FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF YEARLY RESULTS

Issuer & Securities

Issuer/ Manager

LHT HOLDINGS LIMITED

Securities

LHT HOLDINGS LIMITED - SG1BG5000006 - BEI

Stapled Security

No

Announcement Details

Announcement Title

Financial Statements and Related Announcement

Date &Time of Broadcast

14-Aug-2026 17:36:39

Status

New

Announcement Sub Title

Half Yearly Results

Announcement Reference

SG260814OTHRB6WL

Submitted By (Co./ Ind. Name)

Li Suet Man

Designation

Interim Executive Chairman

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attachment.

Additional Details

For Financial Period Ended

30/06/2026

Attachments

LHT-Half-Year-Results 2026 FINAL.pdf

Total size =512K MB

Unaudited Condensed Interim Consolidated Financial Statements for the six months ended 30 June 2026

Table of Contents

(I) Unaudited Condensed Interim Consolidated Financial Statements

A. Condensed Interim Consolidated Income Statement

	Notes	Group		
		6 months ended 30/06/2026	6 months ended 30/06/2025	Change (%) increase/ (decrease)
		S$'000	S$'000	%
Revenue	6, Para 2.1	11,407	14,465	(21.1%)
Cost of sales		(7,332)	(9,391)	(21.9%)
Gross profit	Para 2.2	**4,075**	**5,074**	**(19.7%)**
Other item of income				
Other income	Para 2.3	904	1,660	(45.5%)
Other item of expenses				
Distribution expenses	Para 2.4	(527)	(479)	(10.0%)
Administrative expenses	Para 2.5	(4,332)	(4,158)	4.2%
Loss allowance (recognised)/reversed for trade receivables		(8)	22	136.4%
Other expenses	Para 2.6	(195)	(93)	109.7%
Finance costs	Para 2.7	(186)	(205)	(9.3%)
(Loss)/Profit before income tax	8, Para 2.8	**(269)**	**1,821**	**(114.8%)**
Income tax expense	10	(224)	(482)	(53.5%)
(Loss)/Profit for the financial period		**(493)**	**1,339**	**(136.8%)**

B. Condensed Interim Consolidated Statement of Comprehensive Income

	Notes	Group		
		6 months ended 30/06/2026	6 months ended 30/06/2025	Change (%) increase/ (decrease)
		S$'000	S$'000	%
(Loss)/Profit attributable to:				
Owners of the Company		(493)	1,339	
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences on consolidation of foreign entities (net)		56	(137)	140.9%
Total other comprehensive income/(loss) for the period, net of tax		56	(137)	
Total comprehensive (loss)/income for the period		**(437)**	**1,202**	**(136.4%)**
Total comprehensive (loss)/income attributable to:				
Owners of the Company		(437)	1,202	(136.4%)
Earnings per share attributable to owners of the Company (cents per share)				
Basic and diluted	12	(0.93)	2.51	(137.1%)

Address: 6 Tuas South Street 10, Singapore 636941 Tel: (65) 6269 7890 Email: enquiry@lht.com.sg URL: www.lht.com.sg

C. Condensed Interim Statements of Financial Position

	Notes	Group		Company	
		As at 30/06/2026	As at 31/12/2025	As at 30/06/2026	As at 31/12/2025
		S$'000	S$'000	S$'000	S$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	14	6,210	6,992	200	262
Right-of-use assets	15	7,468	7,476	7,121	150
Investments in subsidiaries		-	-	10,300	10,300
Deferred tax assets		-	-	24	24
Total non-current assets	Para 2.9	**13,678**	**14,468**	**17,645**	**10,736**
Current Assets					
Inventories		4,261	2,708	1,278	1,017
Trade and other receivables		4,893	5,741	3,727	4,799
Fixed deposits		9,663	34,084	9,580	34,002
Cash and cash equivalents		15,717	4,873	12,042	974
Total current assets	Para 2.10	**34,534**	**47,406**	**26,627**	**40,792**
Total assets		**48,212**	**61,874**	**44,272**	**51,528**
LIABILITIES AND EQUITY					
Current Liabilities					
Lease liabilities	17	537	570	555	158
Trade and other payables		2,909	2,441	3,136	3,093
Provisions		-	114	-	114
Income tax payables		146	562	-	108
Total current liabilities	Para 2.11	**3,592**	**3,687**	**3,691**	**3,473**
Net current assets	Para 2.13	**30,942**	**43,719**	**22,936**	**37,319**
Non-Current Liabilities					
Lease liabilities	17	4,327	4,191	6,580	-
Provisions		583	564	-	-
Deferred tax liabilities		366	340	-	-
Total non-current liabilities	Para 2.12	**5,276**	**5,095**	**6,580**	**-**
Total liabilities		**8,868**	**8,782**	**10,271**	**3,473**
Net assets		**39,344**	**53,092**	**34,001**	**48,055**
Equity					
Share capital	16	24,621	24,621	24,621	24,621
Currency translation reserve		(237)	(293)	-	-
Retained earnings		14,960	28,764	9,380	23,434
Total equity attributable to owners of the Company		**39,344**	**53,092**	**34,001**	**48,055**
Total liabilities and equity		**48,212**	**61,874**	**44,272**	**51,528**

D. Condensed Interim Statements of Changes in Equity

	Note	Equity attributable to owners of the Company			
		Share capital	Currency translation reserve	Retained earnings	Total equity
		S$'000	S$'000	S$'000	S$'000
Group					
Balance at 01/01/2026		24,621	(293)	28,764	53,092
Loss for the period		-	-	(493)	(493)
Other comprehensive income:					
Exchange difference on translating foreign subsidiaries		-	56	-	56
Total comprehensive loss for the period		**-**	**56**	**(493)**	**(437)**
Dividend paid	11	-	-	(13,311)	(13,311)
Balance at 30/06/2026		**24,621**	**(237)**	**14,960**	**39,344**
Balance at 01/01/2025		24,621	(699)	30,268	54,190
Profit for the period		-	-	1,339	1,339
Other comprehensive income:					
Exchange difference on translating foreign subsidiaries		-	(137)	-	(137)
Total comprehensive income for the period		**-**	**(137)**	**1,339**	**1,202**
Dividend paid	11	-	-	(2,662)	(2,662)
Balance at 30/06/2025		**24,621**	**(836)**	**28,945**	**52,730**
Company					
Balance at 01/01/2026		24,621	-	23,434	48,055
Loss for the period, representing total comprehensive loss for the period		-	-	(743)	(743)
Dividend paid	11	-	-	(13,311)	(13,311)
Balance at 30/06/2026		**24,621**	**-**	**9,380**	**34,001**
Balance at 01/01/2025		24,621	-	7,635	32,256
Profit for the period, representing total comprehensive income for the period		-	-	283	283
Dividend paid	11	-	-	(2,662)	(2,662)
Balance at 30/06/2025		**24,621**	**-**	**5,256**	**29,877**

E. Condensed Interim Consolidated Statement of Cash Flows

	Note	Group	
		6 months ended 30/06/2026	6 months ended 30/06/2025
		S$'000	S$'000
Operating activities:			
(Loss)/Profit before income tax		(269)	1,821
Adjustments for:			
Loss allowance made/(reversed) for trade receivables		8	(22)
Write-back of obsolete inventories		(34)	(48)
Depreciation of property, plant and equipment		834	930
Amortisation of right-of-use assets		514	618
Deferred grant income		-	(26)
Gain on disposal of property, plant and equipment		(303)	(427)
Reversal of reinstatement provision		(114)	-
Property, plant and equipment written off	14	77	34
Gain on discharge/remeasurement of lease liabilities		-	(25)
Interest income		(134)	(311)
Interest expense		186	205
Operating cash flow before movements in working capital		**765**	**2,749**
Changes in working capital: Inventories		(1,583)	917
Trade and other receivables		814	946
Trade and other payables		468	(1,253)
Cash generated from operations		**464**	**3,359**
Income taxes paid		(613)	(627)
Net cash (used in)/from operating activities		**(149)**	**2,732**
Investing activities:			
Proceeds from disposal of property, plant and equipment		535	534
Purchase of property, plant and equipment	14	(281)	(158)
Withdrawal of fixed deposits		24,421	8,340
Interest received		160	321
Net cash from investing activities		**24,835**	**9,037**
Financing activities:			
Dividend paid	11	(13,311)	(2,662)
Repayment of lease liabilities		(390)	(546)
Interest paid		(167)	(183)
Net cash used in financing activities		**(13,868)**	**(3,391)**
Net change in cash and cash equivalents		10,818	8,378
Cash and cash equivalents at beginning of period		4,873	10,749
Net effect of exchange rate changes on the cash and cash equivalents held in foreign currencies		26	(40)
Cash and cash equivalents at end of period	Para 2.14	**15,717**	**19,087**

F. Notes to the Unaudited Condensed Interim Consolidated Financial Statements

These notes form an integral part of the unaudited condensed interim consolidated financial statements.

1. Corporate information

LHT Holdings Limited (the "Company") (Registration number 198003094E) is a limited liability company incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2026 comprise the Company and its subsidiaries (collectively, the Group). The primary activities of the Company are those of manufacturing and trading of wooden pallets and timber-related products.

The principal activities of the Group are:
a) Timber merchants, commission agents, sawmillers and pallet rental;
b) Dealers in wood products, pallets and packaging;
c) Manufacturer, trader, importer and exporter of wooden pallets and related products;
d) Wood waste recycling and recovering;
e) Manufacturer, trader, importer and exporter of green products and woodchips; and
f) Providing of other services with respect to timber, pallets and other packaging materials.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2025. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2025.

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

The condensed interim financial statements are presented in Singapore dollars ("$") which is the Company's functional currency.

2.1. New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of estimates and judgements

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.

Except for the revision to the estimated useful life and residual value of rental pallets as disclosed in Note 14, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those applied to the consolidated financial statements as at and for the year ended 31 December 2025.

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

3. Seasonal Operations

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

4. Segment and revenue information

The Group is organised into the following main business segments:

Business segments	Nature of activities
Pallet and packaging products	Mainly engaged in the manufacture and supply of wooden pallets and cases for the packing of industrial products.
Timber-related products	Mainly engaged in the trading of raw timber and timber-related products.
Waste Management and Recycling	Mainly engaged in the production and supply of woodchips derived from collected wood waste
Pallet rental and others	Mainly engaged in pallet leasing and related business.

These operating segments are reported in a manner consistent with internal reporting provided to the management, who are responsible for allocating resources and assessing performance of the business and operating segments.

5. Reportable segments

	Pallet / Packaging		Timber Related Products		Waste Management and Recycling		Pallet Rental and Others		Elimination		Consolidated	
	HY2026	**HY2025**	**HY2026**	**HY2025**	**HY2026**	**HY2025**	**HY2026**	**HY2025**	**HY2026**	**HY2025**	**HY2026**	**HY2025**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Sales to external customers	9,234	11,898	242	226	80	474	1,851	1,867	-	-	11,407	14,465
Inter-segment sales	4,952	4,826	12	525	6	182	5	-	(4,975)	(5,533)	-	-
Total revenue	**14,186**	**16,724**	**254**	**751**	**86**	**656**	**1,856**	**1,867**	**(4,975)**	**(5,533)**	**11,407**	**14,465**
Segment results	(249)	1,001	(28)	16	(151)	(236)	126	987	(219)	258	(83)	2,026
Finance cost											(186)	(205)
(Loss)/Profit before income tax											**(269)**	**1,821**
Income tax expenses											(224)	(482)
(Loss)/Profit for the financial period											**(493)**	**1,339**
Other segment information												
Capital expenditure	16	130	-	-	-	3	265	25	-	-	281	158
Depreciation	80	328	-	-	245	218	807	710	(298)	(326)	834	930
Amortisation	407	339	-	-	242	253	167	100	(302)	(74)	514	618
Property, plant and equipment written off	2	4	-	-	-	30	75	-	-	-	77	34
(Gain)/Loss on disposal of property, plant and equipment	(20)	(32)	-	-	(225)	5	(58)	(400)	-	-	(303)	(427)
Write-back of obsolete inventories	(34)	(48)	-	-	-	-		-	-	-	(34)	(48)

Abbreviation
HY2026 6 months ended 30/06/2026
HY2025 6 months ended 30/06/2025

Address: 6 Tuas South Street 10, Singapore 636941 Tel: (65) 6269 7890 Email: enquiry@lht.com.sg URL: www.lht.com.sg

5. Reportable segments (Continued)

	Pallet / Packaging	Timber Related Products	Waste Management and Recycling	Pallet Rental and Others	Elimination	Consolidated
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Group						
30/06/2026						
Segment assets	40,373	458	8,085	11,820	(12,524)	48,212
Total assets						**48,212**
Segment liabilities	11,329	108	5,086	3,434	(11,601)	8,356
Unallocated liabilities*	-	-	-	-	-	512
Total liabilities						**8,868**
Group						
31/12/2025						
Segment assets	46,913	461	8,664	9,398	(3,562)	61,874
Total assets						**61,874**
Segment liabilities	4,091	92	5,208	796	(2,307)	7,880
Unallocated liabilities*	-	-	-	-	-	902
Total liabilities						**8,782**

* Unallocated liabilities relate to income tax payables and deferred tax liabilities

Locations of non-current assets

	Singapore	Malaysia	Consolidated
	S$'000	S$'000	S$'000
Group			
30/06/2026			
Non-current assets	**8,918**	**4,760**	**13,678**
Group			
31/12/2025			
Non-current assets	**9,747**	**4,721**	**14,468**

Non-current assets consist of property, plant and equipment and right-of-use assets as presented in the statement of financial position of the Group.

6. Disaggregation of Revenue

Revenue from an individual geographical region is disclosed separately when it represents 10% or more of the Group's revenue.

	Group 6 months ended 30/06/2026				
	Pallet/Packaging	Timber Related Products	Waste Management and Recycling	Pallet Rental (Operating leases)	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Types of goods or service:					
Sales of goods	9,234	242	80	-	9,556
Pallet rental income	-	-	-	1,851	1,851
Total revenue	**9,234**	**242**	**80**	**1,851**	**11,407**
Timing of revenue recognition					
At a point in time	9,234	242	80	-	9,556
Total revenue	**9,234**	**242**	**80**	**-**	**9,556**
Geographical information:					
Singapore	8,733	236	80	1,121	10,170
Malaysia	495	6	-	730	1,231
Others	6	-	-	-	6
Total revenue	**9,234**	**242**	**80**	**1,851**	**11,407**

	Group 6 months ended 30/06/2025				
	Pallet/Packaging	Timber Related Products	Waste Management and Recycling	Pallet Rental (Operating leases)	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Types of goods or service:					
Sales of goods	11,898	226	474	-	12,598
Pallet rental	-	-	-	1,867	1,867
Total revenue	**11,898**	**226**	**474**	**1,867**	**14,465**
Timing of revenue recognition					
At a point in time	11,898	226	474	-	12,598
Total revenue	**11,898**	**226**	**474**	**-**	**12,598**
Geographical information:					
Singapore	10,671	222	474	1,144	12,511
Malaysia	720	4	-	723	1,447
Others	507	-	-	-	507
Total revenue	**11,898**	**226**	**474**	**1,867**	**14,465**

7. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 30/06/2026 and 31/12/2025:

	Group		Company	
	30/06/2026	31/12/2025	30/6/2026	31/12/2025
	S$'000	S$'000	S$'000	S$'000
Financial Assets				
Trade and other receivables	4,893	5,741	3,727	4,799
Add/(Less):				
Fixed deposits	9,663	34,084	9,580	34,002
Cash and cash equivalents	15,717	4,873	12,042	974
GST/VAT receivables	(304)	(302)	-	-
Loss allowance for GST/VAT receivables	295	295	-	-
Prepayments	(280)	(496)	(271)	(478)
Financial assets at amortised cost	**29,984**	**44,195**	**25,078**	**39,297**
Financial Liabilities				
Trade and other payables	2,909	2,441	3,136	3,093
Add/(Less):				
Lease liabilities	4,864	4,761	7,135	158
GST/VAT payables	(180)	(254)	(88)	(153)
Accrual for unutilised leave	(79)	(213)	(77)	(192)
Advances from customers	(160)	(154)	(82)	(82)
Financial liabilities carried at amortised cost	**7,354**	**6,581**	**10,024**	2,824

8. Profit before taxation

	Group	
	6 months ended 30/06/2026	6 months ended 30/06/2025
	S$'000	S$'000
Other Income		
Waste collection income	50	352
Heat treatment income	141	134
Logistic services income	47	54
Gain on disposal of property, plant and equipment	303	427
Interest income	134	311
Sundry income	199	213
Government grants		
- Wage Credit Scheme	16	16
- Enterprise Development Grant	-	92
- Others	14	10
- Deferred grant income – CDG	-	26
Total	**904**	**1,660**
Administrative expenses		
Advertisement / Marketing and promotion expenses	7	23
Depreciation of property, plant and equipment	354	568
Amortisation of right-of-use assets	409	408
Insurance expenses	118	132
Legal and professional fees	212	147
Property tax	119	166
Rental expenses on premises	1	1
Upkeep and maintenance expenses	159	213
Reversal of provision for reinstatement costs, net of expenses incurred	(46)	-
Sales tax and customs duties arising from voluntary disclosure	265	-
Other expenses		
Foreign exchange loss, net	152	107
Property, plant and equipment written off	77	34
Write-back of obsolete inventories	(34)	(48)
Total	**195**	**93**
Finance costs		
Interest expenses in respect of:		
- Lease liabilities	167	183
- Unwind of discount on site restoration provision	19	22
Total	**186**	**205**

8. Profit before taxation (Cont'd)

	Group	
	6 months ended 30/06/2026	6 months ended 30/06/2025
	S$'000	S$'000
Profit before income tax is stated after (charging) / crediting		
Audit fees paid to auditors	72	72
Audit fees paid to other auditors/firm	8	8
Non-audit fees paid to auditors of the Company	10	10
Non-audit fees paid to other auditors/firm	42	32
Depreciation of property, plant and equipment – cost of sales	480	362
Amortisation of right-of-use assets – cost of sales	105	210
Short term lease expenses – cost of sales	2	2
Utilities expenses – cost of sales	99	312
Transportation and carriage expenses – distribution expenses	505	456
Directors' fees	148	156
Employee benefits expenses		
- Post-employment benefits	227	205
- Salaries, wages and other costs	2,998	3,351

9. Related party transactions

There are no material related party transactions apart from those disclosed in the Interested Party Transactions under Para 7 of Section (II).

10. Income tax expense

The Group calculates the income tax expense for the period using the tax rate that would be applicable to the expected total annual earnings. The corporate income tax applicable to the Company's subsidiaries in Malaysia is at 24% (2025: 24%), Vietnam at 20% (2025: 20%) and China at 25% (2025: 25%).

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

	Group	
	6 months ended 30/06/2026	6 months ended 30/06/2025
	S$'000	S$'000
Based on results for the financial period		
- Current income tax	246	482
- Deferred tax	-	-
	246	**482**
Under/(Over) provision in prior periods:		
- Current income tax	(48)	-
- Deferred tax	26	-
	(22)	**-**
Total	**224**	**482**

11. Dividends

	Group	
	6 months ended 30/06/2026	6 months ended 30/06/2025
	S$'000	S$'000
Ordinary dividends paid:		
First and final one-tier tax-exempt dividend paid of $0.05 (2025: $0.05) per ordinary share in respect of the previous financial year	2,662	2,662
Special dividends paid:		
First and final one-tier tax-exempt dividend paid of $0.20 (2025: $Nil) per ordinary share in respect of the previous financial year	10,649	-
Total	**13,311**	**2,662**

12. Earnings per ordinary share

	Group	
	30/06/2026	30/06/2025
Net (Loss)/Profit attributable to owners of the parent (S$'000)	(493)	1,339
Weighted average number of shares in issue (in '000s)	53,245	53,245
Earnings per share (cents)		
(i) On basic	(0.93)	2.51
(ii) On a fully diluted basis	(0.93)	2.51

As there were no outstanding potentially dilutive ordinary shares, the diluted earnings per ordinary share were accordingly the same as the earnings per ordinary share for the respective financial period.

13. Net asset value

	Group		Company	
	30/06/2026	31/12/2025	30/06/2026	31/12/2025
Net asset (S$'000)	39,344	53,092	34,001	48,055
Number of shares in issue at the end of the financial period (in '000s)	53,245	53,245	53,245	53,245
Net asset value per Ordinary Share (cents) based on issued share capital at the end of financial period	73.89	99.71	63.86	90.25

14. Property, plant and equipment

Change in accounting estimate – rental pallets
During the period, the Group revised the estimated useful life of its rental pallets from 5 years to 6.5 years and their residual value to nil, with effect from 1 January 2026.

The changes were accounted for prospectively and resulted in an increase in depreciation expense of approximately $219,000 for the six months ended 30 June 2026.

Movements in property, plant and equipment
During the six months ended 30 June 2026, the Group acquired property, plant and equipment amounting to $281,000 through cash purchases and $64,200 through transfers from inventories (30 June 2025: $158,000 and $127,000, respectively). During the same period, the Group disposed of and wrote off property, plant and equipment with carrying amounts of $232,000 and $77,000, respectively (30 June 2025: $107,000 and $34,000, respectively).

15. Right-of-use assets

Relocation of operations
The Group relocated its operations from 27 Sungei Kadut Street 1 to its new facility at 6 Tuas South Street 10, Singapore 636941, on 2 March 2026. Following the return of the premises at 27 Sungei Kadut Street 1 to JTC on 31 March 2026, the related right-of-use asset and lease liability were fully derecognised.

16. Share capital

	The Group and the Company			
	30/06/2026		31/12/2025	
	Number of shares	Amount	Number of shares	Amount
	'000	S$'000	'000	S$'000
Balance at beginning and end of interim period	53,245	24,621	53,245	24,621

The Company did not hold any treasury shares as at 30 June 2026 and 31 December 2025.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2026 and 31 December 2025.

17. Borrowings

	Group		Company	
	30/6/2026	31/12/2025	30/6/2026	31/12/2025
	S$'000	$'000	$'000	S$'000
Amount repayable within one year or on demand				
Lease Liabilities - Unsecured	537	570	555	158
Total	**537**	**570**	**555**	**158**
Amount repayable after one year				
Lease Liabilities - Unsecured	4,327	4,191	6,580	-
Total	**4,327**	**4,191**	**6,580**	**-**

Details of any collateral
The borrowings of the Group and the Company comprise unsecured lease liabilities relating mainly to factory and forklift leases recognised in accordance with SFRS(I) 16 Leases.

The Group and the Company's lease liabilities with a carrying amount of $0.54 million and $0.56 million respectively (2025: $0.57 million and $0.16 million) are repayable within one year and bear interest at rates ranging from 2.28% to 7.00% (2025: 2.28% to 7.00%) per annum.

The Group and the Company's lease liabilities with a carrying amount of $4.33 million and $6.58 million (2025: $4.19 million and $Nil) are repayable after one year and bear interest at a rate of 7.00% (2025: 7.00%) per annum.

18. Subsequent events

There were no known subsequent events that would require adjustment to, or disclosure in, these condensed interim financial statements.

(II) Other information required by Listing Rule Appendix 7.2

1. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The interim condensed consolidated statements of financial position of LHT Holdings Limited and its subsidiaries as at 30 June 2026 and the related condensed consolidated income statements and consolidated statements of comprehensive income, condensed consolidated statement 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 Company's auditor.

1.1. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

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

(a) Updates on efforts taken to resolve each outstanding audit issue.

Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

2. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

2.1 Revenue:

The Group's revenue for the six-month period ended 30 June 2026 ("HY2026") decreased by 21.1%, or $3.06 million, to $11.41 million, compared with $14.47 million for the six-month period ended 30 June 2025 ("HY2025").

Revenue from the pallet and packaging products segment decreased by 22.4%, or $2.67 million, from $11.90 million in HY2025 to $9.23 million in HY2026, mainly due to lower market demand and continued competitive market conditions.

Revenue from timber-related products increased by 7.1%, or $0.02 million, from $0.23 million in HY2025 to $0.24 million in HY2026. Trading activities do not follow any significant seasonal pattern.

Revenue from the waste management and recycling segment decreased by 83.1%, or $0.39 million, from $0.47 million in HY2025 to $0.08 million in HY2026, mainly due to the cessation of woodchip production and sales during the period.

Pallet rental income remained relatively stable at $1.85 million in HY2026, compared with $1.87 million in HY2025.

2.2 Gross Profit and Gross Profit Margin:

The Group's gross profit decreased by 19.7%, or $1.00 million, from $5.07 million in HY2025 to $4.08 million in HY2026, mainly in line with the decrease in revenue.

The gross profit margin increased marginally to 35.7% in HY2026, compared with 35.1% in HY2025, notwithstanding the additional depreciation expense of approximately $0.22 million arising from the revision of the estimated useful life and residual value of rental pallets. The change in accounting estimate was applied prospectively with effect from 1 January 2026.

2.3 Other Income:

Other income decreased by 45.5%, or $0.76 million, from $1.66 million in HY2025 to $0.90 million in HY2026. The decrease was mainly attributable to:

1. lower waste collection income of $0.05 million in HY2026, compared with $0.35 million in HY2025;
2. lower interest income of $0.13 million in HY2026, compared with $0.31 million in HY2025;
3. lower gain on disposal of property, plant and equipment of $0.30 million in HY2026, compared with $0.43 million in HY2025; and
4. the absence of Enterprise Development Grant income and deferred grant income recognised in HY2025.

Please refer to Note 8 for further information.

2.4 Distribution Expenses:

Distribution expenses increased by 10.0%, or $0.05 million, from $0.48 million in HY2025 to $0.53 million in HY2026, mainly due to higher transportation and carriage expenses following the relocation of the Group's manufacturing operations to Malaysia. The relocation resulted in more frequent trips and longer travelling distances, coupled with higher fuel surcharges during the period.

2.5 Administrative Expenses:

Administrative expenses increased by 4.2%, or $0.17 million, from $4.16 million in HY2025 to $4.33 million in HY2026. The increase was mainly attributable to sales tax and customs duties of approximately $0.27 million arising from a voluntary disclosure by a subsidiary, as well as higher legal and professional fees arising from various corporate and advisory matters during the period.These costs were not directly correlated with the Group's revenue performance.

These increases were partially offset by lower depreciation, property tax, upkeep and maintenance expenses, and the reversal of provision for reinstatement costs, net of expenses incurred.

2.6 Other Expenses:

Other expenses increased by 109.7%, or $0.10 million, from $0.09 million in HY2025 to $0.20 million in HY2026. The increase was mainly due to a higher net foreign exchange loss of $0.15 million in HY2026, compared with $0.11 million in HY2025, and a higher carrying amount of property, plant and equipment written off of $0.08 million in HY2026, compared with $0.03 million in HY2025. These were partially offset by the write-back of obsolete inventories of $0.03 million in HY2026.

2.7 Finance Costs:

Finance costs decreased by 9.3%, or $0.02 million, from $0.21 million in HY2025 to $0.19 million in HY2026. The decrease was mainly due to lower interest expense on lease liabilities, partially offset by the unwinding of the discount on the site restoration provision.

2.8 Loss Before Income Tax:

The Group recorded a loss before income tax of $0.27 million in HY2026, compared with a profit before income tax of $1.82 million in HY2025. The weaker performance was mainly attributable to lower revenue, gross profit and other income, together with higher administrative and other expenses, as explained above.

2.9 Non-Current Assets:

Non-current assets decreased by 5.5%, or $0.79 million, from $14.47 million as at 31 December 2025 to $13.68 million as at 30 June 2026. The decrease was mainly attributable to depreciation of property, plant and equipment and amortisation of right-of-use assets during the period, partially offset by additions to property, plant and equipment.

During HY2026, the Group acquired property, plant and equipment amounting to $0.28 million through cash purchases and $0.06 million through transfers from inventories. The Group also disposed of and wrote off property, plant and equipment with carrying amounts of $0.23 million and $0.08 million, respectively.

2.10 Current Assets:

Current assets decreased by 27.2%, or $12.87 million, from $47.41 million as at 31 December 2025 to $34.53 million as at 30 June 2026. The decrease was mainly attributable to:

1. a decrease in fixed deposits from $34.08 million as at 31 December 2025 to $9.66 million as at 30 June 2026, following the maturity and withdrawal of fixed deposits;
2. a decrease in trade and other receivables from $5.74 million to $4.89 million, mainly due to lower revenue during the period and more active collection of outstanding receivables; and
3. an increase in inventories from $2.71 million to $4.26 million, mainly due to the build-up of inventories to maintain a higher safety stock level in view of persistent supply chain disruption and various macro economic uncertainties.

Cash and cash equivalents increased from $4.87 million as at 31 December 2025 to $15.72 million as at 30 June 2026, mainly due to the withdrawal of fixed deposits during the period.

The Group's combined fixed deposits and cash and cash equivalents decreased by $13.58 million, from $38.96 million as at 31 December 2025 to $25.38 million as at 30 June 2026. The decrease was mainly attributable to dividends amounting to $13.31 million paid during HY2026.

2.11 Current Liabilities:

Current liabilities decreased by 2.6%, or $0.10 million, from $3.69 million as at 31 December 2025 to $3.59 million as at 30 June 2026. The decrease was mainly attributable to:

1. a decrease in income tax payables from $0.56 million to $0.15 million;
2. the utilisation and reversal of the current provision for reinstatement costs of $0.11 million; and
3. a decrease in current lease liabilities from $0.57 million to $0.54 million.

The decreases were partially offset by an increase in trade and other payables from $2.44 million to $2.91 million.

2.12 Non-Current Liabilities:

Non-current liabilities increased by 3.6%, or $0.18 million, from $5.10 million as at 31 December 2025 to $5.28 million as at 30 June 2026. The increase was mainly attributable to higher non-current lease liabilities arising from new forklift and other lease additions, as well as a variable lease payment adjustment, partially offset by lease repayments. Provisions and deferred tax liabilities also increased marginally during the period.

2.13 Net Current Assets:

The Group's net current assets decreased by 29.2%, or $12.78 million, from $43.72 million as at 31 December 2025 to $30.94 million as at 30 June 2026. The decrease was mainly attributable to the $12.96 million decrease in current assets, partially offset by the $0.10 million decrease in current liabilities, as explained in paragraphs 2.10 and 2.11 above. Notwithstanding the decrease, the Group remained in a net current asset position as at 30 June 2026.

2.14 Consolidated Statement of Cash Flows:

The Group recorded net cash used in operating activities of $0.15 million in HY2026, compared with net cash generated from operating activities of $2.73 million in HY2025. The outflow was mainly due to the loss before income tax, higher inventories and income taxes paid, partially offset by lower trade and other receivables and higher trade and other payables.

Net cash generated from investing activities increased from $9.04 million to $24.84 million, mainly due to the withdrawal of fixed deposits of $24.42 million.

Net cash used in financing activities increased from $3.39 million to $13.87 million, mainly due to dividends paid of $13.31 million.

Consequently, cash and cash equivalents increased from $4.87 million as at 1 January 2026 to $15.72 million as at 30 June 2026.

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

No forecast or prospect statement has been disclosed to shareholders previously.

4. A commentary at 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 operating period and the next 12 months.

The operating environment is expected to remain competitive and challenging for the remainder of the financial year, amid continued global economic uncertainty, inflationary pressures and ongoing geopolitical developments.

For the second half of FY2026, the Group will continue to focus on opportunities to strengthen its pallet sales and pallet rental business.

During the financial period, the Group ceased the production and sale of woodchips and waste wood collection income under its Waste Management and Recycling segment. Accordingly, revenue contribution from this segment is lower in FY2026 compared with the previous financial year.

Following the completion of the relocation of its production facilities, the Group will continue to focus on stabilising operations, improving productivity, product quality, service reliability and operational efficiency across its core pallet manufacturing and pallet rental businesses.

5. Dividend information

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?
None.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?
None.

(c) Date payable
Not applicable.

(d) Books closure date
Not applicable.

6. If no dividend has been declared/recommended, a statement to that effect and the reasons for the decision.

The Group's practice is to consider declaring dividends on an annual basis. Therefore, there was no interim dividend declared for the half year ended 30 June 2026.

7. Interested person transactions

The Group has not obtained a general mandate from shareholders pursuant to Rule 920 of the SGX-ST Listing Manual. There were no interested person transactions exceeding the applicable disclosure threshold during the six months ended 30 June 2026. For completeness, the Group has voluntarily disclosed the transaction below notwithstanding that its aggregate value was below $100,000.

Name of interested person	Nature of relationship	Aggregate value of interested person transactions during the financial period under review not conducted under a shareholders' mandate pursuant to Rule 920 (including transactions below $100,000 voluntarily disclosed)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Leayong Trading ("LT")	LT is operated by an employee of the Group who is also a director of three Malaysian subsidiaries of the Company.	LT provides transport services to subsidiaries of the Company. S$43,401.00	-
Total		**S$43,401.00**	-

8. Negative assurance confirmation pursuant to Rule 705(5)

We, the undersigned, being two directors of LHT Holdings Limited (the "Company"), do hereby confirm on behalf of the directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company, which may render the half year financial results for the period ended 30 June 2026 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

Li Suet Man
Interim Executive Chairman

Irwin Lim Kee Way
Lead Independent Director

9. Undertakings from directors and executive officers

In view of the latest guidance from the Exchange in relation to Rule 720(1) of the SGX-ST Listing Manual, the Company has procured signed undertakings from all its directors and executive officers based on the latest revised form of Appendix 7.7 of the SGX-ST Listing Manual, which will replace and supersede the undertakings previously signed by the directors and executive officers.

BY ORDER OF THE BOARD

Li Suet Man
Interim Executive Chairman

14 August 2026