OILTEK INTERNATIONAL LIMITED
(Company Registration Number: 202109778W)
(Incorporated in the Republic of Singapore)

Condensed Interim Financial Statements

For the Six Months Ended 30 June 2026

Contents

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Six Months Ended 30 June 2026

	Note	Six months ended 30 June **2026** **RM'000**	2025 RM'000	Change %
Revenue	4(a)	**99,243**	100,817	(1.6)
Cost of sales		**(73,520)**	(68,375)	7.5
Gross profit		**25,723**	32,442	(20.7)
Other income	5	**1,067**	2,041	(47.7)
Other gains/(losses) – net	5	**425**	(6,212)	N.M
Expenses				
- Reversal of impairment of trade receivables and contract assets	6	**-**	512	N.M
- Administrative and others	6	**(9,581)**	(9,622)	(0.4)
Profit before income tax		**17,634**	19,161	(8.0)
Income tax expense	7	**(4,477)**	(5,029)	(11.0)
Profit after income tax		**13,157**	14,132	(6.9)
Profit attributable to:				
Equity holders of the Company		**13,157**	14,132	(6.9)
Earnings per share for profit attributable to equity holders of the Company:				
- Basic and diluted earnings per share (in sen)	13	**3.07**	3.29	(6.7)
Profit after income tax		**13,157**	14,132	(6.9)
Other comprehensive loss:				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences arising from consolidation		**(575)**	(252)	128.2
Other comprehensive loss, net of tax		**(575)**	(252)	128.2
Total comprehensive income		**12,582**	13,880	(9.4)
Total comprehensive income attributable to:				
Equity holders of the Company		**12,582**	13,880	(9.4)

N.M – Not Meaningful

B. CONDENSED INTERIM BALANCE SHEETS

As at 30 June 2026

	Note	Group		Company	
		30 June 2026 RM'000	31 December 2025 RM'000	**30 June 2026 RM'000**	31 December 2025 RM'000
ASSETS					
Current assets					
Cash and bank balances		**95,060**	99,722	**12,633**	12,759
Trade and other receivables		**42,718**	27,552	**8,546**	10,394
Contract assets		**51,767**	53,495	**-**	-
Inventories		**2,381**	690	**-**	-
		191,926	181,459	**21,179**	23,153
Non-current assets					
Investments in subsidiaries		**-**	-	**88,043**	88,460
Property, plant and equipment	10	**3,203**	3,350	**-**	-
Intangible asset		**192**	-	**-**	-
Deferred tax assets		**1,227**	3,025	**-**	-
		4,622	6,375	**88,043**	88,460
Total assets		**196,548**	187,834	**109,222**	111,613
LIABILITIES					
Current liabilities					
Trade and other payables		**50,687**	52,063	**442**	502
Contract liabilities		**41,032**	30,656	**-**	-
Current income tax liabilities		**1,709**	5,254	**6**	12
		93,428	87,973	**448**	514
Total liabilities		**93,428**	87,973	**448**	514
NET ASSETS		**103,120**	99,861	**108,774**	111,099
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	12	**98,566**	98,566	**98,566**	98,566
Merger reserve		**(81,436)**	(81,436)	**-**	-
Currency translation reserve		**(781)**	(206)	**1,348**	1,908
Retained profits		**86,771**	82,937	**8,860**	10,625
Total equity		**103,120**	99,861	**108,774**	111,099

The accompanying notes form an integral part of the condensed interim financial statements.

C. CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Six Months Ended 30 June 2026

Group	Attributable to equity holders of the Company Share capital RM'000	Merger reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000
Balance at 1 January 2026	98,566	(81,436)	(206)	82,937	99,861
Profit for the period	-	-	-	13,157	13,157
Other comprehensive loss for the period	-	-	(575)	-	(575)
Total comprehensive income for the period	-	-	(575)	13,157	12,582
Transactions with owners, recognised directly in equity – dividend	-	-	-	(9,323)	(9,323)
Balance at 30 June 2026	**98,566**	**(81,436)**	**(781)**	**86,771**	**103,120**
Balance at 1 January 2025	98,566	(81,436)	724	66,433	84,287
Profit for the period	-	-	-	14,132	14,132
Other comprehensive loss for the period	-	-	(252)	-	(252)
Total comprehensive income for the period	-	-	(252)	14,132	13,880
Transactions with owners, recognised directly in equity – dividend	-	-	-	(8,468)	(8,468)
Balance at 30 June 2025	**98,566**	**(81,436)**	**472**	**72,097**	**89,699**

Company	Attributable to equity holders of the Company Share capital RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000
Balance at 1 January 2026	98,566	1,908	10,625	111,099
Profit for the period	-	-	7,558	7,558
Other comprehensive loss for the period	-	(560)	-	(560)
Total comprehensive income for the period	-	(560)	7,558	6,998
Transactions with owners, recognised directly in equity – dividend	-	-	(9,323)	(9,323)
Balance at 30 June 2026	**98,566**	**1,348**	**8,860**	**108,774**
Balance at 1 January 2025	98,566	6,286	9,607	114,459
Profit for the period	-	-	7,015	7,015
Other comprehensive income for the period	-	671	-	671
Total comprehensive income for the period	-	671	7,015	7,686
Transactions with owners, recognised directly in equity – dividend	-	-	(8,468)	(8,468)
Balance at 30 June 2025	**98,566**	**6,957**	**8,154**	**113,677**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the Six Months Ended 30 June 2026

Group	Six months ended 30 June 2026 RM'000	2025 RM'000
Cash flows from operating activities		
Profit after income tax	**13,157**	14,132
Adjustments for:		
- Income tax expense	**4,477**	5,029
- Depreciation of property, plant and equipment	**181**	179
- Interest income	**(1,013)**	(2,041)
- Unrealised translation (gain)/loss	**(631)**	2,947
	16,171	20,246
Changes in working capital:		
- Trade and other receivables	**(15,180)**	72,974
- Inventories	**(1,691)**	351
- Contract assets and liabilities	**12,104**	(51,900)
- Trade and other payables	**(1,376)**	(21,827)
Cash generated from operations	**10,028**	19,844
Interest received	**1,027**	2,034
Income tax paid	**(6,224)**	(4,556)
Net cash provided by operating activities	**4,831**	17,322
Cash flows from investing activities		
Purchase of property, plant and equipment	**(34)**	(52)
Purchase of intangible asset	**(192)**	-
Net cash used in investing activities	**(226)**	(52)
Cash flows from financing activity		
Dividends paid	**(9,323)**	(8,468)
Net cash used in financing activity	**(9,323)**	(8,468)
Net change in cash and bank balances	**(4,718)**	8,802
Beginning of financial period	**99,722**	106,143
Effects of currency translation on cash and bank balances	**56**	(3,199)
End of financial period	**95,060**	111,746

The accompanying notes form an integral part of the condensed interim financial statements.

1. Corporate information

Oiltek International Limited (the "**Company**") is listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and incorporated and domiciled in Singapore. The Company was formerly listed on the Catalist of the SGX-ST on 3 March 2022 and has completed the transfer of its listing from Catalist to the Mainboard of the SGX-ST on 6 June 2025. These condensed interim financial statements as at and for the six months ended 30 June 2026 comprise the Company and its subsidiaries (collectively, the "**Group**").

The principal activity of the Company is that of an investment holding company. The Group is principally engaged in the process design and engineering services for vegetable oil refining and renewable energy production facilities, encompassing engineering, procurement, construction, installation, commissioning and trading of related products and services.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(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 the Group's performance since the last audited annual financial statements for the year ended 31 December 2025.

The condensed interim financial statements are presented in Malaysian Ringgit, while the functional currency of the Company is Singapore Dollar. As the major subsidiaries of the Group operate in Malaysia, management has assessed that Malaysian Ringgit is a suitable presentation currency. All financial information presented in Malaysian Ringgit have been rounded to the nearest thousand, unless otherwise stated.

The accounting policies and method of computations used in the condensed interim financial statements 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.

2.1 New and amended Standards adopted by the Group

In the current financial year, the Group has adopted all the new and revised SFRS (I) that are relevant to its operations and effective for the current financial year.

The adoption of these new/revised SFRS(I)s did not result in material changes to the Group's accounting policies and has no material effect on the financial results or position of the Group and the Company.

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 expenses. 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 applied to the audited consolidated financial statements as at and for the year ended 31 December 2025 and are as set out below:

Accounting estimates and assumptions

(a) Estimation of contract costs for engineering contracts
(b) Measurement of expected credit loss allowances for trade receivables and contract assets

Judgements in applying accounting policies
Critical judgement in determination of functional currency of Oiltek Sdn. Bhd.

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

3. Seasonal operations

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

4. Revenue and segment information

(a) Disaggregation of revenue

	Six months ended 30 June	
	2026	2025
Group	**RM'000**	RM'000
Contract revenue – over time	**94,246**	94,045
Sales of goods – at a point in time	**4,997**	6,772
Total revenue	**99,243**	100,817

(b) Segment information

The Group considers the business from a business segment perspective. Management manages and monitors the business in three main business segments which are "Edible & Non-Edible Oil Refinery", "Renewable Energy" and "Product Sales and Trading". The "Others" segment relates to corporate activities which are not allocated to the business segments.

The Edible & Non-Edible Oil Refinery segment provides services for edible and non-edible oil industries including (i) the engineering, procurement, design, construction and commissioning of edible and non-edible oil refining plants, downstream specialty products and processing plants, (ii) upgrading and retrofitting the existing facilities, and (iii) turnkey inside-battery-limits ("**ISBL**") and outside-battery-limits ("**OSBL**") infrastructure engineering.

The Renewable Energy segment provides services for renewable energy industries including (i) the engineering, procurement, design, construction and commissioning of multi feedstock biodiesel, enzymatic biodiesel, winter fuel, and palm oil mill effluent biogas methane recovery plants, (ii) upgrading and retrofitting the existing facilities, and (iii) turnkey ISBL and OSBL infrastructure engineering which includes the environmental solutions and integration into steam and power generation.

The Product Sales and Trading segment derives revenue from the sale of specialty chemical products and engineering components.

The Chief Executive Officer assesses the performance of these business segments based on segment revenue, segment results, segment assets and segment 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. Unallocated items comprise mainly other income, other gains/(losses) - net, depreciation of property, plant and equipment, income tax expense, cash and bank balances, property, plant and equipment, current income tax liabilities and deferred tax assets/liabilities.

The segment information and the reconciliations of segment results to profit before tax and segment assets and liabilities to total assets and liabilities are as follows:

Group (RM'000)	Edible & Non-Edible Oil Refinery	Renewable Energy	Product Sales and Trading	Others	Total
Six months ended 30 June 2026					
Revenue					
- External	67,339	26,907	4,997	-	99,243
Cost of Sales	(46,348)	(23,568)	(3,604)	-	(73,520)
Results					
Segment results	14,782	803	738	-	16,323
Other income				1,067	1,067
Other gains – net				425	425
Depreciation of property, plant and equipment				(181)	(181)
Profit before income tax					17,634
Income tax expense					(4,477)
Profit after income tax					13,157
As at 30 June 2026					
Assets					
Segment assets	75,001	13,351	6,854	1,660	96,866
Unallocated assets:					
Cash and bank balances				95,060	95,060
Property, plant and equipment				3,203	3,203
Intangible asset				192	192
Deferred tax assets				1,227	1,227
Total assets					196,548
Liabilities					
Segment liabilities	60,211	22,509	6,486	2,513	91,719
Unallocated liabilities:					
Current income tax liabilities					1,709
Total liabilities					93,428

Group (RM'000)	Edible & Non-Edible Oil Refinery	Renewable Energy	Product Sales and Trading	Others	Total
Six months ended 30 June 2025					
Revenue					
- External	71,322	22,723	6,772	-	100,817
Cost of Sales	(44,310)	(19,259)	(4,806)	-	(68,375)
Results					
Segment results	20,608	1,665	1,238	-	23,511
Other income				2,041	2,041
Other losses – net				(6,212)	(6,212)
Depreciation of property, plant and equipment				(179)	(179)
Profit before income tax					19,161
Income tax expense					(5,029)
Profit after income tax					14,132
As at 30 June 2025					
Assets					
Segment assets	28,548	20,074	4,840	124	53,586
Unallocated assets:					
Cash and bank balances				111,746	111,746
Property, plant and equipment				3,499	3,499
Deferred tax assets				1,832	1,832
Total assets					170,663
Liabilities					
Segment liabilities	46,844	23,091	2,721	2,433	75,089
Unallocated liabilities:					
Current income tax liabilities				5,875	5,875
Total liabilities					80,964

(c) Geographical information

The Group has business presence in several main geographical areas: Asia, Africa and America.

The following table presents sales information for the main geographical areas for the six months ended 30 June 2026 and 2025.

Group	Six months ended 30 June **2026** **RM'000**	2025 RM'000
Asia:		
- Malaysia	**72,943**	34,091
- Indonesia	**14,132**	56,596
- Myanmar	**3**	439
- Pakistan	**2,245**	1,171
- Philippines	**250**	2
- Thailand	**706**	104
- Others	**3**	4
	90,282	92,407
Africa:		
- Benin	**300**	388
- Kenya	**1,149**	5,621
- Nigeria	**375**	163
- Republic of the Congo	**1**	268
- Others	**20**	31
	1,845	6,471
America	**7,116**	1,939
	99,243	100,817

The Group's non-current assets comprise mainly property, plant and equipment and are located in Malaysia. Accordingly, no geographical analysis for non-current assets is presented.

5. Other income and other gains/(losses) – net

Group	Six months ended 30 June **2026** **RM'000**	2025 RM'000
Other income		
Interest income	**1,013**	2,041
Others	**54**	-
	1,067	2,041
Other gains/(losses) – net		
Net foreign exchange gain/(loss)	**425**	(6,212)

6. Expenses by nature

	Six months ended 30 June	
	2026	2025
Group	**RM'000**	RM'000
Reversal of impairment of trade receivables and contract assets	**-**	(512)
Depreciation of property, plant and equipment	**181**	179

7. Income tax expense

The major components of income tax expense in the condensed interim statement of comprehensive income are:

	Six months ended 30 June	
	2026	2025
Group	**RM'000**	RM'000
Tax expense attributable to profit is made up of:		
- Current income tax	**2,679**	6,430
- Deferred income tax	**1,798**	(1,389)
	4,477	5,041
Over provision in prior financial year		
- Current income tax	**-**	(12)
	4,477	5,029

8. Related party transactions

The Group has transactions with a related party during the financial period:

	Six months ended 30 June	
	2026	2025
Group	**RM'000**	RM'000
<u>Purchases of services</u>		
Rental of premise from a related corporation	**6**	6

9. Financial assets and financial liabilities

The aggregate carrying amounts of financial assets and liabilities at amortised cost are as follows:

	Group		**Company**	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025
	RM'000	RM'000	**RM'000**	RM'000
Financial assets at amortised cost	**135,794**	126,367	**21,179**	23,153
Financial liabilities at amortised cost	**50,687**	52,063	**442**	502

10. Property, plant and equipment

During the six months ended 30 June 2026, the Group acquired assets amounting to RM34,000 (30 June 2025: RM52,000).

11. Dividends

	Six months ended 30 June	
	2026	2025
Group	**RM'000**	RM'000
Ordinary dividends paid: Final dividend of SGD0.007* [equivalent to RM0.022] per share in respect of the financial year ended 31 December 2025 (2025: Final dividend of SGD0.018* [equivalent to RM0.059] per share in respect of the financial year ended 31 December 2024)	**9,323**	8,468

12. Share capital

	No. of ordinary shares		Amount	
	2026	2025	**2026**	2025
Group and Company			**RM'000**	RM'000
Balance at 1 January	**429,000,000**	143,000,000	**98,566**	98,566
Issuance of Bonus Shares	**-**	286,000,000	**-**	-
Balance at 30 June	**429,000,000**	429,000,000	**98,566**	98,566

On 15 May 2025, 286,000,000 bonus shares ("Bonus Shares") have been allocated and issued pursuant to the proposed bonus issue as announced by the Company on 3 March 2025. Accordingly, the Company's number of issued shares has increased from 143,000,000 shares to 429,000,000 shares.

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company. The Company did not hold any treasury shares as at 30 June 2026, 31 December 2025 and 30 June 2025. The Company's subsidiaries do not hold any shares in the Company as at 30 June 2026, 31 December 2025 and 30 June 2025. There are no outstanding convertibles as at 30 June 2026 and 30 June 2025.

13. Earnings per share

The earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

	Six months ended 30 June	
Group	**2026**	2025
Net profit attributable to equity holders of the Company (RM'000)	**13,157**	14,132
Weighted average number of ordinary shares outstanding ('000)*	**429,000**	429,000
Basic/diluted earnings per share (in sen)	**3.07**	3.29

There is no dilution of earnings per share for the respective financial periods as there were no potential dilutive ordinary shares.

14. Net asset value per share

The net asset value per share is calculated by dividing net asset value attributable to equity holders of the Group/Company by the number of ordinary shares in issue (excluding treasury shares) during the financial period/year.

	Group		**Company**	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025
Net asset value attributable to equity holders of the Company (RM'000)	**103,120**	99,861	**108,774**	111,099
Number of ordinary shares in issue (excluding treasury shares) ('000)	**429,000**	429,000	**429,000**	429,000
Net asset value per share (in sen)	**24.04**	23.28	**25.36**	25.90

1. Whether the figures have been audited, or reviewed and if so which auditing standard or practice has been followed.

The figures have not been audited or reviewed by the Company's auditors.

2. Where the figures have been audited or reviewed, the auditor's report (including any modifications or an emphasis of matter.

Not applicable as the figures have not been audited or reviewed.

3. Where the figures are subject to an adverse opinion, qualified opinion or disclaimer of opinion:
(a) Updates on the efforts taken to resolve each outstanding audit issue; and
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable as the Company received an unqualified opinion for its latest audited consolidated financial statements for the financial year ended 31 December 2025.

4. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.

(a) <u>Review of Group Performance</u>

Revenue

The Group's revenue decreased by approximately RM1.58 million or 1.6% from approximately RM100.82 million for the six months ended 30 June 2025 ("**1H2025**") to approximately RM99.24 million for the six months ended 30 June 2026 ("**1H2026**") due to a decrease in the Edible & Non-Edible Oil Refinery segment and the Product Sales and Trading segment revenues. This was partially offset by an increase in the Renewable Energy segment revenue.

Revenue from the Edible & Non-Edible Oil Refinery segment decreased by approximately RM3.98 million or 5.6% from approximately RM71.32 million in 1H2025 to approximately RM67.34 million in 1H2026. This was mainly due to a decrease in revenue contribution from projects secured in Indonesia and Africa.

Revenue from the Product Sales and Trading segment decreased by approximately RM1.77 million or 26.2% from approximately RM6.77 million in 1H2025 to approximately RM5.00 million in 1H2026 mainly due to lower demand for parts and engineering components from customers in Malaysia.

Revenue from the Renewable Energy segment increased by approximately RM4.19 million or 18.4% from approximately RM22.72 million in 1H2025 to approximately RM26.91 million in 1H2026 mainly due to an increase in revenue contribution from projects secured in the prior year from Malaysia.

The changes in revenue for the geographical segments are mainly due to the new projects secured and substantial completion of certain projects in the respective geographical areas.

Cost of sales and gross profit

The Group's cost of sales increased by approximately RM5.14 million or 7.5% from approximately RM68.38 million in 1H2025 to approximately RM73.52 million in 1H2026. The increase was mainly attributable to changes in the project mix and the stage of completion of projects recognised during the period, which resulted in a higher overall cost of sales.

The Group's gross profit decreased by approximately RM6.72 million or 20.7% from approximately RM32.44 million in 1H2025 to RM25.72 million in 1H2026. Gross profit margin decreased by 6.3 percentage points from 32.2% in 1H2025 to 25.9% in 1H2026. This was mainly due to lower gross profit margin contribution from the Edible & Non-Edible Oil Refinery segment.

Other income

Other income decreased by approximately RM0.97 million or 47.7% from approximately RM2.04 million in 1H2025 to approximately RM1.07 million in 1H2026 mainly due to lower interest rate.

Other gains/(losses) – net

Other gains/(losses) changed from a net loss of approximately RM6.21 million in 1H2025 to a net gain of approximately RM0.43 million in 1H2026. This was mainly due to the unrealised foreign exchange gain from the Group's monetary financial assets and liabilities, arising primarily from the strengthening of the United States Dollar against the Malaysian Ringgit.

Expenses

Administrative and others decreased marginally by approximately RM0.04 million or 0.4% from approximately RM9.62 million in 1H2025 to approximately RM9.58 million in 1H2026. The decrease was mainly due to a decrease in professional fees.

Income tax expense

Income tax expense decreased by approximately RM0.55 million or 11.0% from approximately RM5.03 million in 1H2025 to approximately RM4.48 million in 1H2026. Effective income tax rate decreased by 0.8 percentage points from 26.2% in 1H2025 to 25.4% in 1H2026.

Profit after income tax

Overall, the Group's profit after income tax decreased by approximately RM0.97 million or 6.9% from approximately RM14.13 million in 1H2025 to approximately RM13.16 million in 1H2026.

(b) <u>Review of change in working capital, assets and liabilities</u>

The Group's financial position as at 30 June 2026 remains strong and resilient, with a net asset position of approximately RM103.12 million and healthy cash and bank balances of approximately RM95.06 million.

Current assets

The Group's current assets increased by approximately RM10.47 million or 5.8% from approximately RM181.46 million as at 31 December 2025 to approximately RM191.93 million as at 30 June 2026 mainly due to (i) an increase in trade and other receivables; (ii) an increase in inventories; and partially offset by a decrease in cash and bank balances and contract assets.

Trade and other receivables increased by approximately RM15.17 million or 55.0% from approximately RM27.55 million as at 31 December 2025 to approximately RM42.72 million as at 30 June 2026, primarily due to more milestone billings to customers upon satisfaction of performance obligations for our engineering contracts.

Inventories increased by approximately RM1.69 million or 245.1% from approximately RM0.69 million as at 31 December 2025 to approximately RM2.38 million as at 30 June 2026 mainly due to an increase in certain engineering components held as inventories.

Contract assets decreased by approximately RM1.73 million or 3.2% from approximately RM53.50 million as at 31 December 2025 to approximately RM51.77 million as at 30 June 2026 mainly due to higher milestone billings to customers upon satisfaction of performance obligations for our engineering contracts.

Non-current assets

The Group's non-current assets decreased by approximately RM1.76 million or 27.5% from approximately RM6.38 million as at 31 December 2025 to approximately RM4.62 million as at 30 June 2026 due to a decrease in deferred tax assets and property, plant and equipment and partially offset by an increase in intangible asset arising from the acquisition of a new ERP accounting system.

Current liabilities

The Group's current liabilities increased by approximately RM5.46 million or 6.2% from approximately RM87.97 million as at 31 December 2025 to approximately RM93.43 million as at 30 June 2026 mainly due to an increase in contract liabilities; which was partially offset by (i) a decrease in trade and other payables; and (ii) a decrease in current income tax liabilities.

Contract liabilities increased by approximately RM10.37 million or 33.8% from approximately RM30.66 million as at 31 December 2025 to approximately RM41.03 million as at 30 June 2026 mainly due to downpayments received from newly secured engineering contracts.

Trade and other payables decreased by approximately RM1.37 million or 2.6% from approximately RM52.06 million as at 31 December 2025 to approximately RM50.69 million as at 30 June 2026 mainly due to settlement of trade payables to non-related parties.

Current income tax liabilities decreased by approximately RM3.54 million or 67.5% from approximately RM5.25 million as at 31 December 2025 to approximately RM1.71 million as at 30 June 2026 mainly attributable to the settlement of income tax liabilities during the period.

(c) Review of change in cash flows

In 1H2026, net cash provided by operating activities amounted to RM4.83 million. This was due to operating cash inflow before working capital changes of approximately RM16.17 million, adjusted for (a) net working capital outflow of approximately RM6.15 million; (b) interest received of approximately RM1.03 million, and (c) tax paid of approximately RM6.22 million. The net working capital outflow was due to (i) an increase in trade and other receivables of approximately RM15.18 million; (ii) a decrease in trade and other payables of approximately RM1.38 million; and (iii) an increase in inventories of approximately RM1.69 million; which was partially offset by a decrease in net contract assets of approximately RM12.10 million.

Net cash used in investing activities amounted to approximately RM0.23 million due to purchase of property, plant and equipment and intangible asset.

Net cash used in financing activities amounted to approximately RM9.32 million due to dividends paid during the period.

As a result of the above, there was a net decrease of approximately RM4.72 million in cash and bank balances. As at 30 June 2026, the Group's cash and bank balances amounted to approximately RM95.06 million.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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

The Group remains positive on the long-term outlook of the Edible & Non-Edible Oil Refinery segment as global consumption of fats and oils continues to steadily expand and grow, driven by rising demand across food, beverage and industrial applications.

The global fats & oils market was valued at USD392.61 billion in 2025 and is projected to grow from USD503.91 billion in 2026 to USD698.08 billion by 2034, with a CAGR of 4.16%.[1] This growing market increases the demand for vegetable oils, with the global vegetable oil market valued at USD302.61 billion in 2025 and projected to reach a value of USD421.23 billion in 2026 and USD598.85 billion by 2031 at a CAGR of 7.29% between 2026 and 2031.[2] The increasing demand for vegetable oils creates opportunities for the Group as an engineering solutions provider for all types of vegetable oils. The Group will continue to leverage its strong engineering capabilities, integrated technological know-how, and proven track record globally to serve the growing needs of its customers globally and secure larger-scale projects, in both existing markets and new markets with emerging prospects.

At the same time, the global trend of environmental sustainability continues to present potential opportunities for the Group's Renewable Energy segment, with increasing concerns over energy security arising from geopolitical developments.

Indonesia, the world's biggest palm oil producer has implemented a 50% biodiesel blend (**B50**) from 40% (**B40**) with effect from 1 July 2026 and has provided a three-month transition period for fuel retailers to clear out B40 stocks according to a decree issued in June 2026 with producers required to deliver higher quality palm-based diesel for retailers to blend into biodiesel.[3] Malaysia, the world's second largest palm oil producer has expanded its biodiesel programme this year, from a 10%

[1] https://www.fortunebusinessinsights.com/industry-reports/fats-oils-market-100546
[2] https://www.mordorintelligence.com/industry-reports/vegetable-oil-market
[3] https://www.reuters.com/world/asia-pacific/indonesias-50-biodiesel-blending-rate-takes-effect-2026-07-01/

biodiesel blending ratio (**B10**) to 15% (**B15**) with several regions advancing to a 20% blending ratio (**B20**).[4] Malaysia is also reportedly studying the feasibility of a 50% blending ratio (**B50**).[5]

Sustainable Aviation Fuel ("**SAF**"), a low-carbon jet fuel made from renewable or waste materials, is the primary lever for the aviation industry's decarbonisation and expected to contribute 65% of the emission reductions needed to hit the industry's net zero emissions 2050 target. Global SAF demand is expected to reach 12.8 million tonnes in 2030 from around 2.1 million tonnes in 2025.[6] With its diverse feedstock base, ASEAN is poised to produce 8.5 million barrels of SAF daily by 2050 and could potentially be net exporters.[7] SAF demand in ASEAN itself is also projected to grow from 15,000 barrels per day in 2030 to over 700,000 barrels per day by 2050.[8]

The Group has the relevant experience and capabilities for the SAF value chain, as it has designed and delivered plants capable of treating and cleansing palm oil mill effluent ("**POME**"), as well as any other vegetable oil-based raw materials such as used cooking oil ("**UCO**") in compliance with the International Sustainability & Carbon Certification ("**ISCC**") for use as feedstock in the production and manufacture of hydrogenated vegetable oil ("**HVO**") or renewable diesel, which can be upgraded to SAF.

With many countries increasingly experiencing the devastating effects of global climate change driven by global warming, sustainability is a global priority. As such, the Group remains positive of the long-term growth prospects in the renewable energy sector. The Group continues to develop new and innovative processes for renewable energy products to provide more support and solutions for the sustainability efforts of its existing customers and markets. With renewable energy being one of the key focus area, the Group may from time to time, evaluate potential joint venture opportunities as part of its growth strategy, where such arrangements are commercially viable and aligned with its business objectives.

While the Group expects its different businesses to be driven primarily by the corresponding growth in the industry sectors that they serve, ongoing global economic volatility and rising geopolitical tensions further exacerbated by the current Middle East conflict continue to present a complex and challenging operating environment. The spillover effects of this operating environment may affect the Group's customers and industry dynamics, resulting in possible delays in capital expenditure. Barring unforeseen circumstances, the Group remains cautiously positive about the overall outlook.

As at the date of this announcement, the Group's order book based on unfulfilled orders from signed contracts, confirmed variation orders and letters of awards obtained amounts to approximately RM258.7 million and is expected to be fulfilled over the next 18 to 24 months barring any unforeseen circumstances.

7. Dividend

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

Yes.

Name of dividend	Interim
Dividend type	Cash
Dividend amount per share	0.50 Singapore cents
Tax rate	Tax-exempt (one-tier)

[4] https://www.ofimagazine.com/news/malaysia-expands-b15-biodiesel-rollout-as-several-regions-advance-to-b20-blend
[5] https://www.freemalaysiatoday.com/category/nation/2026/06/23/govt-to-assess-viability-of-b50-biodiesel-rollout
[6] https://www.fastmarkets.com/insights/global-saf-demand-to-reach-12-8-mln-tonnes-by-2030-and-hefa-dominance-risks-post-2030-supply-gap-skynrg/
[7] https://asean.org/asean-poised-to-produce-8-5-million-barrels-of-sustainable-aviation-fuel-daily-by-2050/
[8] https://aseanenergy.org/opinion/from-potential-to-take-off-how-asean-can-seize-the-global-saf-market

(b) Any dividend recommended/declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of dividend	Interim
Dividend type	Cash
Dividend amount per share	0.50 Singapore cents
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.

Tax exempt (one-tier).

(d) Date payable

The date payable for the interim cash dividend will be announced at a later date.

(e) Record date

The record date will be announced at a later date.

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

Not applicable.

9. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There are no interested person transactions of S$100,000 and above entered into in 1H2026.

The Group has not obtained a general mandate from shareholders for interested person transactions.

10. Disclosure on acquisition and realisation of shares pursuant to Rule 706A of the SGX-ST Listing Manual

Not applicable. There was no acquisition or realisation of shares in any of the Group's subsidiaries nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during 1H2026.

11. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual.

12. Use of IPO Proceeds

As at the date of this announcement, the utilisation of net proceeds from the IPO are as follows:

Use of Proceeds	Net IPO Proceeds (S$'000)	Utilisation (S$'000)
Working capital to expand our business operations through securing more projects and projects of a larger scale	2,634	-
Expansion of our business through investments, mergers and acquisitions, joint ventures and/or strategic alliances	1,000	-
Total	**3,634**	**-**

13. Confirmation by the Board pursuant to Rule 705(5) of the SGX-ST Listing Manual

The Board of Directors confirms that, to the best of their knowledge, nothing has come to their attention which may render the condensed interim financial statements for the six months ended 30 June 2026 to be false or misleading in any material aspects.

BY ORDER OF THE BOARD

Mr. Henry Yong Khai Weng
Executive Director and Chief Executive Officer

03 August 2026