\$300,000 in respect of this considerable receivable.

16 Share capital

	The Group and the Company			
	30 June 2026		31 December 2025	
	Number of shares '000	\$'000	Number of shares '000	\$'000
Issued and fully paid, with no par value				
Beginning and end of interim period/year	2,155,230	66,520	982,073	43,580

On 24 April 2026, the Company allotted and issued 968,270,000 conversion shares to the investors upon the conversion of the convertible bonds issued pursuant to the subscription agreements dated 26 July 2024.

The Company has also notified certain key management personnel of HJC Group that the option period in respect of 239,080,000 management share options ("**HJC Management Share Options**") had commenced with effect from that date. The HJC Management Share Options have an exercise price of S\$0.004647 per share and a contractual option period of 36 months commencing on 24 April 2026. All 239,080,000 HJC Management Share Options remained outstanding as at 30 June 2026. Please refer to the Company's announcement dated 24 April 2026 for further details.

As the HJC Management Share Options were fully vested and exercisable upon commencement of the option period, the Group recognised the full grant-date fair value of the options as a non-cash share-based payment expense of S\$2.0 million in profit or loss for the financial period ended 30 June 2026, with a corresponding increase in the share option reserve.

The expense was determined based on management's internal valuation using the Black-Scholes option pricing model. Given the limited trading history of the Company's shares following the resumption of trading, management estimated the underlying equity value using a comparable-company valuation approach based on enterprise value to EBITDA multiples. The valuation, the resulting share-based payment expense and the related accounting treatment is subject to audit.

16 Share capital (Cont'd)

On 25 May 2026, the Company had elected to convert the outstanding principal amount and interest accrued thereon under the convertible loan agreement dated 25 January 2017 and entered into between Mr Luo Shandong (“**Mr Luo**”) as lender and the Company as borrower, as supplemented and amended by the addendum deeds thereto (collectively, the “**Convertible Loan Agreement**”) as at the Maturity Date of US\$12,985,797 (approximately S\$18,439,831), into fully paid new ordinary shares (the “**Conversion Shares**”) in the Company at the conversion price of S\$0.09 per Conversion Share, resulting in the allotment and issuance of 204,887,011 Conversion Shares to Mr Luo on 25 May 2026. Please refer to the Company’s announcement dated 25 May 2026 for further details.

As at 30 June 2026, the total number of shares outstanding from the total number of shares arising from the exercise of the HJC Management Share Options outstanding is 239 million shares. As at 31 December 2025 and 30 June 2025, the total number of shares outstanding from the Convertible Loan Agreement was approximately 205 million shares and the total number of share options outstanding under the ETC Employee Share Option Scheme was 15 million shares.

The total number of shares that may be issued on conversion of these outstanding convertibles represents 11.1% and 22.4% of the Company’s total issued share capital as at the end of 30 June 2026 and 30 June 2025 respectively.

Save for the above, the Company does not have any outstanding convertibles and share options as at 30 June 2026, 31 December 2025 and 30 June 2025. The Company did not hold any treasury shares as at 30 June 2026, 31 December 2025 and 30 June 2025. The Company’s subsidiaries did not hold any shares in the Company as at 30 June 2026, 31 December 2025 and 30 June 2025.

17 Borrowings

	Group		Company	
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current				
Bank loan	57	63	-	-
Convertible bonds	-	3,977	-	3,977
	57	4,040	-	3,977
Current				
Bank loan	16	15	-	-
	73	4,055	-	3,977

Bank loan

As at 30 June 2026, the bank loan amounting to S\$73,000 (31 December 2025: S\$78,000) is secured by the motor vehicle owned by the Group with a carrying amount of S\$89,000 (31 December 2025: S\$98,000).

Convertible bonds

The liability component was initially recognised at fair value, determined using a market interest rate for a similar instrument, adjusted to instrument-specific risk at the date of issue. The residual amount, representing the equity conversion component, was recognised in the statement of changes in equity.

17 Borrowings (Cont'd)

	Group and Company
	S\$'000
Liability component as at 31 December 2025	3,977
Half-Year ended 30 June 2026	
At 1 January 2026	
Amortisation of interest expense (Note 8)	104
Conversion to share capital (Note 16)	(4,081)
Liability component as at 30 June 2026	-

18 Lease liabilities

	Group	
	30 June 2026	31 December 2025
	S\$'000	S\$'000
Non-current	3,244	2,971
Current	1,533	1,512
	4,777	4,483
		Group
		S\$'000
At 31 December 2025		4,483
Half-Year ended 30 June 2026		
At 1 January 2026		
Addition		1,075
Derecognition		(502)
Accreted interest (Note 8)		82
Payment of lease liabilities		(532)
Exchange difference on translation		171
At 30 June 2026		4,777

The lease liabilities relate to the office premises, warehouse premises and retail shops which are leased by the Group.

19 (Loss)/Profit per share

	Group			
	Second Quarter Ended 30 June 2026	30 June 2025	Half-Year Ended 30 June 2026	30 June 2025
Loss per ordinary share:				
(i) Based on weighted average no. of ordinary shares in issue (cents)	(0.09)	0.14	(0.14)	(0.11)
(ii) On a fully diluted basis (cents)	(0.09)	0.12	(0.14)	(0.11)

19 (Loss)/Profit per share (Cont'd)

	Group			
	Second Quarter Ended 30 June 2026	30 June 2025	Half-Year Ended 30 June 2026	30 June 2025
Number of shares in issue:				
(i) Based on weighted average no. of ordinary shares in issue (in millions)	1,371	982	1,371	982
(ii) On a fully diluted basis (in millions)	1,371	1,187	1,371	982

As at 30 June 2026, the Company has outstanding share options of approximately 239 million shares. As at 30 June 2025, the Company has outstanding convertible loan of approximately 205 million shares and 15 million outstanding share options.

The Group recorded a net loss for the half year ended 30 June 2026 and 30 June 2025. Accordingly, the number of shares that may arise from the outstanding convertible loan, share options and convertible bonds were excluded from the calculation of the diluted weighted average number of ordinary shares in issue, as their effects would have been anti-dilutive due to the Group recording a loss for the respective financial periods.

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

20 Dividend

No dividend has been declared nor recommended for the financial period/year ended 30 June 2026 and 31 December 2025.

21 Net asset value

	Group		Company	
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
Net asset value (S\$'000)	12,140	7,562	3,678	410
Share capital (in millions of shares)	2,155	982	2,155	982
Based on existing issued share capital (cents per share)	0.56	0.77	0.17	0.04

22 Fair value measurement

Definition of fair value

SFRS(I)s define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy

Financial assets and financial liabilities measured or disclosed at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

22 Fair value measurement (Cont'd)

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

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The carrying amounts of financial assets and liabilities with a maturity of less than one year, comprising trade and other receivables, cash and bank balances, non-trade amount due to a third party, and trade and other payables (excluding advances from customers and net output taxes). The fair value of non-current financial assets and liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group and the Company for similar financial instruments.

The fair value disclosure of lease liabilities is not required.

23 Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statement.

F. Other Information Required by Appendix 7C of the Catalist Rules

1. Review

The condensed consolidated statements of financial position of the Company and the Group as at 30 June 2026 and the related condensed consolidated statement of profit or loss, and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period ended 30 June 2026 (“1H2026”) and 30 June 2025 (“1H2025”) and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

2. Review of the performance of the Group

2.1 Financial Performance (1H2026 vs 1H2025)

Revenue

Revenue for 1H2026 increased from S\$5.8 million in 1H2025 to S\$8.9 million in 1H2026 mainly due to higher sales generated from the expansion of the sales team and increased marketing efforts. The higher sales were supported by the increased staff costs and marketing and advertising expenses incurred during the period.

Other income

Other income increased from S\$167,000 in 1H2025 to S\$214,000 in 1H2026 mainly due to marketing income and the gain on disposal of leases from the e-commerce and retail business in the PRC and the receipt of late settlement interest relating to the disposal of subsidiaries, partially offset by the gain on disposal of subsidiaries recorded in 1H2025 which was not present in 1H2026.

Net of purchases and related costs and changes in inventories

Net of purchases, related costs and changes in inventories increased from S\$1.2 million in 1H2025 to S\$1.5 million in 1H2026, mainly driven by the increase in revenue and a shift towards higher margin products, which came with higher marketing related expenses.

Depreciation

Depreciation of plant and equipment, as well as right-of-use assets was mainly incurred in relation to office premises, warehouse premises and retail shops for the e-commerce and retail business in the PRC. Depreciation expenses increased from S\$726,000 in 1H2025 to S\$925,000 in 1H2026 followed by the expansion of operations in the PRC.

Staff costs

Staff costs increased from S\$3.4 million in 1H2025 to S\$4.0 million in 1H2026, in line with the increase in revenue contributed by expansion of the e-commerce and retail business in the PRC.

HJC Management Share Option expense

HJC Management Share Option expense related to the recognition of a non-cash share-based payment expense of S\$2.0 million pertaining to 239,080,000 HJC Management Share Options issued to certain key management personnel of HJC Group. As the options are fully vested and exercisable with effect from 24 April 2026, the estimated grant-date fair value was recognised in full during the financial period ended 30 June 2026. The HJC Management Share Option expense did not result in any cash outflow and is based on management’s assessment and subject to audit.

Other operating expenses

Other operating expenses increased from S\$1.4 million in 1H2025 to S\$2.2 million in 1H2026 mainly driven by the e-commerce and retail business in the PRC and comprised mainly marketing and advertising expenses, travel expenses and professional fees, in line with the increase in revenue.

2.1 Financial Performance (1H2026 vs 1H2025) (Cont'd)

Finance costs

Finance costs increased from S\$54,000 in 1H2025 to S\$188,000 in 1H2026, mainly due to interest expense on convertible bonds and higher interest expense on lease liabilities, in line with the recognition of new leases.

Share of loss from associate, net of tax

The associate commenced operations in January 2026. For the financial period ended 30 June 2026, the associate's share of loss does not form significant contribution to the Group's results.

2.2 Financial Position (30 June 2026 vs 31 December 2025)

Non-Current Assets

Plant and equipment ("PPE") increased mainly due to the addition of PPE during the period, partially offset by depreciation expenses. Right-of-use assets increased mainly due to the recognition of new leases, partially offset by depreciation expenses. Investment in associate represents the Group's 49% equity interest in Chengdu Chenghua Guzheng Baohe Tang Traditional Chinese Medicine Clinic Co., Ltd.. Finance lease receivables arose from sublease arrangements with third parties and represent the Group's contractual right to receive lease payments over the lease term. Finance lease receivables decreased mainly due to the reclassification of receivables from non-current to current assets as the leases approached expiry, with the remaining lease payments due within one year as at 30 June 2026. Long-term deposits pertain to rental deposits placed for leases of retail shops.

Current Assets

Finance lease receivables increased mainly due to the reclassification of receivables from non-current to current assets and the accretion of interest, partially offset by the lease payments received during the period. Inventories increased mainly due to the purchases made during the period, partially offset with goods sold during the period. Trade and other receivables increased mainly due to higher trade and other receivables, partially offset by the decrease in consideration receivable. Prepayments increased mainly due to payments made to suppliers in advance for goods which had yet to be received at the end of the reporting period.

Non-Current Liabilities

Borrowings comprise a bank loan obtained for the purchase of a motor vehicle. The decrease in borrowings was mainly attributable to the conversion of the convertible bonds into ordinary shares on 24 April 2026. Lease liabilities, representing the Group's obligation to make lease payments over the lease terms, increased mainly due to the recognition of new leases, partially offset by the reclassification from non-current liabilities to current liabilities as the leases approached expiry and the lease liabilities are payable within one year as at 30 June 2026.

Current Liabilities

The borrowings relate to a bank loan obtained for the purchase of a motor vehicle. Lease liabilities increased mainly due to the recognition of new leases and accrued lease interest, partially offset by lease payments made during the year. Trade and other payables decreased mainly due to decrease in advances from customers. Current tax payable decreased mainly due to payment of tax liabilities.

2.3 Cashflow

Net cash used in operating activities was approximately S\$1.6 million for 1H2026 mainly due to the changes in working capital.

Net cash used in investing activities was approximately S\$603,000 for 1H2026 mainly due to purchase of plant and equipment, partially offset by the proceeds gained from disposal of subsidiaries.

2.3 Cashflow (Cont'd)

Net cash used in financing activities was approximately S\$625,000 for 1H2026 mainly due to the payment of lease liabilities and interest.

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

Save for the commentary disclosed in paragraph 4 of the first quarter 2026 Results Announcement dated 15 May 2026, there is no specific forecast or a prospect statement has been issued previously.

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

The Group operates an e-commerce and retail business, including online and offline sales of consumer products, mainly consisting of consumer food and snacks, health food and supplements and condiments in the PRC.

E-commerce and Retail business

As at 30 June 2026, the Group has a total of 65 subsidiaries in the PRC, all of which support its e-commerce and retail businesses. Operations include online and offline sales of consumer products, primarily comprising consumer food and snacks, health food and supplements and condiments in the PRC.

Extract of "Expanding Domestic Demand with New Impetus", HKTDC Research, 16 July 2026¹

E-commerce is a booming industry in the Chinese Mainland. China's online retail sales of physical goods reached RMB13.1 trillion in 2025, according to National Bureau of Statistics figures.

Consumers' online shopping behaviour is becoming increasingly personalised, and shopping through diversified channels such as livestreaming e-commerce, instant retail and social commerce has become the mainstream consumption modes. They generally have cross-platform shopping experience.

They are increasingly attracted to sensory consumption modes that combine storytelling with social sharing, such as brand-name pop-up stores, live-streaming e-commerce and online-merge-offline (OMO) "new retailing" scenarios.

Extract of "China's GDP expands 4.7% in H1 2026, showing resilience despite headwinds", Global Times, 15 July 2026²

China's GDP expanded by 4.7 percent year-on-year to 69.57 trillion yuan (\$10.28 trillion) in the first half of 2026, remaining well within the government's annual growth target of 4.5 to 5 percent and showing resilience despite growing global economic uncertainties, data released by the National Bureau of Statistics (NBS).

Despite a slight moderation in the second quarter, the first-half figure demonstrates that the world's second-largest economy continues to maintain a stable and positive growth momentum despite challenges that range from rising geopolitical tensions, oil price shocks and global trade frictions to uncertainties in the external environment, observers said.

¹<https://research.hktdc.com/en/article/MiM3Njk1Njc3NQ>

²<https://www.globaltimes.cn/page/202607/1366040.shtml>

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

Extract of "China unveils first five-year consumption plan, targets US\$9 trillion in annual retail sales by 2030 - 14 July 2026", Business Times, 14 July 2026³

China will aim for annual retail sales of around 60 trillion yuan (US\$9 trillion) by 2030 under its first five-year plan focusing on consumption, implying a slowdown in yearly growth to about 3.7 per cent from the roughly 5 per cent recorded from 2021 to 2025.

"By 2030, the overall scale of the consumer market will continue to expand, the household consumption rate will rise markedly, ... and consumption's role in driving economic growth will be further strengthened," the cabinet said in China's first five-year plan dedicated to boosting consumption. It said the share of per capita spending on services in overall household outlays would steadily increase.

The plan said China's social security system would become more "optimised and sustainable", giving people greater confidence to spend and more stable expectations.

5. Where the latest financial statements are subjected to an adverse opinion, qualified opinion or disclaimer of opinion

a) Updates on the effort taken to resolve each outstanding audit issue

Comparability of current year's figures and corresponding figures arising from discontinued operations

The conditions related to the above matter have been addressed, and no further issues are outstanding.

b) Confirmation from the board that the impact of all outstanding audit issues on the financial statements has been adequately disclosed

The Board confirms that the impact of all outstanding audit issues on the financial statements in relation to FY2025 has been adequately disclosed.

6. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No dividend was declared or recommended.

³ <https://www.businesstimes.com.sg/international/china-unveils-first-five-year-consumption-plan-targets-us9-trillion-annual-retail-sales-2030>

6. Dividend (Cont'd)

(c) Date payable

Not applicable.

(d) Record Date

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 30 June 2026 as the Company intends to reserve its cash resources for business expansion and working capital purposes.

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 Interested Party Transactions.

8. Disclosure on the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of the proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed.

As at the date of this announcement, the net proceeds from the subscription of convertible loan of approximately S\$4.4 million (after deducting estimated fees and expenses of approximately S\$0.1 million) have been utilised as follows:

Use of Net Proceeds	Amount Allocated (S\$'000)	Amount Utilised (S\$'000)	Balance (S\$'000)
E-Commerce and Retail Business, including the operations of HJC	4,280	3,100	1,180
General working capital purposes, legal and professional fees and ancillary expenses for the Group	120	120 ⁽¹⁾	-
Total	4,400	3,220	1,180

Note:

(1) This pertains to payments made in relation to legal and professional fees, including the Sponsor and Auditors of the Company.

The utilisation of the proceeds is in line with the intended use and allocation as set out in the Company's circular dated 15 November 2024.

9. Disclosure on acquisitions and realisations of shares pursuant to Rule 706A of the Catalist Rules.

As disclosed in Note 12, during the financial period ended 30 June 2026, the Group had incorporated 11 subsidiaries comprising both direct and indirect subsidiaries in the PRC.

Save for the above, there were no acquisitions and realisation of shares resulting in a company becoming or ceasing to be a subsidiary or associated company of the Company, or resulting in the Company increasing or reducing its shareholding percentage in a subsidiary or associated company.

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

The Company confirms that it had procured undertakings from all its directors and executive officers in accordance with Rule 720(1) of the Catalist Rules.

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

Joseph Lim and Zhu Xiaolin, being two of the Directors of the Company, do hereby confirm on behalf of the Board of the Company that, to the best of the Board's knowledge, nothing has come to the attention of the Board which may render the unaudited condensed interim financial statements for half year ended 30 June 2026 to be false or misleading in any material aspect, having considered that, including but not limited to, all material information has been assessed to ensure the reliability of the financial results, and the financial statements provide a fair and balanced view of any material factors that have affected the Company's business conditions and financial position.

ON BEHALF OF THE DIRECTORS

Ang Mong Seng
Non-Executive Group Chairman

BY ORDER OF THE BOARD
14 August 2026