



SHS HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No.: 197502208Z)

Unaudited Condensed Interim Financial Statements For The Half Year Ended 30 June 2025

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**SHS HOLDINGS LTD.**

(Incorporated in the Republic of Singapore)

(Company Registration No.: 197502208Z)

Condensed Interim Financial Statements for The Period Ended 30 June 2025**(A) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

		Group Unaudited First Half Year Ended		
	Note	30-Jun-25	30-Jun-24	Change
		S\$'000	S\$'000	%
Revenue	3.3	48,533	32,551	49.1
Cost of sales of goods and services		(42,963)	(28,648)	50.0
Gross profit		5,570	3,903	42.7
Other income		1,134	2,153	(47.3)
Selling and distribution expenses		(316)	(346)	(8.7)
Administrative expenses		(3,282)	(3,905)	(16.0)
Other operating expenses		(4,583)	(1,991)	130.2
Impairment losses impairment losses on financial assets, net*		-	(348)	(100.0)
Finance costs		(506)	(434)	16.6
Share of loss of associate, net of tax*		-	-	-
Loss before tax	4	(1,983)	(968)	104.9
Income tax credit/(expenses)	5	2	(198)	(101.0)
Loss after tax for the period		(1,981)	(1,166)	69.9
Other comprehensive income, net of tax:				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in the fair value of equity investments at fair value through other comprehensive income		6,150	-	n.m.
<i>Items that will be reclassified subsequently to profit or loss:</i>				
Exchange differences on translation of foreign operations		(143)	30	(576.7)
Other comprehensive income for the period		6,007	30	199.2
Total comprehensive income for the period		4,026	(1,136)	n.m
Loss for the financial period attributable to:				
Equity holders of the Company		(1,950)	(1,050)	85.7
Non-controlling interest		(31)	(116)	73.3
		(1,981)	(1,166)	69.9
Total comprehensive income for the period attributable to:				
Equity holders of the Company		4,063	(1,031)	(-494.1)
Non-controlling interest		(37)	(105)	(64.8)
		4,026	(1,136)	(454.4)
(Loss)/Earnings per share (cents per share):				
Basic and diluted	6	(0.32)	(0.17)	88.24

*Amount below S\$1,000

n.m Not meaningful

The above condensed interim consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**SHS HOLDINGS LTD.**

(Incorporated in the Republic of Singapore)

(Company Registration No.: 197502208Z)

Condensed Interim Financial Statements for The Period Ended 30 June 2025**(B) Condensed Interim Statements of Financial Positions**

	Note	<u>Group</u>		<u>Company</u>	
		<u>Unaudited</u>	<u>Audited</u>	<u>Unaudited</u>	<u>Audited</u>
		<u>30-Jun-25</u>	<u>31-Dec-24</u>	<u>30-Jun-25</u>	<u>31-Dec-24</u>
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	9	111,324	36,107	164	33
Right-of-use assets		5,371	3,251	790	872
Investment property	10	-	-	5,614	6,200
Investment in subsidiaries		-	-	34,227	34,227
Investment in associates		64	64	-	-
Intangible asset and goodwill	11	6,692	6,000	-	-
Other financial assets	12	26,590	20,597	26,590	20,597
Other receivables	13	22,318	-	-	-
		<u>172,359</u>	<u>66,019</u>	<u>67,385</u>	<u>61,929</u>
Current assets					
Cash and bank balances		38,138	38,284	14,405	14,424
Inventories		9,196	8,024	-	-
Land held for development		-	4,229	-	-
Trade and other receivables	13	63,246	50,461	664	660
Contract assets	14	11,624	10,369	-	-
Amount due from subsidiaries		-	-	57,818	61,461
		<u>122,204</u>	<u>111,367</u>	<u>72,887</u>	<u>76,545</u>
Total assets		<u>294,563</u>	<u>177,386</u>	<u>140,272</u>	<u>138,474</u>
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables		64,511	13,767	711	1,462
Contract liabilities	14	14,817	6,384	-	-
Amounts due to bankers		2,567	1,513	-	-
Term loans	15	15,038	6,342	305	-
Lease liabilities		1067	303	169	169
Provision for income tax		996	661	-	-
		<u>98,996</u>	<u>28,970</u>	<u>1,185</u>	<u>1,631</u>
Non-current liabilities					
Other payables		18,594	-	-	-
Deferred income		3,610	-	-	-
Term loans	15	23,611	2,849	-	-
Lease liabilities		5,059	3,496	784	867
Deferred tax liabilities		2,025	2,026	860	860
		<u>52,899</u>	<u>8,371</u>	<u>1,644</u>	<u>1,727</u>
Total liabilities		<u>151,895</u>	<u>37,341</u>	<u>2,829</u>	<u>3,358</u>

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Condensed Interim Financial Statements for The Period Ended 30 June 2025**(B) Condensed Interim Statements of Financial Positions (Continued)**

		Group		Company	
	<u>Note</u>	<u>Unaudited</u>	<u>Audited</u>	<u>Unaudited</u>	<u>Audited</u>
		<u>30-Jun-25</u>	<u>31-Dec-24</u>	<u>30-Jun-25</u>	<u>31-Dec-24</u>
		S\$'000	S\$'000	S\$'000	S\$'000
Equity					
Share capital	16	155,547	155,547	155,547	155,547
Treasury shares	16	(11,529)	(11,524)	(11,529)	(11,524)
Asset revaluation reserve		18,327	18,329	8,582	8,582
Fair value reserve		(2,062)	(8,212)	(2,407)	(8,550)
Foreign currency translation reserve		(417)	(274)	-	-
Other reserve		-	-	3,297	3,297
Accumulated losses		(17,515)	(14,283)	(16,047)	(12,236)
Equity attributable to owners of the Company		142,351	139,583	137,443	135,116
Non-controlling interest		317	462	-	-
Total equity		142,668	140,045	137,443	135,116
Total liabilities and equity		294,563	177,386	140,272	138,474

The above condensed interim statements of financial positions should be read in conjunction with the accompanying notes.



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Condensed Interim Financial Statements for The Period Ended 30 June 2025

(C) Condensed Interim Statements of Changes in Equity

	Attributable to equity holders of the Company								
	Share capital	Treasury shares	Asset revaluation reserve	Fair value reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Group									
Unaudited									
At 1 January 2025	155,547	(11,524)	18,329	(8,212)	(274)	(14,283)	139,583	462	140,045
Loss for the period	-	-	-	-	-	(1,950)	(1,950)	(31)	(1,981)
Other comprehensive income, net of tax	-	-	-	6,150	(137)	-	6,013	(6)	6,007
Total comprehensive income for the period	-	-	-	6,150	(137)	(1,950)	4,063	(37)	4,026
Transactions with owners of the Company									
Dividends (Note 7)	-	-	-	-	-	(1,398)	(1,398)	-	(1,398)
Purchase of treasury shares	-	(5)	-	-	-	-	(5)	-	(5)
Total contributions and distributions	-	(5)	-	-	-	(1,398)	(1,403)	-	(1,403)
Changes in ownership interests in subsidiary									
Effects of acquiring part of non-controlling interests in a subsidiary	-	-	(2)	-	(6)	116	108	(108)	-
Total changes in ownership interests in subsidiary	-	-	(2)	-	(6)	116	108	(108)	-
At 30 June 2025	155,547	(11,529)	18,327	(2,062)	(417)	(17,515)	142,351	317	142,668



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Condensed Interim Financial Statements for The Period Ended 30 June 2025

(C) Condensed Interim Statements of Changes in Equity (Continued)

	←		Attributable to equity holders of the Company						
	Share capital	Treasury shares	Asset revaluation reserve	Fair value reserve	Foreign currency translation reserve	Accumulated losses	Total	Non- controlling interest	Total equity
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Group									
Unaudited									
At 1 January 2024	155,547	(11,524)	18,329	(10,060)	(380)	(15,751)	136,161	397	136,558
Loss for the period	-	-	-	-	-	(1,050)	(1,050)	(116)	(1,166)
Other comprehensive income, net of tax	-	-	-	-	19	-	19	11	30
Total comprehensive loss for the period	-	-	-	-	19	(1,050)	(1,031)	(105)	(1,136)
Transactions with owners of the Company									
Dividends (Note 7)	-	-	-	-	-	(1,734)	(1,734)	-	(1,734)
At 30 June 2024	155,547	(11,524)	18,329	(10,060)	(361)	(18,535)	133,396	292	133,688



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Condensed Interim Financial Statements for The Period Ended 30 June 2025

(C) Condensed Interim Statements of Changes in Equity (Continued)

	Attributable to equity holders of the Company						
	Share capital	Treasury shares	Asset revaluation reserve	Other Reserve	Fair value reserve	Accumulated losses	Total
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Company							
Unaudited							
At 1 January 2025	155,547	(11,524)	8,582	3,297	(8,550)	(12,236)	135,116
Loss for the period	-	-	-	-	-	(2,413)	(2,413)
Other comprehensive income, net of tax	-	-	-	-	6,143	-	6,143
Total comprehensive income for the period	-	-	-	-	6,143	(2,413)	3,730
Transactions with owners of the Company							
Dividends (Note 7)	-	-	-	-	-	(1,398)	(1,398)
Purchase of treasury shares	-	(5)	-	-	-	-	(5)
Total contributions and distributions	-	(5)	-	-	-	(1,398)	(1,403)
At 30 June 2025	155,547	(11,529)	8,582	3,297	(2,407)	(16,047)	137,443
Unaudited							
At 1 January 2024	155,547	(11,524)	8,582	3,297	(10,398)	(12,107)	133,397
Loss for the period, representing total comprehensive income for the period	-	-	-	-	-	510	510
Dividends (Note 7)	-	-	-	-	-	(1,734)	(1,734)
At 30 June 2024	155,547	(11,524)	8,582	3,297	(10,398)	(13,331)	132,173

The above condensed interim statements of changes in equity should be read in conjunction with the accompanying notes.

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Condensed Interim Financial Statements for The Period Ended 30 June 2025**(D) Condensed Interim Consolidated Statement of Cash Flows**

	Note	Group	
		Unaudited First Half Year Ended 30-Jun-25 S\$'000	Unaudited First Half Year Ended 30-Jun-24 S\$'000
Cash Flows from Operating Activities			
Loss before tax for the period		(1,983)	(968)
Adjustments for:			
Depreciation of property, plant and equipment	4	2,033	2,074
Depreciation of right-of-use assets	4	170	170
Loss/(gain) on disposal of property, plant and equipment	4	50	(15)
Gain on disposal of land held for development	4	(143)	-
Reversal allowance for inventory obsolescence	4	*	(2)
Impairment losses on financial assets, net	4	*	348
Interest income	4	(329)	(555)
Interest expense	4	506	434
Share of loss of associate, net of tax		*	*
Unrealised foreign exchange gain – net		(70)	(248)
Operating cash flows before working capital changes		234	1,238
Changes in working capital:			
Inventories		1,646	(5,067)
Contract assets, receivables and prepayments		6,971	150
Contract liabilities and payables		(5,199)	(1,570)
Cash from/ (used in) operations		3,652	(5,249)
Interest received		329	555
Income tax paid		(348)	(483)
Net cash from/ (used in) operating activities		3,633	(5,177)
Cash Flows from Investing Activities			
Acquisition of a subsidiary, net of cash acquired	19(b)	106	-
Payment for purchase of property, plant and equipment		(1,176)	(461)
Proceeds from disposal of property, plant and equipment		-	13
Proceeds from disposal of financial assets		157	-
Net cash used in investing activities		(913)	(448)
Cash Flows from Financing Activities			
Drawdown of term loan		9,393	3,200
Repayment of term loans		(11,111)	(1,042)
Drawdown of trust receipts		2,950	-
Repayment of trust receipts and bills payable		(1,896)	(12,935)
Payment of dividends	7	(1,398)	(1,734)
Purchase of treasury shares		(5)	-
Payment of lease liabilities		(149)	(265)
Transaction with non-controlling interests		(40)	-
Interest paid		(467)	(309)
Net cash used in financing activities		(2,723)	(13,085)
Net changes in cash and cash equivalents		(3)	(18,710)
Cash and cash equivalents at the beginning of period		38,284	48,036
Effects of exchange rate changes on the balances of cash held in foreign currencies		(143)	-
Cash and cash equivalents at the end of the period		38,138	29,326

*Amounts below SGD1,000

The above condensed interim consolidated statement of cash flows should be read in conjunction with the accompanying notes.



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E Notes to the Condensed Interim Consolidated Financial Statements

1 Corporate information

SHS Holdings Ltd. (the “Company”) is a public limited liability company incorporated and domiciled in Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”). These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the Group).

The Company’s registered address and principal place of business is at 19 Tuas Avenue 20, Singapore 638830. The principal activities of the Company are investment holding and those of grit blasting and painting.

The principal activities of the Group are those corrosion prevention services, engineering and construction, solar energy related services, precision aluminium manufacturing, aluminium recycling and trading of aluminium products.

2 Basis of preparation

- 2.1 The condensed interim consolidated financial statements for the six months ended 30 June 2025 have been prepared in Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore except for the completion of the Purchase Price Allocation (“PPA”) exercise relating to the acquisition of two subsidiaries in China, which was legally completed on 17 June 2025. The PPA exercise has yet to commence and will be carried out within the 12-month measurement period permitted under the relevant SFRS requirements, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2024. The condensed interim consolidated 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 consolidated financial statements.

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

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency and all values are rounded to the nearest thousand (“\$’000”), except when otherwise indicated.

2.2 New and amended standards adopted by the Group

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except that in the current financial period, the Group has adopted all the new and revised standards and interpretations which are effective for annual financial periods beginning on or after 1 January 2025. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Group.

2.3 Use of estimates and judgements

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

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements as at and for the year ended 31 December 2024.

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. Management is of the opinion that there are no critical judgements made in applying the Group’s accounting policies and no assumptions and estimation of uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.



E Notes to the Condensed Interim Consolidated Financial Statements**3 Segmental reporting**

Segment information reported externally was analysed on the basis of the types of goods supplied and services provided by the Group's operating divisions. Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance of the Group. The Group's reportable operating segments are as follows:

Engineering & Construction ("EC")

The engineering & construction segment is in the business of designing, engineering and construction of steel, aluminium and glass structures, and design and construction services including major upgrading works.

Corrosion Prevention ("CP")

The corrosion prevention segment provides coating services to marine, oil and gas, construction and infrastructure industries.

Solar Energy ("Solar")

The solar energy segment specialises in solar energy development and engineering and project management for electrical works.

Trading and Manufacturing of Commodities ("Commodities")

The trading and manufacturing segment specialises in promoting and selling of metals and aluminium-related products including the business of newly acquired China entities engaging in precision aluminium manufacturing and aluminium recycling activities.

Others

Others segment consists of property development business, warehousing, corporate head office and strategic investments.



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3.1 Segment revenues, results, assets and liabilities

	EC		CP		Solar		Commodities		Others		Total	
	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue	17,177	11,888	6,594	7,355	7,574	11,605	17,188	1,703	-	-	48,533	32,551
Results												
Segment profits/(loss)	1,547	728	1,085	481	1,036	951	(457)	19	(2,539)	(613)	672	1,566
Impairment losses on financial assets, net	-	-	-	(216)	-	(132)	-	-	-	-	-	(348)
Finance costs	(336)	(367)	(33)	(37)	(14)	(30)	(124)	-	-	-	(507)	(434)
Share of loss of associate, net of tax*											-	-
Other income											1,134	2,153
Central administration costs and directors' remuneration											(3,282)	(3,905)
Loss before tax											(1,983)	(968)
Income tax credit/(expenses)											2	(198)
Loss for the period											(1,981)	(1,166)
Other information												
Addition to property, plant and equipment (PPE)	117	436	143	9	4	16	912	-	-	-	1,176	461
Depreciation of PPE and Right of use assets (ROU)	1,029	1,073	1,085	1,078	88	87	1	-	-	6	2,203	2,244
Gain on fair value of equity investments at fair value through other comprehensive income	-	-	-	-	-	-	5	-	6,145	-	6,150	-

*Amount below \$1,000



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3.1 Segment revenues, results, assets and liabilities (continued)

	EC		CP		Solar		Commodities		Others		Total	
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Assets												
Segment assets	57,791	64,762	24,893	26,210	12,606	12,783	150,858	23,474	41,659	44,093	287,807	171,322
Intangible asset and goodwill	6,000	6,000	-	-	-	-	692	-	-	-	6,692	6,000
Investment in associate	64	64	-	-	-	-	-	-	-	-	64	64
Total segment assets											294,563	177,386
Liabilities												
Segment liabilities	18,339	23,557	2,808	2,978	4,581	3,585	122,437	3,044	709	1,490	148,874	34,654
Unallocated liabilities											996	661
- Provision for taxation											2,025	2,026
- Deferred income tax											151,895	37,341
Total segment liabilities												

*Amount below \$1,000



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E Notes to the Condensed Interim Consolidated Financial Statements

3.1 Segment revenues, results, assets and liabilities (continued)

Revenue reported above represents revenue generated from external customers. Inter-segment sales for 1H2025 were S\$87,000 (1H2024: S\$4,293,000). Segment results represent the profit/(loss) earned by each segment without allocation of central administration costs and directors' remuneration, share of loss of associates and other income. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

3.2 Geographical information

The Group's continuing operations is primarily carried out in Singapore and China. The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical locations are detailed below.

	Group's revenue from external customers		Group's non-current assets (i)	
	<u>1H 2025</u> S\$'000	<u>1H 2024</u> S\$'000	<u>30 Jun 25</u> S\$'000	<u>31 Dec 24</u> S\$'000
Singapore	28,837	28,063	43,330	45,387
Rest of South East Asia (ii)	2,499	2,783	55	20
People's Republic of China	17,188	1,703	80,066	15
Others (iii)	9	2	-	-
	<u>48,533</u>	<u>32,551</u>	<u>123,451</u>	<u>45,422</u>

(i) Non-current assets exclude other receivables and other financial assets

(ii) Rest of South East Asia includes Malaysia, Vietnam and Indonesia

(iii) Others include Greece, Pakistan, Mauritius

3.3 Disaggregation of revenue from contracts with customers

	Group	
	<u>1H 2025</u> S\$'000	<u>1H 2024</u> S\$'000
<u>Principal geographical market</u>		
<i>Singapore</i>		
- Engineering & construction services	17,177	11,888
- Services rendered – grit blasting and painting	5,300	5,951
- Solar power installation service	3,599	6,776
- Sale of blasting equipment goods	676	789
- Sale of solar power equipment goods	2,085	2,659
	<u>28,837</u>	<u>28,063</u>
<i>Rest of South East Asia⁽ⁱ⁾</i>		
- Sale of solar power equipment goods	1,890	2,170
- Sale of blasting equipment goods	609	613
	<u>2,499</u>	<u>2,783</u>
<i>People's Republic of China</i>		
- Sales and manufacturing of aluminium products	17,188	1,703
<i>Others⁽ⁱⁱ⁾</i>		
- Sale of blasting equipment goods	9	2
Total Revenue	<u>48,533</u>	<u>32,551</u>



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E Notes to the Condensed Interim Consolidated Financial Statements

3.3 Disaggregation of revenue from contracts with customers (continued)

	Group	
	<u>1H 2025</u>	<u>1H 2024</u>
	S\$'000	S\$'000
<u>Major products or service lines and time of revenue recognition</u>		
<i>At a point in time</i>		
- Sale of solar power equipment goods	3,975	4,829
- Sale of blasting equipment goods	1,294	1,404
- Sale of aluminium products	17,188	1,703
	<u>22,457</u>	<u>7,936</u>
<i>Over time</i>		
- Engineering & construction services	17,177	11,888
- Services rendered – grit blasting and painting	5,300	5,951
- Solar power installation service	3,599	6,776
	<u>26,076</u>	<u>24,615</u>
Total Revenue	<u>48,533</u>	<u>32,551</u>

(i) Rest of South East Asia includes Malaysia, Vietnam and Indonesia

(ii) Others include Greece, Pakistan, Mauritius

4 Loss before tax

Loss before tax for the period is arrived at after crediting/(charging) the following:

	Group	
	<u>1H 2025</u>	<u>1H 2024</u>
	S\$'000	S\$'000
Other income	163	161
Rental income	499	438
Interest income	329	555
Gain on disposal of land held for development	143	-
Loss/(gain) on disposal of property, plant and equipment	50	(15)
Interest on borrowings and leases	(506)	(434)
Depreciation of property, plant and equipment	(2,033)	(2,074)
Depreciation of right-of-use assets	(170)	(170)
Impairment losses on financial assets, net	-	(348)
Reversal allowance for inventory obsolescence	-	2
Foreign currency exchange (loss)/gain, (net)	<u>(2,124)</u>	<u>999</u>



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5 Income tax (credit)/expense

	Group	
	<u>1H 2025</u>	<u>1H 2024</u>
	S\$'000	S\$'000
Current income tax:		
- Current period	11	141
- (Over)/under provision in respect of prior year	(12)	57
	(1)	198
Deferred tax:		
- Origination and reversal of temporary differences	(1)	-
	(1)	-
Income tax (credit)/expense	(2)	198

The corporate income tax applicable to the Company and other Singapore incorporated entities of the Group is 17% (1H2024: 17%). The entities of the Group in China, Malaysia and Indonesia are subject to a corporate income tax rate of 25%, 24% and 22% (1H2024: 25% China, 24% Malaysia and 22% Indonesia). The remaining entities of the Group operating in other jurisdictions are considered not material.

6 (Loss)/Earnings per share

(Loss)/Earnings per share based on the net loss of the Group attributable to the shareholders:

	Group	
	<u>1H 2025</u>	<u>1H 2024</u>
(Loss)/Earnings per ordinary share for the period based on net loss attributable to the equity holders of the Company		
(i) Based on weighted average number of ordinary shares	(32) cents	(17) cents
Weighted average number of shares	610,403,412	610,403,412
(ii) On a diluted basis	(32) cents	(17) cents
Weighted average number of shares	610,403,412	610,403,412

7 Dividends

	Group	
	<u>1H 2025</u>	<u>1H 2024</u>
	S\$'000	S\$'000
<i>Dividends on ordinary shares paid:</i>		
Final exempt (one-tier) dividend of S\$0.00229 per ordinary share in respect of the financial year ended 31 December 2024	1,398	-
Final exempt (one-tier) dividend of S\$0.00284 per ordinary share in respect of the financial year ended 31 December 2023	-	1,734

There is no dividend recommended for the period ended 30 June 2025 (30 June 2024: Nil).



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8 Net asset value

	<u>Group</u>		<u>Company</u>	
	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>
Net asset backing per ordinary share	23.37 cents	22.94 cents	22.52 cents	22.14 cents
Based on the number of shares in issue, excluding treasury shares	610,403,412	610,403,412	610,403,412	610,403,412

9 Property, plant and equipment

Addition of property, plant and equipment

During the six months ended 30 June 2025, the Group acquired property, plant and equipment with an aggregate cost amounting to S\$1,176,000 (30 June 2024: S\$461,000).

Assets under construction

As at the reporting date, the Group's assets under construction had an aggregate cost of S\$53,481,000 (2024: Nil) which is expected to be complete within one to three years period.

Assets pledged as security

At the reporting date, the Group's leasehold properties at 19 Tuas Avenue 20 Singapore 638830 with carrying values amounting to S\$21,991,000 (2024: S\$32,607,6600 at 81 Tuas South Street 5 Singapore 637651 and 19 Tuas Avenue 20 Singapore 638830) are mortgaged to secure the credit facilities of the Group.

As at the reporting date, the Group's factory equipment, leasehold land, and building located in Nanning, the People's Republic of China, with carrying values amounting to S\$30,694,000 are mortgaged to secure the credit facilities of the Group's subsidiaries.

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever there is any indication that the assets may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amount of an asset or group of assets is assessed as the higher of its fair value less costs of disposal and its value in use.

The Group carried out a review and determined that there is no indicator of impairment loss to these assets for the current financial period.



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10 Investment property

	Company	
	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>
	S\$'000	S\$'000
<u>At cost</u>		
At beginning and end of the reporting period	14,400	14,400
<u>Accumulated depreciation</u>		
At beginning of the reporting period	8,200	7,029
Depreciation charge	586	1,171
At end of the reporting period	8,786	8,200
<u>Net book value</u>		
At end of the reporting period	5,614	6,200

The Group's leasehold buildings located at 81 Tuas South Street 5 is leased to certain subsidiaries of the Group to earn leasing revenue. Accordingly, the leasehold building is classified as an investment property on the statement of financial position of the Company. Investment property held for long-term rental yields and/or for capital appreciation, is initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The fair value of the investment property is determined by independent real estate valuation experts using market comparable approach by referring to market evidence of recent transactions for similar properties. In determining the fair value, the valuer has used the direct sales comparison method by referring to market evidence of recent transactions for similar properties. The Group carried out a review and determined that there is no indicator of impairment loss to these assets for the current financial period.

11 Intangible asset and goodwill

	Goodwill	Group Development costs	Total
	S\$'000	S\$'000	S\$'000
<u>At cost</u>			
At beginning	6,000	-	6,000
Acquisitions business combinations	-	691	691
Currency re-alignment	-	1	1
At end of the reporting period	6,000	692	6,692
<u>Accumulated depreciation</u>			
At beginning and end of the reporting period	-	-	-
<u>Net book value</u>			
At 30 June 2025	6,000	692	6,692
At 31 December 2024	6,000	-	6,000



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E Notes to the Condensed Interim Consolidated Financial Statements

12 Other financial assets

	Group		Company	
	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Unquoted equity investments measured at fair value through other comprehensive income (FVOCI)				
- Equity securities in investee companies	26,590	20,597	26,590	20,597

The Group has elected to carry the unquoted equity investments at FVOCI due to the Group's intention to hold these equity instruments for long-term appreciation.

At the reporting date, the Group measured the fair value of these unquoted equity investments based on the adjusted net asset value of the investee companies or based on recent transaction prices between knowledgeable and willing parties. These valuation inputs are categorised as Level 3 in the fair value hierarchy.

The movement in other financial assets is as follows:

	Group		Company	
	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>
	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January	20,597	14,322	20,597	14,320
Capitalisation of loans to investment in investee	-	4,427	-	4,427
Fair value gain recognised in other comprehensive income	6,150	1,848	6,150	1,848
Disposals	(157)	-	(157)	-
Currency alignment	-	-	-	2
At end of the reporting period	26,590	20,597	26,590	20,597

During the financial year ended 31 December 2024, the Group capitalised the outstanding loan amount due from an investee to further subscribe to additional shares in the investee.

During the financial period ended 30 June 2025, the Group disposed investments as the underlying investment was no longer aligned with the Group's long-term investment strategy. These investments had a fair value of S\$157,000 (2024: S\$126,000) at the date of disposal, and the cumulative gain on disposal amounted to \$31,000 (2024: \$Nil), net of tax.



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13 Trade and other receivables

	Group	
	30 Jun 2025	31 Dec 2024
	S\$'000	S\$'000
Trade receivables ^[a]		
- third parties	25,834	23,438
- related company	162	155
Less: Allowance for expected credit loss*	(1,174)	(1,182)
	24,822	22,411
Other receivables		
Other receivables ^[c]	22,318	-
Sundry debtors	4,831	1,750
Balance payment due from land disposal ^[e]	4,372	-
Refundables deposits	1,100	536
Deposits for performance bond	521	521
Advances to subcontractors/suppliers ^[b]		
- third parties	22,378	20,008
- related company	-	4,058
Advances to staff	63	18
Prepayments ^[d]	5,021	965
Sales tax receivable	215	823
Tax recoverable	393	16
Less: Allowance for expected credit loss*	(470)	(645)
	60,742	28,050
Trade and other receivables	85,564	50,461
Presented as:		
Current	63,246	50,461
Non-current	22,318	-
	85,564	50,461

*Movements due to the written off with receivables and currency-realignment.

(a) Trade receivables are non-interest bearing and the Group generally extend credit period ranges from 30 – 90 days (2024: 30 to 90 days) from date of invoice. They are recognised at the transaction price which represent their fair value on initial recognition.

(b) Advances to sub-contractors/suppliers are mainly to support on-going projects and material procurement.

(c) Other receivables are secured, non-interest bearing and repayable over the next three years.

(d) Prepayments refer to amounts paid in advance for the purchase of plant and equipment, or for operating expenses.

(e) The balance payments arising from the disposal of land held for development have been fully received thereafter.

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical default rates analyzed in accordance to days past due. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.



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14 Contract assets and contract liabilities

	Group	
	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>
	S\$'000	S\$'000
Contract assets – current		
Unbilled revenue ⁽ⁱ⁾	11,624	10,369
Contract liabilities – current		
Advance consideration	14,817	6,384

- ⁽ⁱ⁾ Unbilled revenue represents the Group's rights in consideration of work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when invoices are billed to the customer.

15 Bank borrowings

	Group	
	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>
	S\$'000	S\$'000
Amounts due to bankers - Current		
Trust receipts	2,567	1,513
Term Loans - Secured		
Revolving credit facility, repayable on demand	4,210	4,214
Bank term loans repayable within one year	10,828	2,128
	15,038	6,342
Bank loans repayable after one year	23,611	2,849
Total	38,649	9,191

As of reporting period, the credit facilities (including trust receipts) of the Group are generally secured by the following:

- ❖ first legal mortgage over property located at No. 19 Tuas Avenue 20, Singapore 638830;
- ❖ first deed of debenture duly executed, incorporating a fixed and floating charge over the present and future undertaking, assets, revenues and rights of a subsidiary of the Group;
- ❖ corporate guarantee from the Company for a total of S\$28.4 million (2024: S\$28.4 million);
- ❖ corporate guarantee from the legal representative of the subsidiaries of the Group;
- ❖ first legal mortgage over properties located at China owned by the previous owner of the newly acquired subsidiaries, securing an amount of RMB 42,000,000; and
- ❖ first legal mortgage over the equipment, leasehold land and buildings of the subsidiaries of the Group amounting to S\$30,694,000.



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16 Issued and paid-up capital

	Group and Company			
	<u>30 June 2025</u>		<u>31 December 2024</u>	
	Number of ordinary shares	S\$'000	Number of ordinary shares	S\$'000
<i>Issued and fully paid, with no par value:</i>				
At beginning and end of the period/year	678,109,912	155,547	678,109,912	155,547

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction, except for treasury shares, at general meetings of the Company and rank equally with regards to the Company's residual assets.

There were no subsidiary holdings as at 30 June 2025 and 31 December 2024.

17 Treasury shares

	Group and Company			
	<u>30 June 2025</u>		<u>31 December 2024</u>	
	Number of ordinary shares	S\$'000	Number of ordinary shares	S\$'000
<i>Issued and fully paid, with no par value:</i>				
At beginning and end of the period/year	67,706,500	(11,529)	67,706,500	(11,524)

Number of issued shares (excluding Treasury Shares) as at 30 June 2025 is 610,403,412 (31 December 2024: 610,403,412).

There are no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on. There are no sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

18 Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the Group entered into transactions with related parties during the financial period, on terms agreed between the parties, as shown below.

	Group	
	<u>1H 2025</u>	<u>1H 2024</u>
	S\$'000	S\$'000
(a) Sales of goods to a related party	-	553
(b) Sales of goods from a related party	-	1
(c) Purchase of goods from a related party	-	1,773
(d) Logistics storage management services	-	12
(e) Key Management personnel compensation	734	729



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19 Business combination

On 17 June 2025, the Company's wholly-owned subsidiary, SHS Capital Pte. Ltd., a Singapore incorporated entity, through its subsidiary Guangxi XinXin Technology Co., Ltd. ("GXTC"), completed the acquisition of 100% equity interests in Guangxi Tidal Precision Technology Co., Ltd. (广西潮力精密技术有限公司) ("GTPT") and Nanning Tidal Aluminium Co., Ltd. (南宁市潮力铝业有限公司) ("NTAC"). Both entities, based in Nanning, the People's Republic of China, specialize in aluminum-related businesses, with GTPT in precision aluminum manufacturing and NTAC in aluminium recycling.

Details of the consideration paid, the assets acquired and liabilities assumed, and the effects on the cash flows of the Group, at the acquisition date, are as follows:

(a) Identifiable assets acquired and liabilities assumed

	S\$
ASSETS	
Non-current assets	
Property, plant and equipment (PPE)	18,177,876
Property, plant and equipment - assets under construction	53,579,541
Right-of-use assets	2,296,372
Intangible asset - development costs	690,608
Other receivables	26,823,054
	101,567,452
Current assets	
Cash and bank balances	105,882
Inventories	2,817,855
Trade and other receivables	11,460,763
Prepayments	5,007,653
	19,392,153
Total assets	120,959,605
LIABILITIES AND EQUITY	
Current liabilities	
Trade and other payables	49,393,482
Contract liabilities	11,230,000
Term loans	9,788,121
Lease liabilities	758,970
Provision for income tax	684,471
	71,855,044
Non-current liabilities	
Deferred income	3,610,373
Term loans	21,461,480
Lease liabilities	1,723,519
	26,795,372
Total liabilities	98,650,416
Total identifiable net assets / consideration transferred for the business ^{NI}	22,309,189



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E Notes to the Condensed Interim Consolidated Financial Statements

19 Business combination (continued)

- (a) Identifiable assets acquired and liabilities assumed

Deferred payment consideration and payment consideration may subject to further adjustments

^{N1} As per the SPA dated 4 September 2024, the GXTC shall pay to the Vendor amounting to RMB 21,052,631.60 on completion date and the balance consideration payment shall be paid by the GXTC to the vendor within 5 years from Completion. The payment schedule for the payment of the balance consideration payment shall be determined by the GXTC in its absolute discretion. The balance consideration payment shall bear interest at the rate of 5% per annum on the outstanding balance consideration payment from time to time. Commencing from the day after the Completion date (date inclusive) until the date (date inclusive) full payment of the Balance Consideration Payment has been made. Interest is payable annually in arrears (each such date for payment of such interest hereafter referred to as an “Interest Payment Date”), with the first Interest Payment Date commencing on the date falling twelve months from the day after the Completion Date, and every subsequent Interest Payment Date falling on the date twelve months from the preceding Interest Payment Date.

As a results, included within other payables amounting to S\$3,753,474, representing a current liability owing to the Vendor. The remaining balance of S\$18,594,373 is classified as a non-current payable.

Included in trade and other payables is an amount of S\$28,548,293 (equivalent to RMB 160,536,989) related to the payable for the NTAC legal dispute with a construction vendor concerning construction work at the Nanning Tidal facility in China which was reclassified from the non-current payable to current payable.

- (b) Effect on cash flows of the Group

	S\$'000
Cash paid	-
Less: Cash and bank balances in subsidiary acquired	(106)
Cash inflow on acquisition	(106)

E Notes to the Condensed Interim Consolidated Financial Statements

20 Seasonal operations

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

21 Subsequent events

Except for the matters highlighted in E Note 19, there are no known material subsequent events which have resulted in adjustments to this set of interim financial statements.



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F Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of SHS Holdings Ltd. and its subsidiaries as at 30 June 2025 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 then ended and certain explanatory notes have not been audited or reviewed by the auditors.

2. Review of performance of the Group

Overview

For the half-year ended 30 June 2025 (“1H25”), the Group reported a significant 49.1% year-on-year increase in revenue to S\$48.5 million, compared to S\$32.6 million in 1H24. This performance was primarily driven by higher revenue contributions from the Engineering & Construction and Commodities segments. In particular, the Commodities segment recorded a substantial increase in revenue to S\$17.2 million in 1H25 (1H24: S\$1.7 million), due mainly to revenue contribution from the newly acquired Tidal companies in China which engaged primarily in precision aluminum manufacturing and aluminum recycling businesses.

Despite the increase in revenue, the Group’s profitability was adversely impacted, recording a net loss attributable to equity holders of S\$1.95 million in 1H25, compared to a net loss of S\$1.2 million in 1H24. The decline was primarily driven by non-operating factors, most notably the weakening of the USD against the Singapore Dollar as compared to 31 December 2024, which negatively affected the foreign exchange translation of the Group’s USD-denominated financial assets.

As at 30 June 2025, the Group’s total equity was S\$142.3 million, compared to S\$140.0 million as at 31 December 2024.

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

Revenue	1H25	1H24	Change
	S\$’000	S\$’000	(%)
Engineering & Construction (“EC”)	17,177	11,888	44.5
Corrosion Prevention (“CP”)	6,594	7,355	(10.3)
Solar Energy (“Solar”)	7,574	11,605	(34.7)
Commodities	17,188	1,703	N.M.
Total	48,533	32,551	49.1

N.M: No meaning

EC Segment

The Engineering & Construction (EC) segment grew by 44.5% to S\$17.2 million in 1H25 (1H24:S\$11.9 million), driven by improved project execution and higher revenue recognition from work completed during the period. Revenue in 1H24 was impacted by the scheduling of several new projects, which only commenced in July 2024, thus falling outside the 1H24 reporting period.

CP Segment

Revenue for the Corrosion Prevention (CP) segment decreased by 10.3%, falling to S\$6.5 million in 1H25 from S\$7.4 million in 1H24. The decline was primarily driven by a reduction in orders for site and blasting jobs.

Solar Segment

Revenue for the Solar Energy segment was S\$7.6 million in 1H25, down from S\$11.6 million in 1H24, primarily due to timing differences in project execution. Nevertheless, the segment continues to benefit from steady and on-going contributions from EPC projects.

Commodities segment

Revenue for the Commodities segment increased significantly mainly due to contributions from the newly acquired China subsidiaries.



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F Other Information Required by Listing Rule Appendix 7.2

2. Review of performance of the Group

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

Gross Profit and Gross Profit Margin

	Gross Profit			Gross Profit Margin	
	1H25	1H24	Change	1H25	1H24
	S\$'000	S\$'000	(%)		
EC	2,582	1,644	57.1	15.0	13.8
CP	1,605	1,034	55.2	24.3	14.1
Solar	1,616	1,200	34.7	21.3	10.3
Commodities	(233)	25	N.M	(1.4)	1.5
Total	5,570	3,903	42.7	11.5	12.0

N.M: No meaning

The Group's gross profit increased by 42.7%, rising from S\$3.9 million in 1H24 to S\$5.6 million in 1H25, reflecting overall revenue growth, whereas gross profit margin declined 50 basis points to 11.5% driven by substantially higher gross margin from EC, CP and Solar segments offset fully by negative gross margin from the Commodities segments.

EC segment

Gross profit for the EC segment increased by 57.1%, from S\$1.6 million in 1H24 to S\$2.6 million in 1H25. This improvement was driven by higher revenue, supported by progressive project executions. Gross margin % increased by 120 basis point to 15.0% due to higher margin jobs earned during the period offset partly by rising overheads, subcontractor fees and labour costs.

CP segment

The CP segment's gross profit rose by 55.2%, from S\$1.0 million in 1H24 to S\$1.6 million in 1H25, alongside a significant margin expansion from 14.1% to 24.3%. This was attributed to effective cost management initiatives and improved pricing strategies, despite ongoing competitive pressures within the shipyard sector.

Solar segment

The Solar segment recorded a gross profit increase of 34.7%, rising to S\$1.6 million in 1H25 from S\$1.2 million in 1H24. This was driven by improved cost controls and project execution efficiencies, resulting in a marked improvement in gross profit margin from 10.3% to 21.3%, despite a decline in segment revenue.

Commodities segment

The Commodities segment reported a gross loss of S\$0.2 million in 1H25, compared to a marginal gross profit of S\$25,000 in 1H24. This loss was primarily due to increased cost pressures, and expenses related to the realignment of business operations in relation to the precision aluminum and aluminum recycling business coupled with lower fixed cost absorption from lower revenue recorded. As a result, the gross profit margin declined to negative 1.4%. Management is closely monitoring the segment and taking operational initiatives to enhance its performance.

Other Income

Other income decreased by 47.3% to S\$1.1 million in 1H25 from S\$2.2 million in 1H24, primarily due to a favourable foreign exchange gain recorded in the previous year.



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F Other Information Required by Listing Rule Appendix 7.2

2. Review of performance of the Group

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

Selling, Distribution, Administrative and Other Operating Expenses

	1H25	1H24	Change
	S\$'000	S\$'000	(%)
Selling and distribution	(316)	(346)	(8.7)
Administrative	(3,282)	(3,905)	(16.0)
Other operating expenses	(4,583)	(1,991)	130.2
Impairment losses of impairment losses on financial assets, net	-	(348)	(100.0)
Total OPEX	(8,181)	(6,590)	24.1

Total operating expenses ("OPEX") increased by 24.1% to S\$8.2 million in 1H25 from S\$6.6 million in 1H24, mainly due to a foreign exchange loss in 1H25 arising from the weakening of USD-denominated assets against S\$.

Selling and distribution expenses decreased slightly by 8.7% to S\$0.3 million in 1H25 from S\$0.35 million in 1H24. This reduction was mainly due to controlled entertainment expenses.

Administrative expenses decreased by 16.0% to S\$3.3 million in 1H25 from S\$3.9 million in 1H24. The previous period included higher staff-related expenses, whereas 1H25 benefited from cost optimization measures.

Other operating expenses more than doubled, increasing by 130.2% to S\$4.6 million in 1H25 from S\$2.0 million in 1H24. This significant increase was largely driven by unrealised foreign exchange losses on USD-denominated assets balances

No impairment losses were recorded in 1H25, compared to S\$0.35 million in 1H24. The prior year's impairment was primarily due to increased credit risk in the CP segment, which affected the value of contract assets.

Finance Costs

Finance costs increased by 16.6% to S\$506,000 in 1H25, up from S\$434,000 in 1H24. The increase was mainly attributable to increase utilisation of bank credit facilities during the period.

Share of Associate' Results

For 1H25 and 1H24, share of loss from associated company was insignificant.



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F Other Information Required by Listing Rule Appendix 7.2

2. Review of performance of the Group

Condensed Interim Statements of Financial Positions

As at 30 June 2025, the Group's non-current assets stood at S\$172.4 million, significantly higher than S\$66.0 million as at 31 December 2024. The increase was mainly attributable to:

- ❖ During the period, the Group acquired two new subsidiaries to support its growth. As a result, the assets and liabilities of these subsidiaries were consolidated into Group's financial statements. This led to increases in property, plant and equipment (including assets under construction), intangible assets from development costs, right-of-use assets for leased factories, and other receivables as of 30 June 2025.
- ❖ During the period, based on the recent transaction prices between knowledgeable and willing parties, a fair value gain of approximately S\$6.14 million was recognised in Other Comprehensive Income (OCI).

As at 30 June 2025, the Group's current assets increased to S\$122.2 million, up from S\$111.4 million as at 31 December 2024. This growth was driven by several factors:

- ❖ Cash and bank balances remained stable at approximately S\$38.1 million;
- ❖ Inventories rose to S\$9.2 million, primarily due to raise up stock holdings within the Commodities segment;
- ❖ Increase in trade and other receivables mainly due to increase in E&C, Solar and Commodities segment;
- ❖ Contract assets recorded a moderate increase to S\$11.6 million, consistent with the ongoing execution of projects; and

As at 30 June 2025, the Group's current liabilities increased significantly to S\$99.0 million, compared to S\$29.0 million as at 31 December 2024. The increase was primarily driven by:

- ❖ A substantial rise in trade and other payables to S\$64.5 million from S\$13.8 million, reflecting higher payables associated with increased business activities from the acquired subsidiaries;
- ❖ Contract liabilities increased to S\$14.8 million, more than doubling from S\$6.4 million, due to advance billings and progress payments received for ongoing projects;

As at 30 June 2025, the Group's non-current liabilities increased substantially to S\$49.0 million, compared to S\$6.4 million as at 31 December 2024. This increase was mainly attributable to:

- ❖ Recognition of other payables amounting to S\$18.6 million, reflecting new long-term obligations in Commodities segment
- ❖ Introduction of deferred income of S\$3.6 million, representing income received but not yet earned;
- ❖ Significant increase in term loans to S\$23.6 million from S\$2.8 million, mainly contributed by consolidation of the acquired subsidiaries.

Shareholders' equity increased marginally to S\$142.7 million as at 30 June 2025 from S\$140.0 million as at 31 December 2024. The increase was largely attributed to the fair value gain on investments in financial assets. This has partially offset the dividend payout S\$1.74 million and loss for the period of S\$1.981 million.



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(a) Review of performance of the Group

Condensed Interim Consolidated Statement of Cash Flows

During 1H25, the Group recorded a net cash outflow of S\$3,000 due to: -

- ❖ Net cash from operating activities amounted to S\$3.6 million, primarily due to improvement in working capital
- ❖ Net cash used in investing activities amounted to S\$0.9 million in 1H25 mainly due to capital expenditure in EC, CP, Solar and Commodities segment.
- ❖ Net cash used in financing activities in 1H25 was mainly for the dividend payout of S\$1.4 million and the repayment of trust receipts and term loan. This had partially offset with the new term loan and trust receipts drawdown during the period.

After taking into account the above net cash flows and net foreign currency translation adjustments, the Group's cash and cash equivalents as at 30 June 2025 stood at S\$38.14 million.

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

The current announced results are in line with the prospect commentary previously disclosed to shareholders in the results announcement for the year ended 31 December 2024.

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

Singapore's ongoing focus on infrastructure development, including the expansion of the MRT network, new public housing projects, and smart city initiatives, is driving substantial demand in the construction sector. Major projects such as the Cross Island Line and the redevelopment of older town areas are creating significant opportunities for construction firms

For the E&C segment, the steel engineering business is progressing steadily with its current portfolio of contracts. As we continue to fulfil our existing engineering steel contracts, our focus will gradually shift towards their successful completion as well as participating in the MRT network project.

The solar energy industry in Singapore is experiencing dynamic growth driven by strong government support, technological advancements, and a focus on urban solar solutions. The government's ambitious SolarNova Program aims to significantly increase solar capacity, while innovations in solar technology, such as bifacial panels and energy storage, are enhancing efficiency and reducing costs. The market is competitive, characterized by price pressures and a fragmented landscape with numerous local and international players. In the next 12 months, adapting to these factors will be crucial for maintaining competitiveness and leveraging new opportunities in Singapore's evolving solar energy sector.

For our Solar Energy segment, our initiatives in rooftop solar projects and the distribution of solar panels and related peripherals are poised for further enhancement. We continue to anticipate increasing demand, particularly in Singapore and Indonesia, and are capitalizing on growth opportunities within the renewable energy sector both domestically and globally. In addition, we are developing capabilities in battery energy storage systems as well as electric vehicle (EV) charging stations and maintenance services, which will complement our solar offerings and strengthen our integrated clean energy portfolio. While we remain prudent and refrain from immediate commitments to new large-scale solar development projects, we continue to actively explore opportunities to expand our portfolio in a sustainable and disciplined manner.

The corrosion prevention industry is evolving with significant trends including increased focus on advanced coatings and corrosion-resistant materials driven by stringent regulations and heightened environmental awareness. This sector is highly competitive, with key players offering a range of solutions from traditional protective coatings to innovative, high-tech materials that address the challenges of Singapore's humid and saline environment. This industry will continue to be influenced by factors such as potential regulatory updates concerning environmental and safety standards, fluctuations in raw material prices, and the ongoing demand for infrastructure maintenance and upgrades over the next 12 months



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

On our CP segment, in light of the continuing rising costs, regulatory compliance, climate challenges, Technology Advancement to fight environmental issues and skilled work force are needed, we therefore need to continue to adopt a prudent approach in our order management strategy. Given the challenges posed by the competitive pricing, we will have to exercise caution in accepting additional orders to ensure effective management and sustained profitability.

Overall, while each segment will benefit from specific economic drivers, we will have to navigate challenges such as cost fluctuations and regulatory changes to maintain growth and competitiveness

5. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

6. If no dividend has been declared/recommendeded, a Statement to that effect and the reason(s) for the decision.

It is not the Company's policy to declare interim dividends and will only declare dividends at year end subject to company's performance as well as its cash requirements.

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,

Nil

8. Confirmation Pursuant to Rule 705(5) of the Listing Manual

We, Ng Han Kok, Henry and Teng Choon Kiat being two directors of SHS Holdings Ltd. (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the first half year ended 30 June 2025 condensed interim financial statements to be false or misleading in any material respect.



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9. Undertaking from Directors and Executive Officers pursuant to Rule 720(1) of the SGX 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) pursuant to Rule 720(1) of the SGX Listing Manual.

BY ORDER OF THE BOARD

NG HAN KOK, HENRY

Group CEO

13th October 2025