ANNAIK LIMITED

(Company Registration No: 197702066M)

Condensed Interim Financial Statements for the Half Year Ended 30 June 2026

Contents

ANNAIK LIMITED

Condensed Interim Financial Statements For The Period Ended 30-06-2026

A. CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

		Group		
		6 Months Ended		
		30-Jun-26	30-Jun-25	Change
	Note	S$'000	S$'000	%
Revenue	4	**16,860**	**19,759**	**(14.67)**
Cost of sales		(10,990)	(13,013)	(15.55)
Gross profit		**5,870**	**6,746**	**(12.99)**
Other operating income		224	681	(67.11)
Distribution expenses		(252)	(325)	(22.46)
Administrative expenses		(4,121)	(3,987)	3.36
Write-back for impairment losses on financial assets		5	10	(50.00)
Other operating expenses		(207)	(439)	(52.85)
Share of loss of associate		(213)	(205)	3.90
Finance costs		(335)	(491)	(31.77)
Profit before tax	5	**971**	**1,990**	**(51.21)**
Income tax expense	6	(484)	(488)	(0.82)
Profit for the financial period		**487**	**1,502**	**(67.58)**
(Loss)/Profit attributable to:				
Owners of the Company		(268)	537	NM
Non-controlling interests		755	965	(21.76)
		487	**1,502**	**(67.58)**
(Loss)/Earnings per share (cents per share):				
Basic and diluted		**(0.09)**	**0.19**	**NM**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group		
	6 Months Ended		
	30-Jun-26	30-Jun-25	Change
	S$'000	S$'000	%
Profit for the financial period	**487**	**1,502**	**(67.58)**
Other comprehensive income/(loss):			
Item that may be reclassified subsequently to profit or loss			
Foreign currency translation	2,171	(3,291)	NM
Other comprehensive income/(loss) for the financial period, net of tax	**2,171**	**(3,291)**	**NM**
Total comprehensive income/(loss) for the financial period	**2,658**	**(1,789)**	**NM**
Total comprehensive income/(loss) attributable to:			
Owners of the Company	1,305	(1,961)	NM
Non-controlling interests	1,353	172	686.63
	2,658	**(1,789)**	**NM**

NM denotes not meaningful.

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Condensed Interim Financial Statements For The Period Ended 30-06-2026

B. CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

		Group		Company	
		30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	Note	S$'000	S$'000	S$'000	S$'000
ASSETS					
Current assets					
Cash and cash equivalents		12,245	12,461	717	670
Trade receivables		20,293	20,186	-	-
Other receivables		1,800	1,459	-	-
Prepayments		222	191	28	15
Amounts due from subsidiaries		-	-	8,219	8,741
Inventories		17,442	19,401	-	-
Total current assets		52,002	53,698	8,964	9,426
Non-current assets					
Property, plant and equipment	7	11,146	11,262	1	2
Right-of-use assets		4,237	4,329	-	-
Goodwill	8	497	497	-	-
Intangible assets	9	32,022	31,701	-	-
Investments in subsidiaries		-	-	28,881	28,881
Investment in associate		9,121	9,009	-	-
Investment in joint venture		51	51	51	51
Investment securities		-	-	-	-
Club membership		190	190	190	190
Refundable deposits		442	427	-	-
Deferred tax assets		153	148	-	-
Total non-current assets		57,859	57,614	29,123	29,124
Total assets		**109,861**	**111,312**	**38,087**	**38,550**
LIABILITIES AND EQUITY					
Current liabilities					
Bank loans	10	5,854	5,902	-	-
Lease liabilities		336	343	-	-
Bills payable	10	4,007	4,335	-	-
Trade payables		1,212	1,239	-	-
Other payables and accruals		3,130	4,222	306	709
Provision for income tax		1,912	1,630	-	-
Amounts due to subsidiaries and associate		57	55	276	276
Total current liabilities		16,508	17,726	582	985
Non-current liabilities					
Bank loans	10	7,383	8,472	-	-
Lease liabilities		2,708	2,765	-	-
Other payables and accruals		27	29	-	-
Deferred government grants		1,307	1,296	-	-
Deferred tax liabilities		1,041	1,055	-	-
Total non-current liabilities		12,466	13,617	-	-
Capital, reserves and non-controlling interests					
Share capital	11	38,864	38,864	38,864	38,864
Treasury shares	11	(568)	(568)	(568)	(568)
Reserves		26,765	26,326	(791)	(731)
Equity attributable to owners of the Company		65,061	64,622	37,505	37,565
Non-controlling interests		15,826	15,347	-	-
Total equity		80,887	79,969	37,505	37,565
Total equity and liabilities		**109,861**	**111,312**	**38,087**	**38,550**

C. CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share Capital	Treasury Shares	Foreign Currency Translation Reserve	Statutory Reserve Fund	Fair Value Reserve	Retained Earnings	Attributable To Owners Of The Company	Non-Controlling Interests	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Group									
Balance at 1 January 2025	**38,864**	**(568)**	**(2,503)**	**3,992**	**(67)**	**26,479**	**66,197**	**15,413**	**81,610**
Profit for the financial period	-	-	-	-	-	537	537	965	1,502
Other comprehensive income/(loss)									
Foreign currency translation	-	-	(2,498)	-	-	-	(2,498)	(793)	(3,291)
Total comprehensive (loss)/income for the financial period	**-**	**-**	**(2,498)**	**-**	**-**	**537**	**(1,961)**	**172**	**(1,789)**
Others									
Transfer to statutory reserve fund	**-**	**-**	**(15)**	**89**	**-**	**(74)**	**-**	**-**	**-**
Dividends paid to non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,087)**	**(1,087)**
Balance at 30 June 2025	**38,864**	**(568)**	**(5,016)**	**4,081**	**(67)**	**26,942**	**64,236**	**14,498**	**78,734**
Balance at 1 January 2026	**38,864**	**(568)**	**(3,558)**	**4,598**	**(67)**	**25,353**	**64,622**	**15,347**	**79,969**
Profit for the financial period	-	-	-	-	-	(268)	(268)	755	487
Other comprehensive income/(loss)									
Foreign currency translation	-	-	1,573	-	-	-	1,573	598	2,171
Total comprehensive (loss)/income for the financial period	**-**	**-**	**1,573**	**-**	**-**	**(268)**	**1,305**	**1,353**	**2,658**
Distributions to owners									
Dividends paid	-	-	-	-	-	(866)	(866)	-	(866)
Total transactions with owners via their capacity as owners	**-**	**-**	**-**	**-**	**-**	**(866)**	**(866)**	**-**	**(866)**
Others									
Dividends paid to non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(874)**	**(874)**
Balance at 30 June 2026	**38,864**	**(568)**	**(1,985)**	**4,598**	**(67)**	**24,219**	**65,061**	**15,826**	**80,887**

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Condensed Interim Financial Statements For The Period Ended 30-06-2026

C. CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (continued)

	Share Capital	Treasury Shares	Accumulated Losses	Total Equity
	S$'000	S$'000	S$'000	S$'000
Company				
Balance at 1 January 2025	**38,864**	**(568)**	**(1,953)**	**36,343**
Total comprehensive income for the financial period	**-**	**-**	**182**	**182**
Balance at 30 June 2025	**38,864**	**(568)**	**(1,771)**	**36,525**
Balance at 1 January 2026	**38,864**	**(568)**	**(731)**	**37,565**
Total comprehensive income for the financial period	**-**	**-**	**806**	**806**
<u>Distributions to owners</u>				
Dividends paid	-	-	(866)	(866)
Total transactions with owners via their capacity as owners	**-**	**-**	**(866)**	**(866)**
Balance at 30 June 2026	**38,864**	**(568)**	**(791)**	**37,505**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group 6 Months Ended 30-Jun-26 S$'000	Group 6 Months Ended 30-Jun-25 S$'000
Cash flows from operating activities:			
Profit before tax	5	971	1,990
Adjustments for:			
Amortisation of government grants		(36)	(34)
Gain on disposal of property, plant and equipment		(5)	(1)
Write-back for impairment losses on financial assets		(5)	(10)
Depreciation of property, plant and equipment		419	400
Depreciation of right-of-use assets		118	96
Amortisation of intangible assets		937	1,058
Allowance for slow moving inventories		-	19
Share of loss of associate		213	205
Interest income		(30)	(20)
Finance costs		335	491
Currency translation differences		613	(998)
Operating profit before working capital changes		**3,530**	**3,196**
Decrease/(increase) in:			
Trade receivables		(107)	2,844
Other receivables and prepayments		(372)	759
Inventories		1,958	1,576
(Decrease)/increase in:			
Trade payables		(27)	270
Other payables and accruals		(1,092)	(1,658)
Bills payable		(328)	(3,242)
Cash generated from operations		**3,562**	**3,745**
Interest expense paid		(274)	(428)
Interest income received		30	20
Income taxes paid		(271)	(624)
Net cash flows from operating activities		**3,047**	**2,713**
Cash flows from investing activities:			
Proceeds from disposal of property, plant and equipment		5	1
Purchase of property, plant and equipment		(294)	(282)
Additions to right-of-use assets		-	(80)
Additions to intangible assets		(134)	(278)
Investment in joint venture		-	(51)
Net cash flows used in investing activities		**(423)**	**(690)**
Cash flows from financing activities:			
Proceeds from loans and borrowings		2,200	1,500
Repayment of loans and borrowings		(3,436)	(1,865)
Increase/(decrease) in amount due to associate		2	(97)
Dividends paid		(866)	-
Dividends paid to non-controlling interests		(874)	(1,087)
Payment of principal portion of lease liabilities		(66)	(54)
Payment of interest on lease liabilities		(61)	(63)
Net cash flows used in financing activities		**(3,101)**	**(1,666)**
Net (decrease)/increase in cash and cash equivalents		(477)	357
Cash and cash equivalents at beginning of financial period		12,461	10,013
Effect of exchange rate changes on the balance of cash held in foreign currencies		261	(383)
Cash and cash equivalents at end of financial period		**12,245**	**9,987**

Cash and cash equivalents, for the purpose of presenting consolidated statement of cash flows, consist of:

	30-Jun-26 S$'000	30-Jun-25 S$'000
Cash and bank balances	12,245	9,987
	12,245	9,987

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

AnnAik Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2026 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Group are as follows:
(a) Investment holding;
(b) Marketing and sale of steel related products; and
(c) Owning and management of wastewater treatment plants.

2. BASIS OF PREPARATION

The condensed interim financial statements for the six months ("1H2026") ended 30 June 2026 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2025.

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

The condensed interim financial statements are presented in Singapore dollars ("SGD" or "S$") which is the Company's functional currency and all values in the tables are rounded to the nearest thousand ("S$'000") except when otherwise indicated.

2.1 NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

In the current financial period, the Group has adopted all the new and amended standards that are relevant to its operations and effective for the current financial period.

The adoption of these standards did not result in material changes to the Group's accounting policies and has no material effect on the financial results or position of the Group and the Company.

2.2 USE OF JUDGEMENTS AND ESTIMATES

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2025.

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

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are as follows:

(i) Included in Note 8 - Goodwill

(ii) Provision of expected credit losses of trade receivables
The Group uses a provision matrix to calculate expected credit losses ("ECLs") for trade receivables. The provision rates are based on days past due for customer.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(iii) Allowance for inventories
The Group periodically reviews the net realisable value of its inventories to identify slow-moving, obsolete, or inventories which have a decline in net realisable value below cost. An allowance is recognised to write down such inventories to their net realisable value.

This assessment involves significant judgement and is based on factors including recent sales trends, aging of inventories, expected future demand and price competitions. Possible changes in these judgements could result in revisions to the valuation of inventories.

Based on management policy, inventories with no sales movement within four years are fully provided for.

3. SEASONAL OPERATIONS

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

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. SEGMENT AND REVENUE INFORMATION

The following segment information is prepared based on the nature of the principal activities of the Company and its subsidiaries. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. They are segregated primarily into three reporting segments; i.e. distribution of steel products; manufacturing of steel flanges and environmental business (including engineering construction of piping process system). Except as indicated above, no operating segments have been aggregated to form the above reportable segments.

4.1 BUSINESS SEGMENTS

6 Months Ended - 30 June 2026	Distribution of steel products	Manufacturing of steel flanges	Environmental business	Elimination	Consolidation
	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue					
External revenue (steel products)	8,471	-	-	-	8,471
External revenue	-	1,419	6,970	-	8,389
Inter-segment revenue	259	1,309	-	(1,568)	-
Total revenue	8,730	2,728	6,970	(1,568)	16,860
Result					
Segment results	(1,115)	(240)	3,137	(298)	1,484
Dividend income	1,828	-	1,938	(3,766)	-
Write-back for impairment losses on financial assets	-	-	5	-	5
Share of loss of associate	-	-	(213)	-	(213)
Interest income					30
Finance costs					(335)
Profit before tax					971
Income tax expense					(484)
Profit for the financial period					487
Assets					
Segment assets	33,420	7,225	60,044	-	100,689
Investment in associate	-	-	9,121	-	9,121
Investment in joint venture	-	-	51	-	51
Consolidated total assets					109,861
Liabilities					
Segment liabilities	7,477	1,317	6,943	-	15,737
Bank loans	10,878	-	2,359	-	13,237
Consolidated total liabilities					28,974
Other information					
Depreciation and amortisation	382	130	962	-	1,474
Capital expenditure	126	167	135	-	428
Other non-cash items	(4)	58	549	-	603

6 Months Ended - 30 June 2025	Distribution of steel products	Manufacturing of steel flanges	Environmental business	Elimination	Consolidation
	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue					
External revenue (steel products)	11,264	-	-	-	11,264
External revenue	-	1,197	7,298	-	8,495
Inter-segment revenue	62	1,419	-	(1,481)	-
Total revenue	11,326	2,616	7,298	(1,481)	19,759
Result					
Segment results	(1,011)	209	3,671	(213)	2,656
Dividend income	1,871	-	1,761	(3,632)	-
Write-back for impairment losses on financial assets	-	-	10	-	10
Share of loss of associate	-	-	(205)	-	(205)
Interest income					20
Finance costs					(491)
Profit before tax					1,990
Income tax expense					(488)
Profit for the financial period					1,502
Assets					
Segment assets	38,596	6,852	55,298	-	100,746
Investment in associate	-	-	8,934	-	8,934
Investment in joint venture	-	-	51	-	51
Consolidated total assets					109,731
Liabilities					
Segment liabilities	7,367	1,541	6,624	-	15,532
Bank loans	12,391	255	2,819	-	15,465
Consolidated total liabilities					30,997
Other information					
Depreciation and amortisation	560	76	918	-	1,554
Capital expenditure	59	303	278	-	640
Other non-cash items	49	(363)	(676)	-	(990)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

4.2 DISAGGREGATION OF REVENUE

6 Months Ended - 30 June 2026	Sale of goods	Service income from environmental business	Construction revenue	Total revenue
	S$'000	S$'000	S$'000	S$'000
Primary geographical markets				
Singapore	6,769	-	-	6,769
People's Republic of China	-	6,836	134	6,970
Malaysia	2,031	-	-	2,031
Indonesia	792	-	-	792
Australia	214	-	-	214
New Zealand	43	-	-	43
Hong Kong	1	-	-	1
Thailand	37	-	-	37
Vietnam	-	-	-	-
Others	3	-	-	3
	9,890	6,836	134	16,860
Timing of transfer of goods or services				
At a point in time	9,890	6,836	-	16,726
Over time	-	-	134	134
	9,890	6,836	134	16,860

6 Months Ended - 30 June 2025	Sale of goods	Service income from environmental business	Construction revenue	Total revenue
	S$'000	S$'000	S$'000	S$'000
Primary geographical markets				
Singapore	8,935	-	-	8,935
People's Republic of China	-	6,933	365	7,298
Malaysia	2,383	-	-	2,383
Indonesia	774	-	-	774
Australia	258	-	-	258
New Zealand	66	-	-	66
Hong Kong	-	-	-	-
Thailand	37	-	-	37
Vietnam	1	-	-	1
Others	7	-	-	7
	12,461	6,933	365	19,759
Timing of transfer of goods or services				
At a point in time	12,461	6,933	-	19,394
Over time	-	-	365	365
	12,461	6,933	365	19,759

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. PROFIT BEFORE TAX

Profit before tax is stated after charging/(crediting):

	Group	
	6 Months Ended	
	30-Jun-26	30-Jun-25
	S$'000	S$'000
Amortisation of government grants	(36)	(34)
Gain on disposal of property, plant and equipment	(5)	(1)
Write-back for impairment losses on financial assets	(5)	(10)
Depreciation of property, plant and equipment	419	400
Depreciation of right-of-use assets	118	96
Amortisation of intangible assets	937	1,058
Allowance for slow moving inventories	-	19
Share of loss of associate	213	205
Interest income	(30)	(20)
Finance costs	335	491
Net foreign exchange gain	(100)	(195)

6. INCOME TAX EXPENSE

The major components of income tax expense for the financial period ended 30 June are:

	Group	
	6 Months Ended	
	30-Jun-26	30-Jun-25
	S$'000	S$'000
Consolidated income statement		
Current taxation:		
- Current income taxation	368	398
- Under provision in respect of prior years	18	3
	386	401
Withholding tax expense	98	87
Income tax expense recognised in profit or loss	**484**	**488**

7. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets amounting to S$294,000 (30 June 2025: S$282,000) and disposed of assets with carrying amount of nil (30 June 2025: nil).

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. GOODWILL

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash-generating unit ("CGU") that is expected to benefit from that business combination. The carrying amount of the goodwill that is associated with the Group's wastewater treatment business is as follows:

	Group	
	As At	
	30-Jun-26	31-Dec-25
	S$'000	S$'000
AngWei Environmental Ecological & Engineering (Shanghai) Co., Ltd ("AngWei Enviro") and its subsidiaries [1]	497	497

[1] This relates to the wastewater treatment business of specific subsidiaries within the Group, which arose from the service concession rights granted by the PRC government.

The recoverable amount of AngWei Enviro Group has been determined based on value in use calculation using cash flow projections from the financial budgets approved by management. This cash flow projections cover the remaining concession periods, useful lives of the wastewater treatment plant as well as the rights to draw water operated by the CGU, ranging from 12 - 21 years (2025: 13 - 22 years). The pre-tax discount rate applied to these cash flows is 8% (2025: 8%).

Key assumptions used for the value in use calculation

Revenue growth rate - Projected revenue for wastewater treatment plant is based on government guarantee stated in the service concession agreement with the local government.

Pre-tax discount rate - Pre-tax discount rate was determined with reference to the discount rates used by industry peers which is based on weighted average cost of capital ("WACC"). The WACC takes into account both the cost of debt and equity used by entities in similar industries.

Budgeted gross profit margins - Budgeted gross profit margins is based on results achieved in the year preceding the start of the budget period.

Sensitivity to changes in key assumptions:

With regards to the assessment of value in use for AngWei Enviro, management believes that no reasonable possible changes in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

9. INTANGIBLE ASSETS

	Group			
	Patent rights	Concession rights	Technical know-how	Total
	S$'000	S$'000	S$'000	S$'000
Cost:				
At 1 January 2025	3,732	48,615	373	52,720
Additions	-	392	-	392
Other adjustments	-	(847)	-	(847)
Exchange differences	-	(772)	(6)	(778)
At 31 December 2025 and 1 January 2026	3,732	47,388	367	51,487
Additions	-	134	-	134
Exchange differences	-	1,694	13	1,707
At 30 June 2026	**3,732**	**49,216**	**380**	**53,328**
Accumulated amortisation:				
At 1 January 2025	3,393	14,448	373	18,214
Amortisation charge for the financial year	339	1,463	-	1,802
Exchange differences	-	(224)	(6)	(230)
At 31 December 2025 and 1 January 2026	3,732	15,687	367	19,786
Amortisation charge for the financial period	-	937	-	937
Exchange differences	-	570	13	583
At 30 June 2026	**3,732**	**17,194**	**380**	**21,306**
Carrying amount:				
At 31 December 2025	-	31,701	-	31,701
At 30 June 2026	**-**	**32,022**	**-**	**32,022**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. INTANGIBLE ASSETS (continued)

	Company
	Patent rights
	S$'000
Cost:	
At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026	3,732
Accumulated amortisation:	
At 1 January 2025	3,393
Amortisation charge for the financial year	339
At 31 December 2025, 1 January 2026 and 30 June 2026	3,732
Carrying amount:	
At 31 December 2025	-
At 30 June 2026	-

10. LOANS AND BORROWINGS

	Group		Company	
	As At		As At	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	S$'000	S$'000	S$'000	S$'000
Amount repayable in one year or less, or on demand:-				
Secured	9,861	10,237	-	-
Unsecured	-	-	-	-
Sub-total	**9,861**	**10,237**	**-**	**-**
Amount repayable after one year:-				
Secured	7,383	8,472	-	-
Unsecured	-	-	-	-
Sub-total	**7,383**	**8,472**	**-**	**-**
Total borrowings	**17,244**	**18,709**	**-**	**-**

Details of any collaterals

As at 30 June 2026 and 31 December 2025, the Group's secured borrowings consist of bank loans and bills payable.

As at 30 June 2026, bank loans of S$5.15m (31 December 2025: S$5.56m) was secured by a charge over a property of a subsidiary.

As at 30 June 2026, bills payable and remaining bank loans of S$12.09m (31 December 2025: S$13.15m) was secured by corporate guarantee of the Company and corporate guarantee by a subsidiary company.

11. SHARE CAPITAL AND TREASURY SHARES

	Group and Company			
	30-Jun-26		31-Dec-25	
	No. of ordinary shares	Amount	No. of ordinary shares	Amount
	'000	S$'000	'000	S$'000
Share capital				
Beginning of financial period/year	294,054	38,864	294,054	38,864
End of financial period/year	**294,054**	**38,864**	**294,054**	**38,864**
Treasury shares				
Beginning of financial period/year	(5,534)	(568)	(5,534)	(568)
End of financial period/year	**(5,534)**	**(568)**	**(5,534)**	**(568)**

Company has 5,533,700 treasury shares as at 30 June 2026 and 31 December 2025.

Company issued nil ordinary shares as at 30 June 2026 and 31 December 2025.

There were no outstanding convertibles and shares held as subsidiary holdings as at 30 June 2026, 31 December 2025 and 30 June 2025.

12. DIVIDENDS

	Group	
	6 Months Ended	
	30-Jun-26	30-Jun-25
	S$'000	S$'000
Declared and paid during the financial period:		
Dividends on ordinary shares:		
- Final exempt (one-tier) dividend for 2025: 0.3 (2024: nil) cent per share	866	-

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. RELATED PARTIES TRANSACTIONS

	Group	
	6 Months Ended	
	30-Jun-26	30-Jun-25
	S$'000	S$'000
Sales and purchases of goods and services		
In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:		
Purchase of goods from corporate shareholder of a subsidiary	100	71
Compensation of directors and key management personnel		
The remuneration of directors and other members of key management during the financial period were as follows:		
Salaries, bonuses and benefits	1,039	1,064
Central Provident Fund contributions	41	45
Directors' fees	40	60
	1,120	**1,169**
Comprise of:		
- Directors of the Company	780	760
- Other key management personnel	340	409
	1,120	**1,169**
The remuneration of directors and key management is determined by the remuneration committee having regard to the performance of individuals and market trends.		

14. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Group		Company	
	As At		As At	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	S$'000	S$'000	S$'000	S$'000
Financial assets (Amortised cost)				
Refundable deposits	442	427	-	-
Trade and other receivables [(1)]	8,904	9,478	-	-
Amounts due from subsidiaries and joint venture	-	-	8,219	8,741
Cash and cash equivalents	12,245	12,461	717	670
	21,591	**22,366**	**8,936**	**9,411**
Financial liabilities (Amortised cost)				
Trade payables	1,212	1,239	-	-
Other payables and accruals [(2)]	3,023	3,981	297	698
Amounts due to associate	57	55	-	-
Amounts due to subsidiaries	-	-	276	276
Loans and borrowings	17,244	18,709	-	-
Lease liabilities	3,044	3,108	-	-
	24,580	**27,092**	**573**	**974**

[(1)] Exclude VAT/GST receivables, advances to suppliers and accrued revenue.
[(2)] Exclude VAT/GST payables and deposits from customers.

15. SUBSEQUENT EVENTS

Subsequent to 30 June 2026, on 31 July 2026, the Company's announced that its wholly-owned subsidiary, Anxon Environmental Pte. Ltd. entered into sale and purchase agreements to acquire equity interests in AngWei Environmental Ecological & Engineering (Shanghai) Co., Ltd; ChangXing AngWei Environmental & Ecological Engineering Co., Ltd; and Shuanglin (Huzhou) WastewaterTreatment Co., Ltd.

The acquisition has not been reflected in the financial statements for the six months ended 30 June 2026. Please refer to the Company's announcement dated 31 July 2026 for more information on the acquisitions.

F. OTHER INFORMATION

1. (a)(i) Details of any changes in the company's share capital arising from right issue, bonus issue, subdivision consolidation,share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

SHARE CAPITAL

	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	No. of Ordinary Shares		Amount	
	'000		S$'000	
Balance as at beginning of financial period/year 294,053,974 ordinary shares	294,054	294,054	38,864	38,864
Less: Treasury Shares	(5,534)	(5,534)	(568)	(568)
Balance as at end of financial period/year 288,520,274 ordinary shares	**288,520**	**288,520**	**38,296**	**38,296**
Percentage (%) of treasury shares held against the total number of shares outstanding as at end of financial period/year	**1.90**	**1.90**		

Company has 5,533,700 treasury shares as at 30 June 2026 and 31 December 2025.

Company issued nil ordinary shares as at 30 June 2026 and 31 December 2025.

There were no outstanding convertibles and shares held as subsidiary holdings as at 30 June 2026, 31 December 2025 and 30 June 2025.

1. (a)(ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Please refer to item 1(a)(i) above.

1. (a)(iii) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There are no sales or transfers, cancellation and/or use of treasury shares between 1 January 2026 and 30 June 2026.

1. (a)(iv) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

F. OTHER INFORMATION (continued)

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

The figures have not been audited nor reviewed by our auditors.

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

Not applicable.

3. (a) Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion, the financial statements have been adequately disclosed.
(i) update on the efforts taken to resolve each outstanding audit issue,
(ii) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

There has been no changes in the accounting policies and methods of computation, including any required by an accounting standard.
The Group and Company have adopted the same accounting policies and methods of computation for the current financial period as those applied in the financial year ended 31 December 2025.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

(LOSS) / EARNINGS PER ORDINARY SHARE

	Group		
	30-Jun-26	30-Jun-25	Change %
(Loss)/Earnings per ordinary share for the financial period based on net (loss)/profit attributable to owners of the Company			
(i) Based on weighted average number of ordinary shares (in cents)	(0.09)	0.19	NM
- Weighted average number of shares	288,520,274	288,520,274	-
(ii) On a fully diluted basis (in cents)	(0.09)	0.19	NM
- Adjusted weighted average number of shares	288,520,274	288,520,274	-

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year

	Group			Company		
	As At			As At		
	30-Jun-26	31-Dec-25	Change	30-Jun-26	31-Dec-25	Change
	Cents	Cents	%	Cents	Cents	%
Net asset attributable to owners of the Company per ordinary share based on the existing issued share capital excluding treasury shares as at end of financial period/year	22.55	22.40	0.67	13.00	13.02	(0.15)

The net asset value per ordinary share is based on 288,520,274 (2025: 288,520,274) shares at the end of each financial period/year.

F. OTHER INFORMATION (continued)

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

(a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial year reported on.

Income Statement

For the half-year ended 30 June 2026 ("**1H2026**"), the Group recorded a loss attributable to owners of the Company of S$0.27 million, compared to a profit of S$0.54 million recorded in the corresponding period ended 30 June 2025 ("**1H2025**"). The loss incurred was mainly due to softer demand with fewer project sales secured and continued pressures from competitive steel prices, which resulted in lower gross profit from the distribution of steel products and the manufacturing of steel flanges businesses. Despite these near-term challenges, in contrast, the environmental business continues to contribute stability to the Group's overall results. Although it recorded a slight dip in turnover and a marginal drop in profit, its unique concession rights business model and the stable operating environment in PRC helped maintain steady performance.

The Group's revenue decreased by approximately S$2.90 million or 14.67% from S$19.76 million in 1H2025 to S$16.86 million in 1H2026. The decrease was mainly due to:

- significantly lower sales as a result of fewer projects secured in the distribution of steel products business under the distribution division;
- slightly lower turnover from the environmental business division attributed to lower sales generated from industrial and municipal wastewater business in the People's Republic of China ("**PRC**"); which was partially offset by:
- higher sales generated from the manufacturing division, mainly attributable to the commencement of the bitumen business through Shinsei Energy Sdn Bhd, partially offset by lower revenue from Shinsei Industry Sdn Bhd.

Gross profit decreased by S$0.88 million or 12.99% from S$6.75 million in 1H2025 to S$5.87 million in 1H2026. The decrease was in tandem with lower revenue and lower gross profit from the distribution of steel products business under the distribution division as explained above. The Group's overall gross profit margin remained steady, at 34.8% in 1H2026 compared to 34.1% in 1H2025.

Other operating income decreased by S$0.46 million or 67.11% from S$0.68 million in 1H2025 to S$0.22 million in 1H2026. The decrease was mainly due to lower foreign currency exchange gain from the appreciation of Singapore dollars against United States dollars, in which the Group transacts.

Distribution expenses decreased by S$0.08 million or 22.46% from S$0.33 million in 1H2025 to S$0.25 million in 1H2026. The decrease was attributable to the lower revenue generated from the distribution of steel products business.

As fewer EPC projects were secured and delivered during the period from the rural wastewater treatment business under the environmental business division, the share of results of associate (based on the Group's 25% stake) was a loss of S$0.21 million in 1H2026, which was similar to the loss of S$0.21 million in 1H2025.

Other operating expenses decreased by S$0.23 million or 52.85% from S$0.44 million in 1H2025 to S$0.21 million in 1H2026. The decrease was mainly due to the absence of amortisation of intangible assets, as the relevant assets were fully amortised in December 2025.

Finance costs decreased by S$0.16 million or 31.77% from S$0.49 million in 1H2025 to S$0.33 million in 1H2026, mainly attributed to the reduction in interest expense on bank loans as a result of net repayments made and lower interest-bearing costs during the financial period.

Statement of Financial Position

The current assets of the Group decreased by S$1.70 million from S$53.70 million as at 31 December 2025 to S$52.00 million as at 30 June 2026, mainly attributed to:

- decrease in inventories of S$1.96 million as a result of better inventory management for stock replenishment and lower expected turnover; partially offset by:
- an increase in other receivables of S$0.34 million mainly due to advances made to suppliers.

Based on FY2025 revenue of S$35.63 million and an annualised 1H2026 revenue of S$33.45 million (excluding revenue accounted under SFRS(I) INT 12 Service Concession Arrangements), debtor turnover increased from 207 days as at 31 December 2025 to 220 days as at 30 June 2026. The increase was mainly due to slightly slower collections during the period.

The Group maintained a healthy and positive working capital of S$35.49 million or current ratio of 3.15 times with current assets of S$52.00 million and current liabilities of S$16.51 million as at 30 June 2026.

The non-current assets of the Group increased by S$0.25 million from S$57.61 million as at 31 December 2025 to S$57.86 million as at 30 June 2026. There were no material variances across the underlying non-current assets categories.

The total liabilities of the Group decreased by S$2.37 million from S$31.34 million as at 31 December 2025 to S$28.97 million as at 30 June 2026. The decrease was mainly attributable to repayment of bank loans and reductions in bills payable, other payables and accruals of S$1.14 million, S$0.33 million and S$1.09 million respectively.

Net gearing ratio improved from 0.14 times as at 31 December 2025 to 0.12 times as at 30 June 2026.

Cash Flow

Net cash flows from operating activities amounted to S$3.05 million in the current period as a result of its operating profit before working capital changes of S$3.53 million and net increase in working capital changes of S$0.03 million. This is partially offset by interest paid amounting to S$0.27 million and income tax paid amounting to S$0.27 million during the financial period.

Net cash flows used in investing activities amounted to S$0.42 million mainly attributable to additions to intangible assets and property, plant and equipment.

Net cash flows used in financing activities amounted to S$3.10 million mainly due to net repayments of loans and borrowings, payment of lease liabilities and dividend payments.

The Group's net asset attributable to owners of the Company per share as at 30 June 2026 was 22.55 cents and weighted average loss per share was 0.09 cents.

F. OTHER INFORMATION (continued)

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

The Group's financial results for financial period ended 30 June 2026 are in line with the Company's trends and competitive conditions previously disclosed in the Company's announcement dated 27 February 2026 in relation to its results for full year ended 31 December 2025.

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

The Group expects the operating environment to remain challenging over the next 12 months amid ongoing geopolitical uncertainties, including tensions in the Middle East, evolving global trade policies, inflationary pressures and energy prices volatility. These factors may continue to weigh on business sentiment, operating costs and market demand.

The Group's distribution of steel products and manufacturing of steel flanges businesses continue to face weak demand and pricing pressure, particularly in Singapore and Malaysia. The Group will continue to focus on securing project sales, strengthening customer relationships and improving operational efficiency to support its distribution and manufacturing businesses.

Notwithstanding the above overall operating environment, the Group's environmental business is expected to remain stable over the next 12 months. However, collection from local government may remain challenging due to the prolonged economic recovery process in PRC. The Group will continue to closely monitor its collection arrangements.

The Group remains focused on prudent cost and working capital management, improving operational efficiency and mitigating business risks, while continuing to explore potential new business opportunities.

11. If a decision regarding dividend has been made.

(a) Whether an interim (final) dividend has been declared (recommended); and

None.

(b) (i) Amount per share in cents.

Not applicable.

(b) (ii) Previous corresponding period in cents.

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended after taking into consideration the Group's capital commitment plan and its cash flow requirements.

F. OTHER INFORMATION (continued)

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

No IPT mandate has been obtained from shareholders. There were no IPTs entered during the financial period.

14. Negative Confirmation by the Board pursuant to Rule 705(5).

On behalf of the Board of Directors, we hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of AnnAik Limited which may render the financial statements announcement for the six months period ended 30 June 2026 to be false or misleading in any material aspect.

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

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

16. Disclosure pursuant to Rule 706A of the Catalist Rules.

As announced on 31 July 2026, the Company's wholly-owned subsidiary, Anxon Environmental Pte. Ltd. entered into sale and purchase agreements to acquire equity interests in AngWei Environmental Ecological & Engineering (Shanghai) Co., Ltd; ChangXing AngWei Environmental & Ecological Engineering Co., Ltd; and Shuanglin (Huzhou) WastewaterTreatment Co., Ltd. Please refer to the Company's announcement dated 31 July 2026 for more information on the acquisitions.

Ow Chin Seng Executive Chairman and Chief Executive Officer	Ng Kim Keang Executive Director and Chief Operating Officer

14 August 2026

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Audrey Mok (Telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.