



HAFARY HOLDINGS LIMITED
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income
For The Six Months ("2H2025") and Full Year ("FY2025") Ended 31 December 2025

	<u>Notes</u>	<u>2H2025</u> \$'000	<u>2H2024</u> \$'000	<u>Change</u> %	<u>FY2025</u> \$'000	<u>FY2024</u> \$'000	<u>Change</u> %
Revenue	2B	149,792	146,506	2.2	286,991	263,136	9.1
Interest income		71	169	(58.0)	121	204	(40.7)
Other income and gains		3,949	8,442	(53.2)	7,685	11,312	(32.1)
Changes in inventories of goods held for resale		5,014	(678)	(839.5)	6,719	(3,168)	(312.1)
Purchases and related costs		(91,784)	(87,598)	4.8	(175,781)	(153,823)	14.3
Employee benefits expenses		(19,344)	(19,402)	(0.3)	(37,444)	(36,316)	3.1
Amortisation and depreciation expense		(6,609)	(6,631)	(0.3)	(13,125)	(12,633)	3.9
Impairment losses		(3,129)	(902)	246.9	(3,753)	(704)	433.1
Other losses		(208)	(565)	(63.2)	(375)	(680)	(44.9)
Finance costs		(5,153)	(6,384)	(19.3)	(10,718)	(12,176)	(12.0)
Other expenses		(12,689)	(11,099)	14.3	(23,575)	(20,558)	14.7
Share of profit from an equity-accounted associate		1,155	926	24.7	1,285	1,528	(15.9)
Share of profit from equity-accounted joint ventures		474	410	15.6	765	787	(2.8)
Profit before income tax		21,539	23,194	(7.1)	38,795	36,909	5.1
Income tax expense	4	(4,313)	(4,663)	(7.5)	(7,744)	(8,210)	(5.7)
Profit, net of tax		17,226	18,531	(7.0)	31,051	28,699	8.2
<u>Other comprehensive income / (loss)</u>							
Item that may be reclassified subsequently to profit or loss							
Exchange differences on translating foreign operations, net of tax		768	809	(5.1)	(1,273)	224	(668.3)
Total comprehensive income for the year, net of tax		17,994	19,340	(7.0)	29,778	28,923	3.0

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Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income
For The Six Months and Full Year Ended 31 December 2025 (cont'd)

	<u>Notes</u>	<u>2H2025</u>	<u>2H2024</u>	<u>Change</u>	<u>FY2025</u>	<u>FY2024</u>	<u>Change</u>
		<u>\$'000</u>	<u>\$'000</u>	<u>%</u>	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>
Profit attributable to:							
- Owners of the parent, net of tax		16,778	17,367	(3.4)	29,865	27,551	8.4
- Non-controlling interests, net of tax		448	1,164	(61.5)	1,186	1,148	3.3
		<u>17,226</u>	<u>18,531</u>	<u>(7.0)</u>	<u>31,051</u>	<u>28,699</u>	<u>8.2</u>
Total comprehensive income attributable to:							
- Owners of the parent		17,645	18,176	(2.9)	28,691	27,786	3.3
- Non-controlling interests		349	1,164	(70.0)	1,087	1,137	(4.4)
		<u>17,994</u>	<u>19,340</u>	<u>(7.0)</u>	<u>29,778</u>	<u>28,923</u>	<u>3.0</u>
Earnings per share		<u>Cents</u>	<u>Cents</u>		<u>Cents</u>	<u>Cents</u>	
Basic and diluted		<u>3.90</u>	<u>4.03</u>		<u>6.94</u>	<u>6.40</u>	

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Additional Information on the Interim Consolidated Statement of Profit or Loss
For The Six Months and Full Year Ended 31 December 2025

The following significant items of gains / (charges) were included in the statement of profit or loss.

	<u>2H2025</u> \$'000	<u>2H2024</u> \$'000	<u>Change</u> %	<u>FY2025</u> \$'000	<u>FY2024</u> \$'000	<u>Change</u> %
Rental income	3,188	3,048	4.6	6,599	5,575	18.4
Interest expense on borrowings	(4,761)	(5,921)	(19.6)	(9,932)	(11,337)	(12.4)
Interest expense on lease liabilities	(392)	(463)	(15.3)	(786)	(839)	(6.3)
Interest income	76	169	(55.0)	121	204	(40.7)
Depreciation of investment properties (Note 8)	(218)	(92)	137.0	(437)	(202)	116.3
Depreciation of property, plant and equipment (Note 6)	(4,015)	(3,903)	2.9	(7,917)	(7,847)	0.9
Depreciation of right-of-use assets (Note 7)	(1,965)	(2,128)	(7.7)	(4,036)	(3,751)	7.6
Amortisation of intangible assets	(411)	(508)	(19.1)	(735)	(833)	(11.8)
Allowance for impairment of intangible assets	—	(898)	(100.0)	—	(898)	(100.0)
Additions – individually impaired	(550)	(132)	316.7	(546)	(443)	23.3
Additions – collectively impaired	(98)	(45)	117.8	(85)	(8)	962.5
Bad debts written-off – trade receivables	(304)	(59)	415.3	(412)	(63)	554
Bad debts recovered – trade receivables	8	14	(42.9)	17	18	(5.6)
Net allowance for impairment of inventories – (additions) reversal	(2,185)	218	(1,102.3)	(2,727)	690	(495.2)
Foreign exchange adjustment	(95)	(438)	(78.3)	(260)	(535)	(51.4)
Fair value on derivative financial instruments	—	(31)	(100.0)	46	(47)	(197.9)
Negative goodwill arising from bargain purchase	234	529	(55.8)	234	529	(55.8)
Fair value gain on remeasurement of the previously held interests in the investee	—	446	(100.0)	—	446	(100.0)
Loss on disposal of plant and equipment	(58)	(49)	18.4	(62)	(51)	21.6
Gain on disposal of investment property	—	3,759	(100.0)	—	3,759	(100.0)
Government grants	146	18	711.1	188	109	72.5

N.M.: Not meaningful.

HAFARY HOLDINGS LIMITED
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Condensed Interim Statements of Financial Position
As at 31 December 2025

		<u>Group</u>		<u>Company</u>	
	<u>Notes</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
		\$'000	\$'000	\$'000	\$'000
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	6	112,692	110,853	169	270
Right-of-use assets	7	132,166	136,058	—	—
Investment properties	8	24,519	24,836	—	—
Intangible assets	9	7,525	7,827	—	—
Investments in subsidiaries		—	—	9,239	9,239
Investment in an associate	10	18,700	20,265	—	—
Investment in a joint venture	11	1,702	999	—	—
Other financial assets		224	280	187	244
Total non-current assets		<u>297,528</u>	<u>301,118</u>	<u>9,595</u>	<u>9,753</u>
<u>Current assets</u>					
Inventories	12	124,147	116,389	—	—
Trade and other receivables	13	59,346	65,389	37,671	36,429
Other non-financial assets		6,784	6,607	4	9
Cash and cash equivalents		22,030	22,508	19	51
Total current assets		<u>212,307</u>	<u>210,893</u>	<u>37,694</u>	<u>36,489</u>
Total assets		<u>509,835</u>	<u>512,011</u>	<u>47,289</u>	<u>46,242</u>
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	14	26,930	26,930	26,930	26,930
Retained earnings		123,486	105,461	8,823	7,696
Foreign currency translation reserve	15	(4,297)	(3,123)	—	—
Equity, attributable to owners of the parent		<u>146,119</u>	<u>129,268</u>	<u>35,753</u>	<u>34,626</u>
Non-controlling interests		6,357	6,492	—	—
Total equity		<u>152,476</u>	<u>135,760</u>	<u>35,753</u>	<u>34,626</u>
<u>Non-current liabilities</u>					
Deferred tax liabilities		1,697	1,634	—	—
Loans and borrowings, non-current	17, 18	137,622	152,055	—	—
Lease liabilities, non-current	17, 19	16,596	18,095	—	—
Total non-current liabilities		<u>155,915</u>	<u>171,784</u>	<u>—</u>	<u>—</u>
<u>Current liabilities</u>					
Income tax payable		7,993	8,339	—	7
Provision	20	1,032	1,070	—	—
Trade and other payables		59,656	57,263	11,536	11,609
Derivative financial liabilities		2	48	—	—
Loans and borrowings, current	17, 18	119,186	123,851	—	—
Lease liabilities, current	17, 19	3,729	4,102	—	—
Other non-financial liabilities		9,846	9,794	—	—
Total current liabilities		<u>201,444</u>	<u>204,467</u>	<u>11,536</u>	<u>11,616</u>
Total liabilities		<u>357,359</u>	<u>376,251</u>	<u>11,536</u>	<u>11,616</u>
Total equity and liabilities		<u>509,835</u>	<u>512,011</u>	<u>47,289</u>	<u>46,242</u>

The accompanying notes form an integral part of these financial statements.

HAFARY HOLDINGS LIMITED
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Condensed Interim Statements of Changes in Equity
For The Year Ended 31 December 2025

<u>Group:</u>	<u>Total equity</u> \$'000	<u>Attributable to parent subtotal</u> \$'000	<u>Share capital</u> \$'000	<u>Retained earnings</u> \$'000	<u>Other reserves</u> \$'000	<u>Non-controlling interests</u> \$'000
Current year:						
Opening balance at 1 January 2025	135,760	129,268	26,930	105,461	(3,123)	6,492
Changes in equity:						
Total comprehensive income for the year	29,778	28,691	—	29,865	(1,174)	1,087
Dividends paid (Note 5)	(11,840)	(11,840)	—	(11,840)	—	—
Dividends paid to non-controlling interests in subsidiaries	(1,222)	—	—	—	—	(1,222)
Closing balance at 31 December 2025	152,476	146,119	26,930	123,486	(4,297)	6,357
Previous year:						
Opening balance at 1 January 2024	125,835	118,148	26,930	94,576	(3,358)	7,687
Changes in equity:						
Total comprehensive income for the year	28,923	27,786	—	27,551	235	1,137
Dividends paid (Note 5)	(11,840)	(11,840)	—	(11,840)	—	—
Dividends paid to non-controlling interests in subsidiaries	(3,013)	—	—	—	—	(3,013)
Fair value gain on remeasurement of the previously held interests in the investee	320	—	—	—	—	320
Acquisition of a non-controlling interest without a change in control	(4,465)	(4,826)	—	(4,826)	—	361
Closing balance at 31 December 2024	135,760	129,268	26,930	105,461	(3,123)	6,492

HAFARY HOLDINGS LIMITED
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Condensed Interim Statements of Changes in Equity (cont'd)
For The Year Ended 31 December 2025

<u>Company:</u>	<u>Total equity</u> \$'000	<u>Share capital</u> \$'000	<u>Retained earnings</u> \$'000
Current year:			
Opening balance at 1 January 2025	34,626	26,930	7,696
Changes in equity:			
Total comprehensive income for the year	12,967	—	12,967
Dividends paid (Note 5)	(11,840)	—	(11,840)
Closing balance at 31 December 2025	35,753	26,930	8,823
Previous year:			
Opening balance at 1 January 2024	28,183	26,930	1,253
Changes in equity:			
Total comprehensive income for the year	18,283	—	18,283
Dividends paid (Note 5)	(11,840)	—	(11,840)
Closing balance at 31 December 2024	34,626	26,930	7,696

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Condensed Interim Consolidated Statement of Cash Flows
For The Six Months and Full Year Ended 31 December 2025

	<u>2H2025</u>	<u>2H2024</u>	<u>FY2025</u>	<u>FY2024</u>
	\$'000	\$'000	\$'000	\$'000
<u>Cash flows from operating activities</u>				
Profit before income tax	21,539	23,194	38,795	36,909
Adjustments for:				
Interest expense on borrowings	4,761	5,921	9,932	11,337
Interest expense on lease liabilities	392	463	786	839
Interest income	(71)	(169)	(121)	(204)
Depreciation of property, plant and equipment (Note 6)	5,145	4,903	10,129	9,717
Depreciation of right-of-use assets (Note 7)	3,093	3,443	6,308	5,757
Depreciation of investment properties	218	92	437	202
Amortisation of intangible assets	411	508	735	833
Loss on disposal of plant and equipment	58	49	62	51
Gain on disposal of investment property	—	(3,759)	—	(3,759)
Negative goodwill arising from bargain purchase	(234)	(529)	(234)	(529)
Allowance for impairment of intangible assets	—	898	—	898
Fair value gain on remeasurement of the previously held interests in the investee	—	(446)	—	(446)
Fair value (gains) losses on other financial assets, net	56	94	56	94
Share of profit from an equity-accounted associate	(1,155)	(926)	(1,285)	(1,528)
Share of profit from equity-accounted joint ventures	(474)	(410)	(765)	(787)
Net effect of exchange rate changes in consolidating subsidiaries	(247)	33	391	(193)
Operating cash flows before changes in working capital	33,492	33,359	65,226	59,191
Inventories	(5,937)	(11,102)	(6,825)	(26,131)
Trade and other receivables	2,090	191	7,438	(10,249)
Other non-financial assets	821	(855)	(177)	624
Provision	(50)	56	(38)	90
Trade and other payables	9,147	8,430	237	5,888
Derivative financial assets	1	31	(46)	47
Other non-financial liabilities	(1,280)	1,020	52	1,930
Net cash flows from operations	38,284	31,130	65,867	31,390
Income taxes paid	(3,886)	(4,020)	(8,105)	(8,808)
Net cash flows from operating activities	34,398	27,110	57,762	22,582

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INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Condensed Interim Consolidated Statement of Cash Flows (cont'd)
For The Six Months and Full Year Ended 31 December 2025

	<u>2H2025</u> \$'000	<u>2H2024</u> \$'000	<u>FY2025</u> \$'000	<u>FY2024</u> \$'000
<u>Cash flows from investing activities</u>				
Purchase of property, plant and equipment (Note A)	(9,052)	(4,591)	(11,790)	(12,106)
Addition to investment properties	(120)	—	(120)	—
Proceeds from disposal of plant and equipment	344	5	463	14
Proceeds from disposal of an investment property	—	7,866	—	7,866
Acquisition of subsidiaries (net of cash acquired) (Note 21)	—	—	(124)	—
Net movements in amount due from a joint venture	(23)	(231)	62	(264)
Net movements in amount due from other related parties	27	67	(39)	290
Dividend income from an associate	1,171	1,250	1,171	1,250
Interest income received	71	169	121	204
Acquisition of a non-controlling interest without a change in control	—	—	—	(4,465)
Net cash flows from (used in) investing activities	<u>(7,582)</u>	<u>4,535</u>	<u>(10,256)</u>	<u>(7,211)</u>
<u>Cash flows from financing activities</u>				
Dividends paid to equity owners	(5,382)	(5,382)	(11,840)	(11,840)
Dividends paid to non-controlling interests	—	(1,842)	(1,222)	(3,013)
Net movements in amounts due to a director cum a shareholder	—	(889)	—	(889)
Lease liabilities – principal portion paid	(2,598)	(2,964)	(5,126)	(5,039)
Decrease in trust receipts and bills payable	4,752	11,076	5,385	27,643
Increase in new borrowings	3,530	4,049	8,802	27,050
Loans and borrowings paid	(19,772)	(24,697)	(33,285)	(33,287)
Interest expense paid	(4,830)	(5,897)	(10,153)	(11,327)
Net cash flows used in financing activities	<u>(24,300)</u>	<u>(26,546)</u>	<u>(47,439)</u>	<u>(10,702)</u>
Net increase in cash and cash equivalents	2,516	5,099	67	4,669
Net effect of exchange rate changes on cash and cash equivalents	75	13	(545)	(58)
Cash and cash equivalents, beginning balance	<u>18,924</u>	<u>16,881</u>	<u>21,993</u>	<u>17,382</u>
Cash and cash equivalents, ending balance (Note B)	<u>21,515</u>	<u>21,993</u>	<u>21,515</u>	<u>21,993</u>

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Condensed Interim Consolidated Statement of Cash Flows (cont'd)
For The Six Months and Full Year Ended 31 December 2025

Note A: Purchase of property, plant and equipment

During the reporting year, the group acquired property, plant and equipment with an aggregate cost of \$11,812,000. Additions of property, plant and equipment of \$22,000 were financed through lease contract.

Note B: Cash and cash equivalents in the condensed interim consolidated statement of cash flows

	<u>FY2025</u> \$'000	<u>FY2024</u> \$'000
Amount as shown in condensed interim statements of financial position	22,030	22,508
Cash pledged for bank facilities	<u>(515)</u>	<u>(515)</u>
Cash and cash equivalents for condensed interim consolidated statement of cash flows purposes at end of the year	<u>21,515</u>	<u>21,993</u>

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Notes to the Financial Statements
31 December 2025

1. General

Hafary Holdings Limited (the “company”) is incorporated in Singapore with limited liability. The condensed interim financial statements are presented in Singapore dollars and they cover the company (referred to as “parent”) and the subsidiaries. All financial information have been rounded to nearest thousand (“\$’000”), except when otherwise indicate. The registered office and principal place of business of the company is located at 105 Eunos Avenue 3, Hafary Centre, Singapore 409836.

The board of directors approved and authorised these condensed interim financial statements for issue on the date of this announcement.

The company is listed on the Main Board of Singapore Exchange Securities Trading Limited.

The principal activities of the group are disclosed in Note 2 on segment information.

The financial information contained in this announcement has neither been audited nor reviewed by the auditors.

The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I) s”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. They are also in compliance with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) and the provisions of the SGX Mainboard Listing Rules.

The accounting policies and methods of computation applied in these condensed consolidated interim financial statements are consistent with those of the latest audited annual financial statements. However, the typical notes and information included in the latest audited annual financial statements are not included in these interim financial statements except for the selected explanatory notes included to explain events and transactions that are significant to an understanding of the changes in the performance and financial position the group since the latest audited annual financial statements.

Critical judgements, assumptions and estimation uncertainties

These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates. The nature and the carrying amount of such significant assets and liabilities are disclose with further details in the relevant notes to these condensed consolidated interim financial statements.

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1. General (cont'd)

Critical judgements, assumptions and estimation uncertainties (cont'd)

Assessment of expected credit loss allowance on trade receivables:

The assessment of the expected credit losses ("ECL") requires a degree of estimation and judgement. In measuring the ECL, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward looking information such as forecasts of future economic conditions. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the note on trade and other receivables.

Assessment of allowance on inventories:

The assessment of the allowance for impairment loss on inventories requires a degree of estimation and judgement. The level of the loss allowance is assessed by taking into account the recent sales experience, the ageing of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in the note on inventories.

Critical judgement over the lease terms:

The lease liabilities are initially measured by discounting the lease payments over the lease terms. For leases with extension or renewal options, management applied judgement in determining whether such extension or renewal options should be reflected in measuring the lease liabilities. This requires the consideration of whether the facts and circumstances created an economic incentive for the exercise of the lease extension or renewal option. The amount of the lease liabilities at the end of the reporting year is disclosed in note on lease liabilities.

Assessing the impairment of goodwill:

The amount of goodwill is tested annually for impairment. This annual impairment test is material and the process is complex and highly judgmental and is based on assumptions that are affected by expected future market or economic conditions. As a result, judgement is required in evaluating the assumptions and methodologies used by management, in particular those relating to the forecasted revenue growth and profit margins. The disclosures about goodwill are included in the notes below. Small changes in the key assumptions used could give rise to an impairment of the goodwill balance in the future. Actual outcomes could vary from these estimates.

Accounting for the acquisition of MML (Shanghai) Trading Co., Ltd. ("MML Shanghai"):

The group acquired 100% of the existing shares of MML Shanghai on 3 January 2025 and accordingly the group obtains control over MML Shanghai.

The group has engaged an external valuer to perform the purchase price allocation ("PPA") exercise and recognised a negative goodwill arising from the acquisition of MML Shanghai of \$234,000.

Refer to Note 21 to the financial statements for more information.

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2. Financial information by operating segments

2A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

For management purposes, the reporting entity is organised into four major strategic operating segments: General, Project, Manufacturing and Others. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

The goods in the General and Project segments comprise ceramic tiles, stone and wood furnishing for residential and commercial properties.

The goods in the Manufacturing segment comprise ceramic tiles manufactured by the plants operating at Kluang in Malaysia. The tiles are distributed to the domestic market as well as the global market.

The segments and the types of products and services are as follows:

- General segment includes retail “walk-in” customers who purchase their requirements from the showrooms or customers (such as architecture, interior design and renovation firms) who make ad-hoc purchases for home renovation or small property development. The quantities purchased are typically small.
- Project segment includes customers who are usually involved in major property development projects, in residential, commercial, public and industrial sectors. Project customers include architecture firms, property developers and construction companies.
- Manufacturing segment includes manufacturing of ceramic tiles that cater to the customers’ requirements and specifications. The quantities are generally large orders. The customers include property developers, wholesalers and distributors.
- Others segment relates to investing activities including net rental collected from properties.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the group are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment’s operating results comprises two major financial indicators: (1) earnings from operations before amortisation and depreciation, finance cost, income taxes, gain (loss) on disposal in investee companies, and share of profit (loss) from investee companies (“Recurring EBITDA”); and (2) operating results before income taxes and other unallocated items (“ORBIT”).

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2. Financial information by operating segments (cont'd)

2B. Profit or loss from continuing operations and reconciliations

The tables below illustrated the information about the reportable segment profit or loss, assets and liabilities.

	<u>General</u> \$'000	<u>Project</u> \$'000	<u>Manufacturing</u> \$'000	<u>Others</u> \$'000	<u>Unallocated</u> \$'000	<u>Group</u> \$'000
<u>2H2025:</u>						
Total revenue by segment	91,568	55,531	47,028	—	—	194,127
Inter-segment sales	(12,386)	(14,552)	(17,397)	—	—	(44,335)
Total revenue	79,182	40,979	29,631	—	—	149,792
Recurring EBITDA	22,720	8,681	(3,397)	3,115	319	31,438
Amortisation and depreciation expense	(4,121)	(847)	(551)	(1,090)	—	(6,609)
Finance costs	(2,221)	(224)	(1,000)	(1,708)	—	(5,153)
Negative goodwill arising from bargain purchase	—	—	—	234	—	234
Share of profit from an equity-accounted associate	—	—	—	1,155	—	1,155
Share of profit from equity-accounted joint ventures	—	—	—	474	—	474
ORBIT	16,378	7,610	(4,948)	2,180	319	21,539
Income tax expense						(4,313)
Profit, net of tax						17,226

HAFARY HOLDINGS LIMITED
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. Financial information by operating segments (cont'd)

2B. Profit or loss from continuing operations and reconciliations (cont'd)

	<u>General</u> \$'000	<u>Project</u> \$'000	<u>Manufacturing</u> \$'000	<u>Others</u> \$'000	<u>Unallocated</u> \$'000	<u>Group</u> \$'000
<u>2H2024:</u>						
Total revenue by segment	85,920	52,009	44,287	—	—	182,216
Inter-segment sales	(13,535)	(10,094)	(12,081)	—	—	(35,710)
Total revenue	<u>72,385</u>	<u>41,915</u>	<u>32,206</u>	<u>—</u>	<u>—</u>	<u>146,506</u>
Recurring EBITDA	21,693	13,129	(2,799)	(1,652)	666	31,037
Amortisation and depreciation expense	(4,294)	(986)	(443)	(908)	—	(6,631)
Finance costs	(3,121)	(249)	(1,129)	(1,885)	—	(6,384)
Negative goodwill arising from bargain purchase	—	—	—	529	—	529
Fair value gain on remeasurement of the previously held interests in the investee	—	—	—	446	—	446
Allowance for impairment of intangible assets	—	—	—	(898)	—	(898)
Gain on disposal of an investment property	—	—	—	3,759	—	3,759
Share of profit from an equity-accounted associate	—	—	—	926	—	926
Share of profit from equity-accounted joint ventures	—	—	—	410	—	410
ORBIT	<u>14,278</u>	<u>11,894</u>	<u>(4,371)</u>	<u>727</u>	<u>666</u>	<u>23,194</u>
Income tax expense						<u>(4,663)</u>
Profit, net of tax						<u>18,531</u>

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INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. Financial information by operating segments (cont'd)

2B. Profit or loss from continuing operations and reconciliations (cont'd)

	<u>General</u> \$'000	<u>Project</u> \$'000	<u>Manufacturing</u> \$'000	<u>Others</u> \$'000	<u>Unallocated</u> \$'000	<u>Group</u> \$'000
<u>FY2025:</u>						
Total revenue by segment	171,244	102,838	96,405	–	–	370,487
Inter-segment sales	(28,542)	(21,602)	(33,352)	–	–	(83,496)
Total revenue	<u>142,702</u>	<u>81,236</u>	<u>63,053</u>	<u>–</u>	<u>–</u>	<u>286,991</u>
Recurring EBITDA	42,728	16,281	(4,563)	5,431	477	60,354
Amortisation and depreciation expense	(8,134)	(1,818)	(960)	(2,213)	–	(13,125)
Finance costs	(4,749)	(497)	(2,025)	(3,447)	–	(10,718)
Negative goodwill arising from bargain purchase	–	–	–	234	–	234
Share of profit from an equity-accounted associate	–	–	–	1,285	–	1,285
Share of profit from equity-accounted joint ventures	–	–	–	765	–	765
ORBIT	<u>29,845</u>	<u>13,966</u>	<u>(7,548)</u>	<u>2,055</u>	<u>477</u>	<u>38,795</u>
Income tax expense						(7,744)
Profit, net of tax						<u>31,051</u>

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INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. Financial information by operating segments (cont'd)

2B. Profit or loss from continuing operations and reconciliations (cont'd)

	<u>General</u> \$'000	<u>Project</u> \$'000	<u>Manufacturing</u> \$'000	<u>Others</u> \$'000	<u>Unallocated</u> \$'000	<u>Group</u> \$'000
<u>FY2024:</u>						
Total revenue by segment	161,164	96,957	64,253	–	–	322,374
Inter-segment sales	(24,007)	(17,465)	(17,766)	–	–	(59,238)
Total revenue	<u>137,157</u>	<u>79,492</u>	<u>46,487</u>	<u>–</u>	<u>–</u>	<u>263,136</u>
Recurring EBITDA	37,308	21,969	(5,022)	428	884	55,567
Amortisation and depreciation expense	(8,408)	(1,971)	(672)	(1,582)	–	(12,633)
Finance costs	(6,141)	(461)	(1,719)	(3,855)	–	(12,176)
Negative goodwill arising from bargain purchase	–	–	–	529	–	529
Fair value gain on remeasurement of the previously held interests in the investee	–	–	–	446	–	446
Allowance for impairment of intangible assets	–	–	–	(898)	–	(898)
Gain on disposal of an investment property	–	–	–	3,759	–	3,759
Share of profit from an equity-accounted associate	–	–	–	1,528	–	1,528
Share of profit from equity-accounted joint ventures	–	–	–	787	–	787
ORBIT	<u>22,759</u>	<u>19,537</u>	<u>(7,413)</u>	<u>1,142</u>	<u>884</u>	<u>36,909</u>
Income tax expense						(8,210)
Profit, net of tax						<u>28,699</u>

HAFARY HOLDINGS LIMITED
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. Financial information by operating segments (cont'd)

2C. Assets, liabilities and reconciliations

	<u>General</u> \$'000	<u>Project</u> \$'000	<u>Manufacturing</u> \$'000	<u>Others</u> \$'000	<u>Group</u> \$'000
<u>As at 31 December 2025:</u>					
Segment assets	297,517	61,219	98,653	52,446	509,835
Segment liabilities	217,138	36,217	78,588	15,726	347,669
Deferred tax liabilities					1,697
Income tax payable					7,993
Total liabilities					357,359
<u>As at 31 December 2024:</u>					
Segment assets	302,035	57,493	98,546	53,937	512,011
Segment liabilities	234,725	38,393	76,507	16,653	366,278
Deferred tax liabilities					1,634
Income tax payable					8,339
Total liabilities					376,251

2D. Other material items and reconciliations

	<u>General</u> \$'000	<u>Project</u> \$'000	<u>Manufacturing</u> \$'000	<u>Others</u> \$'000	<u>Group</u> \$'000
For 6 months ended 31 <u>December:</u>					
Impairment of assets:					
2025	1,060	531	243	–	1,834
2024	(407)	411	–	898	902
Expenditure for non-current assets:					
2025	3,558	507	4,983	122	9,170
2024	4,629	99	621	(335)	5,014
For 12 months ended 31 <u>December:</u>					
Impairment of assets:					
2025	1,416	798	243	–	2,457
2024	(927)	733	–	898	704
Expenditure for non-current assets:					
2025	5,712	720	5,364	136	11,932
2024	5,509	173	1,970	4,877	12,529

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INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. Financial information by operating segments (cont'd)

2E. Geographical information

	<u>Revenue</u>		<u>Non-current assets</u>	
			31 Dec	31 Dec
	<u>FY2025</u>	<u>FY2024</u>	<u>2025</u>	<u>2024</u>
	\$'000	\$'000	\$'000	\$'000
Singapore	171,389	167,049	240,284	245,511
Malaysia	54,534	53,879	29,962	26,745
Socialist Republic of Vietnam	199	673	18,700	20,265
People's Republic of China	8,490	4,959	6,656	7,318
Republic of the Union of Myanmar	2,066	488	1,702	999
United States of America	35,666	28,953	—	—
Taiwan	3,221	3,099	—	—
Thailand	835	1,231	—	—
Australia	356	512	—	—
Philippines	570	470	—	—
Republic of Indonesia	7,819	368	—	—
Japan	309	294	—	—
Hong Kong	66	255	—	—
Cambodia	679	201	—	—
Others	792	705	—	—
	<u>286,991</u>	<u>263,136</u>	<u>297,304</u>	<u>300,838</u>

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located. The non-current assets exclude any financial instruments.

2F. Disaggregation of revenue from contracts with customers

	<u>Revenue</u>		<u>Revenue</u>	
	<u>2H2025</u>	<u>2H2024</u>	<u>FY2025</u>	<u>FY2024</u>
	\$'000	\$'000	\$'000	\$'000
Goods recognised at point in time	146,357	143,036	280,781	257,105
Services recognised over time	3,435	3,470	6,210	6,031
Total continuing operations	<u>149,792</u>	<u>146,506</u>	<u>286,991</u>	<u>263,136</u>

3. Related party transactions - Group

There are transactions and arrangements between the group and its related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations, if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

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INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3. Related party transactions – Group (cont'd)

In addition to transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

	<u>2H2025</u>	<u>2H2024</u>	<u>FY2025</u>	<u>FY2024</u>
	\$'000	\$'000	\$'000	\$'000
<u>Joint ventures:</u>				
Sale of goods	(1,188)	(112)	(1,583)	(504)
<u>Other related parties:</u>				
Sale of goods	(181)	(589)	(363)	(1,580)
Rental income	(106)	(127)	(211)	(246)
Secondment fee income	(161)	(70)	(348)	(733)
Reimbursement of expenses payment on behalf of other related parties	—	(10)	(4)	(188)
Corporate management fee expense	349	797	662	797
Purchases of goods	966	4,972	1,888	13,691
Purchase rebates given	(2,471)	(1,143)	(2,471)	(1,143)
Rental expenses	1,292	1,225	2,561	2,029
Property management fee expense	183	189	336	234
Secondment fee expense	63	769	251	1,605
Reimbursement of expenses payment on behalf of the group	64	2,328	166	3,301
Purchase of plant and equipment	—	—	—	714
Receiving of services	58	41	342	197
Royalty fee expenses	76	—	152	—

4. Income tax - Group

4A. Components of tax expense recognised in profit or loss include

	<u>2H2025</u>	<u>2H2024</u>	<u>FY2025</u>	<u>FY2024</u>
	\$'000	\$'000	\$'000	\$'000
<u>Current tax expense:</u>				
Current tax expense	4,598	4,678	8,024	8,426
Over adjustments in respect of prior years	(312)	(32)	(138)	(12)
Subtotal	4,286	4,646	7,886	8,414
<u>Deferred tax (income) / expense:</u>				
Deferred tax (income) / expense	(15)	36	(131)	(94)
Under / (over) adjustments in respect of prior years	42	(19)	(11)	(110)
Subtotal	27	17	(142)	(204)
Total income tax expense	4,313	4,663	7,744	8,210

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INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

4. Income tax – Group (cont'd)

4A. Components of tax expense recognised in profit or loss include (cont'd)

The reconciliation of income taxes below is determined by using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period / year:

	<u>2H2025</u>	<u>2H2024</u>	<u>FY2025</u>	<u>FY2024</u>
	\$'000	\$'000	\$'000	\$'000
Profit before income tax	21,539	23,194	38,795	36,909
Less:				
- Share of profit from an equity-accounted associate	(1,155)	(926)	(1,285)	(1,528)
- Share of profit from equity-accounted joint ventures	(474)	(410)	(765)	(787)
	<u>19,910</u>	<u>21,858</u>	<u>36,745</u>	<u>34,594</u>
Income tax expense at the above rate	3,385	3,716	6,247	5,881
Effect of different tax rates in different countries	52	73	97	166
Expenses not deductible for tax purposes	1,279	953	2,138	2,442
Tax exemption and rebates	(133)	(28)	(589)	(157)
Over adjustments in respect of prior years	(270)	(51)	(149)	(122)
Total income tax expense	<u>4,313</u>	<u>4,663</u>	<u>7,744</u>	<u>8,210</u>
Effective income tax rate for the year	<u>22%</u>	<u>21%</u>	<u>21%</u>	<u>24%</u>

5. Dividends on equity shares

	<u>Group and Company</u>	
	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
Second interim tax exempt (1-tier) dividends paid of 0.75 cent per share for FY2024 (FY2023: 0.75 cents)	3,229	3,229
Second special interim tax exempt (1-tier) dividends paid of 0.75 cent per share for FY2024 (FY2023: 0.75 cents)	3,229	3,229
Interim tax exempt (1-tier) dividends paid of 0.75 cent per share for FY2025 (FY2024: 0.75 cents)	3,229	3,229
Special interim tax exempt (1-tier) dividends paid of 0.50 cent per share for FY2025 (FY2024: 0.50 cents)	2,153	2,153
Total dividends paid	<u>11,840</u>	<u>11,840</u>

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6. Property, plant and equipment

<u>Group</u>	<u>Leasehold properties</u>	<u>Plant and equipment</u>	<u>Construction in progress</u>	<u>Motor vehicles</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<u>Cost:</u>					
At 1 January 2024	115,752	41,412	3,745	5,284	166,193
Additions	269	6,527	4,877	856	12,529
Disposals	—	(2,618)	—	(778)	(3,396)
Transfer to investment properties (Note 8)	—	661	(8,622)	—	(7,961)
Foreign exchange adjustments	15	1,098	—	12	1,125
At 31 December 2024	116,036	47,080	—	5,374	168,490
Additions	—	6,522	4,736	554	11,812
Acquisition of subsidiary	—	48	—	90	138
Disposals	(154)	(2,032)	—	(52)	(2,238)
Foreign exchange adjustments	(70)	866	—	8	804
At 31 December 2025	115,812	52,484	4,736	5,974	179,006
<u>Accumulated depreciation:</u>					
At 1 January 2024	30,993	16,136	—	3,936	51,065
Depreciation for the year	4,651	4,623	—	443	9,717
Disposals	—	(2,546)	—	(768)	(3,314)
Foreign exchange adjustments	4	163	—	2	169
At 31 December 2024	35,648	18,376	—	3,613	57,637
Depreciation for the year	4,476	5,240	—	413	10,129
Acquisition of subsidiary	—	42	—	90	132
Disposals	—	(1,662)	—	(52)	(1,714)
Foreign exchange adjustments	(27)	155	—	2	130
At 31 December 2025	40,097	22,151	—	4,066	66,314
<u>Carrying value:</u>					
At 1 January 2024	84,759	25,276	3,745	1,348	115,128
At 31 December 2024	80,388	28,704	—	1,761	110,853
At 31 December 2025	75,715	30,333	4,736	1,908	112,692

	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>
The depreciation is		
Capitalised as manufactured inventory costs	2,212	1,870
Expensed to profit or loss	7,917	7,847
Total depreciation for the year	10,129	9,717

As at the reporting year ended 31 December 2025, the group's leasehold properties with carrying value of \$73,059,000 (2024: \$77,500,000) are mortgaged for bank facilities (Note 18).

Certain motor vehicles and office equipment are under lease liabilities (Note 19).

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7. Right-of-use assets

	Leasehold land \$'000	Premises \$'000	Total \$'000
<u>Group</u>			
<u>Cost:</u>			
At 1 January 2024	146,690	9,660	156,350
Additions	—	8,884	8,884
Modification	—	(2,350)	(2,350)
Foreign exchange adjustments	14	697	711
At 31 December 2024	146,704	16,891	163,595
Additions	—	2,139	2,139
Acquisition of subsidiary	—	59	59
Write off	(2,215)	(612)	(2,827)
Foreign exchange adjustments	(64)	519	455
At 31 December 2025	144,425	18,996	163,421
<u>Accumulated depreciation:</u>			
At 1 January 2024	17,123	5,059	22,182
Depreciation for the year	2,200	3,557	5,757
Foreign exchange adjustments	4	(406)	(402)
At 31 December 2024	19,327	8,210	27,537
Depreciation for the year	2,525	3,783	6,308
Write off	(2,215)	(597)	(2,812)
Foreign exchange adjustments	(17)	239	222
At 31 December 2025	19,620	11,635	31,255
<u>Carrying value:</u>			
At 1 January 2024	129,567	4,601	134,168
At 31 December 2024	127,377	8,681	136,058
At 31 December 2025	124,805	7,361	132,166
		<u>2025</u> \$'000	<u>2024</u> \$'000
The depreciation is			
Capitalised as manufactured inventory costs		2,272	2,006
Expensed to profit or loss		4,036	3,751
Total depreciation for the year		6,308	5,757

As at the reporting year ended 31 December 2025, the group's land use rights with carrying value of \$110,496,000 (2024: \$112,247,000) are mortgaged for bank facilities (Note 18). The land use rights relate to parcels of lands in Singapore and People's Republic of China.

Leasehold land

The group has made upfront payments for six parcels of leasehold land in Singapore and People's Republic of China, which are used in the group's warehousing and business operations.

The leases from JTC Corporation are under a non-cancellable operating leases which are from fourteen to forty-seven years, and amounts payable are subject to annual revision. The variable rent adjustments in the JTC lease would include changes in market rental rates.

Premises

The group leases warehouses and retail shops for the purpose of warehousing and retail operations.

The leases for the group's premises are negotiated for terms of one to three years.

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8. Investment properties

	Freehold land \$'000	Freehold property \$'000	Leasehold properties \$'000	Total \$'000
<u>Group</u>				
<u>Cost:</u>				
At 1 January 2024	3,906	370	17,660	21,936
Transfer from property, plant and equipment (Note 6)	–	–	7,961	7,961
Disposals	(3,906)	(370)	–	(4,276)
At 31 December 2024	–	–	25,621	25,621
Additions	–	–	120	120
At 31 December 2025	–	–	25,741	25,741
<u>Accumulated depreciation:</u>				
At 1 January 2024	–	142	610	752
Depreciation for the year	–	27	175	202
Disposals	–	(169)	–	(169)
At 31 December 2024	–	–	785	785
Depreciation for the year	–	–	437	437
At 31 December 2025	–	–	1,222	1,222
<u>Carrying value:</u>				
At 1 January 2024	3,906	228	17,050	21,184
At 31 December 2024	–	–	24,836	24,836
At 31 December 2025	–	–	24,519	24,519
			<u>Group</u>	
			<u>2025</u>	<u>2024</u>
			\$'000	\$'000
Fair value at end of the reporting year for disclosure purposes only			28,504	28,504
Rental income from investment properties			3,642	1,712
Direct operating expenses (including repairs and maintenance) arising from investment properties			(1,060)	(606)

There are no restrictions on the realisability of investment properties or the remittance of income and proceeds of disposal.

The investment properties are mortgaged as security for the bank facilities (Note 18).

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9. Intangible assets

<u>Group</u>	<u>Goodwill</u> \$'000	<u>Customer relationship</u> \$'000	<u>Trademark</u> \$'000	<u>Total</u> \$'000
<u>Cost:</u>				
At 1 January 2024	5,233	3,892	–	9,125
Arising from acquisition of a subsidiary	–	244	838	1,082
At 31 December 2024	5,233	4,136	838	10,207
Arising from acquisition of a subsidiary	–	433	–	433
At 31 December 2025	5,233	4,569	838	10,640
<u>Accumulated amortisation and impairment:</u>				
At 1 January 2024	–	649	–	649
Depreciation for the year	–	670	163	833
Allowance for impairment for the year	–	223	675	898
At 31 December 2024	–	1,542	838	2,380
Depreciation for the year	–	735	–	735
At 31 December 2025	–	2,277	838	3,115
<u>Carrying value:</u>				
At 1 January 2024	5,233	3,243	–	8,476
At 31 December 2024	5,233	2,594	–	7,827
At 31 December 2025	5,233	2,292	–	7,525

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units represents the group's investment by each subsidiary follows:

	<u>Group</u>	
	<u>2025</u> \$'000	<u>2024</u> \$'000
Name of subsidiary:		
Melmer Stoneworks Pte Ltd	5,233	5,233
Carrying value at end of the year	5,233	5,233

The goodwill for each of the cash generating unit was tested for impairment at the end of the reporting year. No impairment allowance was recognised because the carrying amount of each of the cash-generating units were lower than their estimated recoverable amounts.

The value in use for each cash generating unit was measured by management. The value in use is a recurring fair value measurement (Level 3). The quantitative information about the value in use measurement using significant unobservable inputs for the cash-generating units are consistent with those used for the measurement last performed, where relevant, and are set out as follows:

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9. Intangible assets (cont'd)

CGU – Melmer Stoneworks Pte Ltd (“MSPL”)

Valuation technique and Unobservable inputs

Discounted cash flow method:

	<u>2025</u>	<u>2024</u>
1. Estimated discount rates using post-tax rates that reflect current market assessments at the risks specific to the CGUs	12.1%	12.1%
2. Cash flow forecasts derived from the most recent financial budgets and growth rates approved by management	5 years 5.0% to 10%	5 years 5.0%
3. Terminal growth rates not exceeding the average long-term growth rate for the relevant markets	2.0%	2.0%

Actual outcomes could vary from these estimates. If the revised estimated gross margin at the end of the reporting year had been 5% less favourable than management's estimates at the end of the reporting year, the estimated recoverable amount would still be higher than the carrying amount of goodwill. If the revised estimated post-tax discount rate applied to the discounted cash flows had been 1 percent point less favourable than management's estimates, the estimated recoverable amount would still be higher than the carrying amount of goodwill.

10. Investment in an associate

	<u>2025</u> <u>\$'000</u>	<u>Group</u> <u>2024</u> <u>\$'000</u>
Unquoted equity shares at cost	2,061	2,061
Goodwill at cost	758	758
Share of post-acquisition profit, net of dividends	15,881	17,446
Carrying value	<u>18,700</u>	<u>20,265</u>
Movements in carrying amount:		
At beginning of the year	20,265	20,351
Share of profit for the year	1,285	1,528
Dividends	(1,171)	(1,250)
Foreign exchange adjustments	(1,679)	(364)
At end of the year	<u>18,700</u>	<u>20,265</u>

The carrying amount of investment in the associate is denominated in Vietnamese Dong.

The details of the associate are given as below:

<u>Name of associate, country of incorporation, place of operations and principal activities</u>	<u>Equity held by the Group</u> <u>2025</u> <u>%</u>	<u>2024</u> <u>%</u>
Viet Ceramics International Joint Stock Company Socialist Republic of Vietnam Importer and dealer of building materials	49	49

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11. Investment in a joint venture

	<u>2025</u> \$'000	<u>Group</u> <u>2024</u> \$'000
Unquoted equity shares at cost	5	5
Share of post-acquisition profit	1,697	994
Carrying amount	<u>1,702</u>	<u>999</u>
Movements in carrying amount:		
At beginning of the year	999	193
Share of profit for the year	765	787
Foreign exchange adjustments	(62)	19
At end of the year	<u>1,702</u>	<u>999</u>

The details of the joint venture is given as below:

<u>Name of joint venture, country of incorporation, place of operation and principal activities</u>	<u>Equity held by the Group</u> <u>2025</u> %	<u>2024</u> %
Hafary Myanmar Investment Pte Ltd Singapore Investment holding	33	33

The group jointly controls Hafary Myanmar Investment Pte Ltd with other partners under the contractual agreements that require unanimous consent or two thirds of board of directors' consent for all major decisions over the relevant activities.

12. Inventories

	<u>2025</u> \$'000	<u>Group</u> <u>2024</u> \$'000
Finished goods and goods for resale	111,541	102,741
Work in process	823	1,347
Raw material, consumables and supplies	11,783	12,301
	<u>124,147</u>	<u>116,389</u>
Inventories are stated after allowance. Movements in allowance:		
At beginning of the year	17,511	18,198
Charged to profit or loss included in impairment losses	2,727	(690)
Foreign exchange adjustments	170	3
At end of the year	<u>20,408</u>	<u>17,511</u>

There are no inventories pledged as security for liabilities.

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13. Trade and other receivables

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<u>Trade receivables:</u>				
Outside parties	50,802	56,591	—	—
Less: Allowance for impairment	(1,600)	(2,082)	—	—
Subsidiary	—	—	2,574	2,911
Joint venture	501	107	—	—
Other related parties	140	118	—	—
Retention receivables on contracts	2,400	2,431	—	—
Subtotal	<u>52,243</u>	<u>57,165</u>	<u>2,574</u>	<u>2,911</u>
<u>Other receivables:</u>				
Outside parties	853	707	—	1
Subsidiaries	—	—	35,097	33,517
Joint ventures	1,563	1,624	—	—
Less: Allowance for impairment	(483)	(483)	—	—
Other related parties	2,004	2,000	—	—
Refundable deposits	3,166	4,376	—	—
Subtotal	<u>7,103</u>	<u>8,224</u>	<u>35,097</u>	<u>33,518</u>
Total trade and other receivables	<u>59,346</u>	<u>65,389</u>	<u>37,671</u>	<u>36,429</u>
<u>Movements in above allowance on trade receivables:</u>				
At beginning of the year	2,082	1,928	—	—
Additions – individually impaired	546	443	—	—
Additions – collectively impaired	85	8	—	—
Bad debts written-off	(1,126)	(297)	—	—
Foreign exchange adjustments	13	—	—	—
At end of the year	<u>1,600</u>	<u>2,082</u>	<u>—</u>	<u>—</u>
<u>Movements in above allowance on other receivables:</u>				
At beginning of the year	483	697	—	—
Bad debts written-off	—	(214)	—	—
At end of the year	<u>483</u>	<u>483</u>	<u>—</u>	<u>—</u>

As the group does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the statement of financial position except for financial guarantee contracts provided to banks.

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INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

13. Trade and other receivables (cont'd)

(i) Concentration of credit risk

There is no significant concentration of credit risk with respect to trade receivables as the exposure is spread over a large number of counter-parties and customers.

(ii) Credit risk exposure

The group determines concentrations of credit risk by monitoring the country of its trade receivables on an ongoing basis. The credit risk for trade receivables by countries at the end of the reporting year, approximately:

- 58% (2024: 53%) of the group's trade receivables from Singapore.
- 42% (2024: 47%) of the group's trade receivables from other countries.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 60 days (2023: 60 days). But some customers take a longer period to settle the amounts.

The allowance which is disclosed in the note on trade receivables is based on individual accounts totalling \$1,268,000 (2024: \$1,835,000) of the group that are determined to be impaired at the end of the reporting year. These are not secured.

Expected credit losses

The expected credit losses ("ECL") on the above trade receivables are based on the simplified approach to measuring ECL which uses a lifetime ECL allowance approach for all trade receivables recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECL. The allowance matrix is based on the historical observed default rates (over a period of 12 months to 18 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The loss allowance of \$332,000 (2024: \$247,000) for the group is included in the allowance for impairment of receivables amounting to \$1,600,000 as at 31 December 2025 (2024: \$2,082,000). There are no collateral held as security and other credit enhancements for the trade receivables held by the group.

The amounts are written-off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period.

The other receivables at amortised cost shown above are subject to the ECL model under the financial reporting standard on financial instruments. Other receivables are regarded as of low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

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14. Share capital

	<u>Group and Company</u>	
	Number of shares issued '000	Share capital \$'000
<u>Ordinary shares of no par value:</u>		
Balance at 1 January 2024, 31 December 2024 and 2025	<u>430,550</u>	<u>26,930</u>

The company's subsidiaries do not hold shares in the company.

There was no movement in the issued and paid-up capital of the company since 31 December 2024.

There were no outstanding convertibles as at 31 December 2025 (2024: Nil).

The company did not hold any treasury shares as at 31 December 2025 (2024: Nil). There was no sale, transfer, disposal, cancellation and use of treasury shares during the year ended 31 December 2025.

15. Foreign currency translation reserve

The foreign currency translation reserve represents exchange difference arising from the translation of the financial statements of foreign operations whose functional currencies are different from the presentation currency of the group. This reserve is not available for cash dividends unless realised.

16. Net asset value per share

	<u>Group</u>		<u>Company</u>	
	<u>2025</u> Cents	<u>2024</u> Cents	<u>2025</u> Cents	<u>2024</u> Cents
Net asset value per share based on existing issued share capital as at the respective dates	<u>33.9</u>	<u>30.0</u>	<u>8.3</u>	<u>8.0</u>

17. Aggregate amount of the group's borrowings and debt securities

	<u>Secured</u>		<u>Unsecured</u>	
	<u>2025</u> \$'000	<u>2024</u> \$'000	<u>2025</u> \$'000	<u>2024</u> \$'000
Repayable in one year or less, or on demand:				
Bank borrowings (Note 18)	31,027	33,080	32,923	40,916
Trust receipts and bills payable (Note 18)	853	1,730	54,383	48,125
Lease liabilities (Note 19)	204	215	3,525	3,887
Subtotal	<u>32,084</u>	<u>35,025</u>	<u>90,831</u>	<u>92,928</u>
Repayable after one year:				
Bank borrowings (Note 18)	133,824	145,743	3,798	6,312
Lease liabilities (Note 19)	56	260	16,540	17,835
Subtotal	<u>133,880</u>	<u>146,003</u>	<u>20,338</u>	<u>24,147</u>
Total	<u>165,964</u>	<u>181,028</u>	<u>111,169</u>	<u>117,075</u>

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18. Loans and borrowings

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
<u>Non-current:</u>		
<u>With floating interest rates:</u>		
Bank loan G (secured) (Note 18E)	30,762	33,549
Bank loan N (secured) (Note 18H)	10,289	10,849
Bank loan Q (secured) (Note 18J)	—	588
Bank loan S (secured) (Note 18L)	53,100	56,100
Bank loan W (unsecured) (Note 18N)	3,798	6,086
Subtotal	<u>97,949</u>	<u>107,172</u>
<u>With fixed interest rates:</u>		
Bank loan E (secured) (Note 18C)	5,394	6,399
Bank loan H (secured) (Note 18F)	3,645	4,865
Bank loan I (secured) (Note 18F)	3,283	4,378
Bank loan O (unsecured) (Note 18G)	—	226
Bank loan P (secured) (Note 18I)	22,505	23,639
Bank loan R (secured) (Note 18K)	4,846	5,376
Subtotal	<u>39,673</u>	<u>44,883</u>
Non-current, total	<u>137,622</u>	<u>152,055</u>
<u>Current:</u>		
<u>With floating interest rates:</u>		
Bank loan A (secured) (Note 18A)	7,500	8,000
Bank loan B (secured) (Note 18A)	8,000	8,000
Bank loan C (unsecured) (Note 18B)	3,500	10,200
Bank loan D (unsecured) (Note 18B)	1,500	3,500
Bank loan F (secured) (Note 18D)	3,750	3,750
Bank loan G (secured) (Note 18E)	2,656	2,345
Bank loan J (secured) (Note 18A)	—	2,000
Bank loan N (secured) (Note 18H)	524	472
Bank loan Q (secured) (Note 18J)	585	562
Bank loan S (secured) (Note 18L)	3,000	3,000
Bank loan T (unsecured) (Note 18M)	9,500	12,000
Bank loan V (unsecured) (Note 18M)	1,583	1,522
Bank loan W (unsecured) (Note 18N)	2,532	2,435
Bank loan X (unsecured) (Note 18O)	—	485
Bank loan Y (unsecured) (Note 18M)	2,500	3,000
Bank loan Z (unsecured) (Note 18M)	3,165	1,522
Bank loan AA (unsecured) (Note 18B)	1,583	1,522
Bank loan AB (unsecured) (Note 18B)	1,835	932
Bank loan AC (unsecured) (Note 18B)	5,000	2,000
Trust receipts and bills payable (Note 18P)	55,236	49,855
Subtotal	<u>113,949</u>	<u>117,102</u>

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18. Loans and borrowings (cont'd)

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
<u>With fixed interest rates:</u>		
Bank loan E (secured) (Note 18C)	1,067	1,066
Bank loan H (secured) (Note 18F)	1,218	1,216
Bank loan I (secured) (Note 18F)	1,095	1,095
Bank loan K (unsecured) (Note 18G)	—	388
Bank loan L (unsecured) (Note 18G)	—	430
Bank loan M (unsecured) (Note 18G)	—	118
Bank loan O (unsecured) (Note 18G)	226	382
Bank loan P (secured) (Note 18I)	1,135	1,135
Bank loan R (secured) (Note 18K)	496	439
Bank loan U (unsecured) (Note 18G)	—	480
Subtotal	<u>5,237</u>	<u>6,749</u>
Current, total	<u>119,186</u>	<u>123,851</u>
Total	<u>256,808</u>	<u>275,906</u>
<u>The non-current portion is repayable as follows:</u>		
Due within two to five years	91,092	98,983
After five years	46,530	53,072
Total non-current portion	<u>137,622</u>	<u>152,055</u>

The ranges of fixed interest rates per annum paid were as follows:

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	%	%
Bank loan E (secured)	1.58 to 3.05	1.58
Bank loan H (secured)	1.58 to 3.05	1.58
Bank loan I (secured)	1.58 to 3.05	1.58
Bank loan K (unsecured)	2.00	2.00
Bank loan L (unsecured)	2.00	2.00
Bank loan M (unsecured)	2.00	2.00
Bank loan O (unsecured)	2.00	2.00
Bank loan P (secured)	1.50	1.50 to 3.40
Bank loan R (secured)	1.50 to 3.40	1.50
Bank loan U (unsecured)	<u>2.00</u>	<u>2.00</u>

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18. Loans and borrowings (cont'd)

The ranges of floating interest rates per annum paid were as follows:

	<u>2025</u>	<u>Group</u>	<u>2024</u>
	%		%
Bank loan A (secured)	2.35 to 4.10		4.20 to 5.09
Bank loan B (secured)	2.35 to 4.44		4.44 to 5.09
Bank loan C (unsecured)	2.60 to 4.46		4.37 to 5.35
Bank loan D (unsecured)	2.32 to 4.70		4.55 to 5.45
Bank loan F (secured)	2.45 to 4.10		4.20 to 5.05
Bank loan G (secured)	2.63 to 4.24		—
Bank loan J (secured)	3.98 to 4.68		1.55 to 4.67
Bank loan N (secured)	3.97 to 4.48		4.48 to 4.71
Bank loan Q (secured)	3.32 to 4.30		—
Bank loan S (secured)	3.55		3.55 to 4.70
Bank loan T (unsecured)	2.00 to 4.00		4.10 to 4.95
Bank loan V (unsecured)	4.70 to 4.98		4.98 to 5.07
Bank loan W (unsecured)	5.29		5.25 to 5.31
Bank loan X (unsecured)	3.90		3.75 to 3.90
Bank loan Y (unsecured)	2.38 to 4.78		4.78 to 4.87
Bank loan Z (unsecured)	4.64 to 4.95		4.92 to 4.93
Bank loan AA (unsecured)	4.61 to 4.96		4.92 to 4.94
Bank loan AB (unsecured)	3.65 to 3.90		3.90
Bank loan AC (unsecured)	2.35 to 4.00		4.77
Trust receipts and bills payable	2.25 to 5.38		3.98 to 5.45

18A. Bank loans A, B and J (secured)

The agreements for the bank loans provide among other matters for the following:

- (i) Repayable by one lump sum within 6 months (unless rolled over for another interest period of up to 6 months).
- (ii) Legal mortgage on certain leasehold properties (Note 6) and leasehold land (Note 7).
- (iii) Corporate guarantee from the company.
- (iv) Need to comply with certain financial covenants.

18B. Bank loans C, D, AA, AB and AC (unsecured)

The agreements for the bank loans provide among other matters for the following:

- (i) Repayable by one lump sum within 6 months (unless rolled over for another interest period of up to 6 months).
- (ii) Corporate guarantee from the company.
- (iii) Need to comply with certain financial covenants.

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18. Loans and borrowings (cont'd)

18C. Bank loan E (secured)

These relate to two loan facilities. The agreements for the bank loans provide among other matters for the following:

- (i) Repayable by equal monthly instalments over 20 years from November 2011 and July 2013 respectively.
- (ii) Legal mortgage on certain leasehold properties (Note 6) and leasehold land (Note 7).
- (iii) Corporate guarantees from the company and a subsidiary.
- (iv) Need to comply with certain financial covenants.

18D. Bank loan F (secured)

The agreement for the bank loan provides among other matters for the following:

- (i) Repayable by one lump sum within 6 months (unless rolled over for another interest period of up to 6 months), subject to yearly reduction of \$750,000 over 8 years until the limit is reduced to \$4,000,000.
- (ii) Legal mortgage on certain leasehold properties (Note 6) and leasehold land (Note 7).
- (iii) Corporate guarantees from the company and a subsidiary.
- (iv) Need to comply with certain financial covenants.

18E. Bank loan G (secured)

The agreement for the bank loan provides among other matters for the following:

- (i) Repayable by over 3 years fixed principal instalment of \$125,000 each and remaining by equal monthly instalments over 12 years commencing from May 2017.
- (ii) Legal mortgage on a leasehold property (Note 6) and leasehold land (Note 7).
- (iii) Legal assignment of insurance policies, performance bonds (if any), tenancy agreements and sale and purchase agreement in respect of the leasehold property.
- (iv) Joint and several corporate guarantees from the company and a subsidiary.
- (v) Personal guarantee from a director cum a shareholder.
- (vi) Need to comply with certain financial covenants.

18F. Bank loans H and I (secured)

The agreements for the bank loans provide among other matters for the following:

- (i) Repayable by equal monthly instalments over 14 years from January 2016.
- (ii) Legal mortgage on certain leasehold properties (Note 6) and leasehold land (Note 7).
- (iii) Corporate guarantees from the company and a subsidiary.
- (iv) Need to comply with certain financial covenants.

18G. Bank loan K, L, M, O and U (secured)

The agreement for the bank loan provides among other matters for the following:

- (i) The loans were drawn under the Enterprise Financing Scheme and repayable by monthly instalments over 5 years from the draw down date.
- (ii) The loans have an interest servicing period for the first 12 months from draw down date and upon the expiry of the interest servicing period, payments comprising principal and interest will be made monthly to the expiry of the remaining tenor.
- (iii) Corporate guarantee from the company.

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18. Loans and borrowings (cont'd)

18H. Bank loan N (secured)

The agreement for the bank loan provides among other matters for the following:

- (i) Repayable by equal monthly instalments over 20 years.
- (ii) The loan has an interest servicing period for the first 12 months from draw down date and upon the expiry of the interest servicing period, payments comprising principal and interest will be made monthly to the expiry of the remaining tenor.
- (iii) Legal mortgage on a leasehold property (Note 6).
- (iv) Corporate guarantee from the company.
- (v) Need to comply with certain financial covenants.

18I. Bank loan P (secured)

The agreement for the bank loan provides among other matters for the following:

- (i) Repayable by equal monthly instalments over 25 years.
- (ii) The loan has an interest servicing period for the first 6 months from draw down date and upon the expiry of the interest servicing period, payments comprising principal and interest will be made monthly to the expiry of the remaining tenor.
- (iii) Legal mortgage on a leasehold property (Note 6).
- (iv) Corporate guarantee from a subsidiary.
- (v) Need to comply with certain financial covenants.

18J. Bank loan Q (secured)

The agreement for the bank loan provides among other matters for the following:

- (i) Repayable by equal monthly instalments over 5 years.
- (ii) The loan has an interest servicing period for the first 12 months from draw down date and upon the expiry of the interest servicing period, payments comprising principal and interest will be made monthly to the expiry of the remaining tenor.
- (iii) Legal mortgage on a leasehold property (Note 6).
- (iv) Corporate guarantee from the company.
- (v) Need to comply with certain financial covenants.

18K. Bank loan R (secured)

The agreement for the bank loan provides among other matters for the following:

- (i) Repayable by equal monthly instalments over 5 years.
- (ii) Legal mortgage on a leasehold property (Note 6).
- (iii) Corporate guarantee from a subsidiary.
- (iv) Need to comply with certain financial covenants.

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18. Loans and borrowings (cont'd)

18L. Bank loan S (secured)

The agreement for the bank loan provides among other matters for the following:

- (i) Repayable by equal monthly instalments over 5 years, commencing March 2024.
- (ii) The loan has an interest servicing period for the first 15 months from draw down date and upon the expiry of the interest servicing period, payments comprising principal and interest will be made monthly to the expiry of the remaining tenor.
- (iii) Legal mortgage on a mix of leasehold property (Note 6), leasehold land (Note 7) and investment property (Note 8).
- (iv) Corporate guarantee from the company and a subsidiary.
- (v) Need to comply with certain financial covenants.

18M. Bank loan T, V, Y and Z (unsecured)

The agreement for the bank loan provides among other matters for the following:

- (i) Repayable by one lump sum within 6 months (unless rolled over for another interest period of up to 6 months).
- (ii) Corporate guarantee from the company.

18N. Bank loan W (unsecured)

The agreement for the bank loan provides among other matters for the following:

- (i) Repayable by equal monthly instalments over 5 years, commencing June 2024.
- (ii) The loan has an interest servicing period for the first 12 months from draw down date and upon the expiry of the interest servicing period, payments comprising principal and interest will be made monthly to the expiry of the remaining tenor.
- (iii) Corporate guarantee from the company.
- (iv) Need to comply with certain financial covenants.

18O. Bank loan X (unsecured)

The agreements for the bank loans provide among other matters for the following:

- (i) Repayable by one lump sum within 12 months from draw down date.

18P. Trust receipts and bills payable

These are repayable within 150 to 180 days (2024: 150 to 180 days) and are guaranteed by the company.

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19. Lease liabilities

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
Lease liabilities, current	3,729	4,102
Lease liabilities, non-current	16,596	18,095
Total	<u>20,325</u>	<u>22,197</u>

Movements of lease liabilities for the reporting year are as follows:

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
Total lease liabilities at beginning of reporting year	22,197	18,442
Additions	2,157	8,985
Acquisition of subsidiary	61	—
Modification	(16)	(1,767)
Accretion of interest	786	839
Lease payments – principal portion paid	(5,126)	(5,039)
Interest paid	(23)	(22)
Foreign exchange adjustments	289	759
Total lease liabilities at end of reporting year	<u>20,325</u>	<u>22,197</u>

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets.

Certain leases are secured by the lessors' charge over the leased assets as follows:

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
Carrying amounts of motor vehicles and office equipment under lease liabilities	<u>717</u>	<u>789</u>

Total cash outflows from leases are shown in the consolidated statement of cash flows. The related right-of-use assets are disclosed in Note 7.

During the reporting year, expense of the group relating to short-term leases included in other expenses was \$1,140,000 (2024: \$592,000).

20. Provision

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
Provision for rebates	<u>1,032</u>	<u>1,070</u>
Movements in above provision:		
Balance at beginning of the year	1,070	980
Additions	1,032	1,070
Used	(1,070)	(980)
Balance at end of the year	<u>1,032</u>	<u>1,070</u>

The group gives rebates to its customers upon settlement of balances within average credit period granted i.e. 60 days (2024: 60 days).

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21. Acquisition of subsidiary

On 3 January 2025, the group acquired 100% of the existing shares of MML Shanghai. Accordingly, the group obtains control over MML Shanghai.

During the reporting year ended 31 December 2025, the group has since finalised the purchase price allocation exercise and the fair values of the identifiable assets, liabilities, non-controlling interest, and the resultant negative goodwill on the date of acquisition. The group has elected not to restate retrospectively, and the comparative figures remain from the previously reported amounts as the difference is not considered material to the group.

	Pre-acquisition book value under SFRS(I) \$'000	Fair value \$'000
<u>Group:</u>		
Plant and equipment	6	6
Right-of-use asset	59	59
Customer relationships	—	433
Inventories	1,055	933
Trade and other receivables	591	591
Other non-financial assets	862	862
Cash and cash equivalents	2,678	2,678
Lease liabilities	(61)	(61)
Trade and other payables	(2,085)	(2,085)
Other non-financial liabilities	(303)	(303)
Deferred tax liabilities	—	(77)
Net identified assets	2,802	3,036
Less: Negative goodwill arising from bargain purchase	—	234
Purchase consideration	2,802	2,802
Reconciliation of purchase consideration:		
Cash consideration paid		2,802
Purchase consideration		2,802
Cash and cash equivalents in subsidiary acquired		2,678
Less: Cash consideration paid		(2,802)
Net cash outflow on acquisition		(124)

Negative goodwill arising from the acquisition of MML Shanghai was recognised as follows:

	<u>Group</u> <u>2025</u> \$'000
Cash consideration paid	2,802
Less: Fair value of identifiable net assets	3,036
Negative goodwill	(234)

The negative goodwill arising from the acquisition of MML Shanghai was recognised in “other income” in the group’s consolidated profit or loss. The negative goodwill was attributed to the competitive negotiated with the seller.

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22. Capital commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
Commitments to purchase plant and equipment	413	512
Contractual obligations for construction works for investment property	1,877	1,349
Total	<u>2,290</u>	<u>1,861</u>

23. Categories of financial assets and liabilities

The following table categorises the carrying amounts of financial assets and liabilities recorded at the end of the reporting year:

	<u>Group</u>	
	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
<u>Financial assets:</u>		
Financial assets at amortised cost	81,376	87,897
Financial assets at fair value through profit or loss	224	280
	<u>81,600</u>	<u>88,177</u>
<u>Financial liabilities:</u>		
Financial liabilities at amortised cost	336,789	355,366
Derivatives financial instruments at fair value	2	48
	<u>336,791</u>	<u>355,414</u>

24. Changes and adoption of financial reporting standards

The same accounting policies and methods of computations used in the latest audited annual financial statements have been applied.

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Other Information Required by Listing Rule Appendix 7.2
31 December 2025

1. Review

The condensed interim consolidated statements of financial position of Hafary Holdings Limited (the “company”) and its subsidiaries (the “group”) as at 31 December 2025 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the reporting period then ended and certain explanatory notes have not been audited or reviewed.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business

Revenue

For 2H2025, the group registered a revenue of \$149.8 million compared to \$146.5 million during 2H2024. For FY2025, the group registered a revenue of \$287.0 million compared to \$263.1 million during FY2024.

The revenue consists of below segments:

General segment

For 6 months ended, revenue from the general segment (where customers include homeowners, architecture, interior design and renovation firms) increased by \$6.8 million or 9.4% from \$72.4 million during 2H2024 to \$79.2 million during 2H2025. For 12 months ended, revenue from the general segment increased by \$5.5 million or 4.0% from \$137.2 million during FY2024 to \$142.7 million during FY2025. The increase in revenue was primarily driven by retail sales performance. This was supported by the property market conditions during FY2025, which led to higher residential transaction and renovation activity. As renovation demand typically follows property purchases, this translated into increased customer traffic and sales at the group’s retail outlets.

Project segment

For 6 months ended, revenue from the project segment (where customers include architecture firms, property developers and construction companies) decreased by \$0.9 million or 2.2% from \$41.9 million during 2H2024 to \$41.0 million during 2H2025. For 12 months ended, revenue from the project segment increased by \$1.7 million or 2.2% from \$79.5 million during FY2024 to \$81.2 million during FY2025. The increase in revenue was primarily attributable to the contribution from a newly acquired subsidiary in China, namely MML Shanghai Trading Co Ltd, which was consolidated into the group’s financial results from the beginning of FY2025. The inclusion of the subsidiary expanded the group’s project revenue base and contributed incremental sales during the financial year.

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2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)

Revenue (cont'd)

Manufacturing segment

For 6 months ended, revenue from the manufacturing segment (where customers include property developers, wholesalers and distributors) decreased by \$2.6 million or 8.0% from \$32.2 million during 2H2024 to \$29.6 million during 2H2025. For 12 months ended, revenue from the manufacturing segment increased by \$16.6 million or 35.6% from \$46.5 million during FY2024 to \$63.1 million during FY2025. The increase in revenue was primarily attributable to the gradual ramp-up in production following the commencement of ceramic tiles manufacturing for distribution since June 2023 and partly attributable to the higher sales volumes arising from increased distribution to the United States of America market.

Interest Income

Interest income mainly derived from bank deposits.

Other Income and Gains

For 6 months ended, other income and gains decreased by \$4.5 million or 53.2% from \$8.4 million during 2H2024 to \$3.9 million during 2H2025. For 12 months ended, other income and gains decreased by \$3.6 million or 32.1% from \$11.3 million during FY2024 to \$7.7 million during FY2025. The decrease in other income and gains was primarily attributable to the absence of the non-recurring gain on disposal of an investment property of \$3.7 million, which was recognised in FY2024.

For FY2025, other income and gains mainly comprised of rental income of \$6.6 million, sales of solar energy of \$0.2 million, government grants of \$0.2 million and negative goodwill arising from consolidation of MML Shanghai of \$0.2 million.

For FY2024, other income and gains mainly comprised of rental income of \$5.6 million, gain on disposal of an investment property of \$3.7 million, sales of solar energy and renewable energy certificates of \$0.6 million.

Purchase of inventories are mainly denominated in United States Dollar ("USD"), Euro and Renminbi ("RMB"). The Group entered into foreign currency forward contracts to hedge against fluctuations of exchange rates in USD, Euro and RMB. These are binding contracts in the foreign exchange market that lock in the exchange rate for the purchase or sale of a currency on a future date. The difference between foreign currency forward contract rates and forward market rates as at period end date would then be recorded as fair value gain/ (loss) on derivative financial instruments under 'Other Gains' or 'Other Losses'.

Other Losses

Other losses mainly comprised of foreign exchange adjustment losses.

Cost of Sales

Cost of sales is computed based on purchases and related costs net of changes in inventories of goods held for resale for the respective financial period.

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2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)

Cost of Sales (cont'd)

For 6 months ended, cost of sales decreased by \$1.5 million or 1.7% from \$88.3 million during 2H2024 to \$86.8 million during 2H2025. For 12 months ended, cost of sales increased by \$12.1 million or 7.7% from \$157.0 million during FY2024 to \$169.1 million during FY2025. The increase in revenue led to a corresponding increase in the cost of sales.

The gross profit margin of 42.1% for 2H2025 and 41.1% for FY2025 has increased as compared to 39.7% for 2H2024 and 40.3% for FY2024.

Employee Benefits Expense

For 6 months ended, employee benefits expenses decreased by \$0.1 million or 0.3% from \$19.4 million during 2H2024 to \$19.3 million during 2H2025. For 12 months ended, employee benefits expenses increased by \$1.1 million or 3.1% from \$36.3 million during FY2024 to \$37.4 million during FY2025. The increase is partly due to the employee benefits expense arising from the consolidation of MML Shanghai into the group with effective from 3 January 2025.

Amortisation and Depreciation Expense

For 6 months ended, amortisation and depreciation expenses remained constant at \$6.6 million during 2H2024 and 2H2025. For 12 months ended, amortisation and depreciation expenses increased by \$0.5 million or 3.9% from \$12.6 million during FY2024 to \$13.1 million during FY2025. The increase is mainly due to the commencement of depreciation for the property and showroom located at 161 Lavender Street, which the operations commenced in September 2024 and December 2024 respectively.

Impairment Losses

For 6 months ended, impairment losses mainly comprises the additional allowance for impairment of inventories of \$2.1 million and trade receivables of \$1.0 million during 2H2025. For 12 months ended, impairment losses mainly comprises the additional allowance for impairment of inventories of \$2.7 million and trade receivables of \$1.0 million during FY2025. The additional allowance on trade receivables is mainly comprised of individual accounts of the group that are determined to be impaired at the end of the reporting year.

Finance Costs

For 6 months ended, finance costs decreased by \$1.2 million or 19.3% from \$6.4 million during 2H2024 to \$5.2 million during 2H2025. For 12 months ended, finance costs decreased by \$1.5 million or 12.0% from \$12.2 million during FY2024 to \$10.7 million during FY2025. The decrease mainly due to the overall decrease in bank loan interest rates over the period.

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INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)

Other Expenses

For 6 months ended, other expenses increased by \$1.6 million or 14.3% from \$11.1 million during 2H2024 to \$12.7 million during 2H2025. For 12 months ended, other expenses increased by \$3.0 million or 14.7% from \$20.6 million during FY2024 to \$23.6 million during FY2025. The increase is mainly due to the business operations in Malaysia which contributed a total of \$1.9 million and the consolidation of a subsidiary in China newly acquired in January 2025 which contributed a total of \$0.6 million to the group's other expenses.

Share of Profit from an Equity-Accounted Associate

For 6 months ended, share of profit from associate amounted to \$1.2 million (2H2024: \$0.9 million). For 12 months ended, share of profit from associate amounted to \$1.3 million (FY2024: \$1.5 million).

Share of Profits from Equity-Accounted Joint Venture

For 6 months ended, share of profit from joint venture amounted to \$0.5 million (2H2024: \$0.4 million). For 12 months ended, share of profit from joint venture amounted to \$0.8 million (FY2024: \$0.8 million).

Profit Before Income Tax

For 6 months ended, the group has generated a profit before tax of \$21.5 million in 2H2025 as compared to a profit before tax of \$23.2 million in 2H2024.

For 12 months ended, the group has generated a profit before tax of \$38.8 million in FY2025 as compared to a profit before tax of \$36.9 million in FY2024.

For 6 months ended, excluding share of profit from associate and share of profit from joint venture amounting to \$1.6 million for 2H2025 (2H2024: \$1.3 million), profit before income tax from recurring activities was \$19.9 million for 2H2025 (2H2024: \$21.9 million).

For 12 months ended, excluding share of profit from associate and share of profit from joint venture amounting to \$2.1 million for FY2025 (FY2024: \$2.3 million), profit before income tax from recurring activities was \$36.7 million for FY2025 (FY2024: \$34.6 million).

HAFARY HOLDINGS LIMITED
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2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)

Other Comprehensive Income (Loss)

This pertains to foreign exchange difference on translating foreign operations.

Income Tax Expense

The current tax expense is based on the statutory tax rates of the respective countries in which the group operates and takes into account non-deductible expenses and temporary differences. For 6 months ended, income tax expense amounted to \$4.3 million in 2H2025 (2H2024: \$4.7 million). For 12 months ended, income tax expense amounted to \$7.7 million in FY2025 (FY2024: \$8.2 million).

Non-Current Assets

Non-current assets decreased by \$3.6 million or 1.2% from \$301.1 million as at 31 December 2024 to \$297.5 million as at 31 December 2025.

Property, plant and equipment increased by \$1.8 million or 1.7% from \$110.9 million as at 31 December 2024 to \$112.7 million as at 31 December 2025. The increase was due to the additions of property, plant and equipment amounting to \$11.8 million and foreign exchange adjustments of \$0.5 million during the year. The increase is partially offset by the depreciation expense amounting to \$10.1 million and disposal of property, plant and equipment amounting to \$0.5 million during the year.

The right-of-use assets ("ROU assets") comprised of leasehold lands (land use rights relating to group's leasehold properties in Singapore, Malaysia and China) and leases of premises. ROU assets decreased by \$3.9 million or 2.9% from \$136.1 million as at 31 December 2024 to \$132.2 million as at 31 December 2025. The decrease was mainly due to the depreciation expense amounting to \$6.3 million during the year. The decrease is partially offset by the capitalisation of ROU assets in relation to the leases of \$2.1 million and foreign exchange adjustments of \$0.2 million during the year.

HAFARY HOLDINGS LIMITED
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)

Non-Current Assets (cont'd)

Investment properties decreased by \$0.3 million or 1.3% from \$24.8 million as at 31 December 2024 to \$24.5 million as at 31 December 2025. The decrease was mainly due to the depreciation expense amounting to \$0.4 million. The decrease is partially offset by the additions of investment properties of \$0.1 million during the year.

Intangible assets decreased by \$0.3 million or 3.9% from \$7.8 million as at 31 December 2024 to \$7.5 million as at 31 December 2025. Intangible assets comprise of goodwill, customer relationship and trademark which arising from consolidation of MSPL and MML Shanghai. The decrease was mainly due to amortisation expense amounting to \$0.7 million during the year. The decrease is partially offset by the additions of customer relationship of \$0.4 million, arising from acquisition of MML Shanghai during the year.

Investment in associate decreased by \$1.6 million or 7.7% from \$20.3 million as at 31 December 2024 to \$18.7 million as at 31 December 2025. The decrease was mainly due to exchange differences on translating associate with foreign operation amounting to \$1.7 million, resulting from the weakening of the Vietnamese Dong as at 31 December 2025.

Investment in joint venture increased by \$0.7 million or 70.4% from \$1.0 million as at 31 December 2024 to \$1.7 million as at 31 December 2025. The increase was mainly due to share of profit amounting to \$0.8 million during the year.

Other financial assets pertain to the group's investment in shares of Healthbank Holdings Limited (Listed on SGX Catalyst).

Current Assets

Current assets increased by \$1.4 million or 0.7% from \$210.9 million as at 31 December 2024 to \$212.3 million as at 31 December 2025.

The increase was mainly attributable to the increase in inventories of \$7.8 million and other non-financial assets of \$0.2 million. The increase is partially offset by the decrease in trade and other receivables of \$6.0 million and cash and cash equivalents of \$0.5 million.

Inventories increased by \$7.8 million or 6.7% from \$116.4 million as at 31 December 2024 to \$124.1 million as at 31 December 2025. The increase was mainly to cater the demand in the domestic market as well as overseas market.

Other non-financial assets pertain to advance payment to suppliers, deposits to secure services and prepayments.

Inventory turnover day as at 31 December 2025 is 266 days compared to 271 days as at 31 December 2024. Trade receivables turnover day as at 31 December 2025 is 66 days compared to 80 days as at 31 December 2024.

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2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)

Non-Current Liabilities

Non-current liabilities decreased by \$15.9 million or 9.2% from \$171.8 million as at 31 December 2024 to \$155.9 million as at 31 December 2025. The decrease was mainly due to decrease in bank loans of \$14.4 million and lease liabilities of \$1.5 million. The decrease is partially offset by the increase in deferred tax liabilities of \$0.1 million. As of 31 December 2025, the group's property loans borrowing rates varies between 1.5% to 5.4% (2024: 1.5% to 6.5%).

Current Liabilities

Current liabilities decreased by \$3.0 million or 1.5% from \$204.5 million as at 31 December 2024 to \$201.4 million as at 31 December 2025.

The decrease was mainly attributable to the decrease in loans and borrowings of \$4.7 million, income tax payable of \$0.3 million and lease liabilities of \$0.4 million. The decrease is partially offset by the increase in trade and other payables of \$2.4 million.

The provision is pertaining to provision of rebate to customers.

The increase in trade and other payables is in line with the increase in cost of sales, mainly contributed by the business expansion in Malaysia.

The decrease in loans and borrowings was mainly due to the decrease in short-term loans by \$10.0 million. The decrease is partially offset by the increase in trust receipts and bill payables by \$5.4 million.

Total amount of trade payables and trust receipts and bills payable to banks was \$86.6 million (31 December 2024: \$67.8 million). The turnover of the aforesaid items (based on cost of sales) is 176 days as at 31 December 2025 compared to 160 days as at 31 December 2024.

Other Reserves

This pertains to foreign exchange difference on translating foreign operations.

Cash Flows Review

2H2025

Net cash flows from operating activities was \$34.4 million was mainly attributable by operating cash flows before working capital changes of \$33.5 million, net cash flows from working capital of \$4.8 million and income tax paid of \$3.9 million. The net cash flows from working capital of \$4.8 million was mainly attributable by the increase in inventories of \$5.9 million and the decrease in provision of \$0.1 million and other non-financial liabilities of \$1.3 million. This was partially offset by the increase in trade and other payables of \$9.1 million and the decrease in other non-financial assets of \$0.8 million and trade and other receivables of \$2.2 million.

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2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd)

Cash Flows Review (cont'd)

2H2025 (cont'd)

Net cash flows used in investing activities amounting to \$7.6 million was mainly attributable by the purchase of plant and equipment of \$9.2 million. This was partially offset by the dividend income from an associate of \$1.2 million, proceeds from disposal of plant and equipment of \$0.3 million and interest income received of \$0.1 million.

Net cash flows used in financing activities amounting to \$24.3 million was mainly attributable by the dividends paid to equity owners of \$5.4 million, repayment of loans and borrowings of \$19.8 million, repayment of lease liabilities of \$2.6 million and payment of interest expense of \$4.8 million. This was partially offset by the increase in new borrowings of \$3.5 million and trust receipt and bill payable of \$4.8 million.

As a result of the above, there was a net increase of \$2.5 million in cash and cash equivalents. Cash and cash equivalents as at 31 December 2025 was \$21.5 million.

FY2025

Net cash flows from operating activities was \$57.8 million was mainly attributable by operating cash flows before working capital changes of \$65.2 million, net cash flows from working capital of \$0.7 million and income tax paid of \$8.1 million. The net cash flows from working capital of \$0.7 million was mainly attributable by the decrease in trade and other receivables of \$7.4 million and the increase in trade and other payables of \$0.2 million and other non-financial liabilities of \$0.1 million. This was partially offset by the increase in inventories of \$6.8 million, and other non-financial assets for \$0.2 million.

Net cash flows used in investing activities amounting to \$10.3 million was mainly attributable by the purchase of plant and equipment and investment properties of \$11.9 million. This was partially offset by the proceeds from disposal of plant and equipment of \$0.5 million, interest income received of \$0.1 million and dividend income from an associate of \$1.2 million.

Net cash flows used in financing activities amounting to \$47.4 million was mainly attributable by the dividends paid to equity owners of \$11.8 million, dividends paid to non-controlling interests of \$1.2 million, repayment of loans and borrowings of \$33.3 million, repayment of lease liabilities of \$5.1 million and payment of interest expense of \$10.2 million. This was partially offset by the increase in new borrowings of \$8.8 million and trust receipt and bill payable of \$5.4 million.

As a result of the above, there was a net increase of \$0.1 million in cash and cash equivalents. Cash and cash equivalents as at 31 December 2025 was \$21.5 million.

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3. Forecast, or a prospect statement

There was no forecast or a prospect statement.

4. Significant trends and competitive conditions of the industry

Singapore outlook

Based on advance estimates, the Singapore economy expanded by 5.7 per cent on a year-on-year basis in the fourth quarter of 2025, faster than the 4.3 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, the economy grew by 1.9 per cent, easing from the 2.4 per cent expansion in the third quarter. For the whole of 2025, the economy expanded by 4.8 per cent, extending the 4.4 per cent growth in 2024.

The construction sector expanded by 4.2 per cent year-on-year in the fourth quarter, moderating from the 5.1 per cent growth in the preceding quarter. Growth during the quarter was supported by an increase in both public and private sector construction output. On a quarter-on-quarter seasonally-adjusted basis, the sector contracted by 0.4 per cent, a reversal from the 0.7 per cent expansion in the third quarter.

According to Macroeconomic Review published by Monetary Authority of Singapore (“MAS”) on 29 January 2026, in the domestic-oriented cluster, the construction sector continues to be supported by a robust pipeline of projects. Total value of contracts awarded (a proxy for construction output ahead) has seen stellar growth over the past two years, expanding by about 30% in 2024, an estimated 13% in 2025. Major developments underway include Changi Airport Terminal 5, the Tuas Megaport expansion, and the integrated resort expansions at Marina Bay Sands and Resorts World Sentosa. Other key projects underpinning the sector's expansion include HDB BTO projects, transport infrastructure upgrades such as tunnel and trackwork on the Cross Island Line, Jurong Region Line, and Thomson-East Coast Line extensions and healthcare facilities. Meanwhile, consumer-facing services will remain supported by still-healthy private consumption growth this year, amid firm labour market conditions. Overall, the stronger-than-expected GDP growth outturn in Q4 2025 has provided a favourable starting point for 2026.

GDP growth in 2026 is forecast to moderate slightly from the strong outturn in 2025, with the underlying growth drivers remaining broadly similar. From a sectoral perspective, the trade-related cluster, especially manufacturing, and the modern services cluster should continue to underpin growth, while the domestic-oriented cluster is expected to benefit from a strong pipeline of public and private construction projects. Consequently, the domestic economy's output gap should remain positive but narrow slightly to around 0.7% of potential GDP in 2026, from 0.9% in 2025.

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INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

4. Significant trends and competitive conditions of the industry (cont'd)

Malaysia outlook

According to Malaysia Ministry of Finance's Economic Outlook 2026 released on 10 October 2025, Malaysia's economy is projected to expand between 4% and 4.5%, supported by resilient domestic demand and a steady external sector. Growth will be anchored by private consumption, boosted by the implementation of the salary adjustment under Phase 2 of the Public Service Remuneration System (SSPA), continuation of targeted assistance programmes and robust tourism activities in conjunction with Visit Malaysia 2026 (VM2026). In addition, strong investment performance will be supported by higher capital expenditures, particularly in high-impact strategic sectors. The services and manufacturing will remain key drivers of growth, complemented by sustained construction and agriculture sectors.

The construction sector is expected to remain stable in 2026 by recording a growth of 6.1%, underpinned by positive performance across all subsectors. The realisation of approved strategic investments under national policies and commencement of projects under the Thirteenth Plan, will further support the sector's performance. Within the subsectors, major infrastructure and utilities development such as LRT Mutiara Line, HHFS and ASEAN Power Grid will steer the civil engineering subsector's performance. In addition, the non-residential buildings subsector is anticipated to be driven by sustained demand for industrial facilities, logistics hubs and data centres, in line with the expansion of high technologies as well as digitalisation. Meanwhile, the residential buildings subsector is expected to benefit from government-led affordable housing programmes and targeted home ownership initiatives supported by policy measures under the Thirteenth Plan as well as new projects by private sectors. On the other hand, specialised construction activities subsector is projected to grow in tandem with other subsectors' performance supported by sustained demand for site preparation, mechanical and electricals, as well as finishing works.

Malaysia's economy is expected to maintain resilient growth trajectory, anchored by a diversified economic structure and sound policy management against heightened global uncertainties, stemming from unsettled trade tariffs and prolonged geopolitical tensions. While Malaysia's export-oriented markets remain vulnerable, domestic demand will continue to provide a solid foundation, supported by a strong labour market and vibrant private consumption. The upcoming VM2026 is strategically positioned to act as a lever for the economy. With the target of attracting 47 million foreign visitors, VM2026 is set to boost the services sector including retail, transportation and hospitality, while the manufacturing sector and trade remain supportive. The combination of a robust domestic economy, enhanced trade diversification and a major tourism impetus, positions Malaysia to navigate global headwinds and sustain the nation's growth momentum.

Global outlook

According to The International Monetary Fund ("IMF"), global growth is projected to remain resilient at 3.3% in 2026 and 3.2% in 2027: rates similar to the estimated 3.3% outturn in 2025. This steady performance on the surface results from the balancing of divergent forces.

Headwinds from shifting trade policies are offset by tailwinds from surging investment related to technology, including artificial intelligence (AI), more so in North America and Asia than in other regions, as well as fiscal and monetary support, broadly accommodative financial conditions, and adaptability of the private sector.

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4. Significant trends and competitive conditions of the industry (cont'd)

Global outlook (cont'd)

Global headline inflation is expected to decline from an estimated 4.1 percent in 2025 to 3.8 percent in 2026 and further to 3.4 percent in 2027. The inflation projections are also broadly unchanged from those in October and envisage inflation returning to target more gradually in the United States than in other large economies.

According to World Bank Group's press release on 13 January 2026, the global economy is proving more resilient than anticipated despite persistent trade tensions and policy uncertainty. Global growth is projected to remain broadly steady over the next two years, easing to 2.6% in 2026 before rising to 2.7% in 2027, an upward revision from the June forecast.

In 2025, growth was supported by a surge in trade ahead of policy changes and swift readjustments in global supply chains. These boosts are expected to fade in 2026 as trade and domestic demand soften. However, the easing global financial conditions and fiscal expansion in several large economies should help cushion the slowdown. Global inflation is projected to edge down to 2.6% in 2026, reflecting softer labor markets and lower energy prices. Growth is expected to pick up in 2027 as trade flows adjust and policy uncertainty diminishes.

The group will remain committed to weathering the challenging business environment as market risks remain elevated and will also closely monitor its supply chain activities.

The above information are sourced from:

1. MTI's press release on 2 January 2026 - <https://www.mti.gov.sg/newsroom/singapore-s-gdp-grew-by-5-7-per-cent-in-the-fourth-quarter-of-2025-and-by-4-8-per-cent-in-2025/>
2. MAS's Macroeconomic Review publish on 29 January 2026 - <https://www.mas.gov.sg/publications/macroeconomic-review/2026/volume-xxv-issue-1-jan-2026>
3. Malaysia Ministry of Finance's release on 10 October 2025: Economic Outlook 2026 - <https://www.investmalaysia.gov.my/media/ccvkuigo/ministry-of-finance-economic-outlook-2026.pdf>
4. IMF's World Economic Outlook Update, January 2026 - <https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf>
5. World Bank Group's press release on 13 January 2026: Global Economy Shows Resilience Amid Historic Trade, Policy Uncertainty - <https://www.worldbank.org/en/news/press-release/2026/01/13/global-economic-prospects-january-2026-press-release#:~:text=Global%20growth%20is%20projected%20to,revision%20from%20the%20June%20forecast.>

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5. Dividend

5A. Dividend declared for the current financial period

	FY2025			
Name of Dividend	2 nd Interim Dividend Exempt (1-tier)	2 nd Special Interim Dividend Exempt (1-tier)]	Interim Dividend Exempt (1-tier) [Paid on 22 August 2025]	Special Interim Dividend Exempt (1-tier) [Paid on 22 August 2025]
Type of Dividend	Cash	Cash	Cash	Cash
Total number of issued ordinary shares ('000)	430,550	430,550	430,550	430,550
Dividend per share	0.75 cent	0.75 cent	0.75 cent	0.50 cent

5B. Dividend declared for the corresponding period of the immediately preceding financial year

	FY2024			
Name of Dividend	2 nd Interim Dividend Exempt (1-tier) [Paid on 7 March 2025]	2 nd Special Interim Dividend Exempt (1-tier)] [Paid on 7 March 2025]	Interim Dividend Exempt (1-tier) [Paid on 26 August 2024]	Special Interim Dividend Exempt (1-tier) [Paid on 26 August 2024]
Type of Dividend	Cash	Cash	Cash	Cash
Total number of issued ordinary shares ('000)	430,550	430,550	430,550	430,550
Dividend per share	0.75 cent	0.75 cent	0.75 cent	0.50 cent

5C. Date payable

To be announced later.

5D. Record date

To be announced later.

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6. Interested person transactions

Name of interested person and nature of relationship	Aggregate value of all IPTs during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under IPT Mandate pursuant to Rule 920)		Aggregate value of all IPTs conducted under IPT Mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	12 months ended 31		12 months ended 31	
	December		December	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Purchases of goods:				
Malaysian Mosaics Sdn Bhd	—	—	583	12,321
Sales of goods:				
Malaysian Mosaics Sdn Bhd	—	—	—	248
Hap Seng Trading (M) Sdn Bhd	—	1,183	—	—
Rental expense:				
Malaysian Mosaics Sdn Bhd	—	—	2,458	1,950
Recharge of employment cost:				
Malaysian Mosaics Sdn Bhd	—	—	600	2,313
Purchase of diesel:				
Hap Seng Trading (M) Sdn Bhd	—	203	—	—
Corporate management charges:				
Hap Seng Management Services Sdn Bhd	157	797	481	—
Provision of insurance services:				
Hap Seng Insurance Services Sdn Bhd	274	197	—	—
Payment of royalty fees:				
Malaysian Mosaics Sdn Bhd	—	—	152	—
Reimbursement of expenses:				
Malaysian Mosaics Sdn Bhd	—	188	—	—
Purchase of plant and equipment:				
Malaysian Mosaics Sdn Bhd	—	714	—	—
Purchase of 100% shares in MML (Shanghai) Trading Co., Ltd.:				
Malaysian Mosaics Sdn Bhd	2,802	—	—	—
Aggregate value of transactions under the Associate of the Group's Controlling Shareholder, Hap Seng Consolidated Berhad	3,233	3,282	4,274	16,832

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6. Interested person transactions (cont'd)

Name of interested person and nature of relationship	Aggregate value of all IPTs during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under IPT Mandate pursuant to Rule 920)		Aggregate value of all IPTs conducted under IPT Mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	12 months ended 31		12 months ended 31	
	December		December	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Rental income: The Assembly Place Holdings Pte Ltd	207	200	–	–
Property management and commission expense: TAP Co-livings Pte Ltd	336	234	–	–
Sales of goods: Ten SC Pte Ltd	248	–	–	–
Purchase of 19% shares in World Furnishing Hub Pte Ltd: Low See Ching	–	4,465	–	–
Aggregate value of transactions under the Associate of the Director, Low See Ching	791	4,899	–	–

General mandate for IPT was renewed at the Annual General Meeting held on 23 April 2025.

7. Confirmation of directors and executive officers' undertakings pursuant to Listing Rule 720(1) (in the format set out in Appendix 7.7) under Rule 720(1)

The company confirms that it has procured undertakings from all its directors and executive officers in compliance with Rule 720(1).

8. Review of performance of the Group – Turnover and Earnings

Please refer to section 2 of this announcement for the full year ended 31 December 2025.

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9. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Name	Age	Family relationship with any director and / or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Low Kok Ann	78	Father of Low See Ching, who is a Director and Substantial Shareholder of the Company Father of Low Bee Lan Audrey, who is a Substantial Shareholder of the Company	Executive Director (since 2009) and Chief Executive Officer ("CEO") (since 2014)	No change

By Order of the Board

Low Kok Ann
Executive Director and Chief Executive Officer

Low See Ching
Non-Independent Non-Executive Director

6 February 2026