



ANNICA
HOLDINGS LIMITED



ANNICA HOLDINGS LIMITED

ANNUAL REPORT 2025





*This annual report has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This annual report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.*

The contact person for the Sponsor is Ms Goh Mei Xian, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

*All \$ in this annual report of Annica Holdings Limited ("**Annual Report**") refers to Singapore Dollars unless otherwise specified.*



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LETTER TO SHAREHOLDERS

Joint Statement by the Independent and Non-Executive Chairman and the Executive Director and Chief Executive Officer

Dear Shareholders,

On behalf of the board of directors (“**Board**” or “**Directors**”) of Annica Holdings Limited (“**Company**”, and together with its subsidiaries, the “**Group**” or “**Annica**”), we are pleased to present our annual update for the financial year ended 31 December 2025 (“**FY2025**”).

The year 2025 has been marked by significant geopolitical and economic shifts that continue to reshape the global energy landscape. Heightened tensions in the Middle East, particularly the escalation of the US–Israel and Iran conflict, have once again highlighted the vulnerability of global energy supply chains and the strategic importance of energy security.

These developments have contributed to volatility in energy markets, disruptions in global logistics networks, and rising fuel costs across many regions. For Southeast Asia, where energy demand continues to grow alongside industrialisation and digitalisation, the implications are clear resilience, diversification and regional self-reliance are becoming central pillars of the energy transition.



Against this evolving backdrop, Annica continues to pursue a disciplined strategy to strengthen its operational resilience while positioning the Group for long-term growth in both conventional and emerging energy sectors.

CORE OPERATIONS AND RISK MANAGEMENT

The Group’s legacy operations under the Integrated Engineering Solutions segment encompassing oilfield equipment supply and services, principal agency representation, and a specialist training academy certified by the Engineering Construction Industry Training Board continued to provide a stable operating base during the year. Operating across Singapore, Malaysia, Indonesia, and Brunei, the Integrated Engineering Solutions segment experienced procurement volatility and disruptions to long-standing supplier relationships. In response, management of Annica implemented measures to reduce supplier concentration, diversify sourcing channels, and strengthen contractual and operational resilience. These actions form part of the Group’s broader risk-management framework, incorporating considerations related to supply-chain and transition risks.

ENERGY TRANSITION AND SUSTAINABLE DEVELOPMENT

The Group’s renewable and energy-transition platform, H2 Energy, recorded steady progress and has contributed maiden revenue of 2% to the Group’s total revenue during FY2025. Through H2 Energy, the Group advanced pilot deployments and continued engagement with regional stakeholders.

During the year, H2 Energy entered into memorandum of understanding (non-binding) with international partners including Logan Energy, Best Integrated Engineering, Powerzone and Infinergy-Cowin covering selected segments of the hydrogen value chain. These collaborations are intended to support the evaluation and development of practical, deployable solar-hydrogen hybrid systems, and direct methanol fuel cells with an emphasis on technical feasibility, economic viability, and operational performance.

The Group’s pilot projects received external recognition, including the Steward Leadership 25 (SL25) award conferred through Temasek Trust, reflecting independent assessment of impact and implementation quality. Management of Annica also contributed at international conferences and policy forums as speakers, moderators, and panellists, supporting knowledge-sharing on green power and hydrogen deployment.

FINANCIAL PERFORMANCE

For FY2025, the Group recorded revenue of \$7.3 million and a loss after tax of \$3.5 million. The loss was mainly due to a non-cash revenue recognition adjustment which has been made as the performance obligations of the job were not satisfied as at the end of the financial year and an

LETTER TO SHAREHOLDERS

impairment loss on property, plant and equipment. At the Company level, Annica reported a loss of approximately \$3.8 million, primarily attributable to an impairment loss on asset held-for-sale of \$1.5 million, as well as holding-company administrative expenses and finance costs.

GOVERNANCE, ESG OVERSIGHT AND DATA INTEGRITY

During the year, Ms Randell Leong was appointed to the Board, enhancing gender diversity and strengthening capital-markets expertise. The Board continues to exercise oversight over governance, risk management, and sustainability matters.

Progress under the Group's ESG agenda was supported by validated operational data from H2 Energy, enabling the assessment of scalable opportunities across microgrids, urban transport systems infrastructure, telecommunications towers, and rural healthcare facilities. These initiatives are aligned by the reporting principles of the Global Reporting Initiative (GRI), with a focus on data integrity, traceability, and continuous improvement.

OUTLOOK AND STRATEGIC POSITIONING

While global oil majors have implemented cost rationalisation measures in response to market uncertainties and new tariff regimes, energy demand across ASEAN remains structurally robust. Regional investment in energy infrastructure, maintenance services and production optimisation continues to support stable underlying demand for specialised engineering solutions.

The global energy landscape continues to evolve amid geopolitical uncertainty, technological innovation and increasing policy focus on energy transition. Within ASEAN, governments are accelerating initiatives related to energy security, renewable energy deployment, digitalisation and

sustainable industrial development. In this context, Annica continues to align its business portfolio and operational framework with emerging regional opportunities.

The Group enters FY2026 with a more streamlined asset base and a clearer strategic focus. The Board is implementing the proposed Share Consolidation and Rights Issue exercises and continues to evaluate potential fundraising and strategic initiatives while maintaining disciplined capital management.

Annica's regional operational presence across Singapore, Malaysia and Indonesia, together with its developing renewable energy platform, positions the Group to participate in selected opportunities arising from ASEAN's ongoing energy transition.

APPRECIATION

We would like to thank our shareholders for their continued support, our employees for their commitment, our customers and partners for their trust, and our Board and advisors for their guidance—particularly in relation to capital management and fundraising aligned with the Group's growth and transition plans.

Tan Sri Dato' Seri Zulkefli Bin Ahmad Makinudin
Independent and Non-Executive Chairman

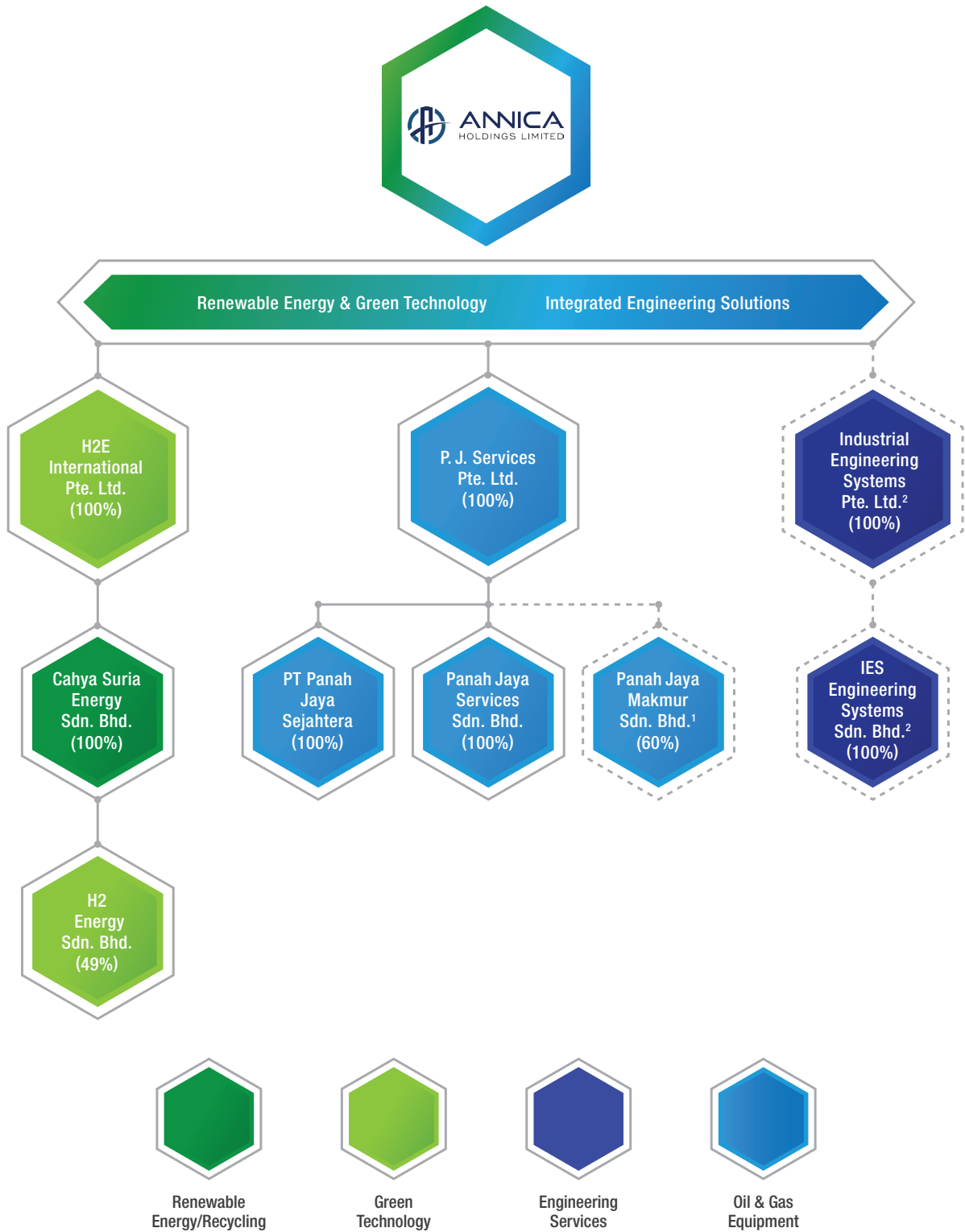
Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer

15 April 2026



CORPORATE STRUCTURE

As at 31 December 2025



Remarks:

¹ Proposed disposal announced by the Company on 13 January 2026

² Proposed disposal announced by the Company on 8 November 2024

FINANCIAL REVIEW

COMPREHENSIVE INCOME

During the financial year ended 31 December 2025 (“FY2025”), the Group posted total revenue of \$7.3 million, a 42% decrease from the preceding financial year ended 31 December 2024 (“FY2024”), from the contribution of the Group’s primary business segments of oil and gas equipment. The lower revenue recorded in FY2025 was mainly due to the defer recognition of the Group’s secured projects to the subsequent financial year. The Group’s gross profit margin was 50% in FY2025, representing an increase of 8% from 42% in FY2024, and this was due to higher gross profit margin projects in the oil and gas equipment segment in FY2025. The Group’s total comprehensive loss was \$3.5 million in FY2025, as compared to a total comprehensive income of \$0.1 million in FY2024, mainly due to a non-cash revenue recognition adjustment which has been made as the performance obligations of the job were not satisfied as at the end of the financial year and an impairment loss on property, plant and equipment.

FINANCIAL POSITION

The Group’s FY2025 and FY2024 total assets stood at \$14.0 million and \$10.4 million respectively. The Group’s net assets decreased by \$0.8 million from \$2.1 million as at FY2024 to \$1.3 million as at FY2025. This decrease was largely due to the loss incurred during FY2025.

CASH FLOWS

The Group held cash and cash equivalents and fixed deposits of an aggregate amount of \$3.3 million as at the end of FY2025, as compared to \$2.1 million as at the end of FY2024.

OTHER MATTERS

Other than as disclosed in the audited financial statements included in this Annual Report and the Company’s announcement on 15 April 2026 in relation to the material variances between the Group’s audited and unaudited financial statements for FY2025, there is no other significant development subsequent to the release of the Group’s unaudited condensed interim consolidated financial statements for FY2025, as announced on 28 February 2026, which would materially affect the Group’s and the Company’s operating and financial performance as of 15 April 2026, being the date of the Directors’ Statement on pages 92 to 98 of this Annual Report.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin
(Independent and Non-Executive Chairman)

Sandra Liz Hon Ai Ling
(Executive Director and Chief Executive Officer)

Robin Stevens
(Lead Independent and Non-Executive Director)

Randell Leong
(Independent and Non-Executive Director)

Lim In Chong
(Non-Independent and Non-Executive Director)

COMPANY SECRETARY

Tan Poh Chye Allan

AUDIT COMMITTEE

Robin Stevens (*Chairman*)
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (*Member*)
Randell Leong (*Member*)

NOMINATING COMMITTEE

Randell Leong (*Chairman*)
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (*Member*)
Robin Stevens (*Member*)

REMUNERATION COMMITTEE

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (*Chairman*)
Robin Stevens (*Member*)
Randell Leong (*Member*)

DATE OF INCORPORATION

20 August 1983

COMPANY REGISTRATION NUMBER

198304025N

SHARE LISTING

Listed on the Stock Exchange of Singapore Dealing and Automated Quotation System (SESDAQ), now known as the Catalist board of the SGX-ST, on 11 April 2001

REGISTERED OFFICE

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Email: prinfo@annica.com.sg
Website: www.annica.com.sg

AUDITOR

PKF-CAP LLP
6 Shenton Way
OUE Downtown 1, #38-01
Singapore 068809

Partner-in-charge:
Sherley Tang Hui Lin
(appointed for the financial years ended 31 December 2022 and 31 December 2025)

SHARE REGISTRAR

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

CONTINUING SPONSOR

ZICO Capital Pte. Ltd.
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

SOLICITOR

Nine Yards Chambers LLC
1 Coleman Street
The Adelphi #05-03
Singapore 179803

PRINCIPAL BANKERS

DBS Bank Ltd
12 Marina Boulevard
DBS Asia Central
Marina Bay Financial Centre Tower 3
Singapore 018982

CIMB Bank Berhad
50 Raffles Place
#01-02 Singapore Land Tower
Singapore 048623

SUSTAINABILITY REPORT

1. Board Statement

Annica Holdings Limited (“**Annica**” or “**Company**”, and together with its subsidiaries, the “**Group**”) reaffirms its commitment to sustainability with the publication of this sustainability report (“**Report**”) for the financial year (“**FY**”) ended 31 December 2025. In this Report, we provide insights into the way we conduct our business while considering our material sustainability factors under the sustainability pillars of economic, environmental, social and governance (collectively, the “**Sustainability Factors**”), and provide readers with an accurate and meaningful overview of how we manage our sustainability issues.

The board of directors (“**Board**” or “**Directors**”) of the Company has considered the Group’s sustainability issues as part of its strategic formulation and business planning. For FY2025, the Board has reviewed and determined the material Sustainability Factors, as well as overseen the management and monitoring of the material Sustainability Factors during the year. The Board receives regular sustainability performance updates from the SR Leadership Team via the ESG Committee. The Board has also reviewed and approved this Report and is satisfied that the information is accurate and complete to the best of its knowledge.

This Report also communicates our support towards the United Nations’ Sustainable Development Goals (“**SDGs**”). As we collaborate closely with our stakeholders throughout the value chain, their inputs serve as a compass in guiding our sustainability initiatives and in prioritising our material Sustainability Factors. The diagram below illustrates the interaction between our sustainability framework, material Sustainability Factors, stakeholders and the SDGs:



SUSTAINABILITY REPORT

2. Sustainability Performance at a Glance

A summary of our material sustainability performance is as follows:

Sustainability Pillar	Sustainability Metric	Sustainability Performance	
		FY2025	FY2024
Economic	Economic value generated ¹ (S\$million)	7.96	15.50
	Operating costs ² (S\$million)	5.60	11.99
	Employee benefits expenses ³ (S\$million)	2.77	2.78
	Payments to providers of capital ⁴ (S\$million)	0.70	0.37
	Tax paid to governments ⁵ (S\$million)	0.10	0.19
	Adoption of market standards relevant to the Group's operations	Adopted relevant market standards in our operations	Adopted relevant market standards in our operations
Environmental	Water consumption intensity (m ³ / number of employees)	25	24
	Aggregated absolute Scope 1 and 2 greenhouse gas ("GHG") emissions (tCO ₂ e)	71	74
	Direct GHG emissions intensity (Scope 1) (tCO ₂ e/revenue S\$'000)	<0.001	<0.001
	Indirect GHG emissions intensity (Scope 2) (tCO ₂ e/floor area m ²)	0.04	0.05
Social	Number of workplace fatalities	–	–
	Number of high consequence work-related injuries ⁶	–	–
	Number of recordable work-related injuries	–	–
	Number of recordable work-related ill-health cases ⁷	–	–
	Turnover rate	10%	4%
	Number of incidents of unlawful discrimination against employees ⁸	–	–
Governance	Number of incidents of serious offences ⁹	–	–
	Number of incidents of non-compliance with any applicable laws and regulations ¹⁰ that resulted in significant fines or non-monetary sanctions	–	–

¹ Economic value generated includes revenue, other income, net of government grants and foreign currency exchange loss.

² Operating costs include cost of sales, selling and distribution expenses, administrative and general expenses and other expenses, net of depreciation of property, plant and equipment, right-of-use asset, bad debt written off and recovered, reversal of withholding tax expenses, and fair value loss and impairment loss.

³ Employee benefits expenses include salaries and benefits expenses.

⁴ Payments to providers of capital include interest payments to providers of financing and dividends to ordinary shareholders (if any).

⁵ Tax paid to governments include income taxes paid.

⁶ A high consequence work-related injury refers to an injury from which the worker cannot recover or cannot recover fully to pre-injury health status within six (6) months.

⁷ A work-related ill health case refers to one with negative impact on health arising from exposure to hazards at work.

⁸ An unlawful discrimination refers to an incident of discrimination whereby the relevant authority has commenced investigation and resulted in a penalty to a company.

⁹ A serious offence is defined as one that involves fraud or dishonesty involving an amount not less than S\$100,000 and is punishable by imprisonment for a term of not less than two (2) years, which is being or has been committed against a company by officers or employees of the company.

¹⁰ An incident of non-compliance excludes incidents involving fraud or dishonesty.

SUSTAINABILITY REPORT

3. Our Business

The Group is principally involved in:

- (i) distributing a comprehensive range of products and services related to oil and gas equipment;
- (ii) providing engineering services; and
- (iii) developing renewable energy solutions for rural electrification projects.

Activities (i) and (ii) above shall be collectively referred to as 'Integrated Engineering Solutions'.

The Group's operations are structured into the following business segments:

(i) Oil and Gas Equipment Business Segment ("Oil and Gas Segment")



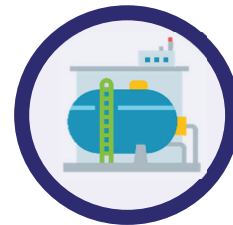
Upstream

Our products and equipment are sourced from distributors, strategic suppliers and manufacturers in the oil and gas industry.



Operations

We distribute equipment and products, and provide related services, in the oil and gas industry.



Downstream

We sell to customers from the oil and gas exploration, production and petrochemical industries.

(ii) Engineering Services Business Segment ("Engineering Segment")



Upstream

We maintain a core team of experienced and professional engineers with a wealth of experience in providing technical solutions.



Operations

We specialise in designing, engineering, manufacture and assembling as well as testing, commissioning and servicing solutions for the oil and gas industries.



Downstream

We serve customers in the oil and gas industries.

SUSTAINABILITY REPORT

(iii) Renewable Business Segment (“Renewable Segment”)



Upstream

We procure components for the assembly of our proprietary energy management systems.



Operations

We provide integrated renewable energy solutions powered by green hydrogen to deliver sustainable and uninterrupted energy primarily for off grid electrification.



Downstream

We provide uninterrupted supplies of sustainable energy to rural and/or off-grid communities and facilities.

4. Reporting Period and Scope

This Report covers the consolidated entities, as disclosed in our audited financial statements, for the financial year from 1 January 2025 to 31 December 2025 (“**FY2025**” or “**Reporting Period**”).

5. Reporting Framework

This Report is prepared in accordance with Rules 711A and 711B of the Listing Manual Section B: Rules of Catalyst (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the guidance set out in SGX-ST’s sustainability reporting guide under Practice Note 7F of the Catalyst Rules. This Report is also prepared in accordance with the Global Reporting Initiative (“**GRI**”) Standards for the Reporting Period. We chose to report using the GRI Standards as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we mapped out our sustainability efforts in accordance with the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 (“**UN Sustainability Agenda**”). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its core are the 17 SDGs, which form an urgent call for action by all developed and developing countries in a global partnership.

Our climate-related disclosures are prepared based on the 11 recommendations of the Task Force on Climate-related Financial Disclosures (“**TCFD**”). Following the publication of the International Sustainability Standards Board (“**ISSB**”) Standards - International Financial Reporting Standards (“**IFRS**”) S1 and IFRS S2, the Group conducted a gap analysis against our existing TCFD reporting and is in the process of aligning our climate-related disclosures to the ISSB Standards. We are guided by the phased approach recommended by the SGX-ST in aligning our reporting of climate-related disclosures in accordance with ISSB Standards.

The Group relied on internal data monitoring and verification processes to ensure the accuracy for this Report. Internal reviews on the Group’s sustainability reporting process are incorporated as part of our internal audit review cycle approved by the Audit Committee. No material issues were identified from the internal reviews conducted. No independent external assurance has been sought for this Report, and we will work towards obtaining external assurance for our future sustainability reports, subject to market practices and regulatory requirements.

6. Feedback

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to our investor relations email account at prinfo@annica.com.sg.

SUSTAINABILITY REPORT

7. Policy, Practice, and Performance Reporting

In line with our commitment to sustainability, we established a sustainability reporting policy (“**SR Policy**”) that outlines our sustainability strategy, sustainability governance structure, materiality assessment, and processes in identifying and monitoring material Sustainability Factors. The SR Policy serves as a reference point of reference in the preparation of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our material Sustainability Factors from time to time, taking into consideration feedback received from our engagement with our stakeholders, as well as organisational and external developments.

7.1 Sustainability Governance Structure

The Board is ultimately responsible for overseeing the Group’s strategic direction on sustainability matters and is primarily supported by our internal ESG Committee and our SR Leadership Team by virtue of delegation.

As part of our continual efforts to enhance and upgrade the knowledge of our Directors on sustainability reporting and to meet the requirement of Rule 720(6) of the Catalist Rules, we confirm that all Directors have attended at least one (1) of the Singapore Exchange Regulation’s approved sustainability training courses.

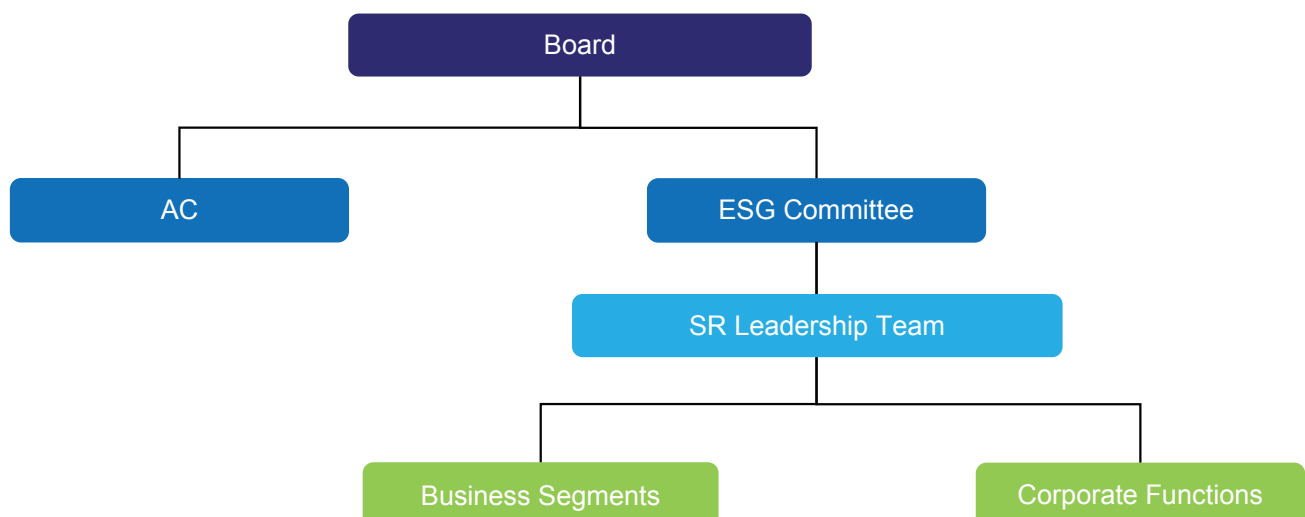
The ESG Committee is led by our Non-Executive Directors and are tasked with developing sustainability strategy, policies and to ensure that the implementation of sustainability strategy is aligned across the Group’s business segments and corporate functions.

The ESG Committee is supported by a SR Leadership Team, which is led by Ms Sandra Liz Hon Ai Ling, the Executive Director and Chief Executive Officer (“**CEO**”), and reports to the ESG Committee on sustainability matters and comprise the Group Financial Controller and the Corporate and Business Support Executive. The SR Leadership Team is further supported by the managers from relevant business segments and corporate functions.

Aside from the ESG Committee and the SR Leadership Team, the Board is supported by the Audit Committee (“**AC**”) on specific sustainability matters under its terms of reference.

Our sustainability governance structure and the responsibilities of component parties are detailed as follows:

Sustainability Governance Structure



SUSTAINABILITY REPORT

Terms of Reference of Component Parties

Component Party	Member	Terms of Reference
Board	Board members	<ul style="list-style-type: none"> ▪ Determine material Sustainability Factors of the Group ▪ Review and approve sustainability strategy, policies and targets ▪ Review and approve sustainability reports (including materiality assessment process and outcome) ▪ Monitor implementation of sustainability strategy, policies and performance against targets ▪ Oversee the identification and evaluation of climate-related risks and opportunities ▪ Ensure the integration of sustainability and climate-related risks and opportunities within the Group's enterprise risk management ("ERM") framework ▪ Evaluate the composition and competencies of the ESG Committee and SR Leadership Team to support effective oversight of sustainability strategy, with consideration of climate-related risks and opportunities
AC	AC members	<ul style="list-style-type: none"> ▪ Review the adequacy and effectiveness of the Group's internal controls and risk management systems ▪ Oversee the conduct of assurance activities pertaining to the Group's sustainability reporting processes
ESG Committee	ESG Committee members	<ul style="list-style-type: none"> ▪ Develop the Group's sustainability strategy and policies and recommend revisions to the Board ▪ Ensure that the implementation of the Group's sustainability strategy is aligned across business segments
SR Leadership Team	<ul style="list-style-type: none"> ▪ CEO ▪ Group Financial Controller ▪ Corporate and Business Support Executive 	<ul style="list-style-type: none"> ▪ Evaluate overall sustainability risks and opportunities, with a focus on climate-related issues ▪ Track and monitor sustainability related regulatory requirements ▪ Perform materiality assessment to identify and prioritise material Sustainability Factors ▪ Align the Group's practices at the operational level with the organisation-wide sustainability agenda and strategy ▪ Monitor sustainability activities and performance against targets ▪ Consolidate sustainability metrics to track sustainability impact on a Group basis and for reporting purposes ▪ Prepare and review sustainability reports prior to its approval by the Board
Business Segments/ Corporate Functions	Representatives from the information technology ("IT") Department, Sustainability Department and business segment heads	<ul style="list-style-type: none"> ▪ Align practices at the operational level with the Group's agenda and sustainability strategy ▪ Collect and compile sustainability metric to track sustainability impact

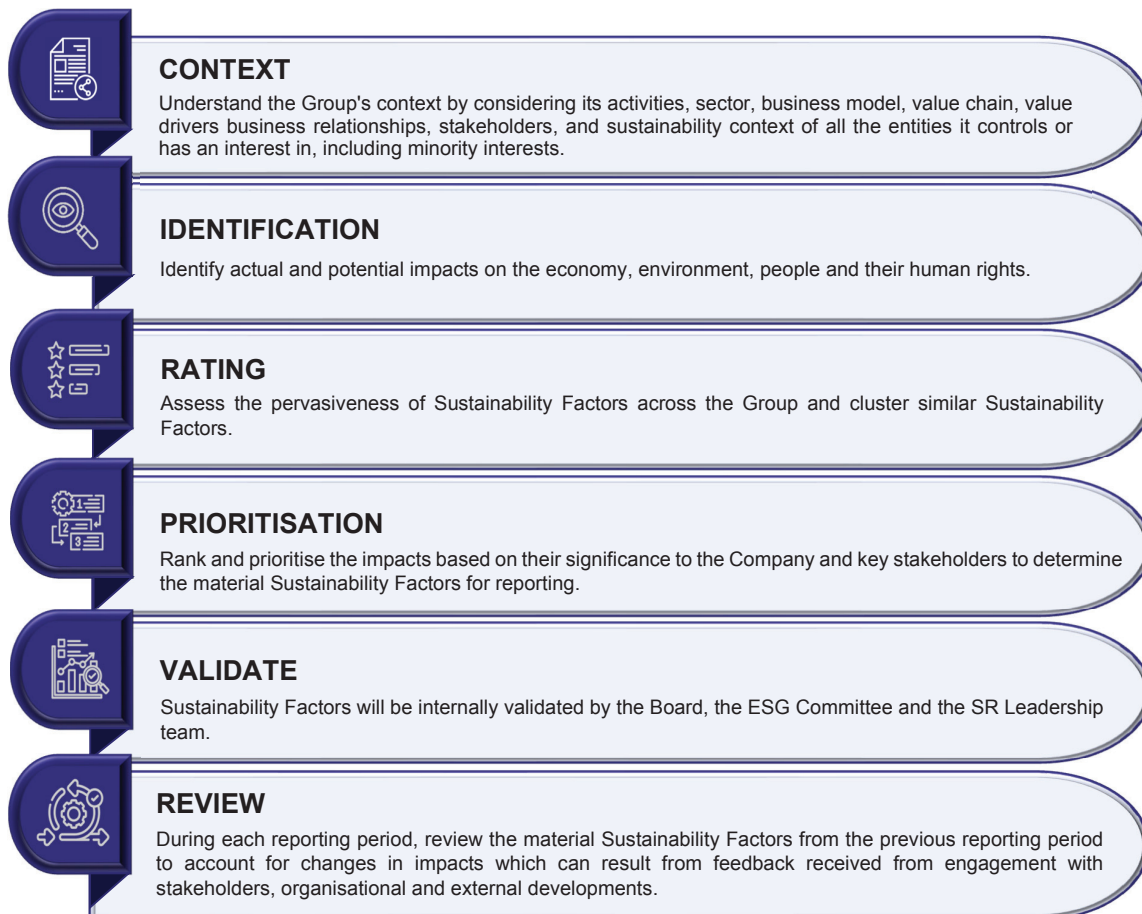
As we are still refining our sustainability metric measuring and tracking mechanism, we will link the key executive's remuneration to sustainability performance when the mechanism is more mature and stable. We intend to establish the mechanism and link executive remuneration to sustainability performance by FY2030, subject to the stabilisation of our sustainability metrics, the Board's approval of appropriate key performance indicators, and regulatory updates.

SUSTAINABILITY REPORT

7.2 Sustainability Reporting Processes

Under our SR Policy, the sustainability reporting process begins with an understanding of the Group's context. This is followed by the ongoing identification and assessment of the Group's impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of material Sustainability Factors disclosed in this Report.

Processes involved are as shown in the figure below:



7.3 Materiality Assessment

The Group constantly refines its management approach to adapt to changing business landscape. The SR Leadership team performs a qualitative materiality assessment annually, as described above to ensure that material Sustainability Factors disclosed in our sustainability reports remain current, material and relevant. Aligned with GRI Standards, we consider both the significance of sustainability issues to our business (financial materiality) and our impacts on the economy, environment and people (impact materiality). From the assessment, we identify key areas that impact our ability to create value for our stakeholders.

Both positive and negative impacts, whether actual and potential, are assessed based on: (i) the likelihood of the occurrence of actual and potential negative and positive impacts; and (ii) their significance on the economy, environment, people and their human rights as well as their contribution to sustainable development.

7.4 Performance Tracking and Reporting

We track the progress of our material Sustainability Factors by identifying the relevant sustainability metrics, measuring and monitoring them. In addition, we set performance targets that are aligned with our strategy to ensure that we remain focused in our path to sustainability. We consistently enhance our performance-monitoring processes and improve our data capturing systems. A sustainability report is published annually in accordance with our SR Policy.

SUSTAINABILITY REPORT

8. Stakeholder Engagement

As part of our stakeholder engagement process, we identify the key stakeholders relevant to our business, and they include entities or individuals that have an interest that is affected or could be affected by our activities. These key stakeholders include communities, customers, employees, national agencies and government bodies (“**Regulators**”), investors and shareholders (“**Shareholders**”), as well as suppliers and service providers (“**Suppliers**”).

The concerns of key stakeholders are considered when formulating our corporate strategies. We adopt both formal and informal channels of communication to understand these concerns and incorporate them in our corporate strategies to achieve mutually beneficial outcomes. We engage our key stakeholders through the following channels:

Key Stakeholder	Engagement Channel	Frequency of Engagement	Key Concern Raised
Communities	<ul style="list-style-type: none"> ▪ Campaigns ▪ Community initiatives 	Ongoing	<ul style="list-style-type: none"> ▪ Energy independence ▪ Social inclusion
Customers	<ul style="list-style-type: none"> ▪ Customer feedback ▪ Email queries ▪ Regular meetings 	Regularly	<ul style="list-style-type: none"> ▪ Customer service standards ▪ Product quality and reliability
Employees	<ul style="list-style-type: none"> ▪ Communication sessions ▪ Email communications ▪ Employee evaluation sessions (in person and virtual) ▪ Virtual employee meetings 	Regularly	<ul style="list-style-type: none"> ▪ Equal employment opportunities ▪ Job security ▪ Lifelong learning ▪ Remuneration ▪ Safe and fair working environment
Regulators	Consultations and briefings organised by key regulatory bodies such as the SGX-ST and relevant government agencies or bodies	Ad hoc	<ul style="list-style-type: none"> ▪ Corporate governance practices ▪ ESG reporting ▪ Sustainable business performance
Shareholders	Annual reports	Annually	<ul style="list-style-type: none"> ▪ Corporate governance practices ▪ Dividend payment ▪ Market valuation ▪ Sustainable business performance
	Annual general meetings		
	Results announcements	Quarterly	
	Corporate announcements /press releases	Ad hoc	
	Other channels such as our corporate website (https://www.annica.com.sg), business publications and investor relation events	Ongoing	
Suppliers	<ul style="list-style-type: none"> ▪ Email communications ▪ Exhibitions and trade shows ▪ Feedback from procurement team ▪ Phone calls 	Regularly	<ul style="list-style-type: none"> ▪ Fair and ethical practices ▪ Order volatility

SUSTAINABILITY REPORT

9. Material Sustainability Factors

In FY2025, the SR Leadership Team performed a materiality assessment to update the material Sustainability Factors, and this was followed by a stakeholder engagement exercise¹¹ to understand the concerns and expectations of our key stakeholders.

Where applicable, we incorporated the SDGs from the UN Sustainability Agenda, as a supporting framework to shape and guide our sustainability strategy where appropriate. Below is the list of material Sustainability Factors applicable to the Group and how they related to these SDGs:

S/N	Material Sustainability Factor	SDG	Key Stakeholder	Our Effort
Economic				
1	Sustainable Business Performance		<ul style="list-style-type: none"> Employees Regulators Shareholders Suppliers 	We stay abreast with market trends and strive to maintain a healthy financial position while mitigating relevant business risks identified.
2	Customer Satisfaction		<ul style="list-style-type: none"> Customers Employees Regulators Suppliers 	We deliver high-quality products, provide exceptional customer service, listen to customer feedback and improve based on customers' needs and expectations.
Environmental				
3	Water Conservation		<ul style="list-style-type: none"> Communities Regulators Shareholders 	We adopt responsible and efficient water management practices.
4	Responsible Waste Management		<ul style="list-style-type: none"> Communities Regulators Shareholders 	We minimise waste and resources used to ensure that products and materials are reused, recycled, or repurposed.
5	Energy Conservation and GHG Emissions Management		<ul style="list-style-type: none"> Communities Regulators Shareholders 	We implement practices to reduce energy consumption and lower the carbon footprint of our business operations.

¹¹ The Company distributed an online survey to both its internal and external stakeholders of employees, Shareholders and Suppliers for the materiality assessment.

SUSTAINABILITY REPORT

S/N	Material Sustainability Factor	SDG	Key Stakeholder	Our Effort
Social				
6	Occupational Health and Safety		<ul style="list-style-type: none"> Employees Regulators 	We implement comprehensive safety protocols and provide health and safety trainings.
7	Sustainable Transformation Through Clean Energy Solutions		Communities	We set up Solar-Hydrogen Module model “H2E1” (“ H2E1 System ”) at rural communities in replacement of diesel generators which are more pollutive.
8	Employee Retention and Development		Employees	We offer ongoing professional development opportunities and recognise employees’ achievements to ensure long-term engagement and career advancement.
9	Diversity and Equality		Employees	We build an inclusive culture that respects individuals of all backgrounds and promote supportive environment where diverse perspectives are encouraged and celebrated.
10	Community Investment		Communities	We contribute to community projects and encourage employee involvement in volunteerism to create a positive impact in the communities where we operate.
Governance				
11	Corporate Governance		<ul style="list-style-type: none"> Regulators Shareholders 	We ensure that business practices are aligned with legal standards and ethical principles.

9.1 Sustainable Business Performance

Commitment

The Group is committed to creating long-term economic value for our stakeholders by dedicating our efforts on building a sustainable business model and brand.

Approach

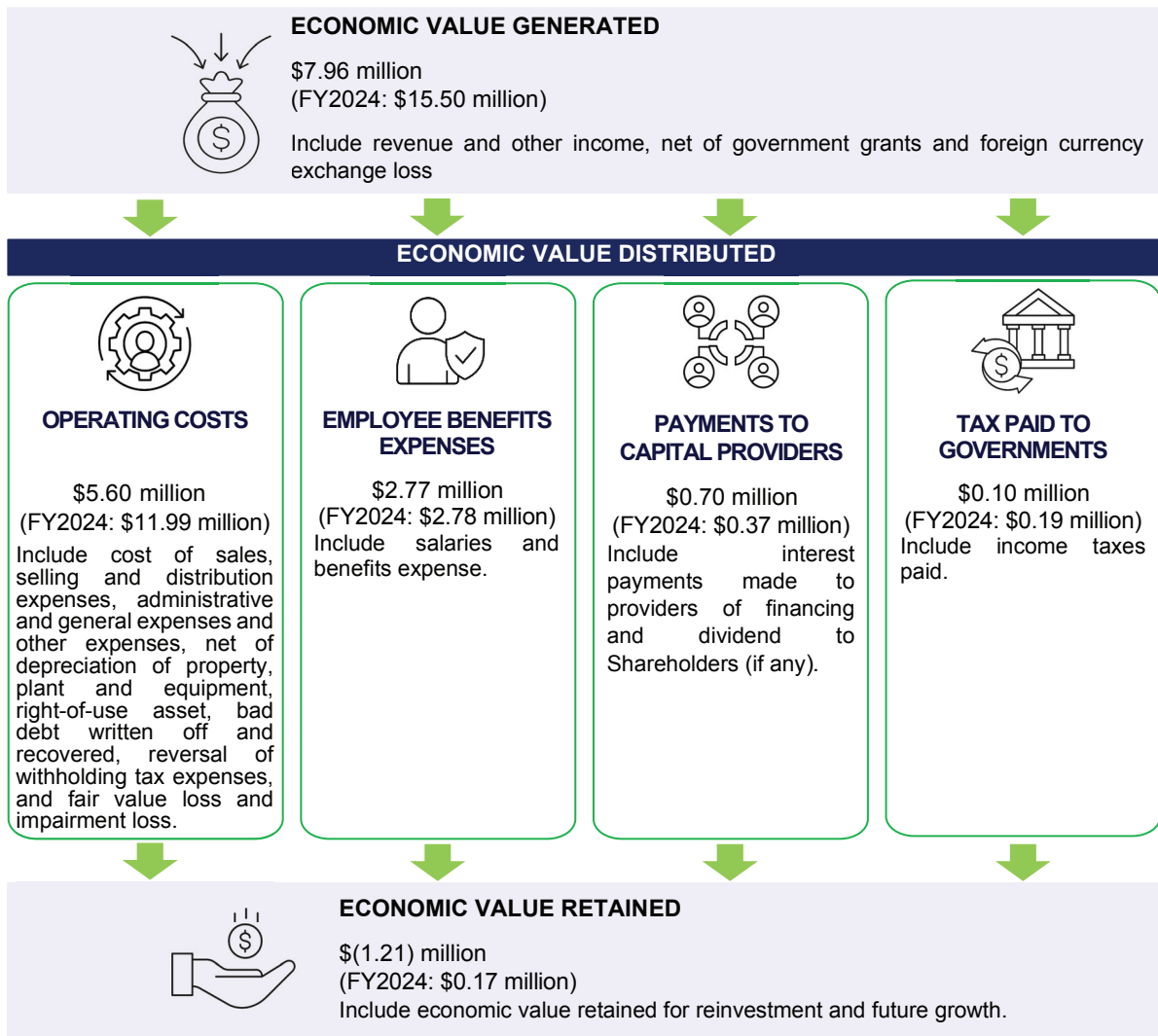
Since FY2016, the Group has diversified into the Renewable Segment to reduce reliance on the Integrated Engineering Solutions business and broaden its earnings base, with the objective of enhancing long-term Shareholders’ value.

Building on this strategy, the Group has strengthened its operational presence in Brunei, Malaysia, and Indonesia by enhancing local engineering, procurement, and service capabilities. This approach supports more effective management of cost pressures, foreign exchange exposure, and supply chain disruptions, while improving operational resilience. At the same time, the Group is positioned to capture growth opportunities arising from energy transition trends, including renewable energy, green hydrogen, and off-grid solutions, supported by increasing demand for energy security and decarbonisation. Through disciplined capital and cash flow management, operational streamlining, and strategic partnerships, the Group seeks to sustain performance and deliver long-term value for Shareholders and other stakeholders.

SUSTAINABILITY REPORT

Performance

In line with this commitment, the Group generated and distributed economic value in FY2025 in the following manner to achieve a more sustainable future for the Group:



Please refer to the audited financial statements in the Company's annual report for FY2025 ("AR FY2025") for details on the Group's financial performance and disclosures on financial risk management, highlighting our efforts and progress in maintaining financial sustainability.

SUSTAINABILITY REPORT

9.2 Customer Satisfaction

Commitment

The Group is committed to building and retaining a loyal customer base by maximising our customers' experience through the following:

Approach and Performance

Offering Industry Expertise and Comprehensive Solutions

With over 42 years of experience in the industry, our Oil and Gas Segment established a reputation for delivering comprehensive range of solutions tailored to meet the diverse needs of our customers. Our Oil and Gas Segment, which includes P.J. Services Sdn. Bhd. ("PJS"), a wholly owned subsidiary of the Company, and its subsidiaries, continues to strive to deliver exceptional service and products with optimal value.

Our role extends beyond that of a traditional distributor by providing integrated one-stop solutions to address customer needs. We focus on expanding our business portfolio, strengthening customer relationships and adapting to evolving needs of our customers.

Developing a Skilled and Experienced Team

To enhance our service offering, our Oil and Gas Segment has invested in developing a highly skilled team of engineers. This investment allows us to deliver value-added services through the customisation of technical solutions and the efficient management of installation processes.

Our Oil and Gas Segment's training facilities in Singapore, Indonesia and Brunei are all Engineering Construction Industry Training Board approved training providers. This accreditation allows us to offer specialised training programmes, reinforcing our commitment to upholding high standards of quality and safety in the industry.

Adopting International Standards for our Services

Apart from offering a wide range of products, our Oil and Gas Segment also places a strong emphasis on the quality of its services. The business segment adopts and complies with market standards and best practices in its operations to ensure product quality and safety. PJS and H2 Energy Sdn. Bhd. ("H2E"), a wholly owned subsidiary of the Company, are ISO 9001:2015 certified. Under this certification, a quality manual governs key operational areas such as leadership, planning, support, operations, performance evaluation, and improvement, providing employees with clear standards to achieve consistent operational outcomes.

Excellence in Renewable Segment

In FY2025, H2E was recognised as one of the Steward Leadership 25 ("SL25") 2025, presented by the Stewardship Asia Centre ("SAC") under Temasek Trust in Singapore. This recognition highlights H2E's approach to stewardship as a core leadership practice, where innovation, responsibility, and inclusivity contribute to meaningful and lasting impact.

Strengthening its regional and global partnerships, H2E signed a landmark memorandum of understanding ("MOU") with Logan Energy Ltd, a renewable energy company based in Scotland during the International Energy Week 2025 ("IEW'25"). This strategic collaboration supports hydrogen development and energy transition initiatives between Malaysia and the United Kingdom.

Key Brands under Distribution



SUSTAINABILITY REPORT

During IEW'25, H2E also engaged with organisations including: (i) Petroleum Sarawak Berhad, Sarawak's state-owned oil and gas company; (ii) The Institute of Sustainable and Renewable Energy, Universiti Malaysia Sarawak; (iii) Zelestra, a Spanish-based renewable energy company; and (iv) Ion Ventures Ltd, a renewable energy company based in the United Kingdom, fostering new collaborative opportunities across the clean energy value chain. Following the event, H2E hosted government representatives and international partners at its Malaysian headquarters to explore potential joint initiatives in green hydrogen and renewable energy technologies.

H2E International Pte. Ltd. ("H2EI") further demonstrated the Group's commitment to advancing the regional energy transition by participating in Energy Industries Council CONNECT Energy Borneo 2025, a platform to strengthen collaboration in emerging energy technologies. During this event, H2EI signed a MOU with Best Integrated Engineer Solution & Supplier Sdn. Bhd. to advance green hydrogen development in Brunei.

9.3 Water Conservation

Commitment

The Group is committed to responsible usage of water resources through enhancing our water consumption efficiency.

Approach

Our water sources¹² are primarily extracted from third-party municipal water sources in the relevant countries and utilised for the following purposes:

- For general office use including employee's consumption and pantry use; and
- For cleaning and sanitation purposes at our workplaces.

We implemented the following initiatives to minimise water wastages:

- Tracking and analysing water consumption periodically to identify abnormal consumption patterns and implement necessary corrective actions; and
- Encouraging employees to practise water conservation in daily operations.

Performance

Key statistics on the Group's water consumption during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2025	FY2024
Water consumption	m ³	1,453	1,371
Water consumption intensity	m ³ / number of employees	25	24

The increase in water consumption and combined with a less than proportional increase in number of employees led to an increase in our water consumption intensity. During the Reporting Period, we stepped up hygiene and sanitation practices across our office premises, which include increased cleaning frequency of common areas and facilities.

9.4 Responsible Waste Management

Commitment

The Group is committed to waste reduction in our operations to minimise the impact of our operations to the environment.

¹² Based on the World Resources Institute Aqueduct Water Risk Atlas, Annica does not operate in an area with high water stress. While our operations do not significantly affect the country of operation's overall capacity to meet human and ecological water demands, we actively monitor government initiatives to enhance our water conservation efforts.

SUSTAINABILITY REPORT

Approach

Our waste management practices are aligned with the following guidelines, rules and regulations (“**Prevailing Waste Regulations**”):

Country	Prevailing Waste Regulations
Singapore	Environmental Public Health Act, Resources Sustainability Act, Zero Waste Master Plan
Malaysia	Environmental Quality Act
Indonesia	Waste Management Act (Law No. 18 of 2008), Government Regulation No. 22 of 2021
Brunei	Environmental Protection and Management Order

We generate the following waste from our operations:

- General office waste such as paper-based products, plastic packaging materials, and food waste; and
- Hazardous waste such as used hydraulic oil from regular maintenance changes.

We implemented the following measures to minimise waste generated:

- Adopting the ‘3Rs’ of reduce, reuse and recycle approach to minimise waste generation and ultimately reducing the waste directed to disposal;
- Encouraging digital communications such as the use of electronic mails and electronic fax to reduce reliance on paper;
- Cultivating a ‘Think before you print/ copy’ culture amongst employees to minimise unnecessary paper consumption;
- Ensuring that general office waste and organic waste are collected and disposed of by licensed waste contractors; and
- Ensuring that waste oil is properly stored at designated areas and collected by licensed waste oil contractors.

Performance

Key statistics on waste generated during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2025	FY2024
Waste generated	tonnes	0.68	0.40
Waste generated intensity	tonnes/number of employees	0.012	0.007

The increase in total waste generated was driven primarily by the enhancement in our waste monitoring and tracking system, which led to an improvement in the accuracy and completeness of data captured. For the Reporting Period, we noted an increase in general office waste compared to the prior Reporting Period, which led to an increase in waste generated intensity. While the increase in waste generated is not material, we remain vigilant in our waste management efforts and reminded our employees to be mindful of the waste generated in our operations.

During the Reporting Period, there were zero (FY2024: zero) incidents of non-compliance with Prevailing Waste Regulations.

SUSTAINABILITY REPORT

9.5 Energy Conservation and GHG Emissions Management

Commitment

The Group is committed to reducing its carbon footprint, whilst open to capitalise on opportunities that may arise as we transit to become a low-carbon organisation.

Approach

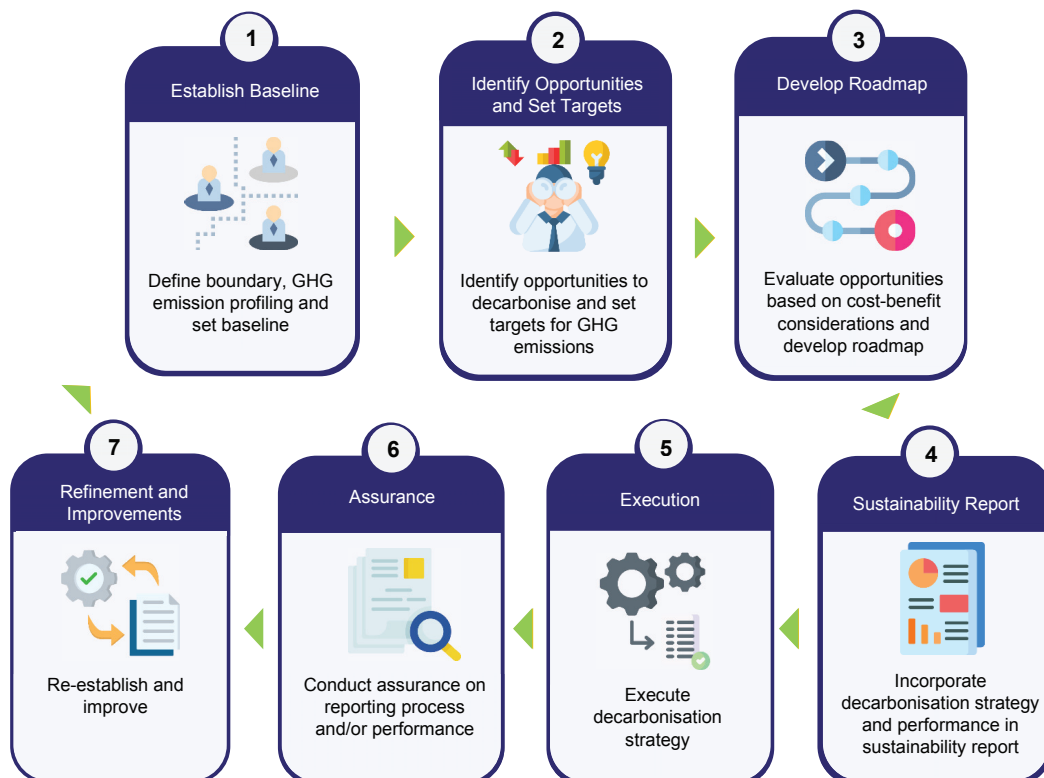
We aim to reduce our carbon footprint and at the same time, strengthen operational resilience to deliver long-term and sustainable value to our stakeholders. We adopt a balanced approach in effectively managing and minimising the impacts arising from our business operations.

We rely mainly on the following energy sources to run our operations:

- Petrol fuel for the use of motor vehicles, machines, and forklifts; and
- Purchased electricity for operating equipment, office essentials such as lighting, equipment, air-conditioning and accommodation for employees.

Decarbonisation Approach

To conserve energy and manage our GHG emissions, we set up a seven (7) steps continuous circular process as follows:



On a yearly basis, we update our GHG emissions profile for our Scope 1, 2 and 3 GHG emissions based on defined organisational boundaries. We will also conduct a GHG emissions profiling exercise whenever there are significant changes in our business models and work processes. We track and monitor our Scope 1, 2 and certain categories of Scope 3 GHG emissions, and are developing mechanisms to track other categories of our scope 3 GHG emissions, where relevant and practicable.

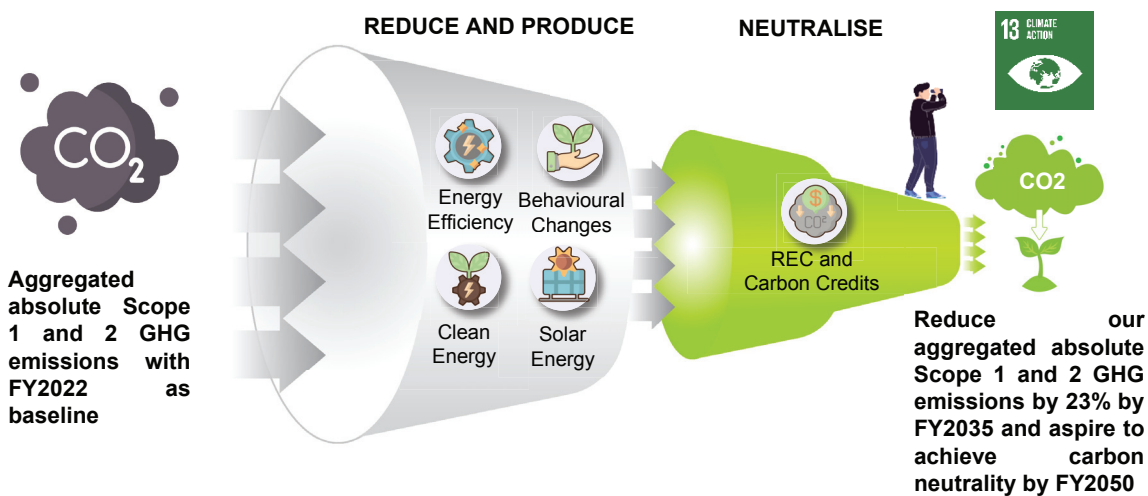
We developed a climate change transition plan and will refine and improve the plan as we progressively implement it, by considering changes in business operations, environment and market trends. Progress updates and performance will be provided in our future sustainability reports.

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We measure our GHG emissions in alignment with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). We adopted the operational control approach as a basis to determine GHG emissions data consolidation boundaries across our entities. This approach is selected as it allows us to manage emissions from our operations where we have practical control to introduce relevant measures and implement operating policies. We assessed that we have operational control over all reporting entities covered in this Report.

Climate Change Transition Plan

Our climate change transition plan steers us on our decarbonisation journey. Under this plan, we commit to reduce our aggregated absolute Scope 1 and 2 GHG emissions by 23% by FY2035, and aspire to achieve carbon neutrality by FY2050, with FY2022 as our baseline. Our climate change transition plan is focused on three (3) strategic levers of reduce, produce and neutralise as follows:



Our action plans by lever and focus areas adopted in our climate change transition plan are as follows:

Lever	Focus Area	Action Plan
Reduce	Energy efficiency – lighting	Our action plans on this front include: <ul style="list-style-type: none"> Replacing lighting fixtures with energy-efficient light emitting diode (“LED”); and Installing motion sensors in our lighting system.
	Energy efficiency – cooling	Our action plans on this front include: <ul style="list-style-type: none"> Installing centralised air conditioning systems which have a lower consumption rate and higher energy efficiency; and Performing routine maintenance of filters for air-conditioning systems to reduce air flow resistance.
	Energy efficiency – Cleaner-energy Vehicle (“CEV”)	Aligned with the Singapore Green Plan 2030 and Malaysia’s National Energy Transition Roadmap of achieving 100% CEVs by 2050, we developed an CEV transition plan to convert 50% of internal combustion vehicles to CEVs by FY2035, with a goal of achieving 100% conversion by FY2050, subject to market conditions and technological advancements.
	Behavioural changes	We constantly remind our employees on basic and socially responsible habits at their workplaces such as adopting greener work ethics, switching off appliances if not in use, enabling power saving modes and optimising operating temperatures.
	Clean energy	We constantly explore opportunities to source for clean energy available in the locations that we operate in.
Produce	Solar energy	We will explore the installation of solar panels on office buildings to further reduce our GHG emissions.

SUSTAINABILITY REPORT

Lever	Focus Area	Action Plan
Neutralise	<ul style="list-style-type: none"> Renewable energy certificates (“REC”) Carbon credits 	We plan to explore the use of REC and carbon credits to offset unavoidable residual GHG emissions when the relevant markets mature.

Performance

Key statistics on our energy consumption and GHG emissions during the Reporting Period are as follows:

(i) Energy Consumption

Sustainability Metric	FY2025		FY2024	
	GJ	%	GJ	%
Petrol consumption (fleet ¹³)	127	25	144	28
Petrol consumption (non-fleet ¹⁴)	33	6	17	3
Electricity (purchased) consumption	360	69	363	69
Total energy consumption	520	100	524	100

(ii) Energy Consumption Intensity

Sustainability Metric	Unit of Measurement	FY2025	FY2024
Petrol consumption intensity (fleet ¹³)	GJ/revenue S\$'000	0.012	0.011
Petrol consumption intensity (non-fleet ¹⁴)	GJ/revenue S\$'000	0.003	0.001
Purchased electricity consumption intensity	GJ/floor area m ²	0.215	0.263 ¹⁵

(iii) GHG Emissions and Intensity

Sustainability Metric	Unit of Measurement	FY2025	FY2024
Direct GHG emissions (Scope 1) ¹⁶	tCO ₂ e	11	11
Indirect GHG emissions (Scope 2) ¹⁷	tCO ₂ e	60	62
Aggregated absolute GHG emissions (Scope 1 and 2)	tCO ₂ e	71	74
Direct GHG emissions intensity (Scope 1)	tCO ₂ e/revenue S\$'000	<0.001	<0.001
Indirect GHG emissions intensity (Scope 2)	tCO ₂ e/floor area m ²	0.04	0.05

The aggregated absolute GHG emissions decreased as compared to the prior Reporting Period, primarily driven by our ongoing transition to energy-efficient LED lighting, which led to an overall improvement in GHG emissions intensity.

¹³ Petrol consumption (fleet) includes consumption from all types of light-duty vehicles such as automobiles and light trucks, and heavy-duty vehicles such as tractor trailers and buses, and on-road motorcycle as well as mobile machinery.

¹⁴ Petrol consumption (non-fleet) includes consumption from equipment or machinery at owned or leased sources that are within a company's inventory boundary.

¹⁵ Figure is restated as a correction.

¹⁶ The direct GHG emissions from consumption of petrol controlled by a reporting entity (Scope 1) are calculated based on the 2006 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories.

¹⁷ The indirect GHG emissions from electricity purchased by a reporting entity (Scope 2) are calculated using the location-based methods based on the GHG emissions factors published by the relevant local authorities.

SUSTAINABILITY REPORT

During the Reporting Period, details of indirect GHG emissions (Scope 3)¹⁸ relating to our operations are as follows:

Category	Coverage	FY2025	FY2024
		tCO ₂ e	
Category 3: Fuel and energy-related activities	Transmission and distribution losses	1.77	1.90
Category 5: Waste generated	Paper, cardboard, plastic and commercial waste	0.58	0.42
Category 6: Business travel	Air travel	28	69
Category 7: Employee commuting	Transportation of employees between their homes and worksites	66	62

9.6 Occupational Health and Safety

Commitment

The Group is committed to creating a working environment that allows employees to perform and develop in a safe and healthy environment.

Approach

We believe that a working environment that prioritises the safety and health of employees builds loyalty amongst employees and supports the sustainability of our business.

To protect our employees, we align our occupational health and safety measures to the: (i) Workplace Safety and Health Act, Singapore; (ii) Occupational Safety and Health Act 1994, Malaysia; (iii) Work Safety Act, Indonesia; and (iv) Workplace Safety and Health Act, Brunei. We implemented the following safety measures:

- Providing on-the-job health and safety training for employees covering both knowledge-based and skills-based learning such as equipment handling and operational procedures;
- Displaying emergency response plans at our workplaces for fire safety; and
- For Panah Jaya Services Sdn. Bhd., maintaining a Health, Safety, and Environment Policy to safeguard employee health and safety and support environmentally responsible operations.

Performance

Key statistics on our work-related injuries and ill health cases are as follows:

Sustainability Metric	FY2025	FY2024
Number of workplace fatalities	–	–
Number of high consequence work-related injuries ⁶	–	–
Number of recordable work-related injuries	–	–
Number of recordable work-related ill health cases ⁷	–	–
Workplace injury rate ¹⁹	–	–

¹⁸ The indirect GHG emissions (Scope 3) are calculated using a mix of calculation tools from the United Nations Framework Convention on Climate Change GHG emissions Calculator, GHG Protocol Transport Tool, International Civil Aviation Organization Carbon Emissions Calculator and emission factors from National Environment Agency Singapore.

¹⁹ The workplace injury rate is computed based on the number of recordable work-related injuries divided by the total number of hours worked by employees on a full-time equivalent basis and based on every 200,000 hours worked.

SUSTAINABILITY REPORT

9.7 Sustainable Transformation Through Clean Energy Solutions

Commitment

The Group is committed to driving sustainable transformation through clean energy solutions.

Approach

As part of our mission to improve energy independence in rural communities and business diversification into the Renewable Segment, we undertook the following initiatives:

Rural Electrification Project in Sarawak, Malaysia

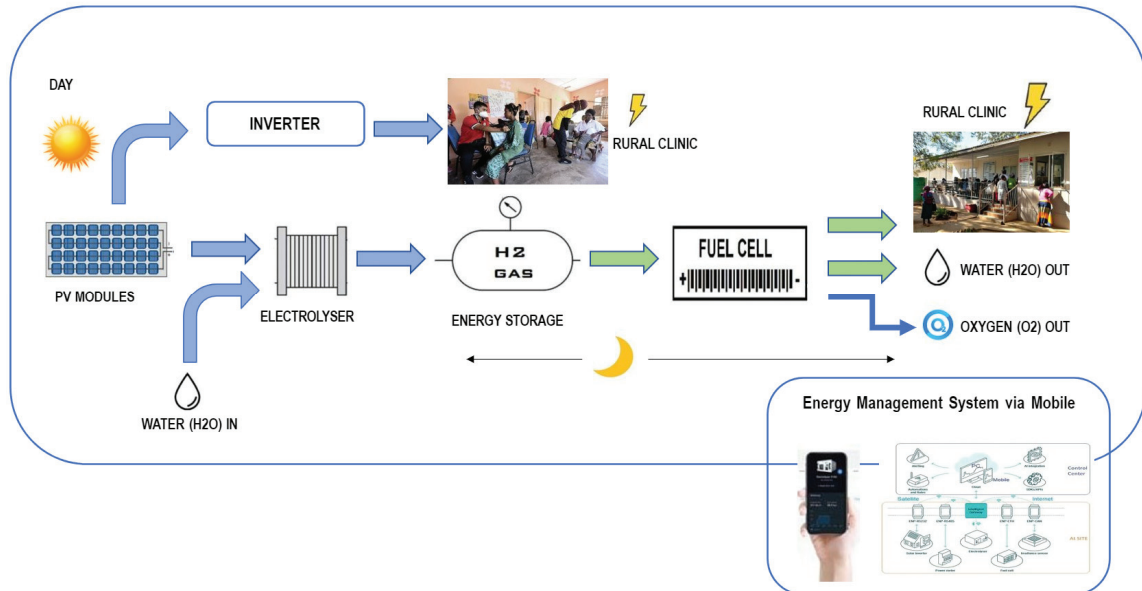
Through our subsidiary, H2E, we secured the support of the Sarawak State Health Department under Malaysia's Ministry of Health to launch a pilot project for electrifying clinics in rural, off-grid communities in Sarawak (the "**Pilot Project**"). Engaging stakeholders such as the Sarawak governmental agencies and affected communities, the Pilot Project tackles the Energy Trilemma - energy security, affordability, and sustainability, by aiming to: (i) providing reliable, clean, and affordable electricity access for rural communities, ensuring energy security through consistent power supply, affordability via cost-effective solutions, and sustainability with green technology; and (ii) creating a market and opportunity for private and public stakeholders to collaborate in rural electrification, fostering scalable models that balance these three dimensions for long-term impact. Additionally, the Pilot Project fosters the development of scalable solutions, opening opportunities for public and private stakeholders to drive rural electrification across the region.

Rural communities frequently rely on diesel generators to meet their energy needs which cause substantial environmental pollution. Additionally, the logistical challenges and high costs of transporting diesel to remote areas result in inconsistent supply and elevated electricity prices. Consequently, the electrification in these communities is often unreliable, which can negatively affect the quality of life for the residents.

SUSTAINABILITY REPORT

Under the Pilot Project, the H2E1 System was set up to replace the diesel generators at the Long Loyang Clinic. A schematic illustration of the process involved is as follows:

The H2E1 System



Remarks

Day —————

(i) DAYTIME

- Solar panels generate direct current (“DC”) power.
- Electrolyser produces hydrogen gas (“H₂”) and oxygen gas (“O₂”) from water.
- H₂ is stored in tanks and O₂ is released into the air.

Night —————

(ii) NIGHTTIME

- Inverter converts DC from H₂ into alternating current to power electrical appliances.

(iii) ENERGY MANAGEMENT SYSTEM (“EMS”)

- The H2E1 System is aided by EMS, a smart, comprehensive and fully integrated software which enables the user to control and manage the H2E1 System remotely.

SUSTAINABILITY REPORT

The H2E1 System is fuelled by two parallel resources (i.e. solar and water), both of which are naturally abundant and non-pollutive, and enable continuous, uninterrupted electrification (both day and night) for the users. In addition, water filtration systems are added to provide clean water for users to consume and utilise for their daily needs. By providing a continuous source of electricity as well as clean water, we help to improve the quality of life of these rural communities in Sarawak, Malaysia and enable them to carry out more activities which require electricity.

In FY2025, the Long Loyang Solar-Hydrogen Hybrid Rural Clinic Project (“**Clinic Project**”) received multiple recognitions for its contribution to inclusive and sustainable energy solutions.

Under the Clinic Project, Malaysia’s first hydrogen-powered hybrid clinic was honoured with the SL25 Award and recognised by Yang Amat Berhormat Datuk Patinggi Tan Sri Abang Johari Tun Openg, the Premier of Sarawak²⁰, as a working model of inclusive energy transition. The Project establishes a scalable model for deploying similar systems across other rural clinics and community facilities.



Our CEO receiving the SL25 award from the SAC, recognising the Green Power Project at Loyang Clinic, Sarawak and our commitment to inclusive, sustainable energy solutions.

9.8 Employee Retention and Development

Commitment

The Group is committed to effective talent attraction and recruitment to build a strong and sustainable talent pipeline for the continued success of our business.

Approach

To support employee retention and development, we focus on strengthening leadership practices, building employee capability and engagement through structured training and development initiatives, providing competitive employee benefits, and having a structured performance appraisal process.

Employee Retention

We continue to work towards further improving our turnover rate and employee retention through the following efforts:

- Leading by example in both business and operations;
- Empowering employees to make decisions at the workplace;
- Communicating between leaders and employees to obtain feedback and align business goals across all levels of the workforce; and
- Providing re-employment arrangements for our senior employees.

Training and Development

To equip our employees with the essential skills, we organised various development training programmes, aiming to attract, develop, and retain employees. Our training and development programmes include the following:

- Upskilling programmes on technical courses related to job functions and professional development courses;
- Webinars conducted by subject-matter experts for middle managers and SR Leadership Team members;
- Capacity building via professional certifications; and
- Safety-related trainings such as first-aid courses, Basic Offshore Safety Induction and Emergency training.

²⁰ Source: <https://www.theborneopost.com/2025/07/10/abg-jo-calls-long-loyangs-hydrogen-powered-hybrid-clinic-a-working-model-of-inclusive-energy-transition/>

SUSTAINABILITY REPORT

Employee Benefits

Beyond training and development, we prioritise our employees' welfare and well-being and are committed to improve their benefits. Our employee benefits include:

- Annual wage supplement for eligible employees;
- Medical insurance coverage;
- Medical and dental benefits;
- Monetary gifts for special celebrations;
- Condolence support during difficult times;
- Contributions to local provident fund;
- Maternity, and paternity leave ("**Parental Leave**"); and
- Study leave.

Performance Appraisal

We conduct employee performance appraisals to ensure expectation-setting conversations are conducted and to promote a high-performance culture within the organisation. We also perform a year-end performance appraisal for our employees, providing them with the opportunity to self-assess, provide feedback, and engage in competency discussions. We are guided by our internal procedures and directives on merit-based employee promotions, and salary revisions are performance driven. We believe this motivates our employees to seek continuous self-improvement and personal development.

Performance

Key statistics on new hires and the turnover of full-time employees during the Reporting Period are as follows:

(i) New Hires²¹

Sustainability Metric	FY2025		FY2024	
	Number of New Hire	New Hire Rate	Number of New Hire	New Hire Rate
Overall				
New hires	7	12%	7	12%
Gender				
Male	4	11%	5	15%
Female	3	13%	2	9%
Age				
Age under 30	3	27%	5	50%
Age 30 - 50	2	7%	1	4%
Age above 50	2	10%	1	5%

²¹ New hire related statistics are calculated based on confirmed new hires over total full-time employees by gender and age.

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(ii) Turnover²²

Sustainability Metric	FY2025		FY2024	
	Number of Turnover	Turnover Rate	Number of Turnover	Turnover Rate
Overall				
Turnover	6	10%	2	4%
Gender				
Male	4	11%	–	– %
Female	2	9%	2	9%
Age				
Age under 30	1	9%	1	10%
Age 30 - 50	3	11%	1	4%
Age above 50	2	10%	–	– %

The turnover rate increased during the Reporting Period due to natural attrition. We will continue to strengthen employee engagement and implement initiatives to enhance employee retention.

(iii) Training and Development

Key statistics on training hours are as follows:

Sustainability Metric	FY2025	FY2024
Overall		
Total training hours	550	507
Average training hours per employee	9	9
Male		
Total training hours	364	292
Average training hours per employee	10	9
Female		
Total training hours	186	215
Average training hours per employee	8	9
Management		
Total training hours	101	199
Average training hours per employee	5	11
Non-management		
Total training hours	449	308
Average training hours per employee	12	8

²² Turnover related statistics are calculated based on the number of turnovers of confirmed employees over total employees by gender and age.

SUSTAINABILITY REPORT

(iv) Parental Leave

Key statistics on Parental Leave taken by confirmed full-time employees are as follows:

Sustainability Metric	FY2025		FY2024	
	Male	Female	Male	Female
Number of employees entitled to Parental Leave	3	3	3	2
Number of employees who took Parental Leave	1	2	3	2
Number of employees who returned to work after Parental Leave ended	1	2	3	2
Return to work rate of employees who took Parental Leave	100%	100%	100%	100%
Retention rate of employees 12 months after they returned to work from Parental Leave ²³	100%	100%	75%	100%

(v) Performance Appraisals

Key statistics on the performance appraisals are provided below:

Sustainability Metric	FY2025	FY2024
Overall	64%	63%
Male	69%	65%
Female	57%	61%
Management	32%	28%
Non-management	79%	79%

9.9 Diversity and Equality

Commitment

The Group is committed to providing and fostering a fair, inclusive, and non-discriminatory working environment for all our employees that respects community and cultural diversity, regardless of gender, age and educational background.

Approach

A diverse workforce supports business sustainability by bringing varied perspectives and insights to the operations, enhancing productivity and profitability while strengthening our corporate image and reputation.

To promote equal opportunity, we implemented various human resource related processes as follows:

- Maintaining a Board Diversity Policy to promote diversity at the Board level;
- Ensuring that all recruitment advertisements are non-discriminatory and do not include criteria such as gender, age, and education background, to ensure that our hiring practice is fair and based on merit; and
- Providing opportunities for employees to attend relevant training programmes regardless of their background.

²³ The retention rate is calculated based on the number of employees who took Parental Leave in the preceding reporting period.

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Performance

As at 31 December 2025, the Group has a total workforce of 58 (FY2024: 57) permanent full-time employees²⁴. A breakdown of our headcount is as follows:

FY	Singapore	Malaysia	Indonesia	Brunei	Total
2025	18	20	11	9	58
2024	17	21	11	8	57

Key statistics on the demographics of our employees are as follows:

(i) Gender Diversity (%)

We view diversity at the Board level as an essential element in supporting sustainable development. As at the end of FY2025, we have 2 (FY2024: 1) female Executive Director out of 5 (FY2024: 5) Directors on the Board or, in other words, 40% (FY2024: 20%) female representation on the Board. For further information on our board diversity policy, please refer to our Corporate Governance Report.

Key statistics on the gender diversity of our full-time employees are as follows:

Sustainability Metric	FY2025		FY2024	
	Male	Female	Male	Female
Overall	60%	40%	60%	40%
Management	74%	26%	78%	22%
Non-management	54%	46%	51%	49%

(ii) Age Diversity (%)

Key statistics on the age diversity of our full-time employees are as follows:

Sustainability Metric	FY2025			FY2024		
	Below 30	30 – 50	Above 50	Below 30	30 – 50	Above 50
Overall	19%	47%	34%	18%	47%	35%
Management	-%	32%	68%	-%	28%	72%
Non-management	28%	54%	18%	26%	56%	18%

(iii) Educational Background Diversity (%)

Key statistics on the age diversity of our full-time employees are as follows:

Sustainability Metric	FY2025	FY2024
Tertiary	74%	74%
Non-tertiary	26%	26%

Due to the nature of the oil and gas sector, most of our employees are required to possess specialised technical skills, which typically necessitate a tertiary education background.

During the Reporting Period, we have zero (FY2024: zero) incidents of unlawful discrimination against employees⁸.

²⁴ The number of temporary employees, non-guaranteed hours employees and part-time employees constitute to 0% of the Group's headcount and thus not included for consideration of gender diversity, age diversity, educational diversity, average training hours, new hires and turnover rate.

SUSTAINABILITY REPORT

9.10 Community Investment

Commitment

The Group is committed to contributing to the communities through community engagement programmes.

Approach

We recognise that the long-term success of our business is closely tied to the health and prosperity of the communities that we are operating in and we strive to continue our efforts in contributing to the community. Key highlights of our community investment initiatives in FY2025 are as follows:

Organising Ramadhan Charity Event



PT Panah Jaya Sejahtera (“PTPJS”), a wholly owned subsidiary of PJS, organised a Ramadhan charity event, during which grocery packs are donated to underprivileged communities near Taman Tekno Workshop. During this event, PTPJS Buka Bersama (or ‘Iftar Together’) with the local communities, which includes the orphanage, youth organisation and local sub-district government near PTPJS Workshop. PTPJS provided bento meals, goody bags containing towel and snacks, as well as monetary donations for the orphanage.

Tree Planting at The Habitat Penang Hill, Malaysia



In November, employees from Annica Group participated in a meaningful tree planting initiative at ‘The Habitat Penang Hill, Malaysia, focusing on planting of nectar-rich flora at the Butterfly Bank. A total of 20 shrub trees were planted to support pollinators such as bees and butterflies, contributing to biodiversity enhancement and habitat restoration. This initiative aimed to strengthen the local ecosystem by creating sustainable food sources for pollinators, which play a vital role in maintaining ecological balance. The Habitat Penang Hill is home to unique and highly localised species, including the Penang Hill Vampire Crab, an indicator species that depends on clean and well-preserved freshwater habitats.

By supporting habitat restoration through the planting of nectar-rich flora, this initiative contributes to the long-term resilience of the ecosystem and ensures the continued protection of Penang Hill’s biodiversity.

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Performance

During the Reporting Period, key statistics on our community engagements are as follows:

Topic	Sustainability Metric	FY2025	FY2024
Giving	Community investment ²⁵ (S\$'000)	6.5	7.3
Volunteering	Volunteering time ²⁶ (hours)	62	50
Socially responsible business-related practices	List of socially responsible business-related practices	Refer to above section 'Approach'	Refer to above section 'Approach'
General	Number of community investment programmes	2	3

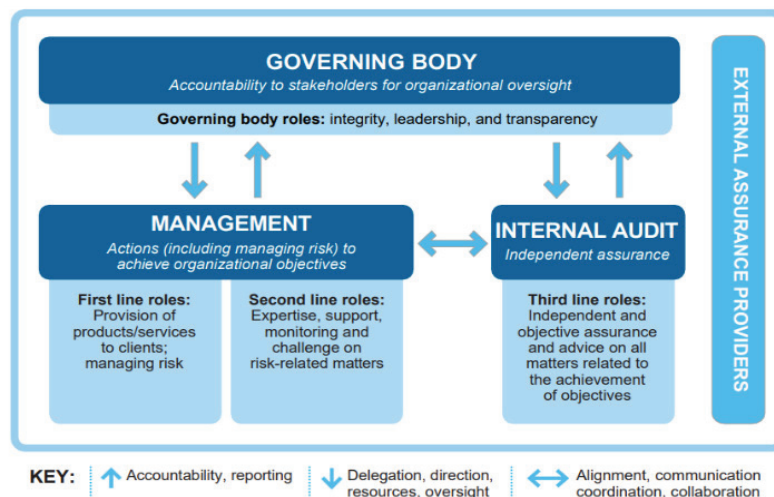
9.11 Corporate Governance

Commitment

The Group is committed to high standards of corporate governance as it is integral in ensuring sustainability of our business as well as safeguarding Shareholders' interest and maximising long-term Shareholder value.

Approach

We aligned our corporate governance and risk management approach with the Three Lines Model issued by the Institute of Internal Auditors ("IIA"). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance and risk management. Under the Three Lines Model, the roles and responsibilities of governing body, management (first- and second-line roles), internal audit (third line roles) and the relationship among them are defined as follows:



Source: Three Lines Model issued by the IIA

Our policies and commitments for enforcing anti-corruption and ethical business practices are as follows:

- A Code of Conduct that outlines expectations for employees regarding ethical business practices, anti-corruption rules, and professional conduct, as well as the consequences for any violations. Additionally, clear and fair grievance procedures are detailed in the Employee Handbook;

²⁵ Our community investments include direct financial support and in-kind charitable sponsorships.

²⁶ All volunteering time are skill-based volunteering hours, whereby our employees used their specialised or professional skills to support a non-profit organisation.

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- A Whistleblowing Policy to encourage unethical conduct reporting in the workplace, in confidence and without fear of reprisals. A dedicated email channel is set up for reporting purposes and broadcast emails are sent to employees to inform them on the procedures for reporting violations of laws and misconducts periodically;
- A Board Diversity Policy to ensure that the Board has the appropriate mix of diversity, expertise and experience;
- We adopt a firm stance on bribery and maintain a zero-tolerance position against all forms of corruption, including bribery, fraud, and money laundering; and
- We strive to comply with the relevant laws and regulations, including the Catalist Rules of SGX-ST, Companies Act 1967 and the Employment Act of Singapore.

Performance

Key statistics on our compliance matter are as follows:

Sustainability Metric	FY2025	FY2024
Number of incidents of serious offence ⁹	–	–
Number of incidents of non-compliance with laws and regulations ¹⁰ for which fines and/or non-monetary sanctions were incurred	–	–

For further information on our corporate governance practices, please refer to the Corporate Governance Report as set out in the Group's AR FY2025.

10. Targets and Performance Highlights

To measure our ongoing sustainability performance and drive continuous improvement, we developed a set of targets related to our material Sustainability Factors. Our progress against these targets is reviewed and reported on an annual basis with details as follows:

Legend	Progress Tracking
○○○	New target
●●●	Target achieved
●●○	On track to meet target
●○○	Not on track, requires review

S/N	Material Sustainability Factor	Targets ²⁷	Current Year Performance
Economic			
1	Sustainable Business Performance	<u>Ongoing and long-term</u> Maintain or improve economic value generated subject to economic conditions	●○○ The economic value generated reduced to \$7.96 million.
2	Customer Satisfaction	<u>Ongoing and long-term</u> <ul style="list-style-type: none"> ▪ Maintain a comprehensive range of solutions ▪ Adhere to the market standards and best practices in operations 	●●● <ul style="list-style-type: none"> ▪ We maintained a comprehensive range of solutions. ▪ We adhered to the market standards and best practices in operations.

²⁷ Time horizons for target setting are: (i) short-term: within 5 years (until FY2028); (ii) medium-term: between 5 and 20 years (between FY2029 and FY2043); (iii) long-term: above 20 years (FY2044 onwards); and (iv) ongoing: encompassing short, medium and long-term.

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S/N	Material Sustainability Factor	Targets ²⁷	Current Year Performance
Environmental			
3	Water Conservation	<u>Ongoing</u> Reduce or maintain water consumption intensity	●○○ The water consumption intensity increased to 25m ³ per employee.
4	Responsible Waste Management	<u>Ongoing and long-term</u> <ul style="list-style-type: none"> ▪ Maintain or reduce the waste generated intensity ▪ Maintain zero incidents of non-compliance with the Prevailing Waste Regulations 	●○○ The waste generated intensity increased to 0.012 tonnes per employee. ●●● We maintained zero incidents of non-compliance with the Prevailing Waste Regulations.
5	Energy Conservation and GHG Emissions Management	<u>Short-term</u> Maintain or reduce GHG emissions intensity by FY2025, with FY2022 as our baseline <u>Medium-term</u> Reduce aggregated absolute Scope 1 and 2 GHG emissions by 23% by FY2035, with FY2022 as our baseline <u>Long-term</u> Aspire to achieve carbon neutrality by FY2050	●●● We reduced our GHG emissions intensity. ●●○ The aggregated absolute Scope 1 and 2 GHG emissions decreased to 71 tCO ₂ e. ●●○ We plan to use REC and carbon credits to offset unavoidable residual GHG emissions by FY2050, subject to market maturity.
Social			
6	Occupational Health and Safety	<u>Ongoing and long-term</u> Maintain zero incidents of workplace fatalities, high consequence work-related injuries, recordable work-related injuries and ill health cases	●●● We maintained zero incidents of workplace fatalities, high consequence work-related injuries, recordable work-related injuries and ill health cases.
7	Sustainable Transformation Through Clean Energy Solutions	<u>Medium-term</u> Expand deployment to additional communities, explore hydrogen-powered public transport in Kuching by FY2035 <u>Ongoing</u> <ul style="list-style-type: none"> ▪ Improve the quality of life for inhabitants of rural communities ▪ Increase access to renewable energy resources for rural communities through commercialisation and wider roll-out of the H2E1 System across Sarawak and other off-grid areas 	○○○ We refined and set clearer targets to drive continuous improvement. ●●● We improved the quality of life for inhabitants of rural communities. ●●● We increased access to renewable energy resources for rural communities through commercialisation and wider roll-out of the H2E1 System across Sarawak and other off-grid areas.

SUSTAINABILITY REPORT

S/N	Material Sustainability Factor	Targets ²⁷	Current Year Performance
8	Employee Retention and Development	<u>Ongoing and long-term</u> Maintain or reduce employee turnover rate	●○○ The turnover rate increased to 10%.
9	Diversity and Equality	<u>Ongoing and long-term</u> Maintain zero incident of unlawful discrimination against employees	●●● We maintained zero incident of unlawful discrimination against employees.
10	Community Investment	<u>Ongoing and long-term</u> Initiate various campaigns to help the local communities in locations where we operate in	●●● We initiated various campaigns to help the local communities in locations where we operate in.
Governance			
11	Corporate Governance	<u>Ongoing and long-term</u> <ul style="list-style-type: none"> ▪ Maintain zero incidents of serious offence⁹ ▪ Maintain zero incidents of non-compliance¹⁰ with laws and regulations for which fines and/or non-monetary sanctions were incurred. 	●●● <ul style="list-style-type: none"> ▪ We maintained zero incidents of serious offence. ▪ We maintained zero incidents of non-compliance with laws and regulations for which fines and/or non-monetary sanctions were incurred.

For the material Sustainability Factors identified in this Report, the Board, ESG Committee and the SR Leadership Team have considered the relevance and usefulness of setting related targets in the short-, medium- and long-term horizon. As the historical data trends for certain material Sustainability Factors have yet to stabilise, we have not set the related medium and long-term targets and will disclose such targets in our future sustainability reports when the data trends have stabilised and subject to market trends.

11. Climate-related Disclosures

The Group is committed to supporting the recommendations by the TCFD and disclosed our climate-related financial disclosures in the following key areas as recommended by the TCFD:

Governance	
a.	Describe the board's oversight of climate-related risks and opportunities.
b.	Describe management's role in assessing and managing climate-related risks and opportunities.
Refer to the section 7.1 'Sustainability Governance Structure' on details on our governance structure.	
Strategy	
a.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.
b.	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

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We recognise that climate change poses different types of risks to our business. The Group's assessment on potential implication of climate-related risks was undertaken based on the Network of Central Banks and Supervisors for Greening the Financial System ("NGFS") range of climate scenarios:

Scenario	Description
Hot House World (Current Policies)	While many countries have started to introduce climate policies, they are not yet sufficient to achieve official commitments and targets. If no further measures are introduced, 3°C or more of warming could occur by 2100. This would likely result in deteriorating living conditions in many parts of the world and lead to some irreversible impacts such as rising sea-levels. Physical risks to the economy could result from disruption to ecosystems, health, infrastructure and supply chains.
Orderly (Net Zero 2050)	Achieving a target of net-zero global CO ₂ emissions by 2050 will require an ambitious transition across all sectors of the economy. This scenario highlights the importance of decarbonising the electricity supply, increasing electricity use, improving energy efficiency, and developing new technologies to tackle hard-to-abate emissions. Transition risks to achieving the target could result from higher emissions costs, and changes in business and consumer preferences, while minimising physical risks.

We selected NGFS' orderly and hot house world scenarios for the purpose of our qualitative climate scenario analysis. The impact of the climate-related risks is analysed on group-wide activities in the short term (within 5 years, until FY2028), medium term (between 5 and 20 years, between FY2029 and FY2043) and long term (above 20 years, FY2044 onwards). Based on the above-mentioned scenarios, the climate-related risks and opportunities identified by the Group during the ERM exercise includes the following:

Physical Risk

Physical Risk 1: Increased Severity of Extreme Weather Events			
Climate-related Risk	Adverse changes in climate patterns such as rising temperatures and extreme weather events (such as floods and droughts) may delay ongoing engineering projects by interrupting construction schedules or preventing work from being carried out on-site, causing delays in project progress.		
	Additionally, with rising temperatures and more frequent heatwaves resulting from global warming and climate change, the risks of increased cooling expenditures and reduced labour productivity are expected to rise.		
	We remain vigilant in monitoring the impact of climate change on our operations, mindful of the alarming estimated global cost of USD 16 million per hour ²⁸ arising from climate-related damage.		
Financial Impact	Short-term	Medium-term	Long-term
	Scenario: Hot House World		
	●	●	●
	Scenario: Orderly		
	●	●	●
Mitigation Measure	We put in place a climate change transition plan to steer us on our decarbonisation journey.		
	You may refer to Section 9.5 'Energy Reduction and GHG Emissions Management' for further details.		
Climate-related Opportunity	In view of the potential environmental risks and the resultant emerging needs for energy efficiency and lower GHG emissions, the Group realises the opportunity to invest in energy-efficient technologies and renewable energy use.		

Legend

● Minor ● Moderate ● Major

²⁸ Source: <https://www.weforum.org/agenda/2023/10/climate-loss-and-damage-cost-16-million-per-hour/>

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Transition Risk

Transition Risk 1: Enhanced GHG emissions reporting obligations			
Climate-related Risk	With rising concerns over the effects of climate change, key stakeholders such as Regulators and Shareholders are required to report on climate-related information. Failure to comply with enhanced GHG emissions reporting obligations may lead to adverse impacts on the Group's reputation and financial performance.		
	These new requirements necessitate the investment of manpower resource in more comprehensive data collection, analysis, and reporting processes, greater involvement from management, and additional costs for consultants and employee training.		
Financial Impact	Short-term	Medium-term	Long-term
	Scenario: Hot House World		
	●	●	●
	Scenario: Orderly		
	●	●	●
Mitigation Measure	To strengthen our sustainability governance structure, we put in place a SR Leadership Team for managing and monitoring our material Sustainability Factors, including working with the various business segments and corporate functions to ensure that these are integrated into our day-to-day operations.		
	In addition, we established terms of reference for component parties involved in the sustainability reporting process, for clarity and accountability purposes.		
Climate-related Opportunity	The enhanced emissions reporting obligations and increase in regulatory costs will raise climate awareness among our employees.		
	With more defined job responsibilities and training, the Group will also be better positioned to use energy resources responsibly and adopt environmentally friendly practices.		

Refer to Section 13 'Key Assumptions' for further information.

Legend

● Minor ● Moderate ● Major

This assessment will guide our future resilience measures and scenario analysis, subject to market trends and evolving requirements. In terms of our business strategy and financial planning based on the scenarios above, we will continue to formulate adaptation, and mitigation plans and explore allocating resources towards transitioning to low-carbon practices. We strive to minimise the climate risks associated with our business and will seize opportunities in an effective manner such as expanding collaboration and partnership with key stakeholders to innovate and develop low carbon goods and services for the market.

c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The resilience of an organisation's strategy is dependent on its ability to adapt and thrive in the face of changing circumstances and emerging risks. Climate scenario analysis plays a key role in providing insights into the potential extent of the climate-related risk and opportunities for our business.

Through our climate scenario analysis, we concluded that under hot house world scenario (> 3°C warming), unmitigated risks of increased severity of extreme weather events may lead to severe financial impacts in the medium and long-term. Under orderly scenario (<2°C warming), the climate-related risks identified are not expected to result in significant financial impacts in the short, medium, or long-term. To address the risks and capitalise on opportunities associated with climate change, we will continuously refine our strategy to remain resilient throughout our sustainability journey.

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Risk Management

- a. Describe the organisation's processes for identifying and assessing climate-related risks.
- b. Describe the organisation's processes for managing climate-related risks.
- c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Climate-related risk management is integrated into our ERM framework, where potential climate-related risks are identified, assessed, monitored and managed. Business segments and functions are responsible for identifying and documenting their relevant climate-related risks exposures that might hinder their progress towards contributing to the Group's business objectives. These risks and opportunities, along with their treatment plans, are reviewed and updated during the ERM exercise and presented to the Board, AC, and ESG Committee along with the other key enterprise-wide risks. Climate-related risks are also monitored based on the trend of climate-related Sustainability Metrics.

Metrics and Targets

- a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

We track, measure and report on our environmental performance, including energy, GHG emissions, water and waste management and disclose related metrics in our sustainability reports. Monitoring and reporting these metrics help us in identifying areas with key climate-related risks and enabling us to be more targeted in our efforts.

- b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.

To support the climate change agenda, we disclose our Scope 1, 2 and selected Scope 3 GHG emissions in this Report and set climate-related targets such as those related to GHG emissions.

Our disclosure on indirect GHG emission (Scope 3) in the Report includes fuel and energy-related activities (category 3), waste generated in operations (category 5), business travel (category 6) and employee commuting (category 7) during the Reporting Period.

- c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

As a commitment towards mitigating climate change, we set climate-related targets related to water consumption, waste management and GHG emissions. For further details, please refer to the section 10 'Targets and Performance Highlights'.

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12. Industry-based Guidance on Implementing Climate-related Disclosure Metrics

The sustainability disclosure metrics are based on the IFRS Sustainability Disclosure Standards Industry-Based Guidance for implementing climate-related disclosure (Volume 14 – Oil and Gas Services) which only covers the Integrated Engineering Solutions business segment. The relevant Industry-Based Metrics for the Renewable Segment shall be incorporated as and when the revenue is material and when such inclusion is necessitated by regulatory requirements and/or standard by market trends.

Sustainability Metrics

Topic	Sustainability Metric	FY2025	FY2024
Emissions Reduction Services and Fuels Management	Total fuel consumed (GJ)	Refer to section 9.5 'Energy Conservation and GHG Emissions Management'.	Refer to section 9.5 'Energy Conservation and GHG Emissions Management'.
	Total renewable fuel consumed (%)		
	Percentage of fuel used in on-road equipment and vehicles (%)		
	Percentage of fuel used in off-road equipment (%)		
	Discussion of strategy or plans to address air emissions-related risks, opportunities, and impact		
	Percentage of engines in services that comply with highest level of emissions standards for non-road diesel engine emissions	Not Applicable ("NA") ²⁹	NA ²⁹
Water Management Services	Total volume of fresh water handled and % recycled	NA ³⁰	NA ³⁰
	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities and impacts	NA ³¹	NA ³¹

Activity Metrics

Activity Metric	FY2025	FY2024
Number of active rig sites	NA ³²	NA ³²
Number of active well sites	NA ³³	NA ³³
Total amount of drilling performed (metres)	NA ³⁴	NA ³⁴
Total number of hours worked by all employees	120,640	118,560 ³⁵

²⁹ Data is not applicable as we do not own any non-road diesel engine.

³⁰ Data is not applicable as the water consumption of the Group are mainly derived from municipal water sources and the water is channeled to the main sewage system in the countries we operate in.

³¹ Data is not applicable as we do not contribute significantly to the ability of the countries in which we operate to meet the human and ecological demand of water.

³² Data is not applicable as we do not have any active rig sites.

³³ Data is not applicable as we do not have any active well site.

³⁴ Data is not applicable as we do not perform drilling.

³⁵ Figure is restated as a correction.

SUSTAINABILITY REPORT

13. Key Assumptions

The key assumptions reflect the current market conditions, regulatory landscapes, and stakeholder expectations. Details of the scopes and assumptions for our scenario analysis and climate change transition plan are as follows:

Disclosure	Assumption
Climate Change Transition Plan	<p>Our climate change transition plan, including levers and detailed action plans, assumed certain future events, trends, plans, expectations, and objectives relating the Group's business operations, in setting our targets. It is also prepared based on the current operating environment, which includes policies and plans undertaken by governments and other stakeholders.</p> <p>Accordingly, these assumptions are subjected to inherent uncertainties including (but not limited to) changes in regulatory requirements, progress in technological developments, stakeholders' action and reaction, and other external factors that are beyond the Group's control.</p> <p>As such, our climate change transition plan may be reviewed and updated over time to reflect evolving circumstances and availability of new information.</p>
Scenario Analysis	<ul style="list-style-type: none"> ■ In assessing the potential implications of climate-related risks based on NGFS range of climate scenarios, we also considered alternate range of climate scenarios from the International Energy Agency and the Representative Concentration Pathway (RCP) Framework, and made various assumptions adopted in such frameworks. ■ The scenario analysis performed is dependent on the said assumptions under the NGFS range of scenarios. Key assumptions are as follows: <ul style="list-style-type: none"> (i) Orderly (Net Zero 2050): Assumes that ambitious climate policies and technological shifts are introduced immediately and forcefully impact the economy. (ii) Hot House World (Current Policies): Assumes that only currently implemented policies are preserved, leading to high physical risks. Emissions grow leading to about 3 °C. Investments allocation and energy mix do not change. ■ Constant growth is assumed when assessing the financial and environmental impact. ■ The scenario analysis includes a modelling process, which is constantly changing as the operating environment evolves, and contains uncertainties and limitations that are commonly associated with scenario analysis.

14. GRI Content Index

Statement of Use	Annica Holdings Limited has reported the information cited in this GRI content index for the period from 1 January 2025 to 31 December 2025 in accordance with the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	Oil and gas

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GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organisational details	6
	2-2 Entities included in the organisation's sustainability reporting	4
	2-3 Reporting period, frequency and contact point	10
	2-4 Restatements of information	23, 40
	2-5 External assurance	10
	2-6 Activities, value chain and other business relationships	9-10
	2-7 Employees	30-31
	2-8 Workers who are not employees	As at 31 December 2025, the Group engaged four workers who are not employees and were primarily retained under subcontracting arrangements.
	2-9 Governance structure and composition	6, 11-12, 46-48, 51-56
	2-10 Nomination and selection of the highest governance body	65-72
	2-11 Chair of the highest governance body	46-48, 57-58
	2-12 Role of the highest governance body in overseeing the management of impacts	11-12, 46-48, 51-56
	2-13 Delegation of responsibility for managing impacts	11-12, 46-48, 51-56
	2-14 Role of the highest governance body in sustainability reporting	11-12, 51-65
	2-15 Conflicts of interest	51-55
	2-16 Communication of critical concerns	33-34, 83
	2-17 Collective knowledge of the highest governance body	11-12, 51-55
	2-18 Evaluation of the performance of the highest governance body	67-72
	2-19 Remuneration policies	72-78
	2-20 Process to determine remuneration	72-78
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints
	2-22 Statement on sustainable development strategy	2-3, 7
	2-23 Policy commitments	11-13, 18-34, 56-65, 83
	2-24 Embedding policy commitments	11-13, 18-34, 56-65, 83
	2-25 Processes to remediate negative impacts	33-34, 78-83
	2-26 Mechanisms for seeking advice and raising concerns	33-34, 83
	2-27 Compliance with laws and regulations	19-34, 51-55
	2-28 Membership associations	We do not hold any significant role in membership associations.
	2-29 Approach to stakeholder engagement	11-16, 84-86
	2-30 Collective bargaining agreements	None

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GRI Standard	Disclosure	Location	
Material Topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	11-16	
	3-2 List of material topics	15-16	
	3-3 Management of material topics	16-34	
Sustainable Business Performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	16-17	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	16-17	
	201-2 Financial implications and other risks and opportunities due to climate change	36-39	
	201-3 Defined benefit plan obligations and other retirement plans	132	
	201-4 Financial assistance received from government	131	
Corporate Governance			
GRI 3: Material Topics 2021	3-3 Management of material topics	33-34	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption		
	205-2 Communication and training about anti-corruption policies and procedures		
	205-3 Confirmed incidents of corruption and actions taken		
Energy Conservation and GHG Emissions Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	21-24	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation		
	302-2 Energy consumption outside of the organization		
	302-3 Energy intensity		
	302-4 Reduction of energy consumption		
	302-5 Reductions in energy requirements of products and services		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		
	305-2 Energy indirect (Scope 2) GHG emissions		
	302-3 Energy intensity		
	305-4 GHG emissions intensity		
	302-5 Reductions in energy requirements of products and services		
	305-6 Emissions of ozone-depleting substances (ODS)		Disclosure is not applicable as the Group does not emit a material amount of these emissions through our products, services and operations.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Disclosure is not applicable as the Group does not emit a material amount of these emissions through our products, services and operations.

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GRI Standard	Disclosure	Location	
Water Conservation			
GRI 3: Material Topics 2021	3-3 Management of material topics	19	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	19	
	303-2 Management of water discharge-related impacts	Disclosure is not applicable as the Group does discharge a material amount of wastewater or effluents in our operations.	
	303-3 Water withdrawal	19	
	303-4 Water discharge	Disclosure is not applicable as the Group does discharge a material amount of wastewater or effluents in our operations.	
	303-5 Water consumption	19	
Employee Retention and Development			
GRI 3: Material Topics 2021	3-3 Management of material topics	27-30	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		
	401-3 Parental leave		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		
	404-2 Programs for upgrading employee skills and transition assistance programs		
	404-3 Percentage of employees receiving regular performance and career development reviews		
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics		24
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system		
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
	403-8 Workers covered by an occupational health and safety management system		
	403-9 Work-related injuries		
	403-10 Work-related ill health		

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GRI Standard	Disclosure	Location
Diversity and Equality		
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Information is not provided due to confidentiality constraints.
	405-2 Ratio of basic salary and remuneration of women to men	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	30-31
Community Investment		
GRI 3: Material Topics 2021	3-3 Management of material topics	32-33
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	19-24, 36-39
	413-2 Operations with significant actual and potential negative impacts on local communities	

BOARD OF DIRECTORS

TAN SRI DATO SERI ZULKEFLI BIN AHMAD MAKINUDIN

Chairman
Independent and Non-Executive Director
Chairman of the Remuneration Committee
Member of the Audit Committee
Member of the Nominating Committee

Date of first appointment as a director:

5 July 2019

Date of last re-election as a director:

29 April 2024

Length of service as a director (as at 31 December 2025)

6 years 5 months

Country of Principal Residence

Malaysia

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (“**Tan Sri**”) is currently serving as a judge in the Syariah Court of Appeal, Perak, Malaysia and as an arbitrator and mediator of the Asian International Arbitration Centre. On 12 March 2021, Tan Sri was admitted as an advocate and solicitor to the High Court of Malaya. On 21 August 2021, he was appointed as the Independent and Non-Executive Deputy Chairman of Berjaya Assets Berhad, a public company listed on Bursa Malaysia Berhad.

Tan Sri was previously the President of the Court of Appeals of Malaysia before retiring in 2018. He is actively mentoring law graduates and imparting his invaluable experience and knowledge gained throughout his long and distinguished career in the Malaysian judiciary system.

Tan Sri obtained his Bachelor of Laws degree from the University of Malaya. He subsequently obtained his Master of Law degree from University College, University of London.

SANDRA LIZ HON AI LING

Executive Director and
Chief Executive Officer

Date of first appointment as a director:

6 January 2016

Date of last re-election as a director:

28 April 2023

Length of service as a director (as at 31 December 2025)

10 years

Country of Principal Residence

Singapore

As the Executive Director and Chief Executive Officer (“**CEO**”) of Annica Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), Sandra Liz Hon Ai Ling (“**Sandra**”) is responsible for the overall leadership, management, and strategic direction of the Group. She has been leading the reset and reshaping of the Group into an energy transition company, with a clear focus on the practical deployment of clean and renewable energy solutions, including solar-hydrogen systems, rural electrification, off-grid solutions, and long-duration energy storage. In this capacity, Sandra plays a pivotal role in capital management, investor relations, fundraising, and overseeing the financial and corporate aspects of the Group’s transformation, while ensuring alignment with long-term value creation and sustainability objectives.

As CEO of the Group and Executive Director of H2 Energy Sdn. Bhd. (a subsidiary of the Company), Sandra is an avid proponent of green energy and actively steers the Group towards its vision of powering growth through renewables and inclusive energy transition businesses. She is a strong advocate for the continued development and adoption of green hydrogen technologies, and is a regular speaker, panelist, and moderator at regional and international hydrogen and clean energy forums, where she emphasises translating pilot projects into scalable, bankable, and impact-driven solutions.

Sandra brings along more than 20 years of leadership experience across renewable energy, infrastructure, and cross-border energy solutions. She also serves as a Board Member of the Alliance for Rural Electrification, Brussels, where she contributes Asia-Pacific perspectives on inclusive electrification, energy access, and hydrogen-enabled transition pathways.

Sandra holds a Master of Business Administration degree from the University of Strathclyde and has completed the Mergers & Acquisitions Executive Programme at Imperial College in 2025.

BOARD OF DIRECTORS

ROBIN STEVENS

Lead Independent and Non-Executive Director
Chairman of the Audit Committee
Member of the Remuneration Committee
Member of the Nominating Committee

Date of first appointment as a director:

20 May 2022

Date of last re-election as a director:

29 April 2025

Length of service as a director

(as at 31 December 2025)

3 years 7 months

Country of Principal Residence

United Kingdom

Robin Stevens (“**Robin**”) currently serves as the Head of Capital Markets and a Senior Adviser at MHA Plc, the United Kingdom (“**UK**”) member firm of the global accountancy and advisory network, Baker Tilly International, and advises emerging UK and international clients on corporate and capital market related activities. He is also an Independent and Non-Executive Director of Hercules Plc and Fairview International Plc, and an Independent and Non-Executive Director in other private companies operating in the UK and overseas.

Throughout his long and distinguished career spanning over 35 years, Robin has held leadership positions in the UK and international professional partnerships including Crowe UK LLP, Mazars LLP, and MRI Moores Rowland LLP. He is a pragmatic corporate finance and capital markets professional, advising private and public company clients, ranging from small family-owned businesses to large and international companies, on matters in relation to corporate finance, private equity management buyouts, capital reconstruction, pre-flotation planning, and acquisitions and disposals. To-date, he has advised on over 150 initial public offerings and secondary offerings on the London Main Market, the AIM Market and the AQUIS Stock Exchange in UK and on transactions involving companies listed in Asia Pacific and the United States.

Robin is a Chartered Accountant and holds a Bachelor of Arts (Honors) in Business Studies from University of Hertfordshire.

LIM IN CHONG

Non-Independent and Non-Executive Director

Date of first appointment as a director:

6 July 2018

Date of last re-election as a director:

29 April 2025

Length of service as a director

(as at 31 December 2025)

7 years 6 months

Country of Principal Residence

Malaysia

Lim In Chong (“**In Chong**”) is a director and principal of Inchcape Sdn. Bhd., a landscape architectural firm that has received numerous accolades worldwide. In Chong is an internationally renowned landscape architect and an avid supporter of sustainable and green development. He has regularly been invited to speak at international seminars and events promoting sustainable and green development.

In Chong studied at the United World College of Southeast Asia and graduated from Trent University in Peterborough, Canada. He later obtained his Master of Design (Architecture & Design) from RMIT University, Melbourne, Australia.

BOARD OF DIRECTORS

RANDELL LEONG

Independent and Non-Executive Director
Chairman of the Nominating Committee
Member of the Remuneration Committee
Member of the Audit Committee

Date of first appointment as a director:

6 February 2025

Date of last re-election as a director:

29 April 2025

Length of service as a director (as at 31 December 2025)

1 year 2 months

Country of Principal Residence

Singapore

Randell Leong (“**Randell**”) is a seasoned executive, bringing over 30 years of international experience across communications, institutional trading, asset management and consulting, as well as in the energy arena of oil and gas and clean renewable energy across multiple continents.

She began her career in the communications industry with leading global agencies under WPP Group, where she contributed to multiple award-winning campaigns and later transitioned into finance, and has since consistently demonstrated significant leadership in various entrepreneurial ventures.

Randell is currently the Chairman and CEO of Arielle Limited in Hong Kong and the CEO of Arielle Capital Inc. in Canada. Further, she also serves as a board director of several companies, and has held roles as advisor, key executive, and independent consultant across various initiatives, including selected humanitarian support interest projects.

Randell is widely recognised for her strategic insight, cross-sector expertise, and global perspective in investment, capital management.

KEY MANAGEMENT PERSONNEL

WOON CHING CHUEN (MARCUS)

Group Financial Controller

Woon Ching Chuen (“**Marcus**”) joined the Group as the Finance Manager in 2017 and transitioned to the role of Group Financial Controller in February 2023. He is responsible for the corporate finance and accounting functions of the Group. Prior to his tenure with the Group, Marcus developed a strong foundation in business valuations, statutory audits, liquidations, and financial due diligence for mergers and acquisitions transactions, working across various international accountancy firms. Marcus is a member of the Association of Chartered Certified Accountants and Singapore Institute of Directors.

PEK SECK WEI

Director – Industrial Engineering Systems Pte. Ltd. (“**IES**”) and IES Engineering Systems Sdn. Bhd. (collectively, the “**IES Group**”), H2E International Pte Ltd (“**H2EI**”), and Cahya Suria Energy Sdn. Bhd.

Pek Seck Wei (“**Seck Wei**”) is responsible for the overall management and development of the Group’s business in the sale of oilfield equipment and the delivery of customised engineering solutions to oil and gas companies across Singapore, Malaysia and Vietnam. With his vast experience in the oil and gas industry, Seck Wei also oversees the business development and performance of the Group’s rural off-grid and renewable energy businesses in his capacity as a director of H2EI. Seck Wei holds a Bachelor of Electrical Engineering (Honours) degree from Nanyang Technological University.

MUSA BIN MOHAMAD SAHIR

Managing Director – P.J. Services Pte. Ltd. and its subsidiaries (“**P.J. Services Group**”) (Resigned with effect from 8 March 2026)

Musa Bin Mohamad Sahir (“**Musa**”) joined P.J. Services Pte. Ltd. in 2008 as an executive and rose through the ranks to become its managing director in 2016. He was responsible for the overall management of the business of the P.J. Services Group.

Musa was also tasked with developing new products, expanding into new businesses and markets, and establishing new agency partnerships, drawing on over 17 years of experience in the oil and gas industry. His extensive experience covers sales, marketing and project management related to the procurement of oil and gas equipment for both onshore and offshore platforms, vessels and pipelines. Musa graduated from the Temasek Polytechnic with a Diploma in Mechatronics Engineering.

MUHAMMAD HATTA BIN SUKARNI

Managing Director – H2 Energy Sdn. Bhd. (“**H2E**”)

Muhammad Hatta Bin Sukarni (“**Hatta**”) is the co-founder of H2E and as the Managing Director of H2E, he is responsible for the day-to-day operations and management of the company.

Hatta began his career as a civil servant at the Department of Inland Revenue in Sarawak, Malaysia. After nearly a decade in public service, Hatta transitioned to the private sector to pursue his entrepreneurship endeavours. Hatta is currently a director and/or shareholder in several private limited companies in Malaysia and Australia which operate in various industries such as civil engineering and construction, property development and fisheries. His core business activities are primarily based in Sarawak, Malaysia, where he maintains a strong and well-established network.

Hatta is the Yang Di-Pertua of Sarawak, Malaysia and the Chairman of the Hydrogen Cluster of the Bumiputera Infrastructure Contractors and Facility Management Association.

KEY MANAGEMENT PERSONNEL

MOHAMMAD FIRDAUS BIN MAHMOOD

Acting Operations Director – P.J. Services Pte. Ltd. and its subsidiaries (“**P.J. Services Group**”)

Mohammad Firdaus Bin Mahmood (“**Firdaus**”) joined P.J. Services Pte. Ltd. in 2013 as an Engineer and he rose through the ranks to be appointed as Acting Operations Director in 2026. He is responsible for the overall management and strategic oversight of the operations of P.J. Services Group, ensuring that P.J. Services Group operates efficiently, profitably, and sustainably while supporting long-term strategic growth.

Prior to joining P.J. Services Pte. Ltd., Firdaus spent three years as a Structural Engineer with an Offshore Engineering and Construction company, where he was involved in engineering projects within the offshore sector. With 16 years of experience spanning engineering, project management, sales, and marketing, he brings a well-rounded technical and commercial perspective to his leadership role.

Firdaus holds a Bachelor of Engineering (Mechanical) Degree from Nanyang Technological University.

ABDUL SHUKOR BIN HASSAN

Technical Director – H2 Energy Sdn. Bhd. (“**H2E**”)

Abdul Shukor Bin Hassan (“**Shukor**”) is the Technical Director of H2E, where he advises H2E on all technical matters, leveraging his extensive experience to ensure robust system design, operational excellence, and sustainable energy deployment across projects.

Shukor brings over 30 years of senior-level technical experience from Tenaga Nasional Berhad (TNB), where he played key roles in major power generation and infrastructure projects across Malaysia. His expertise spans coal and gas-fired power plants, steam turbine facilities, rural electrification initiatives, diesel generation systems, and hybrid energy solutions for remote locations.

Throughout his distinguished career at TNB, Shukor was involved in several land-mark projects, including the Port Klang Phase II (2 x 300 MW) power plant, as well as steam turbine power plants in Pasir Gudang and Johor Bahru, Malaysia. He also contributed to rural electrification and diesel generation projects, in addition to conducting asset generation audits to strengthen operational efficiency and reliability.

Shukor holds a Bachelor of Science in Electrical Engineering from the University of Bridgeport and a Master of Business Administration from University Technology MARA. His combined engineering and management background enables him to provide strategic technical oversight and practical execution guidance.

MOHAMED SHAFEII BIN ABDUL GAFFOOR

CEO - Panah Jaya Services Sdn. Bhd

Mohamed Shafeii Bin Abdul Gaffoor (“**Shafeii**”) is the CEO of Panah Jaya Services Sdn. Bhd., which is part of the Group, specializing in oil and gas services. As the CEO, he is responsible for the day-to-day operations and management of the company.

With a strong background in economics, auditing, and corporate leadership, Shafeii’s career spans roles at Bank Negara Malaysia, Ernst & Young, and Shapadu Corporation. He later led Desa Pachi Consultancy, advising various public-listed companies, and served as Group CEO of Perak Corporation Berhad and Chairman of Majuperak Holdings. He also advises H2 Energy Sdn. Bhd., contributing to renewable energy initiatives, including Malaysia’s first large-scale Solar and Green Hydrogen Microgrid Project in Sarawak.

Shafeii holds a Bachelor of Arts (Hons) from the University of Waterloo and a Master of Business Administration in Oil and Gas Management from the University of Dundee.

IR. MOHAMAD NIZA HANI

Technical Director – Cahya Suria Energy Sdn. Bhd. (“**CSE**”)

Ir. Mohamad Niza Hani (“**Niza**”) is the Technical Director of CSE where he drives system reliability and energy efficient solutions in the hydrogen and renewable energy sector.

As a Senior Electrical Engineer with over 27 years of experience in telecommunications infrastructure, project management, and electrical safety standards, Niza has a proven track record in leading complex electrical projects, optimising operational efficiency, and providing strategic technical support.

At his past employment at Telekom Malaysia, he led multi-million-ringgit projects, managed State Energy Teams, implemented green energy systems reducing costs by over 40% and contributed to the standalone 5G Langkawi project.

Niza holds a Bachelor of Science in Electrical Engineering from Universiti Malaysia Perlis, a Diploma in Electrical Engineering from Universiti Teknologi Malaysia, and is a registered Professional Engineer with certifications from NIOSH Malaysia and CIDB Malaysia.

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Annica Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”, and each such subsidiary, a “**Group Subsidiary**”) believes that maintaining a high standard of corporate governance is essential to the long-term sustainability of the Group’s businesses and performance, safeguards the interests of the Company’s shareholders and stakeholders, and enhances corporate value and accountability.

This Corporate Governance Report (the “**CG Report**”) describes the Group’s corporate governance framework and practices in place during the financial year ended 31 December 2025 (“**FY2025**”), with specific reference to the principles and provisions (the “**Principles**” and/or “**Provisions**”) of the Code of Corporate Governance 2018 (the “**Code**”). The Company reports on the Group’s corporate governance framework in accordance with the Principles and Provisions of the Code and in compliance with Rule 710 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”).

Our corporate governance framework, together with our sustainability practices (details of which are set out in our sustainability report for FY2025 (the “**2025 Sustainability Report**”), serve as the foundation upon which the Group’s overall business sustainability framework is based. Our framework provides the Group with the ability to respond to the changing needs of stakeholders (including future generations of stakeholders) and the evolving market, legislative, and geo-political environments in which we operate.

The Board, together with key management personnel and their respective teams (“**Management**”), continuously monitor and enhance the Group’s overall business sustainability framework through a number of processes, including engagements with stakeholders, effectiveness reviews, control reviews, and risk assessments.

Shareholders are encouraged to read this CG Report in its entirety together with the 2025 Sustainability Report and the Group’s audited consolidated financial statements (“**Audited Financial Statements**”) for FY2025.

THE CODE

This edition of the Code, which was published in August 2018 (and amended on 11 January 2023), has at its core, broad Principles of corporate governance. Compliance with, and observation of, these Principles is mandatory. These Principles set out broadly accepted practices of good corporate governance. Each Principle is substantiated by various Provisions which facilitate the interpretation of, and compliance with, the relevant Principle. Companies are expected to comply with the Provisions, and deviations from the Provisions are acceptable to the extent that they disclose and explain how their practices are otherwise consistent with the aim and philosophy of the Principle in question. The emphasis is for companies to provide thoughtful and meaningful disclosure, or adequate explanation where their practices deviate from the Principles, to enable all stakeholders to understand their corporate governance practices in a meaningful and comprehensive manner.

(A) BOARD MATTERS

1. THE BOARD’S CONDUCT OF ITS AFFAIRS

Principle 1: The company is headed by an effective Board that is collectively responsible and works with Management for the long-term success of the company.

Provision 1.1 – Principal Duties of the Board

The primary functions of the Board are to provide overall stewardship, leadership and direction for the Group, act objectively in the best interests of the Company, hold Management accountable for their performance, and be accountable to shareholders (and stakeholders) for the overall performance of the Group, while generating value for shareholders (and stakeholders). The Board also ensures that the Group contributes to society and the environment through its overall sustainability framework and practices, in addition to generating profits. The Board has instilled an appropriate tone-from-the-top of the desired organisational culture, conduct and ethics so as to ensure proper accountability within the Group.

Apart from their statutory and fiduciary responsibilities, each Director understands the Group’s businesses and is regularly updated on the state of the Group’s affairs by way of briefings conducted by Management, as well as on-site visits where necessary.

CORPORATE GOVERNANCE REPORT

In particular, the Board oversees the Group by:

- (a) setting the Group's objectives, strategies, values and standards (including sustainability practices) and ensuring that all obligations to shareholders and key stakeholders are understood and met;
- (b) ensuring that the appropriate resources (both financial and human) are made available (within practical constraints) for the Group to meet its objectives, strategies, values, and standards, and monitoring the performance of these objectives, strategies, values and standards;
- (c) establishing a framework of effective internal controls that is aligned with the risk appetites agreed on by the Board, and holding Management accountable to safeguard the Group's assets and shareholders' interests, thereby ultimately promoting sustainable success for the Group;
- (d) establishing a framework for a high standard of corporate governance and sustainability practices and ensuring that the Group achieves high corporate governance standards;
- (e) approving annual budgets, business plans, major funding proposals, financial restructuring, share issuance, investment and divestment proposals;
- (f) identifying the interests and concerns of key stakeholder groups, and recognising that any adverse perceptions may negatively impact the Group's reputation and businesses; and
- (g) exercising due diligence and independent judgement in relation to the Group's businesses and operations.

If any Director has a conflict of interest, he/she must recuse himself or herself from discussions and decisions related to the conflict. A register of conflicts of interest is maintained and updated by the Company and a copy is provided to the Company Secretary. The Directors understand their responsibility in identifying and managing conflicts of interest and inform the Board and the Company Secretary of any conflicts of interest as required under the Companies Act 1967 (the "**Companies Act**"). Any such conflicts of interest are managed, principally, by:

- (a) **Declare:** The conflicts are disclosed by the Director concerned, considered by the Board and recorded by the Company Secretary.
- (b) **No Participation:** The Director concerned does not take part in any decisions or discussions relating to the matter he/she has a conflict-of-interest in.

Provision 1.2 - Induction and Training of Directors

The Company conducts orientation programmes for all newly appointed Directors to ensure they develop a thorough understanding of the Group's structure, businesses, operations, corporate governance framework, and overall sustainability framework and practices, as well as their duties and responsibilities in their respective roles as Executive, Non-Executive, or Independent Directors. The Company also arranges for any Director who has no prior experience as a director of a company listed on the SGX-ST to undergo the relevant mandatory training on the roles and responsibilities of a director, as required under Rule 406(3)(a) of the Catalist Rules, within one year from his or her date of appointment to the Board. To support the continuing development of existing Directors, the Company provides, at its own expense, opportunities for Directors to attend relevant courses, seminars, and industry briefings to maintain and enhance their skills and knowledge. Details of the induction, training, and development provided to new and existing Directors during FY2025 are set out in this CG Report under the section titled "**NC's Report for FY2025**".

Provision 1.3 – Matters Requiring Board Approval

In accordance with Provision 1.3 of the Code, the Board has resolved on, and clearly communicated to Management in writing, those matters that require the Board's approval prior to implementation. The Reserved Matters (as defined below) are disclosed in this CG Report in compliance with Provision 1.3.

The Board holds regular meetings to review, consider and approve strategic, operational, and financial results and matters of the Group. Significant matters concerning the Group are also put before the Board for its decision and approval. Where necessary, ad-hoc Board meetings are convened to address matters that require urgent attention.

CORPORATE GOVERNANCE REPORT

Matters Reserved for the Board

The following key matters require the exclusive approval of the Board and have been communicated to Management in writing (the “**Reserved Matters**”):

- (a) Statutory requirements, including the approval of audited and unaudited financial statements, all SGXNet announcements, annual reports, and public communications with shareholders, investors, and key stakeholders;
- (b) Long-term corporate objectives, strategies, policies, and annual budgets of the Group;
- (c) Strategic decisions regarding the Group’s operations and management;
- (d) Corporate transactions which are outside of the ordinary course of business, and investment and divestment proposals (whether or not in the ordinary course of business);
- (e) Significant financial and/or funding arrangements and decisions of the Group;
- (f) Nomination of Directors and appointment of key management personnel;
- (g) Approval of, and any amendments to, the terms of reference of Board Committees;
- (h) Remuneration policy (including share and other incentive schemes) for Directors, Management, and employees of the Group, as recommended by the RC;
- (i) Material acquisitions and disposals of assets or investments;
- (j) Extension or diversification of the Group’s activities into new business areas;
- (k) Material capital expenditures;
- (l) Issuance of Group-wide policies and key business initiatives;
- (m) Declaration of interim dividends and recommendation of final dividends;
- (n) Convening of shareholders’ meetings;
- (o) Processes for evaluating the adequacy of internal controls, risk management systems, and compliance with applicable laws and regulations;
- (p) Commencement, defence, and settlement of significant litigation;
- (q) Appointment and removal of the Company Secretary, internal and external auditors, and key management staff;
- (r) Share issuances;
- (s) Any other transactions of a material nature requiring announcement and/or approval by the SGX-ST and compliance with the Catalist Rules, and all other matters of strategic importance;
- (t) Any matter that is outside of the ordinary course of business, or any significant issue arising from the ordinary course of business of any Group Subsidiary; and
- (u) All matters requiring shareholders’ approval.

The Board has put in place a process whereby the Reserved Matters are referred to and approved by the Board prior to implementation. Management has been notified of all Reserved Matters in writing and is expected to seek Board’s approval before acting on any such matter.

CORPORATE GOVERNANCE REPORT

Each Director has separate and independent access to Management, the Company Secretary, and external advisers (where necessary), all at the Company's expense.

Provision 1.4 – Delegation of Authority to Board Committees

To facilitate effective management and to support the Board in its duties and responsibilities, the Board has established and delegated specific responsibilities to the Board Committees, namely the Audit Committee (“**AC**”), the Nominating Committee (“**NC**”) and the Remuneration Committee (“**RC**”) (collectively, the “**Board Committees**”). The Board Committees operate within clearly defined terms of reference (as detailed under Provisions 4.1, 6.1 and 10.1 of this CG Report), which are reviewed on a regular basis to ensure their continued relevance and efficacy. The composition and description of each Board Committee as well as a summary of each Board Committee's activities are also set out in other sections of this CG Report. While the Board Committees have the authority to examine particular issues and report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters still lies with the entire Board.

As at the date of this CG Report, the composition of the Board and the Board Committees are set out below:

Name of Director	Board Appointment	Audit Committee	Nominating Committee	Remuneration Committee
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	Independent and Non-Executive Chairman	Member	Member	Chairman
Sandra Liz Hon Ai Ling	Executive Director and Chief Executive Officer	–	–	–
Lim In Chong	Non-Independent and Non-Executive Director	–	–	–
Robin Stevens	Lead Independent and Non-Executive Director	Chairman	Member	Member
Randell Leong	Independent and Non-Executive Director	Member	Chairman	Member

Provision 1.5 - Meetings of Board and Board Committees

In accordance with Provision 1.5 of the Code, the Board holds regular meetings to review, consider and approve strategic, operational and financial matters of the Group. Significant matters (which are outside of the ordinary course of business) concerning the Group are also put before the Board for its decision and approval. Where necessary, ad-hoc Board meetings are convened to address matters requiring urgent attention.

Prior to each Board meeting, Management circulates a board pack containing comprehensive and timely information to enable Directors to make informed decisions and to discharge their duties and responsibilities effectively. As part of its ongoing reporting to the Board, Management provides updates on the Group's key projects.

Board meetings are held by way of physical meetings, electronic means, or a combination of both. All Directors are expected to attend and actively participate in Board and Board Committee meetings. Management is invited to attend Board meetings to present information and/or provide clarification where required. Aside from meetings, the Board may deal with certain routine matters by way of written resolutions.

The number of Board and Board Committee meetings held during FY2025, and each Director's attendance at such meetings, are disclosed in this CG Report under the section titled “**The Board's Report for FY2025**”.

Where a Director holds multiple board representations and/or principal commitments, the NC will assess whether each such Director has given, and continues to give, sufficient time and attention to the affairs of the Company. Further details on the NC's assessment are set out in this CG Report under the section titled “**NC's Report for FY2025**”.

CORPORATE GOVERNANCE REPORT

Provisions 1.6 and 1.7 – Board’s Access to Information and Expertise

In accordance with Provision 1.6 of the Code, Management provides Directors with complete, adequate and timely information prior to Board and Board Committee meetings, and on an ongoing basis, to enable them to make informed decisions and to discharge their duties and responsibilities effectively.

Board papers are circulated to Directors sufficiently in advance of each meeting to allow adequate time for review and preparation. The board papers include the relevant financial information reviewing the Group’s performance, as well as background or explanatory information relating to the matters to be brought before the Board for discussion, decision, or approval.

Beyond scheduled meetings, Management provides Directors with updates on the Group’s businesses, key projects, and material developments on an ongoing basis, so that Directors are kept apprised of significant matters as they arise.

Directors may at any time make enquiries and request additional information from Management. Any additional materials or information requested are promptly furnished. The Board also has full access to the minutes and supporting documents of all Board and Board Committee meetings.

In accordance with Provision 1.7 of the Code, each Director has separate and independent access to Management, Sponsor, the Company Secretary, and external advisers (where necessary), all at the Company’s expense. The appointment and removal of the Company Secretary is a decision of the Board as a whole.

2. BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provisions 2.1, 2.2 and 2.3 - Director’s Independence and Composition of Independent Directors and Non-Executive Directors

During FY2025 and as at the date of this CG Report, the Board comprises five (5) Directors, of whom four (4) are Non-Executive Directors and one (1) is an Executive Director. Of the four (4) Non-Executive Directors, three (3) including the Chairman of the Board, are Independent Directors, and one (1) is a Non-Independent and Non-Executive Director.

Accordingly, the Company complies with:

- (a) Provision 2.3 of the Code, which requires Non-Executive Directors to make up a majority of the Board – four (4) out of five (5) Directors are Non-Executive Directors; and
- (b) Provision 2.2 of the Code, which requires Independent Directors to make up a majority of the Board where the Chairman is not independent – whilst this provision is not applicable in this instance as the Chairman is an Independent Director, the Company notes that Independent Directors nevertheless constitute a majority of the Board, with three (3) out of five (5) Directors being Independent Directors.

In accordance with Provision 2.1 of the Code, an “independent” Director is one who is independent in conduct, character, and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of such Director’s independent business judgement in the best interests of the Company. A Director who falls under any of the circumstances set out in Rule 406(3)(d) of the Catalist Rules is not considered independent.

The independence of each Independent Director is assessed by the NC annually and as and when circumstances require. Each Independent Director is required to complete a declaration of independence annually, confirming that he or she does not fall within any of the circumstances that would affect his or her independence, with reference to the guidelines set out in the Code and Rule 406(3)(d) of the Catalist Rules. Where the Board, having considered the views of the NC, determines that a Director is independent notwithstanding the existence of any such relationship, the Company will disclose the nature of such relationship and its reasons in this CG Report.

CORPORATE GOVERNANCE REPORT

Provision 2.4 - Size and Composition of the Board

The Company's Board Diversity Policy upholds the principle that an effective Board is one that possesses the right core competencies, with an appropriate balance and mix of skills, experience, knowledge, among other aspects of diversity. A diverse board will have a broad range of views and perspectives which are essential to foster constructive discussions and promote effective decision-making. The NC reviews and assesses the size and composition of the Board and Board Committees and recommends the appointment of new Directors to the Board for approval. The diversity of the Directors' experience in business and industry skills and expertise, and other relevant aspects of diversity (such as age, gender, tenure, board independence and cultural ethnicity) allows for the useful exchange of ideas and views to avoid groupthink and foster constructive debate.

The Board comprises individuals of various ages, ethnicities, and cultural backgrounds, whose core competencies, qualifications, skills, and experiences are extensive and complementary. These core competencies comprise legal, accounting, finance, business, and management expertise as well as industry and certain specific technical expertise. The current members of the Board possess the necessary skills, talents, experience, and diversity to serve the needs and objectives of the Group, in that:

- (a) the different cultural backgrounds facilitate diversity of thought and, consequently, a willingness to speak up and challenge ideas, which, in turn, foster a culture of openness and constructive debate;
- (b) the different expertise and experience ensure that decisions made collectively by the Board have received comprehensive attention from all relevant perspectives, including anticipated and potential risks;
- (c) the different expertise combines to ensure that an appropriate level of risk-appetite is agreed on; and
- (d) the different cultural backgrounds, gender, ages, expertise, and experience reduce the risk of groupthink which, in turn, supports the management of risks.

Provision 2.5 - Regular Meetings of Independent Directors and Non-Executive Directors

All Directors have equal responsibility for the Group's operations. However, the role of the Independent Directors and Non-Executive Directors is particularly important in ensuring that all strategies and objectives proposed by Management are constructively and robustly discussed. The Independent Directors and Non-Executive Directors are kept informed of the Group's businesses, prospective deals, and developments by Management. The Independent Directors and Non-Executive Directors constructively challenge Management, help develop strategies for the Group's businesses, provide feedback to the Board as a whole and/or Management, and monitor the performance and reporting of the Group's key projects.

In addition to scheduled Board meetings, the Independent Directors and Non-Executive Directors will meet ad hoc without the presence of Management to deliberate on urgent matters arising from previous Board meetings and other matters of significance to the Group. These sessions are led by the Chairman, as the independent Chairman of the Board, or in his absence, by the Lead Independent Director or any Independent Director acting as chairman for such meeting. Such meetings ensure timely decision-making and prepare the Board for effective resolutions at the next scheduled meeting.

Following each such session, the chairman of the meeting provides feedback on the key outcomes and recommendations to the Board and/or the Chairman, as appropriate, at the next scheduled Board meeting. All discussions are formally recorded and reported to the Board as a whole, so as to ensure transparency and dispel any perception of "back-channelling".

CORPORATE GOVERNANCE REPORT

3. CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provisions 3.1 and 3.2 – Chairman of the Board and Chief Executive Officer

In accordance with Provision 3.1 of the Code, the roles of Chairman of the Board and Chief Executive Officer (“**CEO**”) are held by separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision-making.

As at the date of this CG Report, the Chairman of the Board is Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (“**Tan Sri Zulkefli**”), who is an Independent and Non-Executive Director. The CEO is Ms. Sandra Liz Hon Ai Ling, who serves as the Executive Director of the Company. The Chairman of the Board and the CEO are not related to each other.

In accordance with Provision 3.2 of the Code, the Board has established and set out in writing the division of responsibilities between the Chairman and the CEO. The key responsibilities of each are as follows:

Chairman of the Board

As Chairman of the Board, Tan Sri Zulkefli is responsible for:

- (a) leading the Board in ensuring its overall effectiveness and setting the agenda of each Board meeting, in consultation with the CEO;
- (b) promoting a culture of openness and constructive debate, and encouraging all Directors to contribute fully and frankly to Board discussions;
- (c) monitoring and facilitating effective communication and relationships between the Company and its shareholders, amongst members of the Board, and between the Board and Management; and
- (d) ensuring that the Board acts in the best interests of the Company, and that significant matters are appropriately reviewed and decided upon by the Board.

Chief Executive Officer

As CEO, Ms. Sandra Liz Hon Ai Ling is responsible for:

- (a) the overall business direction, strategy, and operations of the Group;
- (b) the implementation of the Group’s corporate plans, policies, and strategic decisions approved by the Board;
- (c) executive decision-making on day-to-day operational matters, with major decisions made in consultation with the Board; and
- (d) keeping the Board informed of all material developments relating to the Group’s businesses and operations.

The CEO is assisted by the Company Secretary at all Board meetings and on statutory matters. Where necessary, external auditors and/or other consultants (such as technical experts) are invited to attend Board meetings to assist the CEO and the other Directors in their deliberations.

CORPORATE GOVERNANCE REPORT

Provision 3.3 - Lead Independent Director

The Company notes that Provision 3.3 of the Code requires the Board to have a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. Notwithstanding that the Chairman of the Board is an Independent and Non-Executive Director, the Company has appointed Mr. Robin Stevens as the Lead Independent and Non-Executive Director to ensure that a separate channel of communication is available to shareholders in the event that contact through normal channels of the Independent and Non-Executive Chairman, the Executive Director and CEO or the Group Financial Controller have failed to resolve their concerns or where such channel of communication is considered inappropriate.

The Board's Report for FY2025

For FY2025, the Board is pleased to report as follows:

1. Changes to Board and Management

Ms. Randell Leong was appointed as Independent Director of the Company with effect from 6 February 2025. Her appointment supports compliance with Provision 2.2 of the Code, ensuring that Independent Directors continue to constitute a majority of the Board. It also reflects the Board's commitment to progressive Board renewal under Principle 4, following the resignation of Mr. Su Jun Ming with effect from 8 January 2025, and advances the Company's Board Diversity Policy under Provision 2.4, with females now comprising 40% of the Board.

Ms. Leong serves as Chairperson of the Nominating Committee and as a member of the Audit and Remuneration Committees, ensuring that each Board Committee maintains a minimum of three Independent Directors in compliance with Rule 704(7) of the Catalist Rules and Section 201B of the Companies Act. In her capacity as NC Chairperson, she brings an independent perspective to director nominations, Board evaluations, and succession planning matters under Principles 4 and 5.

On 4 December 2025 and 28 January 2026, Ms. Leong was, respectively, appointed as director of the Company's subsidiaries, H2E International Pte. Ltd. and P.J. Services Pte. Ltd. ("**PJ Services**"), thereby strengthening independent oversight at the subsidiary level, consistent with the Board's responsibility for the Group's overall governance framework under Principle 1.

Ms. Leong, not having prior experience as a director of a company listed on the SGX-ST completed the relevant mandatory training courses on the roles and responsibilities of a director as required under Rule 406(3)(a) of the Catalist Rules on 17 July 2025.

Mr. Musa Bin Mohamad Sahir, Managing Director of PJ Services, resigned on 8 March 2026 to pursue other opportunities. Following his resignation, the Board, through Management, reviewed and assessed the business continuity arrangements at the PJ Services level. As part of this review, one senior manager of PJ Services was identified and promoted to assume Mr. Musa's responsibilities, ensuring continuity of operations and management at PJ Services without disruption to its business. The Board is satisfied that these measures are adequate to maintain operational stability at the PJ Services level and that the transition has been managed in an orderly manner.

Save as set out above, there were no other changes to the Board or key management personnel in FY2025. No alternate director has been appointed by any of the current Directors.

2. Board Size and Composition

The Directors consider the Board's (and each Board Committee's) size and composition as at the end of FY2025 to be largely appropriate, considering the nature and scope of the Group's operations as well as the skillsets and expertise of the Directors. All major decisions relating to the operations and management of the Group are jointly and collectively made by the Board after considering the opinions of all Directors. There is an appropriate balance of power and authority, and no single individual controls or dominates the decision-making process of the Group.

As detailed under Provisions 3.1 and 3.2 of this CG Report, the Board has established and set out in writing the respective responsibilities of the Chairman and the CEO.

CORPORATE GOVERNANCE REPORT

3. Board Activities / Key Corporate Actions

The Board is responsible for the overall leadership and management of the Company and works closely with the CEO and key management personnel of the Group Subsidiaries. Management is collectively accountable to the Board for the businesses of the Group and reports to the Board at scheduled Board meetings and on an as-required basis. Agenda items discussed at Board meetings held during FY2025 were accompanied by reports from the CEO and/or the Group Financial Controller regarding the Group's operations and businesses, and from each Board Committee. Other important updates throughout the year were provided by the various business units and key functions of the Group, including the external and internal auditors and the Company Secretary.

The Board also oversees the Group's financial communications by approving all SGXNet announcements, including annual reports and the Company's audited and unaudited financial statements. During Board meetings, the Board considers proposals for investment, divestment, and financing, while also evaluating the performance of existing plans and strategies. The Board further ensures responsible governance by reviewing the Group's annual operating plan and the qualifications and key audit matters raised by the external auditors in the prior year's audit report. For more information on how these matters have been addressed and the steps taken to resolve them, please refer to the notes in the Audited Financial Statements for FY2025 contained in the annual report for FY2025 ("**2025 Annual Report**").

For FY2025, the Company undertook the following significant activities / corporate actions:

(a) Acquisition of Business Assets in Tanjung Malim, Perak

On 16 June 2025, the Company completed the acquisition of business assets located in Tanjung Malim, Perak, Malaysia from GPL Industries for a total consideration of S\$2.65 million. The consideration was satisfied in full by the allotment and issuance of approximately 1.77 billion new ordinary shares in the capital of the Company. The Board is of the view that there is potential in achieving substantial economic benefits from the acquisition as part of the Company's business diversification strategy, with a view to expand revenue streams and maximize the economic return and long-term interest of Shareholders. Detailed information can be found in the relevant announcements made by the Company on the SGXNet.

(b) Disposal of Interest in Cahya Suria Services Sdn. Bhd.

In November 2024, the Group fully disposed of its remaining 10% interest in its associate, Cahya Suria Services Sdn. Bhd. ("**CSS**"), for a nominal cash consideration of RM1,000.

The Board approved the disposal as it allows the Group to streamline its current operations and consolidate its business units to improve cost efficiency. Detailed information can be found in the relevant announcements made by the Company on the SGXNet.

(c) Proposed Disposal of Industrial Engineering Systems Pte. Ltd.

As announced on 8 November 2024, the Company entered into a sale and purchase agreement (the "**IES SPA**") with Ahmad Khalis Bin Abdul Ghani (the "**IES Purchaser**") for the proposed disposal of the Company's entire 100% shareholding in Industrial Engineering Systems Pte. Ltd. ("**IES**") for a consideration of S\$1.5 million. The IES Purchaser, however, failed to fulfil his obligations under the IES SPA by the stipulated deadline of 7 May 2025. As at the date of this CG Report, the Company is seeking legal advice on the appropriate course of action in relation to the IES Purchaser's default. The Board will continue to monitor developments and will make the necessary announcements in due course.

(d) Proposed Disposal of Panah Jaya Makmur Sdn. Bhd.

In January 2026, the Company announced the proposed disposal of its 60% shareholding in Panah Jaya Makmur Sdn. Bhd. ("**PJM**") for a consideration of S\$488,000. The Board approved the disposal as it allows the Group to streamline its current operations and consolidate its business units to improve cost efficiency. As at the date of this CG Report, the proposed disposal is pending completion. Detailed information can be found in the relevant announcements made by the Company on the SGXNet.

CORPORATE GOVERNANCE REPORT

(e) Proposed Share Consolidation and Proposed Rights Issue

On 31 December 2025, the Company proposed a share consolidation on the basis of every 250 existing ordinary shares being consolidated into one ordinary share (the “**Proposed Share Consolidation**”). The Proposed Share Consolidation is intended to, amongst other things, facilitate a proposed rights issue (“**Proposed Rights Issue**”), increase the trading price per share, and reduce share price volatility. The Proposed Share Consolidation and the Proposed Rights Issue were subject to the approval of Shareholders.

On 10 March 2026, the Company announced that following queries raised by Singapore Exchange Regulation (“**SGX RegCo**”) and the Company’s subsequent consultation with SGX RegCo through its Sponsor, in relation to the Proposed Share Consolidation and the Proposed Rights Issue, the Company revised the terms of both exercises.

Subsequently, the Company proposed a revised share consolidation on the basis of every 150 existing ordinary shares being consolidated into one ordinary share, followed by a renounceable non-underwritten rights issue on the basis of six (6) rights shares for every five (5) consolidated shares held at an issue price of S\$0.034 per rights share. Details of the revised share consolidation and revised rights issue are set out in the Company’s circular to shareholders dated 25 March 2026.

On 9 April 2026, shareholders approved the Proposed Share Consolidation and the Proposed Rights Issue at an extraordinary general meeting convened by the Company.

The Proposed Rights Issue is a key capital-raising initiative for the Group. The proceeds from the Proposed Rights Issue are intended to strengthen the Group’s working capital and financial position. Importantly, the Board believes that having a stronger balance sheet and financial standing will enable the Group to better position itself as a credible and committed partner vis-à-vis its would-be partners, collaborators, and business associates in the Renewable Energy Segment, where the Group, through its H2E International Pte. Ltd subsidiary, is actively pursuing green hydrogen and clean energy growth opportunities. The Board is of the view that demonstrating financial capability and commitment is an important prerequisite to securing and executing meaningful commercial arrangements in this sector.

4. Board Meetings

The number of Board and Board Committee meetings held in FY2025, and the attendance of Directors at these meetings, are set out below:

	Board	Board Committees			Annual General Meeting
		Audit Committee	Nominating Committee	Remuneration Committee	
Number of meetings held:	5	5	1	1	1
Name of Director					
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	5	5	1	1	1
Sandra Liz Hon Ai Ling	5	5*	1*	1*	1
Lim In Chong	5	5*	1*	1*	1
Robin Stevens	5	5	1	1	1
Randell Leong**	4	4	1	1	1

* Attendance by invitation.

** Appointed as a Director of the Company with effect from 6 February 2025.

CORPORATE GOVERNANCE REPORT

5. Compliance with the Code

For FY2025, the Board confirms that the Company has, both in spirit and form, applied and complied with the Principles and Provisions of the Code. Where the Company's practices vary from any Provision, the Company has stated the relevant Provision, provided appropriate explanations, and explained how its adopted practices are consistent with the intent of the applicable Principle.

FY2025 was a year of active governance oversight. The Board steered the Group through a series of significant strategic and corporate actions - including commencing the Proposed Share Consolidation and Proposed Rights Issue (approved by shareholders on 9 April 2026), the acquisition of business assets in Tanjung Malim, the disposal of the Group's remaining interest in Cahya Suria Services Sdn. Bhd., the proposed disposal of Panah Jaya Makmur Sdn. Bhd., and the ongoing matters arising from the IES SPA default - while continuing to direct the development of the Group's Renewable Energy Segment through H2E International Pte. Ltd. Each of these matters engaged the Board's Reserved Matters framework and required the Board to exercise deliberate and informed judgment. The Board also managed key changes in Board and management composition, including the appointment of Ms. Randell Leong and the resignation of Mr. Musa Bin Mohamad Sahir at the PJ Services level.

The Board is satisfied that its governance framework functioned effectively throughout FY2025 as intended, and that the oversight provided by the Board and its Committees was appropriate to the challenges and opportunities faced by the Group during the year.

6. Governance Framework

The Board operates a single-tier governance structure led by the Independent and Non-Executive Chairman, with Independent Directors constituting a majority of the Board. Management is led by the Executive Director and Chief Executive Officer as well as the key management personnel of the respective Group Subsidiaries. The Board has established the AC, NC and RC, each operating within clearly defined terms of reference, with external and internal auditors providing independent assurance on the Group's financial reporting and internal control systems. The Sponsor and Company Secretary provide guidance on compliance with the Catalist Rules.

In FY2025, the Board satisfied itself that this governance structure remained appropriate notwithstanding the significant corporate activity during the year. Following the changes to Board composition in early FY2025, following the resignation of Mr. Su Jun Ming with effect from 8 January 2025 and Ms. Randell Leong's appointment with effect from 6 February 2025, the Board reviewed the composition and mandates of each Board Committee and confirmed that each continued to operate effectively in accordance with its terms of reference and the requirements of the Code and the Catalist Rules.

In accordance with Provisions 9.1 & 9.2 of the Code and Rule 1204(10) of the Catalist Rules, based on (a) the internal controls and procedures put in place and maintained by the Group, (b) assurances received from the Executive Director and Chief Executive Officer, the Group Financial Controller, and key management personnel of Group Subsidiaries, and (c) the work and reviews performed by external auditors, internal auditors and Management, the Board, with the concurrence of the AC, is of the view that (i) the financial records of the Group have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and (ii) the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems in place are adequate and effective as at 31 December 2025.

The Company will continue to assess its governance practices and implement appropriate measures accordingly.

Provision 9.1 of the Code states that the Board sets up a Board Risk Committee (if appropriate). After giving due consideration to the Group's structure, size, complexity and overall risk profile (in accordance with the proportionality principle) and the well-established risk management frameworks already in place within its current significant Group Subsidiaries, namely P.J. Services Pte. Ltd. and H2E International Pte. Ltd. (whose respective business activities span Integrated Engineering Solutions and Green Technology and Renewable Energy), the Board has decided that a separate risk committee is not required at this juncture. This is because the Board is of the view that its existing corporate governance structure, which encompasses the expertise of its Directors, Group directors and key management personnel, and the added assurance provided by annual internal and external audits, allows for effective oversight of identified and emerging risks that may affect the Group.

CORPORATE GOVERNANCE REPORT

However, as the Group expands its green and renewable energy and green technology business segments, a risk committee may become necessary to identify current risks and scan for emerging and new risks in relation to this sector. A risk committee would then have the advantages of streamlining overall risk oversight across all business segments, ensuring a cohesive and synergistic risk management policy.

With the support of the NC, the Board has conducted a review and assessment of the members of its Board Committees to ensure that each member possesses the appropriate qualifications and expertise to fulfil their responsibilities effectively. The Board is satisfied that, during FY2025, each Board Committee has performed its duties in accordance with its mandate. Furthermore, the Board acknowledges the adequate and reasonable assistance and support provided by the Directors, Management, and key executives, which enabled the Board Committees to execute their roles effectively and efficiently.

The composition, qualifications and expertise of the AC members are described in detail under Provisions 10.1, 10.2 and 10.3 of this CG Report. The Board is satisfied that the AC, as currently composed, has sufficient accounting and financial management expertise to discharge its functions effectively.

No former partner or director of the Company's current external auditors is a member of the AC. For details of the AC's activities during FY2025, including its oversight of financial reporting, the external audit, the internal audit function and the 2025 Sustainability Report, please refer to the AC's Report for FY2025.

7. Directors and Key Management Personnel Remuneration Report

The Company has disclosed the remuneration of its Directors and key management personnel in section 8 of this CG Report in accordance with Principle 8 and associated Provisions of the Code and the Catalyst Rules regarding disclosure on executive remuneration.

8. ESG & Sustainability

The Board is committed to sustainability as a core component of the Group's long-term strategy and value creation. The Board, having duly considered the Group's sustainability considerations as part of its strategic formulation and business planning, has determined the Group's material Sustainability Factors and overseen the management and monitoring of these factors for FY2025. In overseeing the Group's sustainability framework, the Board is supported by the ESG Committee and the Sustainability Reporting Leadership Team (the "**SR Leadership Team**"). The ESG Committee is led by Mr. Robin Stevens (Independent Director) and supported by Mr. Lim In Chong and Ms. Randell Leong as members. The ESG Committee is tasked with developing the Group's sustainability strategy, reviewing the Group's material impacts, considering stakeholder priorities, setting sustainability goals and targets, as well as collecting, verifying, monitoring and reporting performance data for the 2025 Sustainability Report. The SR Leadership Team is led by the CEO and reports to the ESG Committee on sustainability matters.

As part of its sustainability practices, the Board has striven to identify its key stakeholder groups and understand their concerns. The Company's identified key stakeholders are:

- Shareholders;
- Suppliers;
- Customers;
- Employees;
- Regulators; and
- Communities.

The Company uses a variety of platforms such as announcements via the SGXNet, general meetings, presentations, investor dialogues, and other out-reach channels such as direct communication and questionnaires to engage with these key stakeholders.

CORPORATE GOVERNANCE REPORT

The 2025 Sustainability Report issued by the Company in conjunction with this 2025 Annual Report discloses its key strategies and areas of focus in maintaining its relationships with these key stakeholders during the period under review. The Company also uses its corporate website to augment communication and engagement with these stakeholders.

For FY2025, the sustainability factors identified by the Company to be material to the businesses and operations of the Group are as listed below:

- Customer Satisfaction;
- Sustainable Business Performance;
- Energy Conservation and GHG Emissions Management;
- Responsible Waste Management;
- Water Conservation;
- Employee Retention and Development;
- Diversity and Equality;
- Occupational Health and Safety;
- Sustainable Transformation Through Clean Energy Solutions;
- Community Investment; and
- Corporate Governance.

As at the end of FY2025, the Group's sustainability targets set during the previous financial year were either fully or partially achieved. Please refer to Section 10 (Targets and Performance Highlights) of the 2025 Sustainability Report for more information.

9. Dividend Policy

The Board is not recommending any dividend distribution to shareholders for FY2025. This decision reflects the Group's current financial position. In particular, the Company is not in an accumulated profit position, and as such, the payment of dividends is not appropriate at this time.

The Board's immediate priority is to conserve and strengthen the Group's cash resources. In this regard, the Board has undertaken the Proposed Rights Issue, which, if completed, is intended to raise funds to improve the Group's working capital position and to better position the Group - including through demonstrating financial credibility and commitment - vis-à-vis its would-be partners, collaborators and business associates in the Renewable Energy Segment, where the Group is actively pursuing growth opportunities.

No dividend will be declared until the Group achieves a sustained profitable position with sufficient accumulated profits available for distribution. Please refer to Provision 11.6 of this CG Report for further information on the Group's current policy on dividends.

10. Other legal, statutory & regulatory information

(a) Directors' Interests

Please refer to the Directors' Statement on pages 92 to 98 of the 2025 Annual Report for information regarding the Directors' shareholdings in the Company. Save for such shares in the Company held by the Directors and as disclosed below, no Director has any interest in any transaction or business of the Company which is required to be reported under section 156 of the Companies Act nor any interest in the shares of the Company or its related corporations which is required to be reported under section 165 of the Companies Act.

CORPORATE GOVERNANCE REPORT

The Board draws Shareholders' attention to the fact that, as disclosed in the Company's announcement dated 10 March 2026, each of Ms. Sandra Liz Hon Ai Ling (Executive Director and CEO), Mr. Lim In Chong (Non-Independent and Non-Executive Director), and Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (Independent and Non-Executive Chairman) has provided an irrevocable undertaking to the Company to subscribe for their respective full pro rata entitlements to the Rights Shares under the Proposed Rights Issue (the "**Irrevocable Undertakings**"). Each such subscription is to be satisfied in full by way of set-off against outstanding amounts owed by the Company to the respective Director. In the case of Ms. Sandra Liz Hon Ai Ling, the outstanding amounts owed by the Company to her comprise (a) interest-free and unsecured advances she has provided to the Company in her capacity as a substantial shareholder for working capital purposes, and (b) her entitled remuneration as Executive Director and CEO. In the case of Mr. Lim In Chong, the outstanding amounts owed by the Company to him comprise (a) interest-free and unsecured advances and interest-bearing and unsecured loan (interest at 8% per annum, with repayment due by 5 October 2026) provided by Mr. Lim In Chong in his capacity as a substantial shareholder for working capital purposes, and (b) his entitled remuneration as a Non-Independent and Non-Executive Director of the Company. In the case of Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin, the outstanding amounts owed by the Company to him comprise his entitled remuneration as the Independent and Non-Executive Chairman of the Company. The other relevant details of the Irrevocable Undertakings, including the number of Rights Shares to be subscribed by each Director, the corresponding subscription amounts, and the outstanding amounts to be set off, are set out in the Company's announcement dated 10 March 2026, which can be found on the SGXNet.

Save as disclosed above, there are no other material contracts or loans involving the CEO, Directors, or controlling shareholders that were active or subsisting at the end of FY2025 or initiated since the end of the previous financial year, other than the Irrevocable Undertakings given by Ms. Sandra Liz Hon Ai Ling, Mr. Lim In Chong, and Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin in connection with the Proposed Rights Issue as described above.

(b) Listing Rule Disclosures

For the fiscal year under review, to the best of the Directors' knowledge, information and belief, the Company has complied with its disclosure obligations under the Catalist Rules, including but not limited to its continuing obligations under Chapter 7 of the Catalist Rules, as further supplemented and expounded by Appendix 7A and Practice Note 7A of the Catalist Rules.

Save as disclosed in this CG Report in respect of (i) the acquisition of business assets in Tanjung Malim, Perak, Malaysia from GPL Industries, which constituted a significant transaction (within the meaning of Chapter 10 of the Catalist Rules) requiring shareholders' approval; and (ii) the Proposed Share Consolidation and Proposed Rights Issue, which were subject to, and received, the approval of Shareholders at the extraordinary general meeting held on 9 April 2026, the Company did not enter into any other significant transactions (within the meaning of Chapter 10 of the Catalist Rules) or interested person transactions (within the meaning of Chapter 9 of the Catalist Rules) ("**IPTs**") which required the approval of shareholders during the fiscal year under review. For further information on IPTs which, in aggregate, were less than S\$100,000 during the fiscal year under review, please also refer to the Notes to the Audited Consolidated Financial Statements for FY2025.

The Company also does not have a general mandate from shareholders in respect of any IPTs pursuant to Rule 920 of the Catalist Rules.

(c) Dealings in the Company's securities

For FY2025, the Company has complied with the requirements of Rule 1204(19) of the Catalist Rules and the Company's internal code on the restrictions or prohibitions on dealing in the securities of the Company.

(d) Corporate Action and Significant Transaction

Save as disclosed above, the Company did not undertake any corporate action or significant transaction for FY2025 which was not announced.

CORPORATE GOVERNANCE REPORT

(e) Non-Sponsor Fees

With reference to Rule 1204(21) of the Catalist Rules, there were no non-sponsorship fees paid to ZICO Capital Pte. Ltd. during FY2025.

(f) Use of Proceeds

There were no outstanding IPO proceeds or any other proceeds arising from any offerings pursuant to Chapter 8 of the Catalist Rules during, and as at the end of, FY2025. For the avoidance of doubt, no other proceeds have been raised since the end of the previous financial year.

(g) Shareholders' Engagement & Other Presentations

Shareholders are to note that the Company will be preparing a separate investors' presentation for the upcoming annual general meeting to be held on 30 April 2026 ("FY2025 AGM"). In engaging with shareholders, the Board ensures that, in compliance with the Catalist Rules, the Code and its fiduciary duties, all shareholders are fairly and equitably treated. Please refer to sections 11 and 12 of this CG Report for further information on, amongst other things, how the Company normally engages with its shareholders.

4. BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1 - Establishment of the NC and its Terms of Reference

The NC currently comprises three (3) Board members, all of whom are Independent Directors. They are Ms. Randell Leong (NC Chairperson), Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (member) and Mr. Robin Stevens (member).

The key terms of reference of the NC include:

- (a) ensuring that new directors are aware of their duties and obligations;
- (b) making recommendations to the Board on all Board appointments. The NC is scheduled to meet at least once a year;
- (c) ensuring that Directors appointed to the Board possess the particular experience, knowledge and business, finance and management skills necessary for the Group's businesses, and each Director, through his contributions, brings to the Board an independent and balanced perspective for well-considered decision-making;
- (d) ensuring that there is a formal and transparent process for all new appointments and re-appointments to the Board. Where a vacancy arises, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the NC will search for and nominate such a new Director;
- (e) determining, in consultation with the Board, the selection criteria for new appointees so that candidates with the appropriate expertise and experience are appointed. The NC meets and interviews shortlisted candidates to assess their suitability and ensure that candidates are aware of the expectations and the level of commitment required before making recommendations to the Board for consideration and approval;
- (f) developing and implementing an appropriate succession plan for the Board and key leadership positions to ensure continuity and stability; and
- (g) engaging, where appropriate, executive search companies, and making recommendations of network contacts in its search and nomination process for the right candidates.

CORPORATE GOVERNANCE REPORT

Provision 4.2 - Composition and Independence of the NC

In accordance with Provision 4.2 of the Code, the NC comprises at least three (3) Directors, all of whom, including the NC Chairman, are independent. The Lead Independent Director is also a member of the NC. They are Ms. Randell Leong (NC Chairperson), Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (member) and Mr. Robin Stevens (member), who is also the Lead Independent Director.

Provision 4.3 - Process for Selection, Appointment and Re-Appointment of Directors

The NC plays a pivotal role in upholding principles of good corporate governance practices by:

- evaluating and recommending the appointment, re-election, and retirement of Directors to ensure the Board comprises individuals with the appropriate mix of skills, experience, expertise, and diversity to effectively lead the Company;
- ensuring that the Board's structure, size, and composition support effective decision-making and oversight;
- identifying the requirements of any additional resource for the Group's business, including but not limited to financial, technical, and human resources;
- recommending and reviewing training and professional development programs for the Board and each Director;
- assessing the independence of Directors annually, in accordance with the Code and relevant regulatory requirements, including whether a Director, who has multiple board representations, is able to carry and has adequately carried out his duties as Director;
- conducting regular evaluations of the Board's performance, as well as the performance of individual Directors and Board Committees, to ensure accountability and effectiveness; and
- reviewing and recommending improvements to the Company's corporate governance framework, policies, and practices to align with best practices and regulatory requirements.

Where a vacancy on the Board exists, or where additional directors are required, the Board will generally identify potential candidates from their own sources of contact and refer them to the NC for an interview and to assess their credentials and suitability. In addition, the NC has the liberty to instruct executive search companies, receive referrals from personal contacts (when relevant), and deliberate on and consider recommendations in its search and nomination process for the right candidates.

New directors are appointed by the Board after the NC has reviewed and recommended their appointments. When the need for a new director arises, the NC will review the expertise, skills, and attributes of the Board as a whole, identify its needs, and thereafter shortlist candidates with the appropriate profiles for nomination. In its search and selection process, the NC will interview at least two (2) shortlisted candidates for each appointment.

The criteria for identifying new director candidates are primarily based on the specific skills, expertise, and experience required by the Board and/or the Group at the relevant time. While gender is not a standalone criterion, female candidates are actively considered as part of our commitment to the Board Diversity Policy. Above all, the Company values diversity of thought, recognizing that a broad range of perspectives strengthens decision-making and drives long-term success.

Provision 4.4 - Annual Assessment of Director Independence

The independence of each Director is reviewed by the NC with reference to the guidelines set out in the Code and Rule 406(3)(d) of the Catalyst Rules. The NC assesses the independence of the Directors annually and as and when circumstances require, taking into consideration any other relevant factors.

CORPORATE GOVERNANCE REPORT

In accordance with Regulation 95 of the Company's constitution (the "**Constitution**"), at each annual general meeting, one-third of the Board shall retire from office by rotation (provided that no director holding office as CEO or Executive Chairman shall be subject to retirement by rotation or be considered in determining the number of directors to retire). Each Director who retires by rotation may, if he or she so desires, offer himself or herself for re-election. In determining the number of directors to retire by rotation, persons who were appointed to the Board by the Directors in accordance with Regulation 94 of the Constitution to fill a vacancy will also not be taken into account and will have to be put up for re-election by Shareholders at the Company's upcoming FY2025 AGM. In addition to the regulations of the Constitution, the Catalyst Rules require that all directors must submit themselves for re-nomination and re-appointment at least once every three (3) years from his or her last re-election or appointment.

Provision 4.5 - Directors' Duties, Multiple Board Representations and Principal Commitments

Where a Director holds multiple board representations in other listed companies or has other principal commitments, the NC will assess whether that Director is able to, and has in fact adequately, carried out his or her duties as a Director of the Company, having regard to the time and attention devoted to the Company's affairs relative to his or her other commitments.

5. BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provision 5.1 - Evaluation of Board and Director Performance

In assessing the performance of the Directors, the NC evaluates each Director (including the Chairman) based on his or her contributions to the Board and on the following key parameters:

- attendance at Board and Board Committee meetings;
- participation at meetings;
- ability to carry out his/her duties;
- involvement in assisting and guiding Management;
- availability for consultation and advice, when required; and
- appropriate skill, experience and expertise.

The NC also evaluates the performance and effectiveness of the Board as a whole, taking into account the Board's composition, balance and mix.

Provision 5.2 - Disclosure of Board, Board Committee and Director Assessment

The process for evaluating the performance of the Board, each Board Committee and each Director is as follows: at the end of each financial year, the NC completes individual appraisal forms for the Board as a whole, each Board Committee, and each Director. The Company Secretary compiles the completed forms, based on which the NC Chairperson prepares a summary assessment report. This summary report is presented to, and discussed at, the NC meeting held at the end of each financial year. The NC then submits its recommendations regarding Board composition, re-election and training to the Board for consideration and approval.

Provision 5.2 - Disclosure of Board, Board Committee and Director Assessment

In accordance with Provision 5.2 of the Code, the Company discloses in this Annual Report how the assessments of the Board, each Board Committee and each Director have been conducted, including the identity of any external facilitator engaged (if any) and its connection with the Company or any of its Directors. The NC conducts a formal annual assessment of the Board's effectiveness as a whole, that of each Board Committee, and the contribution of each individual Director. The results of these assessments, including the process adopted, the highlights and recommendations arising therefrom, are set out in the NC's Report for FY2025 below.

CORPORATE GOVERNANCE REPORT

The NC's Report for FY2025

For FY2025, the NC is pleased to report as follows:

1. Assessment of the Board, the AC, RC and NC, and the Directors

For FY2025, the NC, having reviewed the overall performance of the Board and each Board Committee in terms of their roles and responsibilities and the conduct of their affairs as a whole, and each Director's performance, is of the view that the performance of the Board, each Board Committee and each Director has been satisfactory. The criteria of assessment used by the NC for FY2025 was similar to that of FY2024. No external facilitator was appointed in connection with such performance evaluation for the fiscal year under review.

Highlights of the NC's evaluations include the following:

- (a) following the appointment of Ms. Randell Leong as Independent Director on 6 February 2025, the Board was reconstituted with a composition that maintains the appropriate balance of independence, skills and diversity required under the Code and the Company's Board Diversity Policy. Each of the Board and the Board Committees continues to function constructively and cohesively under the clear leadership of the Chairman. The diversity of background among the Directors - spanning legal, financial, capital markets, business development and management expertise across multiple jurisdictions - brings a plurality of views and skills to Board deliberations and constructive challenge to Management;
- (b) the Board demonstrated strong determination and leadership throughout FY2025, providing active oversight of the Group's significant corporate actions, including the Proposed Share Consolidation and Proposed Rights Issue, the acquisitions and disposals transactions, and the continued development of the Renewable Energy Segment through H2E International Pte. Ltd. The Board provides strong support for and confidence in the CEO, the Group Financial Controller and the wider management team of the Group in pursuing the Group's strategic objectives;
- (c) the Board's awareness of ESG issues, climate change and the need for diversity continues to deepen. The ESG Committee - led by Mr. Robin Stevens (Independent Director) and supported by Mr. Lim In Chong and Ms. Randell Leong as members - convened during FY2025 to develop the Group's sustainability strategy, review material impacts, consider stakeholder priorities, set sustainability goals and targets, and oversee the collection and reporting of performance data for the 2025 Sustainability Report. The Board remains committed to producing a meaningful and comprehensive Sustainability Report that reflects the Group's progress and targets across its identified material sustainability factors;
- (d) the Board remains mindful of succession planning and has made meaningful progress during FY2025. The Board's swift response to Mr. Su Jun Ming's resignation, with Ms. Randell Leong's appointment within approximately four weeks, reflects the Board's practical commitment to ensuring continuity of governance and ongoing compliance with the Code. The Board also reviewed business continuity arrangements at the PJ Services level following Mr. Musa Bin Mohamad Sahir's resignation, and was satisfied with the measures taken by Management to ensure operational stability;
- (e) save as disclosed in the Board's Report for FY2025 and in the Directors' Interests section above, there are no other material contracts or loans involving the CEO, Directors, or controlling shareholders that were active or subsisting at the end of FY2025 or initiated since the end of the previous financial year; and
- (f) the Directors are pro-active and knowledgeable. Collectively, they provided Management with informed guidance and constructive challenge throughout FY2025, including in relation to the Group's capital strategy, the development of the Renewable Energy Segment, and the management of matters arising from the IES SPA default. The NC is satisfied that all Directors contributed meaningfully to Board and Board Committee deliberations during the fiscal year under review.

CORPORATE GOVERNANCE REPORT

For the fiscal year under review, the other directorships (in other listed companies) and other principal commitments of the Directors are set out in the table below:

Name of Director	Board Appointment	Directorships in Other Listed Companies	Other Principal Commitments
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	Independent and Non-Executive Chairman	Berjaya Assets Berhad - Deputy Chairman and Independent Non-Executive Director	Messrs Hafarizam Wan & Aisha Mubarak - Consultant Syariah Court of Appeal in Perak - Judge Asian International Arbitration Centre - Arbitrator and Mediator
Sandra Liz Hon Ai Ling	Executive Director and Chief Executive Officer	–	–
Lim In Chong	Non-Independent and Non-Executive Director	–	Inchscape Sdn. Bhd. - Director and Principal
Robin Stevens	Lead Independent and Non-Executive Director	Hercules Site Services Plc - Non-Executive Director Fairview International Plc.- Non-Executive Director	MHA PLC - Head of Capital Markets and Senior Advisor
Randell Leong	Independent and Non-Executive Director	–	Arielle Limited - Chairman and CEO Arielle Capital Inc. - CEO

The NC has assessed and determined that the current size and composition of the Board and the Board Committees is appropriate for the size, complexity, and scope of the Group's businesses. Following Mr. Su Jun Ming's resignation with effect from 8 January 2025, the NC promptly reviewed the Board's then-existing composition and identified the need to appoint a replacement Independent Director in order to maintain compliance with Provision 2.2 of the Code and Rule 704(7) of the Catalist Rules, which respectively require Independent Directors to constitute a majority of the Board and each Board Committee to have a minimum of three members.

In conducting its search and assessment, the NC reviewed the Board's existing competency matrix and identified the profile of skills, experience and diversity that would best complement the existing Board composition. The NC considered Ms. Randell Leong's extensive business and management experience across multiple jurisdictions, her capacity to serve as NC Chairperson and to contribute to the AC and RC, and her ability to exercise independent judgment. The NC conducted its assessment and was satisfied that Ms. Leong possessed the requisite capabilities, independence and time commitment required for the role. The NC also considered how Ms. Leong's appointment would advance the Board's Diversity Policy objectives.

On the NC's recommendation, the Board appointed Ms. Randell Leong as Independent and Non-Executive Director on 6 February 2025. As a result, Independent Directors continued to constitute a majority of the Board and each Board Committee maintained the required minimum of three members. Females now comprise 40% of the Board, advancing the Company's Board Diversity Policy. As a result of these Board changes, the composition of the Board and Board Committees is as set out below as follows:

CORPORATE GOVERNANCE REPORT

Board:

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (Independent and Non-Executive Chairman);
Ms. Sandra Liz Hon Ai Ling (Executive Director and Chief Executive Officer);
Mr. Lim In Chong (Non-Independent and Non-Executive Director);
Mr. Robin Stevens (Lead Independent and Non-Executive Director); and
Ms. Randell Leong (Independent and Non-Executive Director).

Audit Committee:

Mr. Robin Stevens (Chairman);
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (Member); and
Ms. Randell Leong (Member).

Nominating Committee:

Ms. Randell Leong (Chairman);
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (Member); and
Mr. Robin Stevens (Member).

Remuneration Committee:

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (Chairman);
Mr. Robin Stevens (Member); and
Ms. Randell Leong (Member).

As at the date of this Report, the Company confirms that it is in compliance with Rule 704(7) of the Catalist Rules, Section 201B of the Companies Act and the Code in respect of having a minimum number of three (3) members in each of the respective Board committees of the Company.

The NC has also assessed each Independent Director to be independent in accordance with the definition and criteria set out in Rule 406(3)(d) of the Catalist Rules, the Code, Practice Guidance 2 issued by the SGX-ST on "Board Composition and Guidance", and Transitional Practice Note 3 (Transitional Arrangements Regarding the Tenure Limit for Independent Directors) to the Catalist Rules. The NC is, therefore, satisfied that all Independent Directors are in fact independent. No Independent Director has any relationship with the Company, its related corporations, its substantial shareholders, or its officers which may affect his independence.

In accordance with Provision 4.5 of the Code, the NC has in place a framework for assessing whether Directors who hold multiple board representations and/or principal commitments are able to, and have in fact adequately, carried out their duties as Directors of the Company. As part of this framework, each Director is required to disclose his or her board representations and principal commitments to the NC on an annual basis. The NC reviews these disclosures and, where it considers necessary, engages directly with the relevant Director to satisfy itself as to the sufficiency of that Director's time and attention to the Company's affairs.

For FY2025, the NC has assessed and is satisfied that all Directors are able to devote sufficient time and attention to the Company's affairs notwithstanding their other commitments. Accordingly, the Board has not imposed a cap on the maximum number of listed board representations that any Director may hold. Notwithstanding this, the NC will continue to review, on a periodic basis, the board representations and principal commitments of each Director to ensure that each Director continues to meet the demands of the Group adequately and to discharge his or her duties as a Director of the Company satisfactorily.

For FY2025, Mr. Robin Stevens renewed his assurance to the NC and the Board that he is able to commit sufficient time and effort to the affairs of the Company.

CORPORATE GOVERNANCE REPORT

2. Recommendation for reappointment

The NC has recommended, and the Board has agreed, that at the forthcoming FY2025 AGM, Ms. Sandra Liz Hon Ai Ling and Ms. Randell Leong will retire in accordance with Regulation 95 of the Constitution and the requirements of the Catalist Rules and the Code. Each of the aforementioned Directors has given their consent and has as at the date of this Report not withdrawn their consent to be put up for re-appointment/re-election.

In compliance with good corporate governance practices and the Catalist Rules, separate resolutions seeking shareholders' approval for each of their re-appointment/re-election have been tabled in the notice of general meeting for the FY2025 AGM (the "**Notice of AGM FY2025**").

Upon re-appointment/re-election, Ms. Sandra Liz Hon Ai Ling will continue to serve as Executive Director and Chief Executive Officer, and Ms. Randell Leong will continue to serve as Independent and Non-Executive Director, Chairperson of the NC, and member of the RC and AC.

3. Succession Planning

The NC has not yet formally put in place a succession plan as the priority of the Company is to ensure that the Group's businesses and operations, in particular, its nascent Renewable Energy Segment, are stabilised and steered in the right direction.

The Board and NC, however, recognise the critical importance of maintaining the continuity and resilience of the Group's business, particularly in times of unexpected crisis or the sudden resignation of key management personnel. While a formal succession plan has not yet been implemented, the Board remains mindful of this responsibility and is committed to ensuring that robust measures are in place to address potential leadership gaps. This includes ongoing monitoring of key roles, identifying internal and external talent pipelines, and fostering a culture of leadership development within the organization. The Board will continue to evaluate and prioritise the implementation of a structured succession planning framework to further strengthen the Group's preparedness for unforeseen challenges.

4. Tenure of Independent Directors

For FY2025, the NC conducted its annual review of the independence of each Independent Director, namely Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin, Mr. Robin Stevens and Ms. Randell Leong (who was also assessed at the time of her appointment in February 2025). Each Independent Director completed a written declaration of independence confirming that he or she does not fall under any of the circumstances described in Rule 406(3)(d) of the Catalist Rules or the accompanying Practice Guidance that would affect his or her independence.

The NC also specifically considered whether the Irrevocable Undertaking provided by Tan Sri Zulkefli in connection with the Proposed Rights Issue, could affect or be reasonably perceived to affect Tan Sri Zulkefli's independence. Having considered the nature and context of the Irrevocable Undertaking and noting that it was entered into in connection with the Group's capital-raising initiative, the NC is satisfied that Tan Sri Zulkefli remains independent in conduct, character and judgement.

No Independent Director has served on the Board for more than nine (9) years from his or her date of first appointment.

5. Continuing development and education

In FY2025, the Directors kept themselves abreast of changes to applicable accounting standards and regulatory developments through briefings by the external auditor and updates by the Company Secretary. In addition, the Directors kept up with their knowledge of the renewable energy sector and sustainability practices through self-directed study. Notably, Ms. Sandra Liz Hon Ai Ling, our Executive Director and CEO, continued to strengthen her professional development through targeted training initiatives. In April 2025, she completed a certification in Mergers and Acquisitions, enhancing her strategic and transactional expertise. This was followed by her participation in the Integrity and Contractor Code of Ethics course in June 2025, reinforcing her commitment to ethical leadership and governance.

CORPORATE GOVERNANCE REPORT

Ms. Randell Leong completed the relevant mandatory training courses on the roles and responsibilities of a director prescribed by the SGX-ST and conducted by the Singapore Institute of Directors on 17 July 2025.

(B) REMUNERATION MATTERS

6 PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provisions 6.1 and 6.2 - Establishment of the RC, its Terms of Reference and Composition

The Board has established the RC to make recommendations to the Board on a framework of remuneration for the Board and key management personnel, and on the specific remuneration packages for each Director and key management personnel. The key terms of reference of the RC include:

- (a) making recommendations to the Board on matters relating to remuneration, including but not limited to fees, salaries, allowances, bonuses, share schemes and benefits in kind, of Directors and Management;
- (b) reviewing and recommending to the Board the terms (and renewal) of the service agreements of the Executive Director and key management personnel, and ensuring that such service agreements contain fair and reasonable clauses which are not overly generous or onerous, and there are appropriate termination clauses;
- (c) determining the appropriateness of the remuneration of the Directors and Management; and
- (d) administering long-term incentive schemes (including share schemes) implemented by the Company.

As at the date of this CG Report, the RC comprises three (3) Board members, all of whom are Independent and Non-Executive Directors, namely Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (RC Chairman), Mr. Robin Stevens and Ms. Randell Leong.

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin chairs the RC and brings extensive legal and business expertise, together with a broad understanding of executive compensation matters derived from his experience as a judge of the High Court of Malaysia and his long-standing involvement in corporate governance. Mr. Robin Stevens is a Fellow of the Institute of Chartered Accountants of England and Wales and brings relevant capital markets and corporate finance expertise, including a sound understanding of executive remuneration structures. Ms. Randell Leong has extensive business and management experience across multiple jurisdictions and brings a practical understanding of market remuneration practices.

The Board is satisfied that the RC, as currently constituted, has the requisite experience to discharge its responsibilities effectively in the areas of remuneration framework design, performance-linked pay, and the terms of service agreements for the Executive Director and key management personnel.

Provision 6.3 - RC's Consideration of All Aspects of Remuneration, Including Termination Terms

The RC makes recommendations on the remuneration of Directors and executive officers of the Company, as well as key management personnel of the Group. The RC meets at least once a year to review and deliberate on the remuneration packages of each Director and each member of Management. In reviewing and/or recommending remuneration packages, the RC takes into consideration industry practices, the current terms of the service contracts of the Executive Director and key management personnel, their individual performance, and the financial results and overall performance of the Company and the Group as a whole. No Director is involved in deciding his or her own remuneration. Each member of the RC abstains from making any recommendation or voting on any resolution in respect of his or her own remuneration package but may provide information and documents requested by the RC to assist in its deliberations.

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The remuneration package of the Executive Director is based on a service contract and comprises a fixed component in the form of a monthly salary and a variable component in the form of year-end bonuses, linked to her individual performance and the overall performance of the Group. Further details on the RC's approach to remuneration for FY2025, including its review of the terms of service agreements and its assessment of the appropriateness of remuneration for the Executive Director and key management personnel, are set out in the RC's Report for FY2025.

The remuneration of employees who are related to any Director (if any) is reviewed annually by the RC to ensure such remuneration is in line with, and proportionate to, the remuneration of other employees of the Group.

Currently, the Company's remuneration contracts do not include clawback provisions for incentive or variable pay. However, the Board and RC believe that existing service contract terms for the Executive Director and key management personnel, coupled with their fiduciary duties and available legal remedies under the Companies Act, provide sufficient recourse for the Company and its subsidiaries in cases of gross misconduct or underperformance.

Provision 6.4 - Engagement of Remuneration Consultants

The RC has full authority to engage independent professional remuneration consultants where it considers this necessary or appropriate, at the Company's expense. Where any remuneration consultant is engaged, the RC will have regard to the consultant's independence. Details of whether any remuneration consultants were engaged for FY2025 are set out in the RC's Report for FY2025.

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provision 7.1 - Performance-Linked Remuneration for Executive Directors and Key Management Personnel

The remuneration policy of the Group is to provide compensation packages at market rates which (a) reward individual performance, (b) attract, retain, and motivate Directors and key management personnel to provide good stewardship of the Company, and (c) incentivise them to manage the Group's businesses for the long-term benefit of Shareholders and stakeholders alike.

Provision 7.2 - Remuneration of Non-Executive Directors

Each Non-Executive Director and Independent Director receives a fixed director fee annually. This fixed fee comprises a base fee and an additional amount if an Independent Director also serves as the chair of a Board Committee. The fixed fee is reviewed annually and recommended by the NC to the Board who, after internal deliberation and approval, tables the same for the approval of shareholders at each annual general meeting.

The Executive Director and CEO is not paid a director's fee. The Non-Executive Directors (including the Independent Directors) do not receive any other remuneration from the Company other than the fixed directors' fees approved by shareholders at annual general meetings. The directors' fees paid do not include allowances for travel and other expenses incurred in the performance of their duties.

Provision 7.3 - Remuneration to Attract, Retain and Motivate Directors and Key Management Personnel

The Group's remuneration policy for Management comprises a fixed component in the form of a monthly salary and a variable component in the form of year-end bonuses, linked to individual and overall performance of the relevant Group business. The RC believes that such a remuneration policy is aligned with the interests of shareholders and other stakeholders and promotes the long-term success and sustainability of the Group. Further details on the structure of remuneration for FY2025, including the RC's approach to performance-linked pay and incentive arrangements, are set out in the RC's Report for FY2025.

CORPORATE GOVERNANCE REPORT

8. DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1(a) - Disclosure on Remuneration of Each Director and the CEO

Provision 8.1(a) of the Code recommends that companies fully disclose the amount and breakdown of remuneration for each individual director and the CEO on a named basis.

For financial years ending on or after 31 December 2024, Rule 1204(10D) of the Catalist Rules requires issuers to disclose in their annual reports the names, exact amounts, and breakdown of remuneration paid to each individual director and the CEO by the issuer and its subsidiaries. Further, such disclosure must include (in percentage terms) the base or fixed salary, variable or performance-related income or bonuses, benefits-in-kind, stock options granted, share-based incentives and awards, and other long-term incentives.

Provision 8.1(b) - Disclosure on Remuneration of Key Management Personnel

Provision 8.1(b) of the Code provides that companies should name and disclose the remuneration of at least the top five (5) key management personnel (who are not Directors or the CEO) in bands no wider than S\$250,000. In addition, companies should disclose in aggregate the total remuneration paid to these key management personnel (who are not Directors or the CEO).

Provision 8.2 - Remuneration of Employees who are Substantial Shareholders or Immediate Family Members

The Company discloses in the Annual Report the names and remuneration of employees who are substantial shareholders, or who are immediate family members of a Director, the CEO or a substantial shareholder, and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000. The disclosure should state clearly the employee's relationship with the relevant director, CEO or substantial shareholder, as the case may be.

Provision 8.3 - Disclosure of All Forms of Remuneration, Other Benefits and Employee Share Schemes

The Company discloses in the Annual Report all forms of remuneration and other payments and benefits paid by the Company and its subsidiaries to Directors and key management personnel. It also discloses details of share-based and other long-term incentive schemes.

The RC's Report for FY2025

For FY2025, the RC is pleased to report as follows:

1. Composition of RC

The members of the RC (including its chairman) are all Independent Directors. Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (Independent and Non-Executive Chairman) serves as its chairman, and Mr. Robin Stevens and Ms. Randell Leong are members.

The RC meets at least once a year to review and deliberate on the remuneration packages of each Director and each member of Management. In reviewing and/or recommending remuneration packages, the RC takes into consideration industry practices, the current terms of the service contracts of the Executive Director and key management personnel, their individual performance, and the financial results and performance of the Company and the Group as a whole. No Director is involved in deciding his or her own remuneration. Each member of the RC abstains from making any recommendation or voting on any resolution in respect of his or her own remuneration package but may provide information and documents requested by the RC to assist in its deliberations.

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2. Framework for Remuneration – Level and Mix

The RC primary objective is to maximise shareholder and stakeholder value by attracting and retaining a high-performing Board and Management team. This is accomplished through fair and appropriate remuneration, directly linked to the Group's strategic goals (including ESG goals and targets), financial and operational performance, and the interests of shareholders and key stakeholders.

In developing remuneration packages, the RC ensures that the Executive Director and Management are adequately (but not excessively) remunerated when measured against relevant industry standard and comparable companies. In addition, the RC performs an annual review of the remuneration of Management as well as of employees (if any) related to the Directors and substantial shareholders to ensure that their remuneration packages are in line with staff remuneration guidelines and commensurate with their respective job scopes, responsibilities, and experience. The RC also reviews and approves any bonuses, pay increases and/or promotion for Management. In so doing, the RC is mindful that fixed or base salaries are not disproportionate when compared to those of comparable companies, and discretionary or variable components of remuneration are linked to financial, operational, and ESG performance and targets of the Group.

In relation to incorporating ESG targets into remuneration packages, the Board and RC recognize that certain sustainability targets may not be easily measured. However, they have determined that sustainability as an objective will, nevertheless, be included as part of the Group's overall remuneration mix and reward policy.

Currently, the Company's remuneration contracts do not include clawback provisions for incentive or variable pay. However, the Board and RC believe that existing service contract terms for the Executive Director and key management, coupled with their fiduciary duties and available legal remedies under the Companies Act, provide sufficient recourse for the Company and its subsidiaries in cases of gross misconduct or underperformance.

The RC has full authority to obtain independent professional advice on matters relating to remuneration, if required, at the Company's expense.

For FY2025, no remuneration consultant was engaged as it was not deemed necessary.

The Group has been building up its Renewable Energy Segment in recent years, with the aim of fostering sustainability and delivering long-term sustainable value to shareholders and stakeholders. As at the date of this CG Report, the Group's renewable energy endeavours continue to be at a developmental stage, with the Board having approved the Proposed Share Consolidation and Proposed Rights Issue (which received shareholders' approval on 9 April 2026) as key capital-raising initiatives to strengthen the Group's financial position and enable it to credibly pursue opportunities in the Renewable Energy Segment.

As a result, while the Board credits Management for the progress made in the Renewable Energy Segment, no performance bonus has been given to any key management personnel in relation to achievements in the Renewable Energy Segment for FY2025.

For FY2025, discretionary bonuses equivalent to an average of one month's base salary have been awarded to staff members and directors of PT Panah Jaya Sejahtera.

The RC is satisfied that the remuneration paid out by the Group for FY2025 appropriately reflects the Group's current overall business and financial performance and is proportionate to its long-term value creation targets.

As reported in the Director's Statement on pages 92 to 98 of this annual report, no Share Awards under the Annica Performance Share Plan were awarded in FY2025. Additionally, no ESOS Options under the Annica Employee Share Option Scheme were granted in FY2025.

CORPORATE GOVERNANCE REPORT

3. Disclosure of Remuneration under Principle 8.1(a) and 8.1(b)

Directors' Remuneration

The Company notes that Rule 1204(10D) of the Catalist Rules has become effective for annual reports prepared for financial years ending on or after 31 December 2024.

In this Report, the remuneration paid to the Executive Director and the CEO, and each Director is disclosed on a named basis, in exact amounts, and in percentage terms in relation to base or fixed salary, variable or performance-related income or bonuses, and benefits in kind, in accordance with Rule 1204(10D). Stock options and share-based awards, and other long-term incentives are disclosed in the Directors' Statement on pages 92 to 98 of this 2025 Annual Report.

Name of Director	Salary S\$	Bonus S\$	Directors' fee S\$	Allowances and benefits in kind ¹ S\$	Total S\$
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin (Independent and Non-Executive Chairman) <i>Director, Panah Jaya Services Sdn. Bhd.</i>	–	–	68,317	1,500	69,817
Sandra Liz Hon Ai Ling (Executive Director and Chief Executive Officer) <i>Director, P.J. Services Pte. Ltd.</i> <i>Director, Industrial Engineering Systems Pte. Ltd.</i> <i>Director, Panah Jaya Services Sdn. Bhd.</i> <i>Director, Cahya Suria Energy Sdn. Bhd.</i> <i>Director, H2 Energy Sdn. Bhd.</i> <i>Director, IES Engineering Systems Sdn. Bhd.</i> <i>Director, H2E International Pte. Ltd.</i>	216,000	18,000	–	45,235	279,235
Robin Stevens (Independent and Non-Executive Director)	–	–	47,840	1,500	49,340
Randell Leong (Independent and Non-Executive Director) <i>Director, P.J. Services Pte. Ltd.</i> <i>Director, H2E International Pte. Ltd.</i>	–	–	43,122	1,200	44,322
Lim In Chong (Non-Independent and Non- Executive Director) <i>Director, P.J. Services Pte. Ltd.</i> <i>Director, Industrial Engineering Systems Pte. Ltd.</i> <i>Director, H2E International Pte. Ltd.</i>	–	–	29,120	1,500	30,620
Su Jun Ming* (Independent and Non-Executive Director)	–	–	882	–	882

* Resigned with effect from 8 January 2025.

¹ Allowances and benefits in kind include corporate apartment rental, utilities, transport and mobile allowance.

CORPORATE GOVERNANCE REPORT

Key Management Personnel Remuneration

A breakdown of the remuneration paid to the top five (5) key management personnel of the Group (who are not Directors or the CEO) in FY2025 (in percentage terms and in bands of no wider than S\$250,000) in respect of the base or fixed salary, variable or performance-related income or bonuses, and benefits in kind in line with Provision 8.1(b) of the Code, is set out below.

Remuneration band and name of key management personnel	Salary %	Bonus %	Allowances and benefits in kind ⁽¹⁾ %	Total %
Below S\$250,000				
Woon Ching Chuen <i>Group Financial Controller</i>	77	6	17	100
Pek Seck Wei <i>Director, Industrial Engineering Systems Pte. Ltd.</i> <i>Director, IES Engineering Systems Sdn. Bhd.</i> <i>Director, Cahya Suria Energy Sdn. Bhd.</i> <i>Director, Cahya Suria Services Sdn. Bhd.</i> <i>Director, H2E International Pte. Ltd.</i>	87	–	13	100
Musa Bin Mohamad Sahir ⁽²⁾ <i>Managing Director, P.J. Services Pte. Ltd.</i> <i>Director, Panah Jaya Services Sdn. Bhd.</i> <i>Director, Panah Jaya Makmur Sdn. Bhd.</i>	72	6	22	100
Mohammad Firdaus Bin Mahmood <i>Acting Operations Director, P.J. Services Pte. Ltd.</i>	60	19	21	100
Mohamed Shafeii Bin Abdul Gaffoor <i>Chief Executive Officer, Panah Jaya Services Sdn. Bhd.</i>	52	5	43	100

(1) Allowances and benefits in kind include travel, transport and mobile allowance.

(2) Resigned with effect from 8 March 2026.

In aggregate, the total remuneration paid to the top five (5) key management personnel of the Group (who are not Directors or the CEO) during FY2025 was a total of S\$677,673.

For information regarding share-based incentives and awards, please refer to the Directors' Statement section of this 2025 Annual Report on pages 92 to 98.

The RC has recommended that the Non-Executive Directors (including the Independent Directors) be paid directors' fees in an aggregate sum of S\$205,000 for the financial year ending 31 December 2025, payable quarterly in arrears, and this will be tabled at the FY2025 AGM for approval by the shareholders. The total directors' fees recommended include directors' fees payable to an Independent Director, Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin, in connection with his service as a director of a Group Subsidiary.

If approved, payments will be made after the FY2025 AGM. The sum was arrived at after taking into consideration the contributions, responsibilities, and efforts of the current Non-Executive Directors (including the Independent Directors).

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Ms. Melissa Hon Ai Yuen is employed by Panah Jaya Services Sdn. Bhd., a wholly owned subsidiary of the Company. Ms. Melissa Hon is the sister of Ms. Sandra Liz Hon Ai Ling, the Company's Executive Director and CEO. She serves as a Business Support Executive (a non-managerial position) of Panah Jaya Services Sdn. Bhd and was appointed on 1 February 2023. Ms. Melissa Hon received remuneration not exceeding S\$100,000 for FY2025.

Save as disclosed above, with reference to Provision 8.2 of the Code, there is no other person employed by the Group who is an immediate family member of a Director, CEO, a member of Management or a substantial shareholder, and whose remuneration exceeded S\$100,000 during FY2025. Further, with reference to paragraph 20 of Appendix 7C of the Catalist Rules, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a Director, CEO, a member of Management or a substantial shareholder.

Save for the service agreements entered into between the Company and the Executive Director and CEO, and save for the outstanding amounts owed by the Company to Ms. Sandra Liz Hon Ai Ling, Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin and Mr. Lim In Chong as described in this CG Report and the Directors' Interests section of this Report, there are no other material contracts or loans involving the CEO, Directors, or controlling shareholders that were active or subsisting at the end of FY2025 or initiated since the end of the previous financial year. As at 31 December 2025, the aggregate outstanding amounts owed by the Company to Ms. Sandra Liz Hon Ai Ling, Tan Sri Zulkefli and Mr. Lim amount to S\$1,376,884. Detailed information of these amounts can be found in the FY2025 Audited Consolidated Financial Statements of the Group dated 15 April 2026.

The Company has renewed the service agreement of Ms. Sandra Liz Hon Ai Ling on 1 January 2026 for a term of three (3) years.

(C) ACCOUNTABILITY AND AUDIT

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders

Provisions 9.1 & 9.2 - Risk Management & Internal Controls

The Board has ultimate responsibility for risk identification and management, working with the AC, internal and external auditors, and Management. The Board determines the nature and limits to risks tolerance the Group should take in achieving its business goals. With regard to Provision 9.1 of the Code, the Board will set up a risk committee to specifically address these risks, if it becomes necessary.

The Company has in place an ongoing process for identifying, evaluating, and managing the significant risks faced by the Group, including but not limited to sustainability and climate-related risks. This process includes a system of internal control policies and procedures which incorporates the recommendations of the internal auditors and is reviewed by the AC from time to time. The AC oversees and monitors the implementation of, and any improvements to, the internal control system and processes, and reviews the adequacy and effectiveness of the same on an annual basis.

The Board requires and discloses in the Company's annual report that it has received assurance from:

- (a) the CEO and the Group Financial Controller that the financial records of the Group have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Group's risk management and internal control systems.

CORPORATE GOVERNANCE REPORT

The Company's external auditors will highlight to the AC any material internal control weaknesses within the Group which may be discovered in the course of the statutory audit. If any additional or revised internal control measures are recommended by the external auditors, the Board is responsible for ensuring that such additional or revised measures are implemented promptly. Management, in consultation with the AC and the Board, also regularly reviews the Group's overall risks position. Both existing and potential risks are assessed against the current controls in place to determine if any additional or enhanced controls need to be implemented.

While the Board acknowledges that it is ultimately responsible for maintaining a sound internal control and risk management framework, the framework is designed to manage and mitigate (rather than eliminate) the relevant risks to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. Furthermore, the Board also acknowledges that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud, or other irregularities. A system of internal controls is designed to manage rather than eliminate risks of any such failure.

10. AUDIT COMMITTEE

Provisions 10.1, 10.2 & 10.3 - The AC, Duties and Composition

The AC comprises Mr. Robin Stevens (who is the AC Chairman), Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin, and Ms. Randell Leong.

The AC performs its functions in accordance with Section 201B(5) of the Companies Act and the requirements of the Catalist Rules. The AC is currently made up of three (3) Board members who are all Independent Directors. Mr. Robin Stevens (who is the AC Chairman) is a Fellow of the Institute of Chartered Accountants of England and Wales and possesses relevant accounting and finance expertise and experience. Ms. Randell Leong has extensive business and management experience. Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin has legal and business expertise and experience, having been a member of the judiciary of the high court of Malaysia, and is able to understand financial statements.

The AC assists the Board in maintaining a high standard of corporate governance for the Group, particularly by providing an independent review of the effectiveness of its financial reporting processes and its management of financial and operational risks, and by monitoring the Group's internal control systems. The AC meets at least twice a year.

The key terms of reference of the AC include:

- (a) reviewing significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- (b) reviewing at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems, including financial, operational, compliance and information technology controls and risk management systems, prior to the incorporation of such results in the Company's annual report;
- (c) reviewing the assurance from the CEO and the Group Financial Controller on the financial records and financial statements;
- (d) making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditor; and (ii) the remuneration and terms of engagement of the external auditor;
- (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function; and
- (f) reviewing the policy and arrangements in place to address concerns over possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and the procedures for raising such concerns.

The AC has the power to conduct or authorise investigations into any matters within the AC's scope of responsibility. The AC has been given full access to and has the full cooperation of Management and has reasonable resources to enable it to discharge its functions properly.

CORPORATE GOVERNANCE REPORT

Provisions 10.4 & 10.5 - Internal Audit function and meeting with internal and external auditors

The reporting line of the internal audit function is to the AC. The AC decides on the appointment, termination, and remuneration of the internal auditors. The internal auditors have unfettered access to all Company documents, records, properties and personnel (including the AC), and have appropriate standing within the Company.

The AC's Report for FY2025

For FY2025, the AC is pleased to report as follows:

1. Financial Statements & other matters

Pursuant to Rule 705(2) of the Catalist Rules, the Company reports its financial results on a quarterly basis. In the interests of better corporate governance and to provide shareholders with regular updates, the Company discloses in each of its unaudited consolidated interim financial statements announcements (a) updates on the efforts taken to resolve each outstanding audit issue and (b) a confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

The AC reviewed and approved the FY2025 audit plan and each of the Company's unaudited consolidated interim financial statements.

The AC received and reviewed the memorandum dated 26 February 2026 prepared by the external auditors on the salient features of its audit for FY2025 and discussed with Management the actions to be taken in respect of the matters highlighted. In particular, the AC considered and reviewed Management's assessment, assumptions and financial forecasts provided to the external auditors in relation to impairments made, cashflow projections, and the appropriateness of preparing the financial statements on the basis of a going concern. The AC did not have any material disagreement with any such assessments, assumptions and/or financial forecasts prepared by Management.

The Company's external auditors issued a qualified opinion and highlighted certain key audit matters in relation to the Group's audited consolidated financial statements for FY2025 in their auditors' report for FY2025. The AC engaged closely with the external auditors and with Management throughout the audit process on the matters underlying the qualified opinion. In particular, the AC received and carefully considered the external auditors' findings, reviewed and challenged Management's assessments, assumptions and financial forecasts in relation to the matters qualified, and satisfied itself as to the appropriateness of Management's approach and disclosures. The AC has directed Management to continue to address and, where possible, resolve the matters underlying the qualified opinion, and will monitor progress at subsequent AC meetings. For a detailed explanation of the qualified opinion, please refer to the Independent Auditor's Report on pages 99 and 103 of the Company's FY2025 Annual Report.

Other than the matters highlighted in the auditors' report, there are no other material issues raised by the external auditors. For a detailed explanation of the external auditors' qualified opinion, please refer to the Independent Auditor's Report on pages 99 and 103 of the Company's FY2025 Annual Report.

The AC also reviewed the Company's FY2025 Annual Report in its entirety (including the audited consolidated financial statements for FY2025 therein) and recommended the same for approval by the Board.

For FY2025, the AC and the Board have received assurance from the CEO, the Group Financial Controller and the key management personnel of the Group Subsidiaries that the financial records of the Company and the Group Subsidiaries have been properly maintained and that the financial statements for FY2025 give a true and fair view of the Group's operations and finances.

The audited consolidated financial statements of the Group for FY2025 were prepared in accordance with the Singapore Financial Reporting Standards. The external auditors have noted in their Independent Auditor's Report for FY2025 that, save for the qualified opinion issued, the consolidated financial statements of the Group represent a true and fair view of the consolidated financial position of the Group.

CORPORATE GOVERNANCE REPORT

In FY2025, the AC met with the internal and external auditors without the presence of the Management to discuss the scope of their work and the results of their examination and evaluation of the Company's accounting and internal control system, as well as to obtain feedback on Management and key management personnel of the Group Subsidiaries.

For FY2025, the AC, in consultation with the external auditors, reviewed the external auditors' findings in relation to the adequacy of the Group's material accounting internal control procedures. Where the Company has entered into a material investment or transaction outside of its ordinary course of business (if any), it will work with the external auditors and/or appoint a financial advisor (if necessary) to procure assurances and guidance on the valuation and the key terms of such material investment or transaction.

The AC also worked with Management to resolve each matter that has been qualified and each key audit matter that has been highlighted by the external auditors in FY2025 and is satisfied that the actions taken (and continued to be taken) by Management are appropriate under the circumstances.

As part of its work and oversight, the AC obtains regular updates from Management on the achievement of the milestones and the progress of the Company's various projects and recommends follow-up or remedial action where required.

In FY2025, there were no interested person transactions (within the meaning of Chapter 9 of the Catalist Rules) which required disclosure or the approval of shareholders, and there were no significant transactions (within the meaning of Chapter 10 of the Catalist Rules) entered into by the Company or its subsidiaries.

The Company does not have a general mandate from shareholders in respect of any interested person transactions.

2. External Auditor

The AC has assessed and is satisfied with the effectiveness and independence of the external auditors, PKF-CAP LLP, and has therefore recommended to the Board the re-appointment of PKF-CAP LLP as the Company's external auditors at the forthcoming FY2025 AGM. In reviewing the nomination of PKF-CAP LLP for re-appointment as the Company's external auditors for the financial year ending 31 December 2026, the AC has considered the adequacy of the resources, experience and competence of PKF-CAP LLP and the audit partner-in-charge assigned to the audit. Consideration was also given to the firm's other audit engagements, the size and complexity of the Group, and the number and experience of supervisory and professional team members handling the audit. The Board also considered the audit team's ability to work in a cooperative manner with the Management whilst maintaining integrity and objectivity and to deliver their services professionally and within agreed timelines. PKFCAP LLP have also confirmed their independence, and that they are registered with the ACRA and approved under the Accountants Act 2004 of Singapore. The audit partner-in-charge assigned to the audit is a registered public accountant under the Accountants Act 2004 of Singapore.

On the basis of the above, the AC and the Board are satisfied with the standard and quality of work performed by PKF-CAP LLP and have recommended the nomination of PKF-CAP LLP for re-appointment as external auditors of the Company for the ensuing year be tabled for shareholders' approval at the forthcoming AGM. For FY2025, the Company confirms that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of audit firms for the Group. The AC and the Board are satisfied with the standards and the effectiveness of the audits performed by the external auditors of the Group's subsidiaries in Malaysia, Brunei, and Indonesia. Please refer to Note 14 of the Audited Financial Statements for FY2025 on pages 140 and 141 of this 2025 Annual Report for the names of the auditors of the Company's subsidiaries.

The aggregate amount of fees which were paid and/or are payable to the external auditors for audit and non-audit services during FY2025 are disclosed below and in Note 8 to the Audited Financial Statements for FY2025.

CORPORATE GOVERNANCE REPORT

Service Category	Fees Paid/Payable (\$'000)
Audit Services	207
Non-Audit Services	22
Total Fees	229

The AC undertook a review of the non-audit services and the fees arising therefrom which were paid or are payable by the Company to the external auditors for FY2025 and are of the opinion that the value and scope of the non-audit services performed by the external auditors would not affect the independence and objectivity of the external auditors.

No former partner or director of the Company's existing auditing firm or auditing corporation has acted as a member of the AC (a) within a period of two (2) years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

3. Internal Controls and Risk Management

For FY2025, the AC and the Board received assurances from the Executive Director and CEO, the Group Financial Controller, and the key management personnel of the Group Subsidiaries regarding the adequacy and effectiveness of the Group's risk management and internal control systems. The AC and the Board are, therefore, satisfied that the risk management and internal control systems put in place for the Group are adequate and effective in addressing the key risks identified in its current business environment, including its financial, operational, compliance and information technology functionalities.

The AC and the Board acknowledge and note that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud, or other irregularities; however, they are committed to strengthening internal controls on a continuing basis.

For FY2025, the AC reviewed the adequacy and effectiveness of the Group's risk management systems and internal control systems, including financial, operational, compliance and information technology controls, based on procedures established and maintained by the Group and reviewed by Management. Based on: (i) the Group's internal controls put in place, (ii) the procedures established and maintained by the Group, (iii) assurances received from the Executive Director and CEO, the Group Financial Controller, and the key management personnel of the Group Subsidiaries, and (iv) the work and reviews performed by the external auditors, the internal auditors, and Management, the Board, with the concurrence of the AC, is of the view that the Group's internal controls (including financial, operational compliance and information technology controls) and risk management systems in place are adequate and effective as at 31 December 2025.

4. Internal Audit

For FY2025, the internal auditors completed the scope of internal audits as determined by the AC. The AC is also satisfied that the internal audit function is independent and effective and has been adequately resourced and staffed by suitably qualified and experienced professionals with relevant experience.

The Board has not established a separate risk management committee but has outsourced its internal audit function to an independent assurance service provider, Yang Lee & Associates. The internal auditors also have good standing and is well regarded within the Group.

For FY2025, an internal audit was performed on Panah Jaya Services Sdn Bhd in respect of its cash management and sales and credit management, and the AC met with the internal auditors without the presence of the Management. The AC reviewed the findings of the internal auditors' report and recommended that the Board direct Management to adopt all remedial or enhanced procedures proposed by the internal auditors.

CORPORATE GOVERNANCE REPORT

5. Sustainability Report

In accordance with Rule 711A of the Catalist Rules, the Company has prepared its 2025 Sustainability Report, which is issued together with this 2025 Annual Report. The AC reviewed the 2025 Sustainability Report in the context of its mandate to provide oversight of the Company's material risk and sustainability matters. The AC considered the completeness and accuracy of the disclosures made therein, having regard to the material sustainability factors identified by the Board for FY2025, the key targets and performance data reported, and the ESG Committee's oversight process as reported to the Board. The AC is satisfied with the disclosures and information contained in the 2025 Sustainability Report and is of the view that it has been prepared in accordance with the applicable requirements of the Catalist Rules.

6. Whistleblowing

The Company has put in place a whistle-blowing policy. The policy encourages employees to raise concerns, in confidence, about possible irregularities to Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin, the Chairman of the Board, or Mr. Robin Stevens, the AC Chairman and Lead Independent Director. Such concerns include fraudulent acts, dishonesty, legal breaches and other serious improper conduct, unsafe work practices and any other conduct that may cause loss (financial or otherwise) to the Group or damage to the Group's reputation. The policy provides an avenue for employees, business partners and stakeholders to raise concerns and offers reassurance that they will be protected from reprisals or victimisation for whistleblowing in good faith.

Whenever a concern is raised in writing, telephonically or in person to the abovementioned persons, the whistle-blower and the report received shall be treated with utmost confidentiality and will be attended to immediately. The whistle-blowing policy has been prominently posted on a notice board at the Company's premises. The email addresses of Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin and Mr. Robin Stevens are stated in the whistle-blowing policy which can be found on the Company's website at www.annica.com.sg.

When making a report, the whistle-blower should provide the following information:

- Name, NRIC and contact details;
- Parties involved, time and place of the alleged improprieties;
- Evidence leading to the improprieties, if any; and
- Any other details or documentation that would assist in the evaluation of the improprieties.

Some concerns may be resolved by agreed action without the need for investigation. If investigation is necessary, the whistle-blowing committee will direct an independent investigation to be conducted. All whistle-blowers have a duty to cooperate with investigations.

The AC oversees the administration of the whistle-blowing policy. Periodic reports, if applicable, will be submitted to the AC specifying the number and details of the complaints received, the results of the investigations, any follow-up actions required and any unresolved complaints.

No whistleblowing report was received in FY2025.

CORPORATE GOVERNANCE REPORT

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

11. SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position, and prospects.

Provision 11.1 - Shareholders' Rights and Participation in General Meetings

The Directors are required by the Companies Act to act in the best interests of the Company; this encompasses actions that are most likely to promote the success of the Company for the benefit of its members as a whole and ensures that all shareholders are treated fairly and equitably. Pursuant to the continuing disclosure obligations under the Catalist Rules, the Companies Act and the Code, the Board's policy is that all shareholders must be informed of all material developments of the Group in a comprehensive and timely manner.

Through its public announcements made on the SGXNet and its corporate website, the Company communicates with shareholders regularly to provide clear and transparent disclosure of information on major developments and the financial performance of the Group.

Shareholders are informed of general meetings through notices contained in the annual reports or circulars sent to all shareholders. These notices are also published in the newspapers and posted onto the SGXNet and the Company's website. Shareholders are encouraged to attend and participate at general meetings. Resolutions are passed by way of voting on a poll, i.e., one share entitles its holder to one vote.

Provisions 11.2, 11.3, 11.4 and 11.5 - Conduct of General Meetings

The rules on the conduct of any general meeting and poll voting are explained to the attending shareholders prior to the commencement of the meeting and the voting, respectively.

All Directors attend general meetings, and the external auditors are also present at the annual general meeting of the Company to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report.

As explained in section 11.1 above, all resolutions are passed via voting on a poll. For each subject matter, a separate resolution is proposed unless there are different issues linked to the one subject matter, which are then bundled into one resolution. If there is a bundled resolution, the Company will explain and clarify in an explanatory note appended to the notice of general meeting the reason(s) for the bundled resolution and its implication(s) for shareholders when they vote on the bundled resolution.

Results of all resolutions passed are announced immediately before the conclusion of the general meeting after a scrutineer engaged by the Company has tallied all the votes and confirms the results.

Minutes of all general meetings, including substantive comments and queries from shareholders relating to the agenda of the general meeting and the responses from the Board or Management, are published on the Company's corporate website at www.annica.com.sg and on SGXNet as soon as practicable, and in any case within one month after the general meeting. The Company published the minutes of its last annual general meeting held on 29 April 2025 on its corporate website and on SGXNet.

For the forthcoming FY2025 AGM, the Company will be holding a physical meeting. Shareholders should read the Notice of AGM for details and instructions on how to appoint proxies and vote.

For the forthcoming FY2025 AGM, notwithstanding that regulation 79 of the Constitution provides that Directors may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Shareholders who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile, the Board has decided that voting by in absentia by way of mail, electronic mail or facsimile will not be made available as the security measures need to be implemented are not cost-effective and Shareholders may already appoint a proxy or the Chairman of the AGM as their proxy to vote on their behalf.

CORPORATE GOVERNANCE REPORT

12 ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provisions 12.1, 12.2 and 12.3 - Communication and Engagement with Shareholders

The Company strives to engage with Shareholders as often as practicable by way of its public announcements on the SGXNet and general meetings. The Company is committed to providing Shareholders with material information in a timely and transparent manner. The Company's investor relations policy is that all Shareholders are informed at the same time of all major developments and as soon as practicable, subject to the requirements of the Catalyst Rules and confidentiality provisions relating to transactions with third parties.

The Company usually provides an overview of its financial and operational position and of the Group's key projects at the start of each annual general meeting. Annual general meetings have been the primary forum for direct dialogue with shareholders, investors, and analysts. They have the opportunity to raise questions with the Board and the Management and clarify any issues they may have. All Directors attend the Company's annual general meetings, and the external auditors are also engaged to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report. Such meetings allow the Company to gather views or inputs, and address shareholders' concerns.

Shareholders are provided with an assessment of and update on the Company's performance, position and prospects through annual reports (which are issued within the mandatory period to all shareholders), the unaudited consolidated interim financial statements announcements, and other ad-hoc announcements via the SGXNet.

Shareholders and investors may also reach out to the Company as and when they may have any queries at the Company's email address (prinfo@annica.com.sg).

13. MANAGING STAKEHOLDER RELATIONSHIPS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provisions 13.1, 13.2 and 13.3 - Identification, Engagement and Management of Material Stakeholder Relationships

The Board adopts an inclusive approach by considering and balancing the needs and interests of these material stakeholders as part of its overall responsibility to ensure that the best interests of the Company are served.

Details of the Company's identified key stakeholder groups, its strategy and key areas of focus in relation to the management of stakeholder relationships during FY2025, and its material sustainability factors are set out in the Board's Report for FY2025 (under section 8 - ESG & Sustainability) and in the 2025 Sustainability Report, which is issued together with this Annual Report.

The Company maintains a current corporate website at www.annica.com.sg to communicate and engage with stakeholders. Shareholders and the public may also reach out to the Company with any queries at the Company's email address (prinfo@annica.com.sg).

In accordance with Provision 13.2 of the Code, the Company discloses in this Annual Report its strategy and key areas of focus in relation to the management of stakeholder relationships during FY2025. This disclosure is set out in the Board's Report for FY2025 under section 8 (ESG & Sustainability), which identifies the Company's key stakeholder groups, the platforms used to engage with them, and the material sustainability factors identified for FY2025. Further details are contained in the 2025 Sustainability Report issued together with this Annual Report.

In accordance with Provision 13.3 of the Code, the Company maintains a current corporate website at www.annica.com.sg to communicate and engage with stakeholders. Shareholders and the public may reach out to the Company with any queries at the Company's email address (prinfo@annica.com.sg).

CORPORATE GOVERNANCE REPORT

(E) OTHER INFORMATION

14. DEALINGS IN THE COMPANY'S SECURITIES

In compliance with the Catalist Rules concerning the dealing in securities, the Group has put in place an internal code on the restrictions or prohibitions on dealings in the securities of the Company and the implications of insider trading.

The internal code prohibits the Directors and Management and their connected persons from dealing in the securities of the Company (i) during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcement of the Company's full-year financial statements, and ending on the date of announcement of the relevant financial statements; and (ii) at any time while in possession of material unpublished price-sensitive information.

In addition, the Directors and Management and their connected persons are reminded to observe insider trading laws at all times, and they are also directed to refrain from dealing in the securities of the Company on short-term considerations.

Directors are required to report securities dealings to the Company Secretary who will assist in making the necessary public announcements.

15. INTERESTED PERSON TRANSACTIONS

All interested person transactions are subject to review by the Board and the AC. The Group has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and that such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders. The Board and the AC each retain oversight to ensure compliance with Chapter 9 of the Catalist Rules. Details of interested person transactions entered into during FY2025, and the Company's mandate position are set out in the Board's Report and the AC's Report for FY2025.

The Group has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and the transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

16. CORPORATE SOCIAL RESPONSIBILITY

The Board believes that effective corporate social responsibility can and will deliver benefits to the Group's businesses and, in turn, to shareholders and other key stakeholders, by enhancing the Group's reputation, its risk management performance, its relationships with regulators, staff motivation and attraction of talent, customer preferences and loyalty, the goodwill of local communities and long-term shareholders' value.

Every employee of the Group is expected to maintain the highest standards of propriety, integrity and conduct in all their business relationships and the Group is held to the same standard in its compliance with all applicable legal and regulatory requirements.

17. SUSTAINABILITY REPORTING

Catalist Rule 711A requires every listed issuer to prepare an annual sustainability report, which must describe the issuer's sustainability practices with reference to the primary components set out in Catalist Rule 711B on a "comply or explain" basis. Practice Note 7F contains the Sustainability Reporting Guide, which provides guidance on the requisite structure and contents of the sustainability report.

Sustainability reporting disclosure does not detract from the issuer's obligation to disclose any information that is necessary to avoid the establishment of a false market in the issuer's securities or would be likely to materially affect the price or value of its securities.

The Company's 2025 Sustainability Report is found on pages 7 to 45 of the 2025 Annual Report.

CORPORATE GOVERNANCE REPORT

INFORMATION ON DIRECTORS SEEKING FOR RE-ELECTION – APPENDIX 7F OF THE CATALIST RULES

Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the Directors retiring and seeking for re-election at the forthcoming Annual General Meeting of the Company, in accordance to Appendix 7F of the Catalist Rules are set out below:

NAME OF DIRECTOR	Sandra Liz Hon Ai Ling	Randell Leong
Date of Initial Appointment	6 January 2016	6 February 2025
Date of last re-appointment (if applicable)	28 April 2023	29 April 2025
Age	58	62
Country of principal residence	Singapore	Singapore
The Board's comments on this re-appointment (including rationale, selection criteria, and the search and nomination process)	<p>The re-election of Ms. Sandra Liz Hon Ai Ling ("Ms. Hon") was recommended by the Nominating Committee of the Company ("NC") and the board of directors of the Company ("Board") has accepted the recommendation, after taking into consideration, among others, (i) the qualifications, work experience, and suitability of Ms. Hon; (ii) the performance and contributions of Ms. Hon since her appointment as the Executive Director and Chief Executive Officer; and (iii) the size, composition and diversity of skillsets on the Board.</p> <p>The Board is of the view that, in her capacity as Chief Executive Officer of the Company, Ms. Hon provides leadership and strategic direction for the Group and contributes relevant industry experience, operational expertise and in-depth knowledge of the Group's business. Her continued involvement as Executive Director will enhance the Board's overall effectiveness.</p>	<p>The Board, having considered the recommendations of the NC and the objectives of the Group's Board Diversity Policy, and having reviewed the track record, qualifications and work experience of Ms. Randell Leong ("Ms Leong"), is satisfied that Ms. Leong has the requisite experience and capabilities, and is able to exercise objective judgement on the Company's affairs independently. Accordingly, the Board accepted the recommendation of the NC for the re-election of Ms. Leong as an Independent and Non-Executive Director of the Company.</p> <p>The Board considers Ms. Leong to be independent for the purposes of Rule 704(7) of the Catalist Rules.</p>
Whether appointment is executive, and if so, the area of responsibility	As an Executive Director and Chief Executive Officer, Ms. Hon is responsible for the Group's strategic direction, business development and overall performance.	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Chief Executive Officer	Independent and Non-Executive Director, Chairman of the Nominating Committee, and a Member of the Audit Committee and the Remuneration the Committee

CORPORATE GOVERNANCE REPORT

NAME OF DIRECTOR	Sandra Liz Hon Ai Ling	Randell Leong
Professional qualifications	Master of Business Administration, University of Strathclyde, United Kingdom	NIL
Working experience and occupation(s) during the past 10 years	<p>(a) 2023 to present - Director, H2E International Pte. Ltd.*</p> <p>(b) 2019 to present - Director, IES Engineering Systems Sdn. Bhd.*</p> <p>(c) 2018 to present - Director, Industrial Engineering Systems Pte. Ltd.*</p> <p>(d) 2018 to present - Director, Panah Jaya Services Sdn. Bhd.*</p> <p>(e) 2017 to present - Director, Cahya Suria Energy Sdn. Bhd.*</p> <p>(f) 2017 to present - Director, H2 Energy Sdn. Bhd.*</p> <p>(g) 2016 to present - Director, P.J. Services Pte. Ltd.*</p> <p>(h) 2016 to present - Executive Director and Chief Executive Officer, Annica Holdings Limited</p> <p>(i) 2015 to 2017 - Director, Habitat Resources Sdn. Bhd.</p> <p>(j) 2015 to 2017 - Director, Totewin Sdn. Bhd.</p> <p>(k) 2015 to 2017- Executive Director, GForce Green Energy Sdn. Bhd.</p> <p>(l) 2013 to 2021- Director, 2S Consulting Sdn. Bhd.</p> <p>(m) 2009 to 2016 - Director, Central Streme Sdn. Bhd.</p> <p><i>* a subsidiary of the Company</i></p>	<p>(a) September 2010 to March 2013; March 2015 to present - Chairman & CEO, Arielle Limited</p> <p>(b) February 2012 to present - CEO and Director, Arielle Capital Inc.</p> <p>(c) January 2022 to present - CEO and Director, Inkspotte Projects Pte Ltd (formerly known as Arielle Resources Pte. Ltd.)</p> <p>(d) September 2023 to present - Executive Director APAC, AmaLaTerra Inc.</p> <p>(e) April 2022 to March 2026 - Ambassador APAC, Nigeria - Guinea Bissau Chamber of Commerce, Industry, Mines and Agriculture</p> <p>(f) March 2023 to October 2024 - Director, Global Fund Alliance Partners Ghana Ltd.</p> <p>(g) April 2020 to April 2022 - Director, Mapleglobal Medical Supplies Inc.</p> <p>(h) January 2015 to July 2017 - Director, Maplesilk Canada Inc.</p> <p>(i) April 2015 to May 2018 - Director, Arielle Energy Pte. Ltd.</p>
Shareholding interest in the listed issuer and its subsidiaries	Direct interest in 2,140,238,893 shares of the Company	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None

CORPORATE GOVERNANCE REPORT

NAME OF DIRECTOR	Sandra Liz Hon Ai Ling	Randell Leong
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Past Directorships (for the last 5 years)	2S Consulting Sdn. Bhd.	(a) Global Fund Alliance Partners Ghana Ltd (b) Mapleglobal Medical Supplies Inc.
Present Directorships	(a) IES Engineering Systems Sdn. Bhd. (b) Industrial Engineering Systems Pte. Ltd. (c) Panah Jaya Services Sdn. Bhd. (d) Cahya Suria Energy Sdn. Bhd. (e) H2 Energy Sdn. Bhd. (f) P.J. Services Pte. Ltd. (g) H2E International Pte. Ltd.	(a) Arielle Limited (b) Arielle Capital Inc. (c) Inkspotte Projects Pte. Ltd. (d) AmaLaTerra Inc. (e) H2E International Pte. Ltd. (f) P.J. Services Pte. Ltd.
Disclose the following matters concerning the Director:		
a. Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b. Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c. Whether there is any unsatisfied judgment against him?	No	No

CORPORATE GOVERNANCE REPORT

NAME OF DIRECTOR	Sandra Liz Hon Ai Ling	Randell Leong
d. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f. Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g. Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h. Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i. Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

CORPORATE GOVERNANCE REPORT

NAME OF DIRECTOR	Sandra Liz Hon Ai Ling	Randell Leong
j. Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-	No	No
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k. Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited consolidated financial statements of Annica Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) for the financial year ended 31 December 2025, and the statement of financial position of the Company as at 31 December 2025 and the statement of changes in equity of the Company for the financial year ended 31 December 2025.

Opinion of the directors

In the opinion of the directors:

- (a) the audited consolidated financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are properly drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the financial year then ended; and
- (b) at the date of this statement, after considering the measures taken by the Group and the Company with respect to their ability to continue as going concerns as described in Note 3.1 to the audited financial statements, there are reasonable grounds to believe that the Company will each be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	- Independent and Non-Executive Chairman
Sandra Liz Hon Ai Ling	- Executive Director and Chief Executive Officer
Lim In Chong	- Non-Independent and Non-Executive Director
Robin Stevens	- Lead Independent and Non-Executive Director
Randell Leong	- Independent and Non-Executive Director

Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares, debentures or convertible securities of the Company or any other body corporate, except as disclosed under the sections titled “*Annica Performance Share Plan*”, “*Annica Employee Share Option Scheme*”, and “*Debt Conversion*” below.

Directors' interests in shares, convertible securities or debentures

As at 31 December 2025, the directors of the Company holding office at the end of the financial year had interests in the shares, convertible securities or debentures of the Company and/or its related corporations as recorded in the Register of Directors' Shareholdings maintained by the Company pursuant to Section 164 of the Companies Act 1967 of Singapore (the “**Act**”), as follows:

Name	Shareholdings in the Company registered in the name of a director		
	At 1.1.2025	At 31.12.2025	At 21.1.2026
- Sandra Liz Hon Ai Ling	2,140,238,893	2,140,238,893	2,140,238,893
- Lim In Chong	1,302,616,865	1,302,616,865	1,402,616,865
- Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	140,000,000	140,000,000	140,000,000
- Su Jun Ming (resigned on 8 January 2025)	54,630,992	54,630,992	54,630,992

As at the beginning and end of the financial year, none of the directors of the Company had any deemed interest in the shares, share options, debentures or convertible securities of the Company and/or its related corporations held by any other person or entity.

DIRECTORS' STATEMENT

Directors' contractual benefits

Since the end of the preceding financial year, no director of the Company has received, or become entitled to receive, any benefit by reason of a contract made by the Company or a related corporation with: (i) the director; (ii) a firm of which the director is a member; or (iii) a company in which the director has a substantial financial interest, save as disclosed in the financial statements and in this statement.

Annica Performance Share Plan

On 2 September 2016, shareholders of the Company approved the adoption of the Annica Performance Share Plan (“**Share Plan**”) and the Annica Employee Share Option Scheme (“**ESOS**”) (collectively, the “**Schemes**”). The aggregate number of new ordinary shares of the Company that may be issued under the Schemes shall not exceed 15% of the total number of issued ordinary shares of the Company from time to time. The Remuneration Committee comprising Tan Sri Dato Seri Zulkefli Bin Ahmad, Robin Stevens and Randell Leong, administers the Schemes.

On 27 December 2018, the Company granted 1,529,667,781 new ordinary shares (“**Share Awards 2018**”) under the Share Plan to the persons as set out in the table below:

Name	Date of Award	Number of Shares	
		Awarded	Vesting Date
Sandra Liz Hon Ai Ling	27 December 2018	1,092,619,845	27 December 2018
Pek Seck Wei ⁽¹⁾	27 December 2018	54,630,992	27 December 2018
Musa Bin Mohamad Sahir ⁽²⁾	27 December 2018	54,630,992	27 December 2018
Former Directors and Key Management Personnel ⁽³⁾	27 December 2018	327,785,952	27 December 2018

⁽¹⁾ Mr. Pek Seck Wei is a director of Industrial Engineering Systems Pte. Ltd., IES Engineering Systems Sdn. Bhd., H2E International Pte Ltd, and Cahya Suria Energy Sdn. Bhd.

⁽²⁾ Mr. Musa Bin Mohamad Sahir was the managing director of P.J. Services Pte. Ltd. and its subsidiaries. Mr. Musa Bin Mohamad Sahir has resigned with effect from 8 March 2026.

⁽³⁾ The “Former Directors and Key Management Personnel” include, but not limited to Mr. Su Jun Ming. Mr. Su Jun Ming has resigned as Lead Independent and Non-Executive Director of the Company with effect from 8 January 2025. He had previously been awarded with 54,630,992 Share Awards 2018.

The Share Awards 2018 were issued under the Share Plan as new ordinary shares ranking pari passu with all other issued ordinary shares of the Company. The Share Awards 2018 were vested and issued to the respective recipients on 27 December 2018 in the amounts set out above.

On 19 August 2022, the Company granted 300,000,000 new ordinary shares under the Share Plan (the “**Share Awards 2022**”) and, together with the Share Awards 2018, collectively the “**Share Awards**”) to the following persons:

Name	Date of Award	Number of Shares	
		Awarded	Vesting Date
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	19 August 2022	150,000,000	19 August 2022
Muhammad Hatta Bin Sukarni ⁽¹⁾	19 August 2022	50,000,000	19 August 2022
Woon Ching Chuen ⁽²⁾	19 August 2022	30,000,000	19 August 2022
Other Employees ⁽³⁾	19 August 2022	70,000,000	19 August 2022

⁽¹⁾ Mr. Muhammad Hatta Bin Sukarni is a director of H2 Energy Sdn. Bhd.

⁽²⁾ Mr. Woon Ching Chuen is the Group Financial Controller of the Company.

⁽³⁾ The “Other Employees” include, but are not limited to, former employee who resigned from the Company during the financial year ended 31 December 2025 and who had previously been awarded 15,000,000 Share Awards 2022.

The Share Awards 2022 were issued under the Share Plan as new ordinary shares ranking pari passu with all other issued ordinary shares of the Company. The Share Awards 2022 vested and were issued to the respective recipients on 19 August 2022 in the amounts set out above.

DIRECTORS' STATEMENT

Annica Performance Share Plan (cont'd)

As at 31 December 2025, the following Share Awards under the Share Plan have been awarded:

Name of Director / key management personnel	Share Awards granted during financial year under review	Aggregate Share Awards granted since commencement of scheme to end of financial year under review	Date of Grant
Sandra Liz Hon Ai Ling ⁽¹⁾	–	1,092,619,845	27 December 2018
Pek Seck Wei	–	54,630,992	27 December 2018
Musa Bin Mohamad Sahir	–	54,630,992	27 December 2018
Former Directors and Key Management Personnel ⁽²⁾	–	327,785,952	27 December 2018
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin ⁽³⁾	–	150,000,000	19 August 2022
Muhammad Hatta Bin Sukarni ⁽⁴⁾	–	50,000,000	19 August 2022
Woon Ching Chuen ⁽⁵⁾	–	30,000,000	19 August 2022
Other employees ⁽⁶⁾	–	70,000,000	19 August 2022

⁽¹⁾ The Share Awards granted to Ms. Sandra Liz Hon Ai Ling were in excess of 5% of all the Shares available under the Share Plan and the ESOS (in aggregate) as at the date of the Share Awards granted to Ms. Sandra Liz Hon Ai Ling.

⁽²⁾ The "Former Directors and Key Management Personnel" include, but not limited to, Mr. Su Jun Ming, who resigned as Lead Independent and Non-Executive Director of the Company with effect from 8 January 2025 and who had previously been awarded with 54,630,992 Share Awards 2018.

⁽³⁾ The Share Awards granted to Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin were in excess of 5% of all the Shares available under the Share Plan and the ESOS (in aggregate) as at the date the Share Awards were granted to Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin. Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin has sold 10,000,000 of his Share Awards on 17 November 2023.

⁽⁴⁾ Mr. Muhammad Hatta Bin Sukarni is a director of H2 Energy Sdn. Bhd.

⁽⁵⁾ Mr. Woon Ching Chuen is the Group Financial Controller of the Company.

⁽⁶⁾ The "Other Employees" include, but are not limited to, former employees who resigned from the Company during the financial year ended 31 December 2025 and who had previously been awarded 15,000,000 Share Awards 2022.

No recipient of the Share Awards under the Share Plan is a controlling shareholder of the Company or an associate of a controlling shareholder of the Company.

No Share Awards under the Share Plan were granted, cancelled or lapsed during the financial year ended 31 December 2025.

From the adoption of the Share Plan on 2 September 2016 to 31 December 2025, a total of 1,829,667,781 Share Awards have been granted, as detailed above.

DIRECTORS' STATEMENT

Annica Employee Share Option Scheme

On 27 December 2018, the Company granted 42,500,000 share options (the “**ESOS Options**”) under the ESOS to employees of the Company’s subsidiaries on the following terms:

(a)	Date of grant of ESOS Options	27 December 2018
(b)	Exercise Price of ESOS Options granted	\$0.001 per Share
(c)	Number of Shares comprised in the ESOS Options granted	42,500,000
(d)	Number of Shares comprised in the ESOS Options which have lapsed and are null and void	12,500,000
(e)	Number of Shares comprised in the remaining ESOS Options	30,000,000
(f)	Number of Shares comprised in the ESOS Options granted to each Director and controlling shareholder (and each of their associates)	None
(g)	Market Price of the Shares on the Date of Grant	\$0.001
(h)	Validity period of the ESOS Options	28 December 2019 - 27 December 2028 (both dates inclusive) ESOS Options shall only be exercisable after the 1st anniversary from the Date of Grant and before the 10th anniversary of the Date of Grant.

No director of the Company who held office at the end of the financial year ended 31 December 2025 was granted any ESOS Options.

No controlling shareholder of the Company or their associate has been granted any ESOS Options.

No director, key management personnel or employee of the Company and/or its subsidiaries (as defined in the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”)) received ESOS Options during the current financial year ended 31 December 2025.

The following details of ESOS Options granted under the ESOS are disclosed as at 31 December 2025 pursuant to Rule 851(1) of the Catalist Rules :

Name of Participant	ESOS Options granted during financial year under review (including terms)	Aggregate ESOS Options granted since commencement of financial year under review	Aggregate ESOS Options exercised since commencement of financial year under review	Aggregate ESOS Options outstanding as at end of financial year under review
Muhammad Hatta Bin Sukarni	–	12,500,000	–	12,500,000
Woon Ching Chuen*	–	9,500,000	–	9,500,000

* The ESOS Options granted to Mr. Woon Ching Chuen are disclosed voluntarily by the Company in the interests of transparency and in light of his appointment as Group Financial Controller, notwithstanding that Mr. Woon Ching Chuen does not fall within the categories of participants specified in Rule 851 of the Catalist Rules.

DIRECTORS' STATEMENT

Annica Employee Share Option Scheme (cont'd)

Except as disclosed above, no other ESOS Option or Share Award was granted to:

- (a) the directors, key management personnel and/or employees of the Company and/or its subsidiaries, and/or their respective associates; or
- (b) the controlling shareholder(s) of the Company and/or its associate(s).

No option has been granted at a discount.

During the financial year ended 31 December 2025, no shares of the Company or any of its subsidiaries were allotted or issued pursuant to the exercise of any ESOS Options.

From the adoption of the ESOS on 2 September 2016 to 31 December 2025, a total of 42,500,000 ESOS Options have been granted, as detailed above. Of these, 12,500,000 ESOS Options lapsed in accordance with the terms of the ESOS in 2021.

The outstanding ESOS Options as at 31 December 2025 are as follows:

Name	Number of shares comprised in the ESOS Options granted
Number of shares comprised in the ESOS Options granted on 27 December 2018	42,500,000
Number of shares comprised in the ESOS Options which have lapsed	(12,500,000)
Total number of shares comprised in the outstanding ESOS Options as at 31 December 2025	30,000,000

Debt Conversion

On 29 August 2024, the Company's shareholders approved the conversion of interest-free and unsecured cash advances ("**Cash Advances**") provided by the Group's directors and key management personnel, amounting to \$2,400,000 in aggregate, into new ordinary shares of the Company on the following terms:

- The aggregate sum of the Cash Advances of \$2,400,000 was converted into 2,285,714,286 new ordinary shares of the Company ("**Debt Conversion Shares**"), allotted and issued on 3 September 2024.
- The issue price was \$0.00105 per Debt Conversion Share.
- The table below sets out the number of Debt Conversion Shares issued to the directors of the Company and key management personnel of the Group:

Name	Information on Creditor	Portion of Cash Advances Converted	Number of Debt Conversion Shares Issued
Sandra Liz Hon Ai Ling ⁽¹⁾	Sandra Liz Hon Ai Ling is the Executive Director and Chief Executive Officer of the Company. Prior to the issuance of the Debt Conversion Shares, she held 1,092,619,845 Shares, representing 6.44% of the Existing Share Capital, and is a Substantial Shareholder of the Company, with Cash Advances of \$1,249,758 provided by her and owing by the Company.	\$1,100,000	1,047,619,048

DIRECTORS' STATEMENT

Debt Conversion (cont'd)

Name	Information on Creditor	Portion of Cash Advances Converted	Number of Debt Conversion Shares Issued
Lim In Chong ⁽²⁾	Lim In Chong is the Non-Independent and Non-Executive Director of the Company. Prior to the issuance of the Debt Conversion Shares, he held 1,807,378,770 Shares, representing 10.65% of the Existing Share Capital, and is a Substantial Shareholder of the Company, with Cash Advances of \$108,588 provided by him and owing by the Company.	\$100,000	95,238,095
Pek Seck Wei	Pek Seck Wei is a director of Industrial Engineering Systems Pte. Ltd., IES Engineering Systems Sdn. Bhd., Cahya Suria Energy Sdn. Bhd. and H2E International Pte. Ltd., each a subsidiary of the Company. Prior to the issuance of the Debt Conversion Shares, he held 454,630,992 Shares, representing 2.68% of the Existing Share Capital, with Cash Advances of \$400,000 provided by him and owing by the Company.	\$400,000	380,952,381
Mohamed Shafeii Bin Abdul Gaffoor	Mohamed Shafeii Bin Abdul Gaffoor is the Chief Executive Officer of Panah Jaya Services Sdn. Bhd., a subsidiary of the Company. Prior to the issuance of the Debt Conversion Shares, he did not hold any Shares, and had provided Cash Advances of \$800,000 owing by the Company to him.	\$800,000	761,904,762
Total		\$2,400,000	2,285,714,286

⁽¹⁾ Following the issuance of 1,047,619,048 Debt Conversion Shares to Ms. Sandra Liz Hon Ai Ling, Cash Advances of \$149,758 remained owing by the Company to her as of 29 August 2024.

⁽²⁾ Following the issuance of 95,238,095 Debt Conversion Shares to Mr. Lim In Chong, Cash Advances of \$8,588 remained owing by the Company to him as of 29 August 2024.

Save as disclosed above, from the end of the financial year ended 31 December 2025 to the date of this statement, the Company was not a party to any arrangement the object of which is to enable any director of the Company to acquire benefits by means of the acquisition of shares, debentures or convertible securities of the Company or any other body corporate.

Audit Committee

The members of the Audit Committee during the financial year and as at the date of this statement are:

Mr. Robin Stevens (Chairman);
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin;
Ms Randell Leong (appointed on 6 February 2025); and
Su Jun Ming (resigned on 8 January 2025).

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Act and the Code of Corporate Governance 2018 (as last amended on 11 January 2023). Its functions are detailed in the Corporate Governance Report section of the Company's annual report for the financial year ended 31 December 2025.

In performing its functions, the Audit Committee met with the Company's independent external and internal auditors to discuss the scope of their work, and the results of their examination and evaluation of the Company's accounting and internal control systems, in the absence of management.

DIRECTORS' STATEMENT

Audit Committee (cont'd)

The Audit Committee also carried out the following functions, amongst other matters:

- reviewed the level of assistance provided by the Company's management to the independent external and internal auditors;
- reviewed the quarterly and annual financial statements of the Group and the Company prior to their submission to the Board for adoption and release on the SGXNet;
- provided assurance to the Board on the adequacy of financial, operational, compliance and information technology controls; and
- reviewed whether any transaction undertaken by the Group would constitute an interested person transaction (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's ("**SGX-ST**") Catalist Rules.

The Audit Committee is satisfied with the independence and objectivity of PKF-CAP LLP, the independent external auditor of the Company, and has recommended to the Board that PKF-CAP LLP be re-appointed as the independent external auditor at the forthcoming annual general meeting.

Independent auditor

PKF-CAP LLP, the independent auditor, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin
Independent and Non-Executive Chairman

15 April 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANNICA HOLDINGS LIMITED

For the financial year ended 31 December 2025

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Annica Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 104 to 171.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements of the Group, and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “**Act**”) and the Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial year ended on that date.

Basis for Qualified Opinion

(i) *Valuation of Property, Plant and Equipment (Note 11)*

As at 31 December 2025, the Group’s property, plant and equipment included fourteen (“**14**”) vertical automatic waste-tyre pyrolysis production lines (“**production lines**”) with a carrying amount of \$5,641,000 for 14 production lines (2024: \$3,741,000 for ten (“**10**”) production lines) located in Tanjung Malim, Perak, Malaysia. 10 of these 14 production lines were acquired in 2024 via asset exchange and the remaining 4 were acquired during 2025 through share-based consideration. These production lines have been lying idle since 2019 and require significant refurbishment before it can be put into operations. In addition, the Group had not obtained the operating licence from the local authorities to operate these production lines. The approval of an operating licence from the local authorities required to recommence commercial operations, and the conditions to be satisfied by the Company before such a licence is to be issued remained unresolved as at 31 December 2025.

During our site inspection in February 2026, we observed indications of physical deterioration in the assets’ condition. Of the four production lines acquired during the financial year, we noted during our site inspection that one production line was missing a silo component. Management represented to us that the silo component was missing at the time of acquisition. We also observed that one production line was no longer present at the site. We were unable to determine whether the loss of this production line occurred before or after the reporting date. Management informed us that, in their view, the production line was stolen after the reporting date, for which a police report was lodged as disclosed in Note 35.

Management assessed the fair value and the recoverable amount of the 14 production lines by engaging an external valuer to estimate the fair value at the date of acquiring the production lines and as at year-end for the impairment assessment.

However, we were unable to obtain sufficient appropriate audit evidence on the fair value and carrying amount of the Group’s property, plant and equipment relating to these production lines as at the date of acquisition of these production lines and as at reporting date due to the prolonged period of idleness, absence of operating licences, physical deterioration and uncertainty regarding the assets’ operability, as well as limitations in the available valuation evidence. Consequently, we were unable to determine whether any adjustments to the recognition of the cost of these 14 production lines at date of acquisition and the carrying amount of these production lines at reporting date were necessary. Accordingly, we were also unable to determine whether any impairment loss should have been recognised in profit or loss, or whether the impairment loss recognised was adequate or appropriate.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANNICA HOLDINGS LIMITED

For the financial year ended 31 December 2025

Report on the Audit of the Financial Statements (cont'd)

Basis for Qualified Opinion (cont'd)

(ii) *Impairment assessment of amount due from a subsidiary (Note 16)*

The Company's financial statements included an amount due from a subsidiary of \$6,506,000 as at 31 December 2025 arising from the transfer of the abovementioned 14 production lines from the Company to the subsidiary during the financial year ended 31 December 2025. As we were unable to obtain sufficient appropriate audit evidence to support the carrying amount of these production lines as explained above, we were also not able to ascertain the reasonableness of management's assessment of recoverability of the amount due from the subsidiary and accordingly, we were unable to determine whether any adjustments to the amount due from the subsidiary were necessary.

We conducted our audit in accordance with the Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3.1 in the financial statements with respect to the Group's and the Company's ability to continue as going concerns. During the financial year ended 31 December 2025, the Group reported a net loss of \$3,483,000 (2024: net profit of \$74,000) and as at 31 December 2025, the Group's and the Company's current liabilities exceeded their current assets by \$5,161,000 (2024: \$2,212,000) and \$3,658,000 (2024: \$6,266,000), respectively. In addition, the Company had a net capital deficiency of \$1,647,000 (2024: \$508,000) at reporting date.

As stated in Note 3.1, these events or conditions, along with other matters as set forth in Note 3.1, indicate the existence of a material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as going concerns. Nevertheless, for the reasons disclosed in Note 3.1, the directors are of the view that it is appropriate for the financial statements of the Group and of the Company to be prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the 2025 Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section of our report, we were unable to obtain sufficient appropriate audit evidence with respect to the fair value and carrying amount of the Group's property, plant and equipment relating to 14 production lines and the recoverability of the amount due from a subsidiary to the Company at reporting date including any impairment losses to be recognised in the current financial year. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANNICA HOLDINGS LIMITED

For the financial year ended 31 December 2025

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matters described in the *Basis for Qualified Opinion and Material Uncertainty Related to Going Concern* sections, we have determined that the matter described below to be the key audit matter to be communicated in our report.

Revenue recognition for specialised pipeline equipment and services (Refer to Notes 3 and 4 to the financial statements)	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group entered into a material contract with a customer for the procurement of a new emergency pipeline clamp and refurbishment of existing clamps with a total contract value of \$4,545,000 and, spanning multiple financial reporting periods.</p> <p>Revenue recognition for this contract involved significant judgement under SFRS(I) 15 Revenue from Contracts with Customers, particularly in:</p> <ul style="list-style-type: none"> ● Identifying and separating distinct performance obligations; ● Determining whether revenue should be recognised over time or at a point in time; and ● Measuring progress and estimating costs for over time revenue recognition. <p>The contract comprises (i) supply of a new emergency clamp and (ii) refurbishment of existing clamps. Management concluded that revenue for the new clamp is recognised at a point in time upon delivery and acceptance, while revenue for refurbishment services is recognised over time, as the services enhance assets controlled by the customer. Revenue from ad-hoc maintenance services such as equipment servicing and refurbishment work is recognised overtime when the service is performed and accepted by customers. Due to the contract size, complexity and judgement involved, there was a risk of revenue being inappropriately recognised or misstated.</p> <p>As the above contract with customer involved multiple performance obligations in one contract, we consider this to be a key audit matter.</p>	<p>We inspected the signed contract and evaluated management's identification of distinct performance obligations and conclusions on revenue recognition timing, by reference to the criteria in SFRS(I) 15.</p> <p>For the new clamp, we verified that no revenue was recognised prior to delivery by inspecting shipping documents, customer acceptances and invoices around year end, and confirming that any advance payments were recorded as contract liabilities.</p> <p>For refurbishment services, we tested revenue recognised over time by examining hours charged by personnel, progress reports and customer certifications, and recalculating revenue based on the stage of completion at year end.</p> <p>We evaluated management's allocation of the contract price between the two performance obligations based on relative standalone selling prices in accordance with SFRS(I) 15, and considered whether any variable consideration existed.</p> <p>We have assessed the adequacy of disclosures included in the financial statements.</p>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANNICA HOLDINGS LIMITED

For the financial year ended 31 December 2025

Report on the Audit of the Financial Statements (cont'd)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANNICA HOLDINGS LIMITED

For the financial year ended 31 December 2025

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tang Hui Lin.

PKF-CAP LLP

Public Accountants and Chartered Accountants

Singapore
15 April 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2025

	Note	2025 \$'000	2024 \$'000
Continuing operations			
Revenue	4	7,325	12,627
Cost of sales		(3,634)	(7,345)
Gross profit		3,691	5,282
Other income	5	517	2,649
Interest income	5	11	146
Selling and distribution expenses		(269)	(247)
Administrative and general expenses		(5,050)	(5,449)
Other expenses	6	(1,469)	(1,545)
Impairment losses on trade and other receivables		(53)	–
Finance costs	7	(711)	(376)
(Loss)/Profit before tax from continuing operations	8	(3,333)	460
Tax expense	9	(129)	(178)
(Loss)/Profit for the financial year from continuing operations		(3,462)	282
Discontinued operations			
Loss for the financial year from discontinued operations	31	(21)	(208)
(Loss)/Profit for the financial year		(3,483)	74
Other comprehensive (loss)/income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising from consolidation		(31)	133
Other comprehensive (loss)/income for the financial year, net of tax		(31)	133
Total comprehensive (loss)/income for the financial year		(3,514)	207
(Loss)/Profit for the financial year attributable to:			
Equity holders of the Company		(3,207)	(21)
Non-controlling interests		(276)	95
Total (loss)/profit for the financial year		(3,483)	74
(Loss)/Profit for the financial year attributable to:			
<i>Equity holders of the Company</i>			
- (Loss)/Profit from continuing operations		(3,186)	187
- Loss from discontinued operations		(21)	(208)
		(3,207)	(21)
Total comprehensive (loss)/income attributable to:			
<i>Equity holders of the Company</i>			
Equity holders of the Company		(3,238)	112
Non-controlling interests		(276)	95
Total comprehensive (loss)/income for the financial year		(3,514)	207
Total comprehensive (loss)/income attributable to:			
<i>Equity holders of the Company</i>			
- (Loss)/Profit from continuing operations		(3,217)	320
- Loss from discontinued operations		(21)	(208)
		(3,238)	112
(Loss)/Earning per share for (loss)/profit attributable to equity holders of the Company (cents per share):			
Basic and diluted			
From continuing and discontinued operations	10	(0.0159)	(0.0001)
- From continuing operations		(0.0158)	0.0011
- From discontinued operations		(0.0001)	(0.0012)

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

STATEMENTS OF FINANCIAL POSITION

For the financial year ended 31 December 2025

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	6,260	3,977	9	3,745
Right-of-use assets	12	553	622	123	196
Intangible asset	13	–	36	–	–
Investments in subsidiaries	14	–	–	1,890	1,890
Trade and other receivables	16	–	–	–	64
Deferred tax assets	17	42	41	–	–
		6,855	4,676	2,022	5,895
Current assets					
Cash and bank balances	18	3,175	1,958	2	85
Fixed deposits	19	152	143	–	–
Trade and other receivables	16	2,976	2,518	7,166	797
Inventories	20	830	1,108	–	–
Financial assets at fair value through profit or loss	15	–*	–*	–*	–*
Total current assets excluding asset classified as held-for-sale		7,133	5,727	7,168	882
Assets of disposal group classified as held-for-sale	21	1	7	–	1,500
		7,134	5,734	7,168	2,382
Total assets		13,989	10,410	9,190	8,277
LIABILITIES					
Non-current liabilities					
Borrowings	23	270	190	11	137
Provision for employee benefits	24	168	156	–	–
Deferred tax liabilities	17	5	3	–	–
		443	349	11	137
Current liabilities					
Trade and other payables	22	5,478	5,546	8,784	6,849
Contract liabilities	25	2,958	194	–	–
Borrowings	23	3,628	2,032	2,042	1,799
Tax payables		168	126	–	–
Total current liabilities excluding liabilities relating to assets as held-for-sale		12,232	7,898	10,826	8,648
Liabilities directly associated with disposal group classified as held-for-sale	21	63	48	–	–
		12,295	7,946	10,826	8,648
Total liabilities		12,738	8,295	10,837	8,785
Net assets/(liabilities)		1,251	2,115	(1,647)	(508)
EQUITY					
Share capital	26	73,151	70,501	73,151	70,501
Other reserves	27	(670)	(639)	89	89
Accumulated losses		(71,303)	(68,096)	(74,887)	(71,098)
Equity/(capital deficiency) attributable to equity holders of the Company		1,178	1,766	(1,647)	(508)
Non-controlling interests		73	349	–	–
Total equity/(capital deficiency)		1,251	2,115	(1,647)	(508)

*Amount less than \$1,000

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

	Share capital \$'000	Other reserves \$'000	Accumulated losses \$'000	Equity attributable to equity holders of the Company \$'000	Non- controlling interests \$'000	Total equity \$'000
Group						
Balance at 1 January 2024	68,101	(772)	(68,075)	(746)	254	(492)
Transaction with owners, recognised directly in equity						
Issuance of ordinary shares of the Company (Note 26)	2,400	–	–	2,400	–	2,400
(Loss)/Profit for the financial year	–	–	(21)	(21)	95	74
Other comprehensive income						
- Currency translation differences arising from consolidation	–	133	–	133	–	133
Total comprehensive income/(loss) for the financial year	–	133	(21)	112	95	207
Balance at 31 December 2024	70,501	(639)	(68,096)	1,766	349	2,115
Transaction with owners, recognised directly in equity						
Share-based payments (Note 26)	2,650	–	–	2,650	–	2,650
(Loss)/Profit for the financial year	–	–	(3,207)	(3,207)	(276)	(3,483)
Other comprehensive loss						
- Currency translation differences arising from consolidation	–	(31)	–	(31)	–	(31)
Total comprehensive loss for the financial year	–	(31)	(3,207)	(3,238)	(276)	(3,514)
Balance at 31 December 2025	73,151	(670)	(71,303)	1,178	73	1,251

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

	Share capital \$'000	Capital reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Company				
Balance at 1 January 2024	68,101	89	(70,832)	(2,642)
Issuance of ordinary shares of the Company (Note 26), representing transaction with owners recognised directly in equity	2,400	–	–	2,400
Total comprehensive loss for the financial year	–	–	(266)	(266)
Balance at 31 December 2024	70,501	89	(71,098)	(508)
Share-based payments (Note 26), representing transaction with owners recognised directly in equity	2,650	–	–	2,650
Total comprehensive loss for the financial year	–	–	(3,789)	(3,789)
Balance at 31 December 2025	73,151	89	(74,887)	(1,647)

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2025

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
(Loss)/Profit before tax from continuing operations		(3,333)	460
Loss before tax from discontinued operations		(21)	(208)
		(3,354)	252
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	11	180	165
Depreciation of right-of-use assets	12	374	308
Fair value gain on borrowings		–	(5)
Interest expenses		711	378
Interest income		(11)	(146)
Reversal of withholding tax expenses	5	–	(121)
Bad debt recovered	5	–	(2,071)
Impairment losses on trade and other receivables		53	–
Impairment loss on property, plant and equipment	6	841	1,040
Impairment loss on goodwill		36	–
Write off of unwinding bank loan interest		(24)	–
Currency translation adjustments		(101)	102
Operating cash flows before working capital changes		(1,295)	(98)
<i>Changes in working capital:</i>			
Inventories		278	(725)
Trade and other payables and contract liabilities		2,826	(1,295)
Trade and other receivables		(508)	1,999
Cash generated from/(used in) operations		1,301	(119)
Income tax paid		(101)	(191)
Net cash generated from/(used in) operating activities		1,200	(310)
Cash flows from investing activities			
Interest received		11	24
Purchase of property, plant and equipment ⁽¹⁾		(566)	(174)
Net cash used in investing activities		(555)	(150)
Cash flows from financing activities			
Interest paid for bank loans		(182)	(259)
Interest paid for lease liabilities		(30)	(25)
Interest paid for third party loan		(540)	(261)
(Placement)/Release of fixed deposit pledged		(17)	312
Release/(Placement) of deposit in cash margin account		(209)	(260)
Proceeds from borrowings		3,291	1,500
Repayment of principal portion of borrowings		(1,558)	(1,595)
Repayment of principal portion of lease liabilities		(285)	(274)
Net cash generated from/(used in) financing activities		470	(862)

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2025

	Note	2025 \$'000	2024 \$'000
Net increase/(decrease) in cash and cash equivalents		1,115	(1,322)
Cash and cash equivalents at beginning of the financial year		1,698	3,013
Effects of foreign currency translation on cash and cash equivalents		(83)	14
Cash and cash equivalents of disposal group classified as held-for-sale	21	(1)	(7)
Cash and cash equivalents at end of the financial year	18	2,729	1,698

(1) For the purpose of statement of cash flows, the additions of property, plant and equipment during the financial year as follows:

		2025 \$'000	2024 \$'000
Non-cash movement:			
Additions of plant and equipment		2,650	4,781

The additions of property, plant and equipment during the financial year were settled through share based payments as disclosed in Note 26. In 2024, the additions of property, plant and equipment were settled through amount due from other receivables as disclosed in Note 16.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate information

Annica Holdings Limited (the “**Company**”) (Co. Reg. No. 198304025N) is incorporated and domiciled in Singapore. The address of its registered office and principal place of business is at 40 Ubi Crescent, #01-01, Singapore 408567. The Company is listed on the Catalyst board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries disclosed in Note 14 to the financial statements.

2. Material accounting policy information

2.1 Basis of preparation

These financial statements are presented in Singapore Dollars (“\$”), which is the Company’s functional currency and all financial information presented in Singapore Dollars are rounded to the nearest thousand (\$’000) except when otherwise indicated. These financial statements have been prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”) under the historical cost basis, except as disclosed in the accounting policies below.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3 to the financial statements.

The carrying amounts of cash and cash equivalents, trade and other current receivables, trade and other current payables and borrowings approximate their respective fair values due to the relatively short-term maturity of these financial instruments except for non-current borrowings as disclosed in Note 23.

Adoption of new and amended SFRS(I) and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on 1 January 2025. The adoption of these standards did not have any material effect on the Group’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.1 Basis of preparation (cont'd)

Standards issued but not yet effective

At the date of authorisation of these financial statements, the Group and Company have not applied the following SFRS(I) pronouncements that have been issued but are not yet effective:

	Effective for annual periods beginning on or after
Amendments to SFRS(I) 9 and SFRS(I) 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Annual Improvements to SFRS(I)s – <i>Volume 11</i>	1 January 2026
SFRS(I) 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
SFRS(I) 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027

Management anticipates that the adoption of the above SFRS(I)s, SFRS(I) INTs and amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption except for the following:

SFRS(I)18 *Presentation and Disclosure in Financial Statements*

SFRS(I)18 replaces SFRS(I) 1-1, carrying forward many of the requirements in SFRS(I)1-1 unchanged and complementing them with new requirements. In addition, some SFRS(I)1-1 paragraphs have been moved to SFRS(I)1-8 and SFRS(I)1-7. Furthermore, minor amendments to SFRS(I)1-7 and SFRS(I)1-33 Earnings per Share have been made.

SFRS(I)18 introduces new requirements to:

- i) Present specified categories and defined subtotals in the statement of profit or loss
- ii) Provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- iii) Improve aggregation and disaggregation.

An entity is required to apply SFRS(I)18 for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The amendments to SFRS(I)1-7 and SFRS(I)1-33, as well as the revised SFRS(I)1-8 and SFRS(I)7, become effective when an entity applies SFRS(I)18. SFRS(I)18 requires retrospective application with specific transition provisions.

2.2 Revenue recognition

(a) *Integrated Engineering Solutions Segment*

(i) *Sales of specialised pipeline equipment and services*

The Group generates revenue from contracts to supply specialised emergency clamps and to refurbish emergency clamps owned by customers for use in oil and gas pipeline operations.

Certain contracts comprise two distinct performance obligations:

- Supply of new emergency clamps, which includes design, procurement, testing, delivery and installation training; and;
- Refurbishment of existing emergency clamps owned by the customer.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.2 Revenue recognition (cont'd)

(a) *Integrated Engineering Solutions Segment (cont'd)*

(i) *Sales of specialised pipeline equipment and services (cont'd)*

Where a contract contains multiple performance obligations, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. The stand-alone selling price of refurbishment services is directly observable, as such services are separately priced in the contract. The remaining transaction price is allocated to the supply of new emergency clamps using a residual approach.

For the supply of new emergency clamps, the revenue is recognised at a point in time when control of the goods has transferred to its customers, being when the goods are delivered to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from these sales is recognised based on the price specified in the contract.

For the refurbishment services, the revenue is recognised over time, based on the costs incurred to date as a proportion of the estimated total costs to be incurred. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration such as incentives, penalties and liquidated ascertained damages. Past experience is used to estimate the variable consideration, using most likely method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Progress billings to the customer are based on a payment schedule in the contract and are typically triggered upon achievement of specified milestones. A contract asset is recognised when the Group has performed under the contract but has not billed the customer. Conversely, a contract liability is recognised when the Group has not performed under the contract but have billed or received advance payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

When the outcome of a contract cannot be reasonably measured but the Group expects to recover the costs incurred in satisfying the performance obligation, revenue is recognised only to the extent of contract costs incurred until such time that the Group can reasonably measure the outcome of the performance obligation. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue on a contract, the expected loss is recognised as an expense immediately, with a corresponding provision for an onerous contract.

(ii) *Sales of goods*

The Group mainly traded in oilfield equipment and related products. Revenue from the sale of these goods is recognised at a point in time when control of the goods has transferred to its customers, being when the goods are delivered to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from these sales is recognised based on the price specified in the contract. The customer may be required to pay part of the contract price upon signing the contract and the remaining contract price before delivery and/or 60 - 90 days from the delivery date. There is no significant financing component present as the payment terms is an industry practice to protect the performing entity from non-payment from customer and the period between the transfer of the promised goods and payment by the customer is generally less than one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.2 Revenue recognition (cont'd)

(a) *Integrated Engineering Solutions Segment (cont'd)*

(ii) *Sales of goods (cont'd)*

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due. The difference between the consideration due or received in accordance with the payment terms and revenue recognised is recognised as contract liabilities.

(iii) *Rendering of services*

The Group provides (i) ad-hoc maintenance services such as equipment inspection and equipment servicing; and (ii) ad-hoc engineering work. Revenue from services is recognised over time when the service is performed and accepted by customers.

A receivable is recognised upon completion of services and acceptance by the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(iv) *Rental income*

Rental income arising from operating leases on machine is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees, if any, are recognised as a reduction of rental income over the lease term on a straight-line basis.

(v) *Interest income*

Interest income is recognised on a time proportion basis using the effective interest method.

(b) *Renewable Segment*

(i) *Sales of goods*

Revenue from the sale of these goods is recognised at a point in time when control of the goods has transferred to its customers, being when the goods are delivered to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from these sales is recognised based on the price specified in the contract.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting date. Subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.3 Basis of consolidation (cont'd)

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary company. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill. Goodwill is accounted for in accordance with the accounting policy for goodwill stated in Note 2.11. In instances where the latter amount exceeds the former and the measurement of all amounts has been reviewed, the excess is recognised as gain on bargain purchase in profit or loss on the date of acquisition.

Non-controlling interests are part of the net results of operations and of net assets of a subsidiary company attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary company, even if this results in the non-controlling interests having a deficit balance.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value or, when applicable, on the basis specified in another standard.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Changes in the Company's ownership interest in a subsidiary company that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amount of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to equity holders of the Company.

When a change in the Company's ownership interest in a subsidiary company results in a loss of control over the subsidiary company, the assets and liabilities of the subsidiary company including any goodwill, non-controlling interest and other components of equity related to the subsidiary are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to accumulated losses if required by a specific SFRS(I).

Any retained equity interest in the previous subsidiary company is remeasured at fair value at the date that control is lost. The difference between the carrying amounts of the retained interest at the date control is lost, and its fair value is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.4 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of the investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.5 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statements of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments. When the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate. Government grants relating to expenses are shown separately as other income.

2.6 Employee compensation

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.6 Employee compensation (cont'd)

Defined benefit plans

Pension accounting costs for defined benefit plans are assessed using the projected unit credit method. Under this method, the costs of providing pensions are charged to profit or loss spreading the regular cost over the service lives of employees in accordance with the advice of qualified actuaries, who carry out a full valuation of major plans every year. The pension obligations are measured as the present value of the estimated future cash outflows by reference to market yields on high quality corporate bonds which have terms to maturity approximating the terms of the related liability. Plan assets, if any, are measured at fair value.

Past service costs are recognised immediately in profit or loss.

The Group's total contribution relating to the defined pension plans are charged to profit or loss in the period to which they relate.

Equity settled share-based compensation with employees

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options granted on the date of the grant. This cost is recognised in profit or loss, with a corresponding increase in the share option reserve, over the vesting period. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At the end of each annual reporting period, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account if new ordinary shares are issued, or credited to the "treasury shares" account if treasury shares are re-issued to the employees. Upon expiry of the options, the balance in the share option reserve is transferred to retained earnings.

Equity-settled share-based payments with parties other than employees

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

2.7 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.7 Income taxes (cont'd)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovation credit) similar to accounting for other tax credits where a deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

2.8 Foreign currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the “**functional currency**”). The financial statements of the Group and the Company are presented in Singapore Dollars, which is the Company’s functional currency.

Transactions and balances

Transactions in a currency other than the functional currency (“**foreign currency**”) are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.8 Foreign currencies (cont'd)

Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing rates at the date of the end of the reporting period;
- (ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate at the reporting date.

On disposal of a foreign group entity, the cumulative amount of the foreign currency translation reserve relating to that particular foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

2.9 Property, plant and equipment

Property, plant and equipment are initially recorded at cost and subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised.

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.9 Property, plant and equipment (cont'd)

Depreciation is calculated on a straight-line basis to write off the cost of all property, plant and equipment over their expected useful lives. The estimated useful lives are as follows:

Fixtures and fittings	3 to 5 years
Plant and equipment	3 to 20 years
Motor vehicles	4 to 10 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each financial year. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2.10 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When the Group is the lessee

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets. For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented within "borrowings" in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, such as a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.10 Leases (cont'd)

When the Group is the lessee (cont'd)

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities, and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statements of financial position.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.12.

As a practical expedient, SFRS(I) 16 *Leases* permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease component as a single arrangement. The Group has not used this practical expedient.

When the Group is an intermediate lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease, as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Amount due from leases under finance leases are recognised as receivables at the amount of the Group's lease receivables. Each lease payment received is applied against the gross lease receivables to reduce both principal and unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the lease receivables.

Initial direct cost incurred by the Group in negotiating and arranging finance leases are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

When a contract includes both lease and non-lease components, the Group applies SFRS(I) 16 *Leases* to allocate the consideration under the contract to each component.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.11 Goodwill

Goodwill is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.12 Impairment of non-financial assets

At the end of the reporting date, the Group assesses the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment for an asset other than goodwill is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.13 Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.13 Financial assets (cont'd)

Recognition and derecognition (cont'd)

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss (“**FVTPL**”).

The classification is based on the Group’s business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are ‘solely payments of principal and interest (“**SPPI**”)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement

Debt instruments

Debt instruments include cash and cash equivalents, fixed deposits and trade and other receivables (excluding prepayments, tax recoverable, advance billings from suppliers, advance payment to supplier and GST receivables). The financial assets, depending on the Group’s business model for managing the asset and cash flow characteristics of the asset are measured as follows:

Amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“**EIR**”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.13 Financial assets (cont'd)

Subsequent measurement (cont'd)

Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVTPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in either "other income" or "other expenses".

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date. The Group has established simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous financial year, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

Offset

Financial assets and liabilities are offset and the net amount presented on the statements of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.14 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash and bank balances which are subject to insignificant risk of changes in value.

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined using a first-in first-out basis for general stock and specific cost basis for unique stock. Net realisable value represents the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.16 Financial liabilities

Financial liabilities include trade and other payables (excluding provision for unutilised leave, GST payables and withholding tax payables), provision for employee benefits and borrowings. Financial liabilities are recognised on the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent to initial recognition, derivatives are measured at fair value. Other financial liabilities (except for the financial guarantees) are measured at amortised cost using the effective interest method.

For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in profit or loss. Net gains or losses on derivatives include exchange differences. A financial liability is derecognised when the obligation under the liability is extinguished.

2.17 Borrowings

Loans

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of the financial year, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.18 Provisions for liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Provisions are reviewed at end of each financial year and adjusted to reflect the current best estimates. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). If it is no longer likely than not that an outflow of resources will be required to settle the obligation, the provisions will be reversed.

2.19 Borrowing costs

Borrowing costs, which comprise interest and other costs incurred in connection with the borrowing of funds, are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are recognised in the profit or loss using the effective interest method.

2.20 Share capital

Proceeds from issuance of ordinary shares of the Company are recognised as share capital in equity.

Incremental costs directly attributable to the issuance of ordinary shares of the Company are deducted against share capital.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.21 Dividends

Interim dividends are recorded during the financial year in which they are declared payable.

Final dividends are recorded in the Group's financial statements in the period in which they are approved by the Company's shareholders.

2.22 Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are initially recognised at their fair values plus transaction costs.

Subsequent to initial measurement, the financial guarantees are stated at the higher of the amount initially recognised less cumulative amount of income recognised in accordance with the principles of SFRS(I) 15 and the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

2.23 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent liabilities and assets are not recognised on the statements of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.24 Related parties

A related party is an entity or person that directly or indirectly through one or more intermediary controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. The transactions are entered on terms agreed by the parties concerned.

2.25 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.26 Non-current assets (or disposal groups) held-for-sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held-for-sale if their carrying amount is recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of carrying amount and fair value less costs to sell except for assets such as deferred tax assets, financial assets and investment property that are carried at fair value. The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss previously recognised) is recognised in profit or loss.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held-for-sale and:

- (a) represents a separate major line of business or geographical area of operations; or
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- (c) is a subsidiary acquired exclusively with a view to resale.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the financial year. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Critical judgements made in applying accounting policies

In the process of applying the Group's material accounting policies which are described in Note 2, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

Going concern

During the financial year ended 31 December 2025, the Group reported a net loss of \$3,483,000 (2024: net profit of \$74,000) and as at 31 December 2025, the Group's and the Company's current liabilities exceeded their current assets by \$5,161,000 (2024: \$2,212,000) and \$3,658,000 (2024: \$6,266,000), respectively. In addition, the Company has a net capital deficiency of \$1,647,000 (2024: \$508,000). These factors indicate the existence of a material uncertainty which may cast significant doubt on the Group's and the Company's ability to continue as going concerns.

Nevertheless, the Board of Directors are of the view that it is appropriate for the financial statements of the Group and of the Company to be prepared on a going concern basis as:

- (1) The Group has prepared a 16-month consolidated cash flow forecast of the Group for the period from 1 January 2026 to 30 April 2027 which showed that the Group and the Company will be able to generate sufficient cash flows in the next 16 months subsequent to 31 December 2025 to meet their financial obligations as and when they fall due, by taking into consideration the following:
 - (a) The Group's activities are expected to generate positive cash flows for the Group and the Company over the next 16 months subsequent to 31 December 2025;

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3. Critical accounting judgements and key sources of estimation uncertainty (cont'd)

3.1 Critical judgements made in applying accounting policies (cont'd)

Going concern (cont'd)

- (b) The Group has entered into memorandum of understanding with international partners to evaluate and develop solar-hydrogen hybrid systems and direct methanol fuel cells, focusing on technical feasibility, economic viability, and operational performance. Revenue contribution from the renewable segment is expected to contribute positively to the Group's cash flows from the expected growth in this segment over the next 16 months; and
 - (c) The streamlining of oil and gas equipment and engineering services segments, to serve broader markets along the value chain will enhance cost-efficiency and brand visibility.
- (2) The Company has obtained a written undertaking from directors that they will not demand for immediate repayment of directors' fees and other balances amounting to \$1,321,000 owed to them for at least 12 months from the date of the approval of the Group's consolidated financial statements.
 - (3) The Directors are actively exploring various corporate strategies, including funds raising, strategic acquisitions and restructuring the Group's existing businesses or assets to strengthen the Group's earnings base.
 - (4) Subsequent to 31 December 2025, the Company has proposed to undertake share consolidation and a renounceable non-underwritten rights issue (collectively "**Proposed Exercise**") raise up to S\$5.23 million of net proceeds, with the minimum scenario raising S\$1.24 million from the undertaking shareholders would strengthen the financial position of the Company. The Proposed Exercise was approved by the shareholders during an extraordinary general meeting held on 9 April 2026.
 - (5) Subsequent to 31 December 2025, the Company has obtained a loan from a third party amounting to \$1,000,000 and advances from a Director amounting to \$150,000 to support the Group's working capital requirements.

Based on the above measures or strategies being implemented, management continues to have a reasonable expectation that the Group and Company will have adequate resources to continue in operation for at least the next 12 months from the date of approval of this financial statements and that the going concern basis of preparation of these financial statements remains appropriate.

The financial statements did not include any adjustments that may result in the event that the Group and the Company are unable to continue as going concerns. In the event that the Group and the Company are unable to continue as going concerns, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may have to provide for further liabilities that might arise and to reclassify non-current assets and liabilities as current assets and current liabilities.

Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices of their goods and services.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3. Critical accounting judgements and key sources of estimation uncertainty (cont'd)

3.1 Critical judgements made in applying accounting policies (cont'd)

Critical judgements made in concluding the Group had control over H2 Energy Sdn. Bhd. ("H2E")

As disclosed in Note 14 (a) to the financial statements, the Group had an effective equity interest of 49% (2024: 49%) in H2E. The Group has assessed and determined that it has control of H2E even though it holds less than half of the voting rights of H2E, with the following factors and indicators that established the Group has sufficient rights to give it power over H2E:

- a) The Group can, without having the contractual right to do so, appoint or approve H2E's key management personnel who have the ability to direct relevant activities (i.e. the activities that significantly affect the investee's returns) of H2E.

The Chief Executive Officer, Finance Director and Technical Director of H2E are current employees and related parties of the entities within the Group. H2E depends on the Group for these key management personnel that have specialised knowledge of H2E's operations.

- b) H2E's operations are dependent on the Group; this is evident as H2E depends on the Group to fund a portion of its operations and for the supply of manpower in relation to critical services for the operational, commercial, finance and administrative activities of H2E, including the supply of key management personnel.
- c) A significant portion of H2E's activities either involve or are conducted on behalf of the Group, as H2E is supported by the Group's engineering arm, and majority of H2E employees (including key management personnel) are from the Group.
- d) Further, the Group has representation of two directors on H2E's Board of Directors. Through this board representation and the governance arrangements of H2E, the Group has the practical ability to direct decisions over H2E's relevant activities and therefore has power over H2E.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue recognition for specialised pipeline equipment and services

Judgement is required in identifying distinct performance obligations and determining whether revenue is recognised over time or at a point in time. For the Emergency Clamps Project, management concluded that the supply of the customised emergency clamp represents a distinct performance obligation satisfied at a point in time upon delivery and acceptance, while refurbishment and related engineering services are satisfied over time as the services enhance assets controlled by the customer.

In assessing over time revenue recognition, management considered the nature of the services provided, the absence of alternative use, and contractual termination clauses which provide the Group with an enforceable right to payment for costs incurred to date. Management exercised judgement in concluding that the criteria for over time recognition under SFRS(I) 15 are met when the contract is considered in its entirety.

Inventory valuation method

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines. The realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available and inherently involves estimates regarding the future expected realisable value. The carrying amount of the Group's inventories as at 31 December 2025 was \$830,000 (2024: \$1,108,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3. Critical accounting judgements and key sources of estimation uncertainty (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

Estimating the incremental borrowing rate for leases

The Group uses the incremental borrowing rate to measure the lease liabilities because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate by using observable inputs such as market interest rates, when available and is required to make certain entity-specific estimates, such as the entity’s stand-alone credit rating. Any change in estimation of incremental borrowing rate may have a significant impact to the determination of lease liabilities and right-of-use asset at the commencement date of new leasing transactions. The carrying amounts of right-of-use assets and lease liabilities are disclosed in Notes 12 and 23, respectively.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

Details of the impairment assessment (including key assumptions used) of the Company’s plant and equipment and investment in subsidiaries are disclosed in Notes 11 and 14, respectively. Changes in key assumptions made could affect the carrying value of these assets.

Calculation of expected credit losses (“ECL”) allowance of trade and other receivables

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As the calculation of loss allowance on trade and other receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of trade and other receivables. Details of ECL measurement and carrying value of trade and other receivables at reporting date are disclosed in Notes 16 and 33 (b) respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4. Revenue

	Group	
	2025	2024
	\$'000	\$'000
Sales of goods	4,940	7,715
Sales of specialised pipeline equipment and services	1,989	780
Services rendered	396	4,132
	7,325	12,627

Disaggregation of revenue

The following table provides a disaggregation disclosure of the Group's revenue by primary geographical markets and timing of revenue recognition:

	2025	2024
	\$'000	\$'000
Oil and gas equipment segment:		
<i>Primary geographical markets</i>		
Indonesia	4,348	1,469
Brunei & Myanmar	1,111	4,885
Malaysia	981	4,617
Singapore	466	454
Thailand	381	1,180
Others	38	20
Vietnam	–	2
	7,325	12,627
Timing of transfer of goods and services		
At a point in time	6,713	8,495
Overtime	612	4,132
	7,325	12,627

Revenue recognised during the financial year from:

	Group	
	2025	2024
	\$'000	\$'000
Amounts included in contract liabilities at beginning of the financial year	194	2,008

The Group applies the practical expedient in SFRS(I) 15 and does not disclose information about its remaining performance obligation as the performance obligation is part of the contracts that have original expected duration of one year or less.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

5. Other income and interest income

	Group	
	2025 \$'000	2024 \$'000
Other income		
Extension fees on amount due from Ms Chong Shin Mun	–	35
Write off of unwinding bank loan interest	24	–
Government grant income	7	17
Reversal of withholding tax expenses	–	121
Bad debt recovered	–	2,071
Foreign currency exchange gain	475	398
Miscellaneous	11	7
	517	2,649
Interest income		
- bank and fixed deposits	11	24
- loan to a former subsidiary (GPE) and consideration due from disposal of a subsidiary (GPE) from Ms Chong Shin Mun	–	122
	11	146

6. Other expenses

	Group	
	2025 \$'000	2024 \$'000
Foreign currency exchange loss	592	492
Miscellaneous expenses	–	13
Impairment loss on property, plant and equipment (Note 11)	841	1,040
Impairment loss on goodwill (Note 13)	36	–
	1,469	1,545

7. Finance costs

	Group	
	2025 \$'000	2024 \$'000
Interest expenses:		
- lease liabilities [Note 23 and 28(a)]	30	25
- bank loans (Note 23)	3	16
- loan from third parties (Note 23)	668	325
- provision for employee benefits (Note 24)	10	10
	711	376

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

8. (Loss)/Profit before tax

In addition to the transactions disclosed elsewhere in the notes to the financial statements, the (loss)/profit before tax is arrived at after charging/(crediting) the following:

	Group	
	2025	2024
	\$'000	\$'000
Depreciation expense on property, plant and equipment	180	165
Depreciation expense on right-of-use assets	374	278
Directors' fees		
- company	170	166
- subsidiaries	21	18
Audit fees paid/payable to:		
- auditor of the Company	207	202
- other auditors	20	33
Fees on non-audit services paid/payable to:		
- auditor of the Company	22	9
- other auditors	4	4
Short-term lease expense [Note 28(a)]	217	240
Staff costs (Note A)	2,766	2,782
Bad debt recovered	-	(2,071)
Impairment loss on property, plant and equipment (Note 11)	841	1,040
Impairment loss on goodwill (Note 13)	36	-
	36	-
	<hr/>	
	Group	
	2025	2024
	\$'000	\$'000
<i>Note A- Staff costs</i>		
<i>Key management personnel*:</i>		
Wages, salaries and other related costs excluding directors' fees	982	977
Employer's contribution to defined contribution plans including Central Provident Fund	60	51
	1,042	1,028
<i>Other staff:</i>		
Wages, salaries and other related costs	1,552	1,589
Employer's contribution to defined contribution plans including Central Provident Fund	172	165
	2,766	2,782
	<hr/>	
* Comprise amounts paid/payable to:		
- Directors of the Company	590	578
- Other key management personnel	452	450
	1,042	1,028
	<hr/>	

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

9. Tax expense

	Group	
	2025	2024
	\$'000	\$'000
Tax expense for the financial year consists of:		
Current income tax		
- continuing operation	133	191
- discontinued operation	-	-
Deferred tax (Note 17)		
- continuing operation	(4)	(13)
- discontinued operation	-	-
	129	178

The income tax expense on the results of the financial year differs from the amount of income tax determined by applying the Singapore statutory rate of income tax due to the following factors:

	Group	
	2025	2024
	\$'000	\$'000
(Loss)/Profit before tax from continuing operation	(3,333)	460
Loss before tax from discontinued operation	(21)	(208)
	(3,354)	252
Tax calculated at a tax rate of 17% (2024: 17%)	(570)	43
Effect of different tax rates in other countries	(71)	22
Expenses not deductible for tax purposes	349	487
Income not subject to tax ⁽¹⁾	(39)	(543)
Income exemption and tax incentive	(1)	(39)
Utilisation of unabsorbed tax losses	-	(37)
Utilisation of deferred tax assets previously not recognised	-	(11)
Deferred tax assets not recognised	465	256
Double deduction of expenses	-	(1)
Others	(4)	1
	129	178

⁽¹⁾ Included in income not subject to tax mainly comprise of extension fees of \$35,000 in 2024 under Note 5.

As at 31 December 2025, the Group has deferred tax assets in respect of unutilised tax losses of \$28,770,005 (2024: \$26,000,572) and unabsorbed capital allowance of \$130,824 (2024: \$76,574) which are available to offset against future taxable income, subject to agreement by the tax authority and compliance with relevant provisions of the Singapore Income Tax Act. The potential deferred tax asset has not been recognised in the statements of financial position as it is not probable that future taxable profits will be sufficient to allow the related tax benefits to be utilised.

The corporate tax rates applicable to companies incorporated in Singapore and foreign subsidiaries of the Group are 17% (2024: 17%) and 15% to 24% (2024: 15% to 24%), respectively for the year of assessment 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

10. (Loss)/Earnings per share

Basic (loss)/earnings per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2025	2024
	\$'000	\$'000
(Loss)/Profit from continuing operations	(3,186)	187
Loss from discontinued operations	(21)	(208)
Loss for the year attributable to equity holders of the Company	<u>(3,207)</u>	<u>(21)</u>
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	<u>20,223,678</u>	<u>17,705,446</u>
Basic and diluted (loss)/earnings per share (cents)		
- continuing operations	(0.0158)	0.0011
- discontinued operations	(0.0001)	(0.0012)
Total continuing and discontinued operations	<u>(0.0159)</u>	<u>(0.0001)</u>

There was no difference between the basic and diluted (loss)/earnings per share as the effect of all potentially dilutive shares outstanding was anti-dilutive for the financial years ended 31 December 2025 and 31 December 2024.

11. Property, plant and equipment

	Fixtures and fittings	Plant and equipment	Motor vehicles	Total
	\$'000	\$'000	\$'000	\$'000
Group				
2025				
Cost				
At 1 January 2025	654	5,369	1	6,024
Additions	4	3,212	-	3,216
Translation differences	(5)	110	-	105
At 31 December 2025	<u>653</u>	<u>8,691</u>	<u>1</u>	<u>9,345</u>
Accumulated depreciation and impairment losses				
At 1 January 2025	589	1,457	1	2,047
Depreciation charge for the financial year	33	147	-	180
Impairment loss for the financial year	-	841	-	841
Translation differences	3	14	-	17
At 31 December 2025	<u>625</u>	<u>2,459</u>	<u>1</u>	<u>3,085</u>
Net carrying value				
At 31 December 2025	<u>28</u>	<u>6,232</u>	<u>-</u>	<u>6,260</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

11. Property, plant and equipment (cont'd)

	Fixtures and fittings \$'000	Plant and equipment \$'000	Motor vehicles \$'000	\$'000
Group				
2024				
Cost				
At 1 January 2024	548	552	1	1,101
Additions	137	4,818	–	4,955
Reclassified to disposal group	(34)	(5)	–	(39)
Translation differences	3	4	–	7
At 31 December 2024	654	5,369	1	6,024
Accumulated depreciation and impairment losses				
At 1 January 2024	518	356	1	875
Depreciation charge for the financial year	103	62	–	165
Impairment loss for the financial year	–	1,040	–	1,040
Reclassified to disposal group	(34)	(5)	–	(39)
Translation differences	2	4	–	6
At 31 December 2024	589	1,457	1	2,047
Net carrying value				
At 31 December 2024	65	3,912	–	3,977
	Fixtures and fittings \$'000	Plant and equipment \$'000	Total \$'000	
Company				
2025				
Cost				
At 1 January 2025		192	4,835	5,027
Additions		–	2,659	2,659
Transfer to subsidiary		–	(7,431)	(7,431)
At 31 December 2025		192	63	255
Accumulated depreciation and impairment losses				
At 1 January 2025		191	1,091	1,282
Depreciation charge for the financial year		–	4	4
Transfer to subsidiary		–	(1,040)	(1,040)
At 31 December 2025		191	55	246
Net carrying value				
At 31 December 2025		1	8	9

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

11. Property, plant and equipment (cont'd)

	Fixtures and fittings \$'000	Plant and equipment \$'000	Total \$'000
Company			
2024			
Cost			
At 1 January 2024	192	49	241
Additions	–	4,786	4,786
At 31 December 2024	192	4,835	5,027
Accumulated depreciation and impairment losses			
At 1 January 2024	191	49	240
Depreciation charge for the financial year	–	2	2
Impairment loss for the financial year	–	1,040	1,040
At 31 December 2024	191	1,091	1,282
Net carrying value			
At 31 December 2024	1	3,744	3,745

Acquisition of equipment through settlement

Included within additions to plant and equipment in the current financial year is an amount of \$2,650,000 relating to 4 sets of vertical automatic waste tyre pyrolysis equipment. These were acquired as non-cash consideration via allotment and issuance of 1,766,666,666 new ordinary shares of the Company (Note 26). Subsequently, the 14 sets of vertical automatic waste tyre pyrolysis equipment have been transferred from the Company to its subsidiary, Cahya Suria Energy Sdn Bhd.

In 2024, included within additions to plant and equipment is an amount of \$4,781,000 relating to 10 sets of vertical automatic waste tyre pyrolysis equipment. These were acquired as non-cash consideration for the settlement of balances due from Ms Chong Shin Mun, a loan to the former subsidiary (GPE), and amounts due from GPE (Note 16).

Impairment assessment

As at 31 December 2025, the Group performed an impairment assessment on the vertical automatic waste tyre pyrolysis equipment classified under “property, plant and equipment,” due to the impairment indicators as the equipment has been inactive for several years and need refurbishment before it can be operational.

The recoverable amount of the equipment was estimated using the fair value less costs of disposal (FVLCD) approach. This assessment resulted in an impairment loss of \$841,000 (2024: \$1,040,000), which has been recognised in “Other expenses” in the consolidated statement of profit or loss and other comprehensive income.

As at 31 December 2025, the carrying amount of the equipment, net of accumulated depreciation and impairment losses, was \$5,641,000 (2024: \$3,741,000). This is presented under “Non-current assets” within the “Renewable” (2024: “Non-current assets” within the “Investments and Others”) reportable segment of the Group (Note 32).

The fair value less costs of disposal was determined by the Group’s external valuation expert using the depreciated replacement cost method, a Level 3 valuation technique under the fair value hierarchy. This method estimates the current cost of a new, similar asset, adjusted for physical deterioration, functional and economic obsolescence.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

11. Property, plant and equipment (cont'd)

Key assumptions and estimation uncertainty

The key assumptions used in determining the fair value less costs of disposal include:

(i) *Estimated useful lives*

The useful life of the equipment is assessed to be 20 years (2024: 20 years). A longer remaining useful life increases the fair value estimate.

(ii) *Physical obsolescence*

As the equipment had been inactive prior to acquisition, estimated refurbishment costs were included to account for the necessary restoration to operational condition. Higher estimated refurbishment costs result in a lower fair value.

(iii) *Economic obsolescence*

An economic obsolescence rate ranging from 15% to 25% (2024: 15% to 25%) was applied, reflecting expected production yields and the market outlook for the equipment's output (i.e. tyre pyrolysis oil). A higher economic obsolescence rate reduces the fair value.

12. Right-of-use assets

	Leasehold properties \$'000	Warehouse and office \$'000	Corporate apartment \$'000	Office equipment \$'000	Total \$'000
Group					
2025					
Cost					
At 1 January 2025	234	771	88	15	1,108
Additions	–	200	87	14	301
Write off	–	–	(88)	–	(88)
Translation differences	9	(4)	–	–	5
At 31 December 2025	243	967	87	29	1,326
Accumulated depreciation					
At 1 January 2025	57	342	77	10	486
Depreciation charge for the financial year	5	320	43	6	374
Write off	–	–	(88)	–	(88)
Translation differences	2	(1)	–	–	1
At 31 December 2025	64	661	32	16	773
Net carrying value					
At 31 December 2025	179	306	55	13	553

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

12. Right-of-use assets (cont'd)

	Leasehold properties \$'000	Warehouse and office \$'000	Corporate apartment \$'000	Office equipment \$'000	Total \$'000
Group					
2024					
Cost					
At 1 January 2024	221	712	88	31	1,052
Additions	–	116	–	–	116
Write off	–	(56)	–	(16)	(72)
Reclassified to disposal group	–	(108)	–	–	(108)
Lease modification	–	108	–	–	108
Translation differences	13	(1)	–	–	12
At 31 December 2024	234	771	88	15	1,108
Accumulated depreciation					
At 1 January 2024	48	143	33	22	246
Depreciation charge for the financial year	5	255	44	4	308
Write off	–	(56)	–	(16)	(72)
Reclassified to disposal group	–	(45)	–	–	(45)
Lease modification	–	45	–	–	45
Translation differences	4	–	–	–	4
At 31 December 2024	57	342	77	10	486
Net carrying value					
At 31 December 2024	177	429	11	5	622
		Warehouse and office \$'000	Corporate apartment \$'000	Office equipment \$'000	Total \$'000
Company					
2025					
Cost					
At 1 January 2025		344	88	9	441
Additions		–	87	–	87
Write off		–	(88)	–	(88)
At 31 December 2025		344	87	9	440
Accumulated depreciation					
At 1 January 2025		163	77	5	245
Depreciation charge for the financial year		114	44	2	160
Write off		–	(88)	–	(88)
At 31 December 2025		277	33	7	317
Net carrying value					
At 31 December 2025		67	54	2	123

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

12. Right-of-use assets (cont'd)

	Warehouse and office \$'000	Corporate apartment \$'000	Office equipment \$'000	Total \$'000
Company				
2024				
Cost				
At 1 January 2024	236	88	9	333
Lease modification	108	–	–	108
At 31 December 2024	344	88	9	441
Accumulated depreciation				
At 1 January 2024	33	33	4	70
Depreciation charge for the financial year	85	44	1	130
Lease modification	45	–	–	45
At 31 December 2024	163	77	5	245
Net carrying value				
At 31 December 2024	181	11	4	196

Right-of-use assets are acquired under leasing arrangements. Details of leases are disclosed in Note 28.

As at 31 December 2025, leasehold properties of the Group with carrying amounts of \$179,000 (2024: \$177,000) are provided as security for the Group's borrowings (Note 23).

13. Intangible asset

	Group	
	2025 \$'000	2024 \$'000
Goodwill arising on consolidation		
At beginning of the financial year	36	36
Less: Impairment loss for the financial year	(36)	–
At the end of the financial year	–	36

Goodwill acquired in a business combination is allocated, to the cash generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

	Group	
	2025 \$'000	2024 \$'000
Investments		
Cahaya Suria Energy Sdn. Bhd. and its subsidiaries	–	36

During the financial year, the Group has recognised an impairment loss of \$36,000 (2024: \$Nil).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14. Investments in subsidiaries

	Company	
	2025 \$'000	2024 \$'000
Unquoted equity shares, at cost		
At 1 January	1,890	11,694
Addition during financial year	–	1,000
Disposals during financial year	–	–
Reclassified to disposal group (Note 21)	–	(10,804)
	1,890	1,890
Less: Allowance for impairment	–	–
At 31 December	1,890	1,890
Impairment loss allowance:		
As at 1 January	–	9,804
Reclassified to disposal group (Note 21)	–	(9,304)
Reversal during financial year	–	(500)
At 31 December	–	–

(a) Details of the subsidiaries as at the end of the financial year are as follows:

Name of subsidiary	Principal activities	Country of incorporation and operations	Effective equity interest held by Group	
			2025 %	2024 %
<u>Held by the Company</u>				
Industrial Engineering Systems Pte. Ltd. (“ IES ”) ⁽¹⁾ ⁽⁸⁾	Designing of industrial plant engineering services systems and general wholesaler and trader	Singapore	100	100
P.J. Services Pte. Ltd. (“ PJS ”) ⁽¹⁾	Trading in oilfield equipment and related products	Singapore	100	100
H2E International Pte. Ltd. (“ H2EI ”) ⁽¹⁾	Investment holding	Singapore	100	100
<u>Held by P.J. Services Pte. Ltd.:</u>				
Panah Jaya Services Sdn. Bhd. ⁽²⁾ ⁽⁶⁾	Trading in oilfield parts and equipment	Malaysia	100	100
PT Panah Jaya Sejahtera (“ PTPJS ”) ⁽³⁾ ⁽⁶⁾	Trading in oilfield equipment and related products	Indonesia	100	100
Panah Jaya Makmur Sdn. Bhd. (“ PJM ”) ⁽⁴⁾	Trading in oilfield equipment and related products	Brunei	60	60
<u>Held by H2E International Pte. Ltd.:</u>				
Cahaya Suria Energy Sdn. Bhd. (“ CSE ”) ⁽²⁾	Investment holding	Malaysia	100	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14. Investments in subsidiaries (cont'd)

(a) Details of the subsidiaries as at the end of the financial year are as follows: (cont'd)

Name of subsidiary	Principal activities	Country of incorporation and operations	Effective equity interest held by Group	
			2025 %	2024 %
<u>Held by Cahya Suria Energy Sdn. Bhd.:</u>				
H2 Energy Sdn. Bhd. ("H2E") ⁽⁵⁾⁽⁷⁾	Manufacturing of electricity distribution and control apparatus, operation of generation facilities that produce electric energy and wholesale of industrial machinery, equipment and supplies.	Malaysia	49	49
<u>Held by Industrial Engineering Systems Pte. Ltd.:</u>				
IES Engineering Systems Sdn. Bhd. ("IESM") ^{(5) (8)}	Designing of industrial plant engineering services systems and general wholesaler and trader	Malaysia	100	100

(1) Audited by PKF-CAP LLP, Singapore

(2) Audited by Khoo Teng Keat & Co., Malaysia

(3) Audited by PKF Paul Hadiwinata, Hidajat, Arsono, Retno, Palilingan & Rekan, Indonesia

(4) Audited by BDO Chartered Accountants, Brunei

(5) Audited by TNT Chartered Accountants, Malaysia

(6) To facilitate the operation of this business unit, the Group, through PJS, holds the shareholdings interests in the subsidiaries through nominees, thus, maintaining its beneficial interests and therefore has absolute and de facto control over the subsidiaries.

(7) Considered a subsidiary as the Group has sufficient rights to give it power over H2E that enables it controls over the relevant activities and policies of the entity. Please refer to Note 3.1 of the financial statements on the judgements and assumptions involved in determining the control.

(8) On 2 October 2024, the Company has subscribed 1,000,000 new ordinary shares issued by IES by way of capitalising the amount due from IES amounting to \$900,000 and cash consideration of \$100,000. On 8 November 2024, the Company has entered into a Sale and Purchase Agreement ("SPA") with a third party purchaser ("The buyer") and committed to a sale plan to dispose its 100% equity interests of 2,000,000 ordinary shares in IES for a purchase consideration of \$1,500,000. The buyer paid a deposit of \$500,000 which is not refundable according to the SPA in FY2024. Consequently, IES and its subsidiary, IESM, were presented as disposal group classified as held-for-sale (Note 21) and discontinued operations (Note 31) for presentation and disclosure purposes in these financial statements. As at 31 December 2025, IES is yet to be disposed due to the buyer has failed to perform his obligations under the sales and purchase agreement dated 8 November 2024, despite repeated reminders from the Company to the Purchaser. Negotiation is still ongoing with the Buyer at the date of approval of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14. Investments in subsidiaries (cont'd)

- (b) Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations:

	PJM		H2E	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Summarised Statement of Financial Position				
<i>Current</i>				
Assets	2,189	2,009	265	358
Liabilities	(1,809)	(877)	(741)	(692)
Total current net assets/(liabilities)	380	1,132	(476)	(334)
<i>Non-current</i>				
Assets	359	115	47	63
Liabilities	–	–	(15)	(30)
Total non-current net assets	359	115	32	33
Net assets/(liabilities)	739	1,247	(444)	(301)
Summarised Statement of Profit or Loss and Other Comprehensive Income				
Revenue	1,108	4,885	136	–
(Loss)/Profit before tax	(508)	483	(126)	(142)
Income tax expense	–	(48)	–	–
(Loss)/Profit from continuing operations	(508)	435	(126)	(142)
Other comprehensive (loss)/income	–	–	–	–
Total comprehensive (loss)/income	(508)	435	(126)	(142)
Total comprehensive (loss)/income allocated to NCI	(203)	174	(64)	(73)
Summarised Cash Flows				
Net cash generated from/(used in) operating activities	486	(898)	21	76
Net cash used in investing activities	(336)	(126)	(4)	(63)
Net cash used in financing activities	–	–	(17)	(13)

- (c) Impairment review of investment in subsidiaries

As at 31 December 2025, management performed impairment review on the Company's investments in its subsidiaries. There was no impairment indicators noted on the investment in PJS as the subsidiary continued to generate operational profit and remained in net assets position as at 31 December 2025. However, an impairment loss on investment in IES of \$1,500,000 was recognised as IES has become inactive in the current financial year. The management assessed that there is no impairment loss on investment in H2EI as the cost of investment is not material.

As at 31 December 2024, management performed impairment review on the Company's investments in its subsidiaries. There was no impairment indicators noted on the investment in PJS as the subsidiary continued to generate operational profit and was in net assets position as at 31 December 2024. However, a reversal on impairment loss on investment in IES of \$500,000 was recognised based on the contracted selling price of the subsidiary as disclosed in Note 14 (a)(8). The Management assessed that there is no impairment loss on investment in H2EI as the cost of investment is not material.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

15. Financial assets at fair value through profit or loss

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current</i>				
Unquoted securities	—*	—*	—*	—*

* Amount less than \$1,000

The financial assets at fair value through profit or loss comprised of investments in unquoted equity securities of a third-party company.

On 7 November 2024, CSE has fully disposed of its remaining equity interest in CSS of 1,000 ordinary shares, which represents 10% of the shareholdings of CSS to the majority shareholder of CSS for a cash consideration of RM1,000.

16. Trade and other receivables

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current</i>				
Trade receivables - third parties	1,458	1,217	—	—
Less: Allowance for impairment [Note 33(b)]	(55)	—	—	—
	1,403	1,217	—	—
Other receivables:				
- A former subsidiary (GPE)	—	—	—	—
- Other receivables	30	33	—	—
	30	33	—	—
Loans to:				
- A former subsidiary (GPE)	—	—	—	—
Less: Allowance for impairment [Note 33(b)]	—	—	—	—
	—	—	—	—
Advances to:				
- Subsidiaries	—	—	6,997	613
Consideration due from disposal of a subsidiary (GPE) from Ms Chong Shin Mun	—	—	—	—
Less: Allowance for impairment [Note 33(b)]	—	—	—	—
	—	—	—	—
Other recoverable	150	150	150	150
Less: Allowance for impairment [Note 33(b)]	(150)	(150)	(150)	(150)
	—	—	—	—
Lease receivables [Note 28(b)]	—	—	64	106
Security deposits	146	113	51	44
GST receivables	49	32	43	—
Tax recoverables	64	170	—	24
Advance billings from suppliers	216	900	—	—
Advance payment to supplier	1,036	—	—	—
Prepayments	32	53	11	10
	1,543	1,268	169	184
	2,976	2,518	7,166	797
<i>Non-current</i>				
Lease receivables [Note 28(b)]	—	—	—	64
	—	—	—	64
Total	2,976	2,518	7,166	861

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16. Trade and other receivables (cont'd)

Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Other receivables due from a former subsidiary (GPE)

The amount due from a former subsidiary, GPE Power Systems (M) Sdn Bhd ("**GPE**") amounting to \$300,000 related to management fee, and was unsecured, interest-free and repayable on demand. On 14 August 2024, the full and final settlement of the amount due from the former subsidiary GPE has been agreed by transferring a total of 10 sets of vertical automatic waste tyre pyrolysis equipment to the Company.

Loan to a former subsidiary (GPE)

As at 31 December 2023, the loan to the former subsidiary GPE of \$3,058,000 was unsecured and borne an interest rate of 8% per annum. \$773,000 of allowance of impairment loss was recognised in the Group's and the Company's financial statements for the estimated amount with uncertainty over its recoverability, after considering the value of certain assets proposed to be transferred in a potential settlement based on a valuation report dated 20 March 2024.

On 14 August 2024, the full and final settlement of the loan to the former subsidiary GPE has been agreed by transferring a total of 10 sets of vertical automatic waste tyre pyrolysis equipment to the Company.

Advances to subsidiaries

Advances to subsidiaries are unsecured, interest-free and repayable on demand.

*Consideration due from disposal of a subsidiary (GPE) from Ms Chong Shin Mun (the "**Purchaser**")*

In 2018, the Group disposed its entire equity interest in GPE for a cash consideration of \$2,000,000 to a director of GPE, Ms Chong Shin Mun. As at 31 December 2023, the gross receivables of \$1,267,000 from Ms Chong comprised the extension fees and Fourth Tranche amounting to \$235,000 and \$810,000 respectively with accrued interest of \$222,000. The outstanding principal amount due from Ms. Chong Shin Mun of \$810,000 as at 31 December 2023 was subject to interest rate of 6% per annum.

Balance consideration (including interest and other costs, charges and expenses incurred by the Company) due from the disposal of the subsidiary is secured against:

- (a) a charge over 21,875 ordinary shares, fully paid, of Seri Beskaya Sdn. Bhd. ("**SBSB**"), a private limited company representing 14.58% of its entire share capital, held by a related party of the Purchaser, Tan Yock Chew; and
- (b) a personal guarantee by Tan Yock Chew in favour of the Company.

In 2019

- The Purchaser defaulted on the Fourth Tranche consideration amount of \$1,000,000;
- Certain rights of control and sale of 697,330,000 Company's shares owned by the Purchaser ("**Controlled Shares**") were received towards satisfying the balance of Third Tranche consideration and interest; and
- The Group received approximately \$420,000 from the sale of 420,000,000 Controlled Shares as partial settlement of the balance outstanding.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16. Trade and other receivables (cont'd)

Consideration due from disposal of a subsidiary (GPE) from Ms Chong Shin Mun (the "Purchaser") (cont'd)

In 2020

- The Group received 50,000,000 further controlled shares ("**Further Controlled Shares**") from the Purchaser to satisfy the outstanding amount under the Third Tranche consideration as at 31 December 2019;
- The Group received approximately \$250,000 from the sale of 250,000,000 Controlled and Further Controlled Shares;
- On 2 March 2020, a Third Supplemental Letter agreement was entered between the Company and the Purchaser where the Purchaser shall:
 - (i) pay a sum of \$50,000 as part payment of the Fourth Tranche Consideration;
 - (ii) continue to pay interest on the Fourth Tranche Consideration;
 - (iii) pay further sum of \$5,000 as an extension fee monthly in addition to (i) and (ii) above, commencing from the month of February 2020;
- On 30 April 2020, the Company and the Purchaser entered into a letter agreement ("**Settlement Agreement**") with the Purchaser and Tan Yock Chew (the "**Guarantor**") with the following key terms:
 - (i) in the event of default in repayment of the Fourth Tranche Consideration, the Company shall be entitled the rights to enforce the share charge and to have the 21,875 ordinary shares of SBSB;
 - (ii) the Company shall be granted with a put option to require the Guarantor and/or the Purchaser to purchase back SBSB shares from the Company;
 - (iii) the Purchaser shall procure SBSB to enter into a deed of assignment of proceeds whereby SBSB shall assign unto the Company 50% of SBSB's rights, title, interest, benefit, advantages and remedies which SBSB may have in under or arising out of the sale of all, or any, of the production lines currently housed in a factory lot including all the sale proceeds thereof and other monies payable or to become payable thereunder as satisfaction of the outstanding Fourth Tranche Consideration, accrued interest, extension fees and all other costs; and
 - (iv) the Purchaser and Guarantor shall continue to be liable to the Company for the shortfall amount after (i) to (iii) above under the Settlement Agreement, which shall be immediately payable on demand.
- On 23 June 2020, the Company and the Purchaser entered into further definitive agreements under which the Purchaser granted certain rights of control and sale to the Company in respect of an additional 62,670,000 Further Controlled Shares held by the Purchaser in the Company.
- \$933,000 of allowance of impairment loss was recognised in the Group's and the Company's profit or loss for the estimated amount with uncertainty over its recoverability, after considering the cash flows that are expected to be recovered through the potential sale of the remaining Controlled Shares and Further Controlled Shares of 140,000,000 shares valued at \$140,000.

In 2021

- On 20 October 2021, the Purchaser had completed the transfer of 37,330,000 Controlled Shares under the 27 June 2019 Share Charge, 50,000,000 Further Controlled Shares under the 12 December 2019 Share Charge, and 12,670,000 Further Controlled Shares under the 9 March 2020 Share Charge to an independent third-party investor.
- The Group had received a total of \$100,000 from the said sale of Controlled Shares and Further Controlled Shares, and the same has been applied towards part payment of the outstanding Fourth Tranche Consideration owed by the Purchaser.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16. Trade and other receivables (cont'd)

Consideration due from disposal of a subsidiary (GPE) from Ms Chong Shin Mun (the "**Purchaser**") (cont'd)

In 2022

- On 26 July 2022, the Purchaser has completed the transfer of the remaining 40,000,000 Controlled Shares under the 27 June 2019 Share Charge to an independent third-party investor for a consideration of \$40,000.

In 2023

- A further \$334,000 of allowance of impairment loss was recognised in the Group's and the Company's profit or loss for the estimated amount with uncertainty over its recoverability, after considering the value of certain assets proposed to be transferred in a potential settlement based on a valuation report dated 20 March 2024.

In 2024

- On 14 August 2024, the full and final settlement of the consideration due from the Purchaser has been agreed by transferring a total of 10 sets of vertical automatic waste tyre pyrolysis equipment to the Company.
- On 2 October 2024, the Guarantor has completed the transfer of the legal and beneficial ownership of the equipment to the Company in accordance with the Final Settlement Letter. The equipment is included under property, plant and equipment (Note 11).

Advance payment to supplier

Advance payment to supplier amounting to \$954,000 (2024: \$Nil) has been refunded subsequent to year-end.

17. Deferred tax (assets)/liabilities

	Group	
	2025	2024
	\$'000	\$'000
At beginning of the financial year	(38)	(25)
Charge to profit or loss (Note 9)	(4)	(13)
Translation difference	5	–
At end of the financial year	(37)	(38)
Representing:		
Deferred tax assets (Non-current)	(42)	(41)
Deferred tax liabilities (Non-current)	5	3

Deferred tax (assets)/liabilities provided for as at the end of the financial year are related to the following:

	Group	
	2025	2024
	\$'000	\$'000
Accelerated tax depreciation	5	4
Other temporary differences	(42)	(42)
	(37)	(38)

Deferred tax liabilities of \$1,000 (2024: \$4,000) have not been recognised for withholding and other taxes that will be payable on the earnings of an overseas subsidiary when remitted to the holding company as the Group has determined that the undistributed earnings of its subsidiary will not be distributed in the foreseeable future. These unremitted earnings are permanently re-invested and amounted to \$29,000 (2024: \$28,000) at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

18. Cash and bank balances

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash at bank and on hand	2,729	1,698	2	85
Deposit placed in cash margin account	446	260	–	–
	3,175	1,958	2	85
Less: Deposit places in cash margin account	(446)	(260)	–	–
Cash and cash equivalents	2,729	1,698	2	85

19. Fixed deposits

The fixed deposits are pledged to banks as securities for banking facilities such as banker's guarantee.

The fixed deposits have maturity periods ranging from 1 to 15 months (2024: 1 to 15 months) from the end of the financial year with interest rates ranging from 1.75% to 2.50% (2024: 2.30% to 2.55%) per annum.

20. Inventories

	Group	
	2025 \$'000	2024 \$'000
Trading goods	148	278
Goods in transit	682	830
	830	1,108

The cost of inventories recognised as an expense and included in "cost of sales" amounted to \$3,198,000 (2024: \$6,007,000).

21. Disposal group classified as held-for-sale

As disclosed in Note 14(a)(8), on 8 November 2024, the Company has entered into a Sale and Purchase Agreement with a third-party purchaser and committed to a sale plan to dispose its 100% equity interests of 2,000,000 ordinary shares in IES for a consideration of \$1,500,000. As a result, the assets and liabilities related to IES and its subsidiary, IESM, the (collectively, "IES Group") were presented as disposal group classified as held-for-sale in the statements of financial position as at 31 December 2024 and the entire results from IES Group was presented separately on the consolidated statement of profit or loss and other comprehensive income as "Discontinued Operations" (Note 31) for the financial year ended 31 December 2024.

As at 31 December 2025, IES is yet to be disposed due to the third party purchaser failed to perform his obligations under the sales and purchase agreement dated 8 November 2024, despite repeated reminders from the Company to the Purchaser. The maximum loss that the Company could suffer from this potential dispute is a return of the deposit from the purchaser of S\$500,000 (Note 22) and any legal costs of a court action, if a court action is commenced. Whereas, the maximum gain that the Company could obtain from this potential dispute is for a completion of the sale and purchase under the SPA, and payment of the balance sum of S\$1,000,000.

(a) Details of the assets of disposal group classified as held-for-sale were as follows:

	Group	
	2025 \$'000	2024 \$'000
Cash and cash equivalent	1	7

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

21. Disposal group classified as held-for-sale (cont'd)

(b) Details of the liabilities directly associated with disposal group classified as held-for-sale were as follows:

	Group	
	2025 \$'000	2024 \$'000
Trade and other payables	<u>63</u>	<u>48</u>

(c) Details of assets in non-current asset classified as held-for-sale (under current asset) was as follows:

	Company	
	2025 \$'000	2024 \$'000
Investment in subsidiary (Note 14)	<u>-</u>	<u>1,500</u>

22. Trade and other payables

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current</i>				
Trade payables	417	1,569	-	-
Amounts due to subsidiaries	-	-	4,606	3,479
Amounts due to directors of the Company	1,817	1,430	1,817	1,430
Amounts due to directors of subsidiaries	211	99	-	-
Other payables	1,694	1,324	1,604	1,258
Deposit from purchaser	500	500	500	500
Accrued operating expenses	525	513	234	160
Provision for unutilised leave	38	38	22	22
GST payables	196	-	-	-
Withholding tax payables	80	73	1	-
Total trade and other payables	<u>5,478</u>	<u>5,546</u>	<u>8,784</u>	<u>6,849</u>

Trade and other payables are non-interest bearing and are generally on 30 to 60 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Amounts due to subsidiaries are non-trade in nature, unsecured, repayable on demand and interest-free.

Amounts due to directors of the Company and of the subsidiaries are non-trade in nature, unsecured, repayable on demand and interest-free.

Included in amount due to directors of the Company is an amount of \$563,000 (2024: \$681,000) being outstanding directors' fees for the financial years ended 31 December 2020, 2021, 2022, 2023 and 2024 (2024: 31 December 2020, 2021, 2022, 2023 and 2024).

Deposit from purchaser represents an initial deposit received from a third party purchaser pursuant to a Sale and Purchase Agreement dated on 8 November 2024 for the proposed disposal on 100% equity interests of 2,000,000 ordinary shares in IES for a consideration of \$1,500,000 as disclosed in Note 14(a)(8).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

23. Borrowings

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current</i>				
Bank loans				
- Term Loan - 5.1% above bank base lending rate (2024: 5.1% above bank base lending rate) per annum ("p.a")	9	8	-	-
- Temporary bridging loan - 2.5% p.a (2024: 2.5% p.a)	-	197	-	-
	9	205	-	-
Loan from a third party I	599	563	599	563
Loan from a third party II	800	1,000	800	1,000
Loan from a third party III	105	-	105	-
Loan from a third party IV	300	-	300	-
Loan from a third party V	1,434	-	-	-
Loan from directors	58	-	58	-
Lease liabilities	323	264	180	236
	3,628	2,032	2,042	1,799
<i>Non-current</i>				
Bank loans				
- Term Loan - 5.1% above bank base lending rate (2024: 5.1% above bank base lending rate) p.a	13	22	-	-
	13	22	-	-
Loan from directors	131	-	-	-
Lease liabilities	126	168	11	137
	270	190	11	137
Total borrowings	3,898	2,222	2,053	1,936

Bank loans

The bank loans of the Group are secured by:

- (i) legal mortgage over the Group's fixed deposits (Note 19);
- (ii) legal mortgage over the Group's leasehold properties under the right-of-use assets (Note 12);
- (iii) corporate guarantee by the Company; and
- (iv) personal guarantee from the directors of the subsidiaries.

Loan from a third party I

Loan from a third party is unsecured, carries interest rate of 1.8% per month and repayable in 3 months effective from 2 May 2024.

1. First extension of six (6) months on 1 August 2024 with same repayment term; and
2. Second extension of three (3) months on 1 February 2025 which the interest rate shall be computed at 1.8% per month, net of withholding tax, based on the aggregate sum of the loan amount and its accrued interest up to the first extension.

During the year, a partial of the loan amounting to \$51,000 was assigned to a Director of the Company. Full amount of the loan amounting to \$599,000 was assigned to a Director of a subsidiary in January 2026.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

23. Borrowings (cont'd)

Loan from a third party II

The Company had drawn down a total of four (4) tranches of \$500,000 on 31 March 2023 (“**First Tranche**”), 4 May 2023 (“**Second Tranche**”), 29 September 2023 (“**Third Tranche**”) and 30 May 2024 (“**Fourth Tranche**”) from the loan agreement signed on 31 March 2023.

1. The drawdown of First Tranche and Second Tranche in the total amount of \$1,000,000 is unsecured and carries an interest rate of 1.5% per month. The principal amount drawn down under the First Tranche and the Second Tranche are repayable within twelve (12) months from the respective drawdown dates, and the loan interest thereon is repayable monthly. The First Tranche and Second Tranche was fully repaid during 2024.
2. On 29 September 2023, the drawdown of Third Tranche of \$500,000 is similarly unsecured and the repayment term is monthly repayment of \$10,000 for the first two (2) months and monthly repayment of loan principal and interest of \$58,333 for the remaining ten (10) months. The Third Tranche was fully repaid during 2024.
3. The drawdown of Fourth Tranche of \$500,000 is similarly unsecured and carried an interest rate of 2% per month. The repayment of the Fourth Tranche has been extended from 30 March 2025 to 8 May 2026 with a monthly repayment of loan principal and interest of \$54,167.

The Company had drawn down a total of two (2) tranches of \$500,000 on 2 August 2024 (“**Fifth Tranche**”) and 7 March 2025 (“**Sixth Tranche**”) and two (2) tranches of \$400,000 on 3 July 2025 (“**Seventh Tranche**”) and 8 August 2025 (“**Eighth Tranche**”) from the loan agreement signed on 30 July 2024.

4. The Fifth Tranche is unsecured and carried an interest rate of 2.5% per month. It is repayable within six (6) months from the drawdown dates. The Fifth Tranche was fully repaid during the current financial year.
5. The drawdown of Sixth Tranche of \$500,000 is similarly unsecured and carried an interest rate of 2.5% per month. The repayment of the Sixth Tranche has a monthly repayment of loan principal and interest of \$54,167. The loan was fully repaid in April 2026.
6. The Seventh Tranche is unsecured and carried an interest rate of 2% per month. It is repayable within six (6) months from the drawdown dates. The Seventh Tranche was fully repaid subsequent to the end of the current financial year.
7. The drawdown of Eighth Tranche is unsecured and carried an interest rate of 3% per month. It is repayable within twelve (12) months from 8 August 2025.

Loan from a third party III

Loan from a third party is unsecured, carries interest rate of 2.4% per month and repayable on 23 February 2026. The maturity date was extended to 23 August 2026.

Loan from a third party IV

Loan from a third party is unsecured, carries interest rate of 3% per month and repayable within six (6) months from 29 October 2025. The maturity date was extended to April 2026.

The Company was bound by the loan covenants as stated in the loan agreement where one of the loan covenants is that the Company shall not dispose of, or agree to dispose of, any shares, material business, assets or any subsidiary of the Group that has more than 5.0% of the net assets of the Group.

On 13 January 2026, the Company has breached one of loan covenants due to the disposal of a subsidiary, PJM which PJM represents approximately 26% of the Group’s net assets at the reporting date. Prior to the disposal, the Company had obtained a verbal agreement from the lender to waive the relevant loan covenant. Subsequently, on 4 February 2026, the Company has obtained a written confirmation of the waiver of the loan covenant from the lender. There is no impact on classification as the loan is already classified as current liability.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

23. Borrowings (cont'd)

Loan from a third party V

The Group's subsidiary, PJM, had drawn down three (3) tranches of \$450,000 on 18 November 2025 ("**First Loan**"), \$230,000 on 21 November 2025 ("**Second Loan**"), and \$725,000 on 24 December 2025 ("**Third Loan**") respectively.

1. First Loan is unsecured, carried a one off interest rate of 10% of the loan principal and repayable by 30 January 2026. The maturity date was extended to 30 April 2026.
2. Second Loan is unsecured, carried a one off interest rate of 10% of the loan principal and repayable by 31 March 2026. The maturity date was extended to 30 April 2026.
3. Third Loan is unsecured, carried a one off interest rate of 18% of the loan principal and repayable by 30 April 2026.

Determination of fair value of borrowings

The carrying amount of borrowings approximated its fair value at the end of the respective financial year.

Based on discounted cash flows using market lending rate for similar borrowings which the management expected would be available to the Group at the end of the respective financial year, the fair value of the non-current borrowings (excluding lease liabilities) at the end of the respective financial year approximated its carrying value as there were no significant changes in the interest rate available to the Group at the end of the respective financial year. This fair value measurement was categorised within Level 3 of the fair value hierarchy.

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Bank loans \$'000	Loans from third parties \$'000	Lease liabilities \$'000	Total \$'000
At 1 January 2025	227	1,563	432	2,222
Additions	–	–	301	301
Changes from financing cash flows:				
- Proceeds	–	3,291	–	3,291
- Repayments	(3)	(1,555)	(285)	(1,843)
- Interest paid	(182)	(540)	(30)	(752)
Non-cash changes:				
- Interest expense	3	668	30	701
- Write off of unwinding bank interest	(24)	–	–	(24)
- Effect of changes in foreign exchange rates	1	–	1	2
At 31 December 2025	22	3,427	449	3,898
At 1 January 2024	615	1,450	636	2,701
Additions	–	–	69	69
Reclassification to disposal group	(134)	–	–	(134)
Changes from financing cash flows:				
- Proceeds	–	1,500	–	1,500
- Repayments	(16)	(1,450)	(273)	(1,740)
- Interest paid	(256)	(262)	(25)	(542)
Non-cash changes:				
- Interest expense	16	325	25	366
- Effect of changes in foreign exchange rates	2	–	–	2
At 31 December 2024	227	1,563	432	2,222

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For the financial year ended 31 December 2025

24. Provision for employee benefits

	Group	
	2025	2024
	\$'000	\$'000
Provision for employee benefits	168	156

Provision for employee benefits relates to the Group's estimated liabilities for employee benefits under the Group's Indonesian operating entity. The principal actuarial assumptions used to estimate liabilities for employee benefits under defined benefits plans are based on independent actuarial report of PT Kompujasa Aktuaria Indonesia as follow:

	2025	2024
Discount rate per annum	6.01%	7.05%
Expected return on plan assets per annum	Not Applicable	Not Applicable
Salary increment rate per annum	8.00%	8.00%
Mortality rate	TMI-2019	TMI-2019
Disable rate	10.00% from TMI-2019	10.00% from TMI-2019
Actuarial method	Projected Unit Credit with IFRIC-AD	Projected Unit Credit with IFRIC-AD
Normal retirement age	55 years	55 years

The sensitivity analysis on the impact of changes in main assumptions on the provision for employee benefits for the years ended 31 December 2025 and 2024 are as follows:

	Increase in assumption by 1% \$'000	Decrease in assumption by 1% \$'000
31 December 2025		
Discount rate	(10)	12
Salary growth rate	12	(11)
31 December 2024		
Discount rate	(10)	11
Salary growth rate	12	(11)

The movements in the provision for employee benefits are as follows:

	Group	
	2025	2024
	\$'000	\$'000
At 1 January	156	108
Current service costs	16	16
Interest expense (Note 7)	10	10
Actuarial gain	(1)	(4)
Past service cost – vested	–	28
Translation differences	(13)	(2)
At 31 December	168	156

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

25. Contract liabilities

Contract liabilities relate to the Group's obligation to deliver its goods and services to customers for which the Group has received advances from customers. Contract liabilities are recognised as revenue as (or when) the Group satisfies the performance obligations under its contracts.

The following table provides information about contract balances from contracts with customers:

	Group		
	31.12.2025	31.12.2024	01.01.2024
	\$'000	\$'000	\$'000
Trade receivables (Note 16)	1,403	1,217	2,468
Contract liabilities	2,958	194	2,008

Significant changes in the contract liabilities balances during the financial year are as follows:

	Group	
	2025	2024
	\$'000	\$'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	194	2,008
Revenue recognised during the financial year	(194)	(2,008)
Increases due to advances received and deferred income, excluding amounts recognised as revenue during the financial year	2,958	194
	2,958	194

26. Share capital

	Group and Company			
	2025		2024	
	Number of shares	Issued share capital	Number of shares	Issued share capital
	'000	\$'000	'000	\$'000
<i>Issued and fully paid</i>				
At beginning of the financial year	19,260,481	71,159	16,974,767	68,759
Issuance of ordinary shares	1,766,667	2,650	2,285,714	2,400
At end of the financial year	21,027,148	73,809	19,260,481	71,159
Less:				
<i>Share issue expense</i>				
At beginning and end of the financial year	–	(658)	–	(658)
Net	21,027,148	73,151	19,260,481	70,501

The Company has only one class of ordinary shares.

The equity holders of ordinary shares of the Company are entitled to receive dividends as and when declared by the Company. All ordinary shares of the Company carry one vote per share without restriction. The ordinary shares have no par value.

During the current financial year 2025, the Company has issued 1,766,666,666 new ordinary shares at the conversion price of \$0.0015 for an acquisition of asset amounting to an aggregate sum of \$2,650,000 (Note 11).

During the financial year 2024, the Company has issued 2,285,714,286 new ordinary shares at the conversion price of \$0.00105 by converting cash advances from the directors and shareholders amounting to an aggregate sum of \$2,400,000.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

26. Share capital (cont'd)

There are no other ordinary shares of the Company that may be issued on conversion of any outstanding convertibles as at the end of the financial year except as follows:

Annica Employee Share Option Scheme (“ESOS Option”)

The aggregate number of ordinary shares of the Company that may be issued under the Schemes or any other share option or share scheme of the Company then in force shall not exceed 15% of the total number of issued ordinary shares of the Company from time to time. On 27 December 2018, the Company granted 42,500,000 ESOS Option under Annica Employee Share Option Scheme. The ESOS Option granted has a life span of ten years (28 December 2019 to 27 December 2028). The Annica Performance Share Plan had fully vested as of the date of their issue on 27 December 2018 whereas the ESOS Option had fully vested on 28 December 2019.

Other than the lapsed of 12,500,000 ESOS Options in 2021, none of the ESOS Option was exercised as at the end of the financial year.

The fair value of the Company’s ESOS Options as at the date of grant is computed using the Black-Scholes model, taking into account the terms and conditions upon which the ESOS Options were granted.

The following table illustrates the number and weighted average exercise prices (WAEP) of share options during the year (excluding Annica Performance Share Plan):

	2025	2025	2024	2024
	Number	WAEP	Number	WAEP
Outstanding at 1 January and 31 December	30,000,000	\$0.001	30,000,000	\$0.001
Exercisable at 31 December	30,000,000	\$0.001	30,000,000	\$0.001

The inputs to the model used are shown below:

Date of grant	27 December 2018
Share price	\$0.001
Exercise price	\$0.001
Expected volatility	156.12%
Expected option life	5
Risk-free interest rate	2.04%

The expected volatility reflects the assumption that historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The expected ESOS Option life used is based on management’s best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. No other features of the option were incorporated into the measurement of fair value.

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For the financial year ended 31 December 2025

27. Other reserves

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Composition				
Capital reserve	82	82	89	89
Foreign currency translation reserve	(752)	(721)	–	–
	(670)	(639)	89	89
Movements				
<i>Capital reserve</i>				
At beginning and end of the financial year	82	82	89	89
<i>Foreign currency translation reserve</i>				
At beginning of the financial year	(721)	(854)	–	–
Net currency translation differences of financial statements of foreign subsidiaries	(31)	133	–	–
At end of the financial year	(752)	(721)	–	–

Capital reserve comprises an excess of the cost of the acquisition over the proportionate amount of the carrying amount of (i) the net assets of the acquired non-controlling 22% interest in IES amounted to \$117,000 during the financial year ended 31 December 2016; (ii) the net assets of the acquired non-controlling 40% interest in PJS amounted to \$1,389,000 during the financial year ended 31 December 2011; (iii) the net liabilities of the acquired non-controlling 49% interest in CSS amounted to \$3,000 during the financial year ended 31 December 2021; (iv) the net liabilities of the disposal non-controlling 90% interest in CSS amounted to \$3,000 during the financial year ended 31 December 2023.

Capital reserve also comprises share option application monies of \$50,000; cumulative capitalisation of accumulated profits of a subsidiary for the issue of bonus shares of \$1,499,000 (which \$1,416,000 pertains to bonus shares issued during the financial year ended 31 December 2023); and ESOS Option reserve of \$39,000.

Exchange differences relating to the translation of the financial statements of foreign subsidiaries from functional currencies into Singapore dollar are brought to account by recognising those exchange differences in other comprehensive income and accumulating them in a separate component of equity under the header of foreign currency translation reserve.

Other reserves are non-distributable.

28. Leases

a) The Group as a lessee

Nature of the Group's leasing activities

The Group's leasing activities comprise the following:

- i) The Group leases warehouse and offices, corporate apartment and office equipment from non-related parties. The leases have an average tenure of between 2 - 5 years.
- ii) The Group's leasehold properties included in property, plant and equipment were reclassified to right-of-use assets as at 1 January 2019 upon adoption of SFRS(I) 16. The lease is for 99 years from 1995.
- iii) In addition, the Group leases offices with contractual terms of 12 months. The lease is short-term. The Group has elected not to recognise right-of-use asset and lease liability for the lease.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

28. Leases (cont'd)

a) The Group as a lessee (cont'd)

Nature of the Group's leasing activities (cont'd)

The maturity analysis of the lease liabilities is disclosed in Note 33(c).

Information about leases for which the Group is a lessee is presented below:

Amounts recognised in profit or loss

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Depreciation charge for the financial year</i>				
Leasehold properties	5	5	–	–
Warehouse and office	320	255	114	85
Corporate apartment	43	44	44	44
Office equipment	6	4	2	1
	374	308	160	130
<i>Lease expense not included in the measurement of lease liabilities</i>				
Lease expense - short-term leases (Note 8)	217	240	6	6
Interest expense on lease liabilities (Note 7)	30	25	13	23

Total cash flows for the Group's and the Company's leases amounted to \$532,000 (2024: \$539,000) and \$287,000 (2024: \$287,000).

b) The Company as a lessor

Nature of the Company's leasing activities - Company as a lessor

The Company leases warehouse and office space from a non-related party and sub-leases the warehouse and office space to its subsidiaries. The leases have a tenure of 3 years and there are no extension or escalation clauses in the lease agreement. The Company's sub-leases of warehouse and office space are classified as finance leases as the terms of the sub-leases transfer substantially all the risks and rewards of ownership to the subsidiaries.

Right-of-use asset relating to the head lease with sub-leases classified as finance lease is derecognised. The net receivables relating to sub-leases are recognised under "Lease receivables" and is presented within "Trade and other receivables" (Note 16) in the statements of financial position. Finance income on lease receivables during the financial year is \$5,000 (2024: \$3,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

28. Leases (cont'd)

b) The Company as a lessor (cont'd)

Nature of the Company's leasing activities - Company as a lessor (cont'd)

Information about the lease receivables is presented below:

	Company	
	2025 \$'000	2024 \$'000
Within one year	65	111
After one year but not more than 5 years	–	65
Total undiscounted lease receivables	65	176
Less: unearned finance income	(1)	(6)
Net lease receivables	64	170
Non-current	–	64
Current	64	106
Total lease receivables included in trade and other receivables (Note 16)	64	170

29. Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

Guarantees

The Company has provided corporate guarantees of \$197,000 to a bank for bank loans of \$197,000 drawdown by its subsidiaries as at 31 December 2024. The bank loan has been fully repaid by its subsidiary on 19 August 2025.

The financial effects of SFRS(I) 9 relating to financial guarantee contracts issued by the Company are not material to the financial statements of the Company and therefore are not recognised.

30. Significant related party transactions

Some of the Group's and the Company's transactions and arrangements are between entities of the Group and with related parties, the effects of which, on basis determined between the parties, are reflected in these consolidated financial statements. The balances with these parties are unsecured, interest-free and repayable on demand unless stated otherwise.

In addition to the information disclosed elsewhere in these financial statements, the Group entered into the following transactions with related parties at rates and terms agreed between the parties:

	Group	
	2025 \$'000	2024 \$'000
With a director of the Company		
Advances from	235	900
Repayment to	(5)	–
Debt conversion	–	(1,200)
With related parties of the Company		
Debt conversion	–	(1,200)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

31. Discontinued operations

As disclosed in Note 14(a)(8), on 8 November 2024, the Company has entered into a Sale and Purchase Agreement with a third-party purchaser and committed to a sale plan to dispose its 100% equity interests in IES. As at 31 December 2025, the transaction is yet to complete due to the third party purchaser has failed to perform his obligations under the sales and purchase agreement dated 8 November 2024, despite repeated reminders from the Company to the Purchaser.

The entire financial results and cash flows from IES were presented on the Group's consolidated statement of comprehensive income and consolidated statement of cash flows as "discontinued operations" for the financial year ended 31 December 2025 and 31 December 2024, respectively, following the proposed disposal of IES.

The segment information of IES were presented under "Integrated Engineering Solutions" reportable segment of the Group (Note 32).

(a) The results of the discontinued operations are as follows:

	Group	
	2025	2024
	\$'000	\$'000
Revenue	–	1,253
Cost of sales	–	(1,141)
Gross profit	–	112
Other income	2	17
Other expenses	(23)	(337)
Loss before tax from discontinued operations	(21)	(208)
Tax expense	–	–
Loss after tax from discontinued operations	(21)	(208)
Gain on disposal of the discontinued operations	–	–
Loss from discontinued operations, net of tax	(21)	(208)

(b) The impact of the discontinued operations on the cash flows of the Group was as follows:

	Group	
	2025	2024
	\$'000	\$'000
Operating cash (outflows)/inflows	(6)	68
Investing cash inflows	–	83
Financing cash outflows	–	(163)
Total cash outflows	(6)	(12)

The carrying amounts of the assets and liabilities of IES as at 31 December 2025 are disclosed at Note 21.

32. Segment information

The Group's chief operating decision-maker ("CODM") comprises the Chief Executive Officer, the Group Financial Controller, and the heads of each business within each reportable segment. Management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic decisions, allocate resources and assess performance.

The CODM considers the business from business segment perspective. From a business segment perspective, management separately considers the engineering services (presented within discontinued operations in these financial statements), oil and gas equipment and renewable activities within the group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32. Segment information (cont'd)

The Group is organised into business units based on its products and services for management purposes. The reportable segments are oil and gas equipment, renewable and investments and others. Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment.

As disclosed in Note 3.1, the Group has streamlined oil and gas equipment and engineering services segments into one segment, Integrated Engineering Solutions.

The segment information provided to management for the reportable segments are as follows:

	Integrated Engineering Solutions \$'000	Renewable \$'000	Investments and others \$'000	Elimination \$'000	Continuing operations \$'000	Discontinued operations \$'000	Total \$'000
For the financial year ended 31 December 2025							
Revenue							
External sales	7,098	227	-	-	7,325	-	7,325
Results							
Segment results	68	(1,353)	(3,145)	1,797	(2,633)	(21)	(2,654)
Interest income	11	-	5	(5)	11	-	11
Interest expense	(51)	(17)	(648)	5	(711)	-	(711)
Profit/(Loss) before income tax	28	(1,370)	(3,788)	1,797	(3,333)	(21)	(3,354)
Tax expense	(129)	-	-	-	(129)	-	(129)
(Loss)/Profit for the financial year	(101)	(1,370)	(3,788)	1,797	(3,462)	(21)	(3,483)
Other information							
Capital expenditure	560	6,724	2,746	(6,513)	3,517	-	3,517
Depreciation of property, plant and equipment	169	8	3	-	180	-	180
Depreciation of right of use asset	144	71	159	-	374	-	374
Impairment loss on property, plant and equipment	-	841	-	-	841	-	841
Impairment loss on trade and other receivables	53	-	-	-	53	-	53
Government grant	-	5	2	-	7	-	7
Assets							
Non-current assets	846	5,835	132	-	6,813	-	6,813
Other segment assets	11,556	238	9,058	(13,703)	7,149	27	7,176
Consolidated total assets	12,402	6,073	9,190	(13,703)	13,962	27	13,989
Liabilities							
Segment liabilities	4,138	7,451	8,783	(11,793)	8,579	88	8,667
Borrowings	1,661	248	2,053	(64)	3,898	-	3,898
Tax payable	168	-	-	-	168	-	168
Deferred tax liabilities	5	-	-	-	5	-	5
Consolidated total liabilities	5,972	7,699	10,836	(11,857)	12,650	88	12,738

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For the financial year ended 31 December 2025

32. Segment information (cont'd)

	Integrated Engineering Solutions \$'000	Renewable \$'000	Investments and others \$'000	Elimination \$'000	Continuing operations \$'000	Discontinued operations \$'000	Total \$'000
For the financial year ended 31 December 2024							
Revenue							
External sales	12,627	-	-	-	12,627	1,253	13,880
Results							
Segment results	1,503	(177)	(53)	(583)	690	(203)	487
Interest income	24	-	135	(13)	146	-	146
Interest expense	(37)	(1)	(348)	10	(376)	(5)	(381)
Profit/(Loss) before income tax	1,490	(178)	(266)	(586)	460	(208)	252
Tax expense	(178)	-	-	-	(178)	-	(178)
Profit/(Loss) for the financial year	1,312	(178)	(266)	(586)	282	(208)	74
Other information							
Capital expenditure	218	68	4,893	-	5,179	-	5,179
Depreciation of property, plant and equipment	162	1	2	-	165	-	165
Depreciation of right of use asset	143	5	130	-	278	30	308
Bad debt recovered	31	-	2,040	-	2,071	-	2,071
Impairment loss on property, plant and equipment	-	-	1,040	-	1,040	-	1,040
Government grant	-	-	17	-	17	-	17
Assets							
Non-current assets	597	398	3,940	(300)	4,635	-	4,635
Other segment assets	8,833	369	4,338	(7,847)	5,693	82	5,775
Consolidated total assets	9,430	767	8,278	(8,147)	10,328	82	10,410
Liabilities							
Segment liabilities	2,374	933	6,849	(4,285)	5,871	73	5,944
Borrowings	411	46	1,936	(171)	2,222	-	2,222
Tax payable	126	-	-	-	126	-	126
Deferred tax liabilities	3	-	-	-	3	-	3
Consolidated total liabilities	2,914	979	8,785	(4,456)	8,222	73	8,295

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32. Segment information (cont'd)

Geographical information

The following table shows the revenue, the carrying amounts of segment total assets and non-current assets analysed by geographical information:

	Revenue		Segment total assets		Non-current assets	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Singapore	661	1,661	1,641	5,161	382	4,119
Malaysia	1,208	4,618	6,770	1,975	6,035	302
Indonesia	4,348	2,031	3,630	1,699	37	99
Brunei	1,108	4,317	1,948	1,575	359	115
	7,325	12,627	13,989	10,410	6,813	4,635

Information about major customer

Revenue of approximately \$2,735,000 (2024: \$5,109,000) are derived from 2 (2024: 2) external customers who individually contributed 10% or more of the Group's revenue reported under continuing operations. The details are as follows:

	Attributable segments	2025	2024
		\$'000	\$'000
Customer 1	Integrated Engineering Solutions	865	3,379
Customer 2	Integrated Engineering Solutions	–	1,730
Customer 3	Integrated Engineering Solutions	1,870	–
		2,735	5,109

33. Financial risk management

Categories of financial instruments

Financial instruments at their carrying amounts at the end of the financial year are as follows:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss	–*	–*	–*	–*
Financial assets at amortised costs	4,906	3,464	7,114	912
	4,906	3,464	7,114	912
Financial liabilities, at amortised cost	9,062	7,657	10,814	8,763

* Amount less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33. Financial risk management (cont'd)

Financial risk factors

The Group's overall risk management framework is set by the Board of Directors of the Company which sets out the Group's overall business strategies and its risk management philosophy. The Group's overall risk management approach seeks to minimise potential adverse effects on the financial performance of the Group.

There has been no change to the Group's exposure to these financial risks or the way in which it manages and measures financial risk. Market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk exposures are measured using sensitivity analysis indicated below.

(a) Market risk

Foreign exchange risk

The Group operates in Asia with dominant operations in Singapore, Malaysia and Indonesia. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies") such as the United States Dollar ("USD"), European Dollar ("EURO"), British Pound Sterling ("GBP") and Singapore Dollar ("SGD").

Currency risk arises when transactions are denominated in foreign currencies. To manage the currency risk, individual Group entities manage as far as possible by natural hedges of matching assets and liabilities.

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations. The Group's currency exposure based on the information provided to key management is as follows:

	USD \$'000	EURO \$'000	GBP \$'000	SGD \$'000
Group				
2025				
<i>Financial assets</i>				
Cash and cash equivalents and fixed deposits	16	3	2	–
Trade and other receivables	43	677	8	–
Intragroup receivables	964	42	92	2,432
	1,023	722	102	2,432
<i>Financial liabilities</i>				
Trade and other payables	(370)	(81)	(3)	(58)
Intragroup payable	(832)	(42)	(89)	6,799
	(1,202)	(123)	(92)	6,741
Net financial (liabilities)/assets and net currency exposure	(179)	599	10	9,173

* Amount less than \$1,000

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For the financial year ended 31 December 2025

33. Financial risk management (cont'd)

(a) Market risk (cont'd)

Foreign exchange risk (cont'd)

	USD \$'000	EURO \$'000	GBP \$'000	SGD \$'000
Group				
2024				
<i>Financial assets</i>				
Cash and cash equivalents and fixed deposits	685	117	7	–*
Trade and other receivables	543	48	11	–
Intragroup receivables	1,448	–	81	2,240
	<u>2,676</u>	<u>165</u>	<u>99</u>	<u>2,240</u>
<i>Financial liabilities</i>				
Trade and other payables	(1,049)	(8)	–	(9)
Intragroup payable	(1,470)	–	(81)	(72)
	<u>(2,519)</u>	<u>(8)</u>	<u>(81)</u>	<u>(81)</u>
Net financial assets and net currency exposure	<u>157</u>	<u>157</u>	<u>18</u>	<u>2,159</u>

* Amount less than \$1,000

Group

A 5% fluctuation in exchange rates, with all other variable held constant, will not have a significant impact on the Group's profit/(loss) before tax for the current and previous financial years.

Company

As at the end of the respective financial year, there is no currency risk exposure for the financial assets and liabilities as they are all denominated in the Company's functional currency.

Price risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified as fair value through profit or loss on the statements of financial position as at 31 December 2025 and 31 December 2024. These investments are unquoted equity securities. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The sensitivity analysis for price risk is not disclosed if prices for equity securities change by 10% (2024: 10%) with all other variables including tax being held constant, as the effect on the Group's profit or loss is considered not significant.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33. Financial risk management (cont'd)

(a) Market risk (cont'd)

Interest rate risk

The Group's interest rate for short-term bank deposits is fixed. The Company's interest rate for loan to a former subsidiary is at fixed rate. For interest income from the fixed deposits, the Group manages the interest rate risks by placing fixed deposits with reputable financial institutions on varying maturities and interest rate terms. The debt obligations of the Group and the Company mainly pertain to loans from bank and third parties and lease liabilities which are at fixed rates. The Group does not hedge its interest rate risk.

The Group and the Company ensures that it borrows at competitive interest rates under favourable terms and conditions.

Sensitivity analysis of the Group's and Company's interest rate risk exposures are not presented as the impact of an increase/decrease of 50 (2024: 50) basis points in interest rates on the Group's and the Company's profit or loss are not expected to be significant.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

Concentration of credit risk exists when changes in economic, industry or geographical factors similarly affect group of counterparties whose aggregate exposure is significant in relation to the Group's total credit exposure. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Company has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33. Financial risk management (cont'd)

(b) Credit risk (cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the end of the reporting period with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the end of the financial year. A financial instrument is determined to have low credit risk; the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the debtor to fulfil its contractual cash flow obligations.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes. Where information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33. Financial risk management (cont'd)

(b) Credit risk (cont'd)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

Maximum exposure and concentration of credit risk

The Group's trade receivables comprise 2 debtor (2024: 1 debtor) that represented approximately 76% (2024: 25%) of the trade receivables as at the end of financial year.

The credit risk on cash and cash equivalents is limited because the counterparties are financial institutions with high credit-ratings assigned by international credit-rating agencies.

The maximum exposure to credit risk is the carrying amount of each class of financial instruments presented on the Group's and Company's statement of financial position, and the amount of \$197,000 relating to corporate guarantees given by the Company to banks for the subsidiaries' bank borrowing (Note 29) in 2024. The bank loan has been fully repaid by its subsidiary on 19 August 2025.

Trade receivables

The Group has applied the simplified approach to measure the lifetime expected credit loss allowance for trade receivables. The Group estimates the expected credit loss rates of the debtors based on multiple factors, including the age of the balances, recent payments, outlook of relevant economic environments and any other available information concerning the creditworthiness of each individual debtor. A trade receivable is written off when there is information indicating that there is no realistic prospect of recovery from the debtor.

Based on the simplified approach for determining credit loss allowance for trade receivables as at 31 December 2025, an allowance for impairment amounting to \$55,000 (2024: \$25,000) was recognised for credit-impaired receivables as a result of occurrence of credit impairment events.

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic impact on the ability of the customers to settle the receivables.

Other financial assets at amortised cost

Other financial assets at amortised costs are those as disclosed in Note 16 (except GST receivables, tax recoverables, advance billings from suppliers, advance payment to supplier and prepayments), cash and cash equivalents and fixed deposits.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33. Financial risk management (cont'd)

(b) Credit risk (cont'd)

Other financial assets at amortised cost (cont'd)

The table below details the credit quality of the Group's financial assets (other than trade receivables):

2025	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$'000	\$'000	\$'000
Other recoverable	Lifetime ECL	150	(150)	–
Security deposits	12-month ECL	146	–	146
Cash and cash equivalents	N.A. Exposure Limited	3,175	–	3,175
Fixed deposits	N.A. Exposure Limited	152	–	152

2024	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$'000	\$'000	\$'000
Other recoverable	Lifetime ECL	150	(150)	–
Security deposits	12-month ECL	113	–	113
Cash and cash equivalents	N.A. Exposure Limited	1,958	–	1,958
Fixed deposits	N.A. Exposure Limited	143	–	143

The table below details the credit quality of the Company's financial assets:

2025	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$'000	\$'000	\$'000
Advances to subsidiaries	12-month ECL	6,997	–	6,997
Other recoverable	Lifetime ECL	150	(150)	–
Security deposits	12-month ECL	51	–	51
Lease receivables	12-month ECL	64	–	64
Cash and cash equivalents	N.A. Exposure Limited	2	–	2

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33. Financial risk management (cont'd)

(b) Credit risk (cont'd)

The table below details the credit quality of the Company's financial assets: (cont'd)

2024	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$'000	\$'000	\$'000
Advances to subsidiaries	12-month ECL	613	–	613
Other recoverable	Lifetime ECL	150	(150)	–
Security deposits	12-month ECL	44	–	44
Lease receivables	12-month ECL	170	–	170
Cash and cash equivalents	N.A. Exposure Limited	85	–	85

Movements in expected credit loss allowance

There are no movement in the allowance for impairment of financial assets under SFRS(I) 9 during the financial year for the Group and the Company except for the following:

	Trade receivables \$'000	Other recoverable \$'000	Consideration due from disposal of GPE from Ms Chong Shin Mun \$'000	Loan to former corporate shareholder of a subsidiary \$'000	Loan to a former subsidiary \$'000
Group					
Balance at 1 January 2024	25	150	1,267	4	773
Receivables written off as uncollectable/settled through exchange of property, plant and equipment	(25)	–	(1,267)	(4)	(773)
Balance at 31 December 2024	–	150	–	–	–
Provision of impairment loss on receivables	55	–	–	–	–
Balance at 31 December 2025	55	150	–	–	–

	Other recoverable \$'000	Consideration due from disposal of GPE from Ms Chong Shin Mun \$'000	Loan to a former subsidiary \$'000
Company			
Balance at 1 January 2024	150	1,267	773
Receivables settled through exchange of property, plant and equipment	–	(1,267)	(773)
Balance at 31 December 2024	150	–	–
Receivables written off as uncollectable	–	–	–
Balance at 31 December 2025	150	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33. Financial risk management (cont'd)

(b) Credit risk (cont'd)

Financial guarantees

The Company has issued financial guarantees to banks for bank loans provided to its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries have the financial capacity to meet the contractual cash flow obligations. In addition, the bank loans are secured by legal mortgage over the Group's fixed deposits, legal mortgage over the Group's leasehold properties under the right-of-use assets, corporate guarantee and personal guarantee from the directors of the subsidiaries. Hence, the Company does not expect significant credit losses arising from these guarantees.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Management has reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future as described in Note 3.1.

The Group's financial liabilities based on the remaining year at the end of the financial year to the contractual maturity date based on contractual undiscounted cash flows are as follows:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<i>Less than one year:</i>				
Trade and other payables	5,164	5,435	8,761	6,827
Borrowings	4,406	2,076	2,823	1,861
Financial guarantee contracts*	–	–	–	197
	9,570	7,511	11,584	8,885
<i>Between 1 to 5 years:</i>				
Borrowings	265	192	11	139
	9,835	7,703	11,595	9,024

* At the financial reporting date, the maximum exposure of the Company in respect of the intra-group financial guarantee (Note 29) based on facilities drawn down by the subsidiaries is \$197,000 in 2024. These guarantees are subject to the impairment requirements of SFRS(I) 9. The directors do not expect credit loss exposure arising from these guarantees in view of the borrowings were secured by legal charge over the Group's fixed deposits, leasehold properties under the right-of-use assets, corporate guarantee and personal guarantee from the directors of the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33. Financial risk management (cont'd)

(d) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, issue new shares and obtain new borrowings.

The Directors review the capital structure on a periodic basis. As part of the review, the Directors consider the cost of capital and other sources of funds, including borrowings from banks and redeemable convertible bonds.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as borrowings divided by total capital.

The total equity of the Group comprising share capital, other reserves and accumulated losses. The Group's overall strategy remains unchanged from 2024.

	Group	
	2025 \$'000	2024 \$'000
Borrowings (Note 23)	3,898	2,222
Total equity	1,178	1,766
Total capital	5,076	3,988
Gearing ratio	0.77	0.56

The Directors believe that the Group will continue to be guided by prudent financial policies of which gearing is monitored.

34. Fair value of assets and liabilities

(a) Fair value hierarchy

The Group and the Company classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (i) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) Assets and liabilities not carried at fair value but which fair values are disclosed

The carrying amounts of non-current receivables and non-current borrowings approximate their fair values at the end of the respective financial year, as the market lending rate at the end of the respective financial year was not significantly different from either its coupon rate of the agreement or market lending rate at the initial measurement date.

The above does not include financial assets and financial liabilities whose carrying amounts measured on the amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

35. Events occurring after the financial year

Proposed Disposal of 60% Equity Interest in Panah Jaya Makmur Sdn Bhd

P.J. Services Pte Ltd (the “**Vendor**”), a wholly-owned subsidiary of the Company, has, on 13 January 2026, entered into a sale and purchase agreement (“**SPA**”) with Wong Khuan Teck (the “**Purchaser**” or “**Mr. Wong**”, and together with the Vendor, each a “**Party**” and collectively, the “**Parties**”) in relation to the disposal by the Vendor of 600 ordinary shares in the capital of Panah Jaya Makmur Sdn Bhd (“**PJM**”), a direct subsidiary of the Vendor, representing 60% of the total issued and paid-up share capital of PJM (the “**Sale Shares**”), to the Purchaser (the “**Proposed Disposal**”). The aggregate cash consideration for the Sale Shares to be paid by the Purchaser to the Vendor in connection with the Proposed Disposal is S\$488,000.

Proposed Share Consolidation

The Company is proposing to undertake a share consolidation of every one hundred and fifty (150) existing issued ordinary shares (“**Shares**”) in the capital of the Company held by the shareholders of the Company (“**Shareholders**”) as at a record date to be determined by the Directors into one (1) Share (collectively referred to as the “**Consolidated Shares**” and each, a “**Consolidated Share**”) (the “**Proposed Share Consolidation**”). The Proposed Share Consolidation was approved by the shareholders during an extraordinary general meeting held on 9 April 2026.

Proposed Renounceable Non-Underwritten Rights Issue

Upon the completion of the Proposed Share Consolidation, the Company is proposing to undertake a renounceable non underwritten rights issue (“**Rights Issue**”) of up to 168,457,231 Consolidated Shares (“**Rights Shares**”) at an issue price of S\$0.034 for each Rights Share, on the basis of six (6) Rights Shares for every five (5) Consolidated Shares held by the Shareholders (the “**Proposed Rights Issue**”) as at a time and date to be determined by the Directors for the purpose of determining the entitlement. The Proposed Rights Issue was approved by the shareholders during an extraordinary general meeting held on 9 April 2026.

Missing one set of vertical automatic waste-tyre pyrolysis production line

On 23 February 2026, the director of Cahya Suria Energy Sdn. Bhd., a direct subsidiary of H2E International Pte. Ltd., which is a wholly-owned subsidiary of the Company, lodged a police report in respect of a missing set of vertical automatic waste-tyre pyrolysis production line located at Tanjung Malim, Perak, Malaysia. The financial impact of the missing equipment is approximately \$403,000. The carrying amounts of assets and liabilities as at year-end have not been adjusted.

36. Authorisation of financial statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 15 April 2026.

STATISTICS OF SHAREHOLDINGS

As at 31 March 2026

Issued and fully paid-up share capital	:	S\$73,808,814.19
Number of issued shares	:	21,027,148,000
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

The Company does not hold any treasury shares and there are no subsidiary holdings.

DISTRIBUTION OF SHAREHOLDINGS

(as at 31 March 2026)

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 - 99	3	0.08	21	0.00
100 - 1,000	161	4.38	114,899	0.00
1,001 - 10,000	500	13.58	3,713,992	0.02
10,001 - 1,000,000	2,570	69.82	547,701,960	2.60
1,000,001 and above	447	12.14	20,475,617,128	97.38
Total	3,681	100.00	21,027,148,000	100.00

SUBSTANTIAL SHAREHOLDERS

(as recorded in the Company's Register of Substantial Shareholders as at 31 March 2026)

Name of Substantial Shareholders	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Sandra Liz Hon Ai Ling	2,140,238,893	10.18	–	–
Lim In Chong	1,402,616,865	6.67	–	–
Abdul Rahman Bin Mohamed Shariff	1,107,500,000	5.27	–	–

STATISTICS OF SHAREHOLDINGS

As at 31 March 2026

TWENTY LARGEST SHAREHOLDERS

(as at 31 March 2026)

No.	Name	Number of Shares	%
1.	Phillip Securities Pte Ltd	3,881,714,087	18.46
2.	Sandra Liz Hon Ai Ling	2,140,238,893	10.18
3.	UOB Kay Hian Pte Ltd	2,034,435,100	9.58
4.	Lim In Chong	1,402,616,865	6.67
5.	Citibank Nominees Singapore Pte Ltd	1,122,023,000	5.34
6.	Abdul Rahman Bin Mohamed Shariff	1,107,500,000	5.27
7.	Mohamad Idris Shah Bin Ibrahim	843,333,333	4.01
8.	OCBC Securities Private Ltd	699,151,150	3.32
9.	Shamsol Jeffri Bin Zainal Abidin	600,000,000	2.85
10.	IPCO International Limited	500,000,000	2.38
11.	DBSN Services Pte Ltd	370,000,000	1.95
12.	DBS Nominees Pte Ltd	302,058,105	1.76
13.	Est of Poon Seng Fatt,Dec'D	293,296,473	1.39
14.	United Overseas Bank Nominees Pte Ltd	266,290,000	1.27
15.	Ong Siow Fong	254,900,000	1.21
16.	CGS International Securities Singapore Pte Ltd	254,220,000	1.21
17.	Pek Seck Wei	245,107,183	1.17
18.	Felicia Yong Siaw Nee	174,000,000	0.83
19.	Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	140,000,000	0.66
20.	Mohamed Shafeii Bin Abdul Gaffoor	116,476,190	0.55
	Total	16,747,360,379	79.65

SHAREHOLDINGS HELD IN THE HANDS OF THE PUBLIC

Based on the information provided to the Company as at 31 March 2026 and to the best knowledge of the Directors, there were 15,063,304,107 shares of the Company held in the hands of the public, representing approximately 71.64% of the total number of issued shares of the Company. Accordingly, Rule 723 of the Catalist Rules has been complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Annica Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) will be convened and held at Galangal Room, Level 4, Village Hotel Katong, 25 Marine Parade Road, Singapore 449536 on Thursday, 30 April 2026 at 10.00 a.m. (Singapore time) to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the audited financial statements of the Company for the financial year ended 31 December 2025 (“**FY2025**”), together with the Directors’ Statement and Independent Auditor’s Report thereon. **[Resolution 1]**
2. To re-elect Ms. Sandra Liz Hon Ai Ling who is retiring by rotation pursuant to Regulation 95 of the Company’s constitution (the “**Constitution**”) and Rule 720(4) of the Catalist Rules, and who, being eligible, is offering herself for re-election, as a director of the Company (“**Director**”).
[See Explanatory Note (a)] **[Resolution 2]**
3. To re-elect Ms. Randell Leong who is retiring by rotation pursuant to Regulation 95 of the Constitution, and who, being eligible, is offering herself for re-election, as a Director.
[See Explanatory Note (b)] **[Resolution 3]**
4. To approve the payment of Directors’ fees of S\$205,000 for the financial year ending 31 December 2026, to be paid quarterly in arrears (FY2025: S\$195,000). **[Resolution 4]**
5. To re-appoint PKF-CAP LLP as the Independent Auditor of the Company and to authorise the Directors to fix its remuneration. **[Resolution 5]**
6. To transact any other business that may properly be transacted at an AGM.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without modifications:

7. Authority to allot and issue shares and convertible securities in the capital of the Company

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”) and the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), authority be and is hereby given to the Directors to:

- (A) (i) allot and issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures, convertible securities or other instruments convertible into Shares,

at any time and upon such terms and conditions, and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (B) (notwithstanding that this authority may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this authority was in force, provided that:
 - (i) the aggregate number of Shares to be issued pursuant to this authority (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (B)(ii) below) (“**Issued Shares**”), of which the aggregate number of Shares to be issued other than on a *pro-rata* basis to the existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed fifty per cent (50%) of the total number of Issued Shares (excluding treasury shares and subsidiary holdings);

NOTICE OF ANNUAL GENERAL MEETING

- (ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares and Instruments that may be issued under sub-paragraph (B)(i) above, the percentage of Issued Shares shall be based on the total number of Issued Shares (excluding treasury shares and subsidiary holdings) at the time this authority is given, after adjusting for:
- (aa) new Shares arising from the conversion or exercise of any convertible securities which are outstanding or subsisting at the time this Resolution is passed;
 - (bb) new Shares arising from the exercise of share options or vesting of share awards or schemes which are outstanding or subsisting at the time this authority is given, provided that the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (cc) any subsequent bonus issue, consolidation or sub-division of Shares;
- and provided also that adjustments in accordance with sub-paragraph (ii)(aa) or sub-paragraph (ii)(bb) above are only to be made in respect of new Shares arising from the Instruments, convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;
- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Constitution for the time being in force; and
- (iv) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.
[See Explanatory Note (c)] **[Resolution 6]**

By Order of the Board

Allan P Tan
Company Secretary

15 April 2026

Explanatory Notes:

- (a) In relation to Ordinary Resolution 2, pursuant to Regulation 95 of the Constitution, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire by rotation at each Annual General Meeting, and pursuant to Rule 720(4) of the Catalist Rules, an issuer must have all directors submit themselves for re-nomination at least once every three years. Ms. Sandra Liz Hon Ai Ling was last re-elected on 28 April 2023 and has been nominated by the Nominating Committee and approved by the board of Directors (“**Board**”) to stand for re-election. She has consented for re-election, and will, upon re-election as a Director, remain as an Executive Director and the Chief Executive Officer of the Company. Detailed information (including information as required pursuant to Rule 720(5) of the Catalist Rules) of Ms. Hon can be found under the sections entitled “Board of Directors” and “Corporate Governance Report” in the Company’s annual report for the financial year ended 31 December 2025 (“**Annual Report 2025**”).
- (b) In relation to Ordinary Resolution 3, pursuant to Regulation 95 of the Constitution, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire by rotation at each Annual General Meeting. Ms. Randell Leong was last re-elected on 29 April 2025 and has been nominated by the Nominating Committee and approved by the Board to stand for re-election. She has consented for re-election, and will, upon re-election as a Director, remain as an Independent and Non-Executive Director of the Company, Chairman of the Nominating Committee, and a member of the Audit Committee and the Remuneration Committee. There are no relationships (including family relationships) between Ms. Leong and the other Directors, the Company, and its related corporations, its officers or its substantial shareholders, which may affect her independence. The Board considers Ms. Leong to be independent for the purposes of Rule 704(7) of the Catalist Rules. Detailed information (including information as required pursuant to Rule 720(5) of the Catalist Rules) of Ms. Leong can be found under the sections entitled “Board of Directors” and “Corporate Governance Report” in the Company’s Annual Report 2025.

NOTICE OF ANNUAL GENERAL MEETING

- (c) Under the Catalist Rules, a share issue mandate approved by shareholders as an ordinary resolution will enable the directors of an issuer to issue an aggregate number of new shares and convertible securities of the issuer of up to 100% of the total number of issued shares of the issuer (excluding treasury shares and subsidiary holdings) as at the time of passing of the resolution approving the share issue mandate, of which the aggregate number of new shares and convertibles securities issued other than on a *pro-rata* basis to existing shareholders must not be more than 50% of the total number of issued shares of the issuer (excluding treasury shares and subsidiary holdings).

Ordinary Resolution 6, if passed, will empower the Directors from the date of the above AGM until the date of the next AGM, to allot and issue Shares and/or Instruments. The aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted) which the Directors may allot and issue under this Resolution, shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings). For issues of Shares and convertible securities other than on a *pro-rata* basis to all shareholders, the aggregate number of Shares and convertible securities to be issued shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings). This authority will, unless previously revoked or varied at a general meeting, expire at the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier. However, notwithstanding the cessation of this authority, the Directors are empowered to issue Shares pursuant to any convertible securities issued under this authority.

Notes on AGM:

1. The AGM of the Company will be held, in a wholly physical format, at Galangal Room, Level 4, Village Hotel Katong, 25 Marine Parade Road, Singapore 449536 on Thursday, 30 April 2026 at 10.00 a.m. (Singapore time). There will be no option for shareholders of the Company (“**Shareholders**”) to participate electronically. This Notice of AGM (and the Proxy Form) will also be published on the Company’s corporate website at the URL <https://www.annica.com.sg> and SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

Members who wish to request for a printed copy of the Company’s Annual Report 2025 may do so by completing and submitting the Request Form sent to them by post, which is also available on the Company’s corporate website at the URL <https://www.annica.com.sg> and SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. The duly completed Request Form may be submitted either by email to agm2026@annica.com.sg or by post to the Company’s registered office at 40 Ubi Crescent, #01-01 Ubi Techpark, Singapore 408567, in each case, no later than 23 April 2026. A printed copy of the Annual Report will be mailed to you within five (5) working days upon receiving your request. The Company accepts no responsibility for any failure or delay in postal delivery.

2. Shareholders (including Central Provident Fund (“**CPF**”) and Supplementary Retirement Scheme (“**SRS**”) investors) may participate in the AGM by: (a) attending the AGM in person; (b) submitting questions to the Chairman of the meeting in advance of, or at, the AGM; and/or (c) voting at the AGM (i) themselves; or (ii) through duly appointed proxy(ies). For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e., persons other than the Chairman of the meeting) to attend, speak and/or vote at the AGM on their behalf.
3. Details of the steps for registration, submission of questions and voting at the AGM by Shareholders, including CPF and SRS investors, are set out in Appendix A to this Notice of AGM. In particular, CPF and SRS investors who wish to request their CPF Agent Banks or SRS Operators to appoint the Chairman of the meeting as their proxy in respect of their shares held by such CPF Agent Banks or SRS Operators should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions at least seven (7) working days before the date of the AGM.
4. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, a member is normally entitled to appoint not more than two (2) proxies to participate and vote in the AGM. Where a member appoints more than one (1) proxy, the proportion of his shareholding to be represented by each proxy shall be specified in the Proxy Form.
5. Pursuant to Section 181(1C) of the Companies Act, any member who is a Relevant Intermediary is normally entitled to appoint more than two (2) proxies to participate in the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which a proxy has been appointed shall be specified in the Proxy Form.
6. Persons who hold the Company’s shares through Relevant Intermediaries, other than CPF and SRS investors, and who wish to participate in the AGM by: (a) attending the AGM in person; (b) submitting questions to the Chairman of the meeting in advance of, or at, the AGM; and/or (c) voting at the AGM (i) themselves; or (ii) by appointing the Chairman of the meeting as proxy in respect of their shares held by such Relevant Intermediaries, should contact their respective Relevant Intermediary as soon as possible in order for the necessary arrangements to be made.
7. All voting, if carried out by way of Proxy Forms appointing the Chairman of the meeting as proxy, must be directed.
8. The duly executed Proxy Form must be submitted to the Company’s share registrar, B.A.C.S. Private Limited, in the following manner: (a) by email to main@zicoholdings.com; or (b) by post to the office of the share registrar at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, in each case by 10.00 a.m. on 27 April 2026 (being at least seventy-two (72) hours before the time and date set for the AGM).

NOTICE OF ANNUAL GENERAL MEETING

9. The Proxy Form appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the Proxy Form appointing a proxy is executed by a corporation, it must be executed either under its common seal or under hand of any officer or attorney duly authorised. A copy of the power of attorney or such other authority must be submitted together with the Proxy Form appointing a proxy.
10. A depositor's name must appear in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore) maintained by The Central Depository (Pte) Limited at least seventy-two (72) hours before the time and date set for the AGM (i.e., at 10.00 a.m. on 27 April 2026) for the depositor to be entitled to participate in and vote at the AGM.

Personal Data Privacy Terms:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

*This notice has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This notice has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.*

The contact person for the Sponsor is Ms. Goh Mei Xian, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

NOTICE OF ANNUAL GENERAL MEETING

APPENDIX A

Steps for registration, submission of questions and voting at the annual general meeting of the Company for the financial year ended 31 December 2025 (“AGM”)

The AGM will be held, in a wholly physical format, at Galangal Room, Level 4, Village Hotel Katong, 25 Marine Parade Road, Singapore 449536 on Thursday, 30 April 2026 at 10.00 a.m. (Singapore time). **There will be no option for shareholders of the Company (“Shareholders”) to participate electronically.** Shareholders (including Central Provident Fund (“CPF”) and Supplementary Retirement Scheme (“SRS”) investors) may participate in the AGM by: (a) attending the AGM in person; (b) submitting questions to the Chairman of the meeting in advance of, or at, the AGM; and/or (c) voting at the AGM (i) themselves; or (ii) through duly appointed proxy(ies). For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e., persons other than the Chairman of the meeting) to attend, speak and/or vote at the AGM on their behalf.

No.	Steps	Details
1.	Register in person to attend the AGM	<p>Shareholders (including CPF and SRS investors) and (where applicable) duly appointed proxies can attend the AGM in person.</p> <p>To do so, they will need to register in person at the registration counter(s) outside the AGM venue on the day of the event. Registration will commence at 9.00 a.m. (Singapore time) on that day. Please bring along your NRIC/passport to enable the Company to verify your identity.</p>
2.	Submit questions in advance of, or at, the AGM	<p>Submission of substantial and relevant questions in advance of the AGM: Shareholders (including CPF and SRS investors) can submit questions that are substantial and relevant to the resolutions tabled for approval at the AGM to the Company, in advance of the AGM, in the following manner:</p> <p>(a) via email to agm2026@annica.com.sg; or</p> <p>(b) by post to the Company’s registered address at 40 Ubi Crescent, #01-01 Ubi Techpark, Singapore 408567.</p> <p>Shareholders who submit questions via email or by post must provide the Company with the following details:</p> <ul style="list-style-type: none"> the Shareholder’s full name; the Shareholder’s address; and the manner in which the Shareholder holds shares in the Company (e.g., via CDP, CPF/SRS and/or scrip). <p>Deadline to submit questions in advance of the AGM: All questions submitted in advance of the AGM via any of the above channels must be received by Wednesday, 22 April 2026 (the “Submission of Questions Deadline”). This submission window allows the Company time to respond to all relevant and substantial questions relating to any agenda item in the Notice of AGM and allows Shareholders to consider the Company’s responses before the Proxy Form submission deadline on Monday at 10.00 a.m. on 27 April 2026.</p> <p>Asking substantial and relevant questions at the AGM: Shareholders (including CPF and SRS investors) and (where applicable) duly appointed proxies can also ask the Chairman of the meeting questions that are substantial and relevant to the resolutions tabled for approval at the AGM, at the AGM itself.</p> <p>Addressing questions: The Company will address all substantial and relevant questions received from Shareholders by the Submission of Questions Deadline by publishing its responses on the Company’s corporate website at the URL https://www.annica.com.sg and the SGXNet at the URL https://www.sgx.com/securities/company-announcements at least 48 hours before the submission deadline for the Proxy Form.</p>

NOTICE OF ANNUAL GENERAL MEETING

No.	Steps	Details
		<p>The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after the Submission of Questions Deadline which have not already been addressed prior to the AGM at the AGM itself. Where substantially similar questions have been received, the Company will consolidate such questions for a single response, and consequently not all questions will be individually addressed.</p> <p>Minutes of AGM: The Company will publish the minutes of the AGM on the Company's corporate website and the SGXNet within one (1) calendar month from the date of the AGM, and the minutes will include the responses to substantial and relevant questions raised by Shareholders which are addressed during the AGM.</p>
3.	Vote, or submit instruments appointing a proxy(ies) to vote, at the AGM	<p>Voting: Shareholders can vote at the AGM themselves or through duly appointed proxy(ies).</p> <p>Appointment of Proxy: Shareholders who wish to appoint a proxy(ies) must submit an instrument appointing a proxy(ies).</p> <p>Submission of instruments appointing a proxy(ies): The instrument appointing a proxy(ies) must be submitted to the Company's share registrar in the following manner:</p> <p>(a) (if submitted electronically) via email to main@zicohodings.com; or</p> <p>(b) (if submitted by post) lodged at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,</p> <p>in each case, by 10.00 a.m. on 27 April 2026 (being at least seventy-two (72) hours before the time and date set for the AGM).</p> <p>A Shareholder who wishes to submit an instrument appointing a proxy(ies) by post or email can either use the printed copy of the Proxy Form sent to him/her/it by post or download a copy of the Proxy Form from the Company's corporate website at the URL https://www.annica.com.sg or from SGXNet at the URL https://www.sgx.com/securities/company-announcements, and complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.</p> <p>Deemed revocation of proxy appointment if Shareholder attends the AGM in person: Completion and submission of the instrument appointing a proxy(ies) by a Shareholder will not prevent a Shareholder from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed revoked if the Shareholder attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed as proxy/proxies to the meeting.</p> <p>CPF and SRS investors:</p> <p>(a) may attend and vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or</p> <p>(b) may appoint the Chairman of the meeting as proxy to vote on their behalf at the AGM in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM to allow sufficient time for their respective relevant intermediaries to, in turn, submit the Proxy Form to appoint the Chairman of the meeting to vote on their behalf by the cut-off time and date, being 10.00 a.m. on 27 April 2026.</p>

NOTICE OF ANNUAL GENERAL MEETING

No.	Steps	Details
		<p>Shareholders who hold shares through Relevant Intermediaries:</p> <p>(a) may vote at the AGM if they are appointed proxy by their respective Relevant Intermediaries, and should contact their respective Relevant Intermediaries if they have any queries regarding their appointment as proxy; or</p> <p>(b) may request their respective Relevant Intermediaries to appoint the Chairman of the meeting as proxy to vote on their behalf at the AGM,</p> <p>in either case, they should approach their respective Relevant Intermediaries at least seven (7) working days before the AGM.</p>

ANNICA HOLDINGS LIMITED

(Company Registration No.: 198304025N)
(Incorporated in the Republic of Singapore)

PROXY FORM ANNUAL GENERAL MEETING (“AGM”)

IMPORTANT:

- For investors who have used their Central Provident Fund or Supplementary Retirement Scheme monies to buy Shares in the Company (the “**CPF Investors**” or “**SRS Investors**”), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
- CPF or SRS Investors:
 - may attend and vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - may appoint the Chairman of the meeting as proxy to vote on their behalf at the AGM in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM to allow sufficient time for their respective relevant intermediaries to, in turn, submit a proxy form to appoint the Chairman of the meeting to vote on their behalf by the cut-off time and date, being 10.00 a.m. (Singapore time) on 27 April 2026.

I/We* _____ (Name), _____ (NRIC/Passport No./Company Registration Number)

of _____ (Address)

being a member/members* of ANNICA HOLDINGS LIMITED (the “**Company**”) hereby appoint:

(a)

Name	Address	Email Address	NRIC/Passport Number	Proportion of Shareholdings	
				No. of Shares	%

OR

(b) the Chairman of the Annual General Meeting (the “**AGM**”), as my/our* proxy to vote for me/us* on my/our* behalf at the AGM to be held at Galangal Room, Level 4, Village Hotel Katong, 25 Marine Parade Road, Singapore 449536 on Thursday, 30 April 2026 at 10.00 a.m. (Singapore time) and at any adjournment thereof.

I/We* direct my/our* proxy to vote for or against, or abstain from voting on, each of the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies* will vote or abstain from voting at his/her/their* discretion. Where the Chairman of the AGM is appointed as proxy and the absence of specific directions as to voting, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.

The resolution(s) put to the AGM will be decided by way of a poll.

Please indicate with a “√” in the space provided below to exercise your vote “For” or “Against”, or to “Abstain” from voting on, the Resolutions as set out in the Notice of AGM dated 15 April 2026. Alternatively, please indicate the number of shares in the capital of the Company (“**Shares**”) as appropriate.

No.	Ordinary Business	Number of votes		
		For	Against	Abstain
1.	Ordinary Resolution 1 To receive and adopt the audited financial statements of the Company for the financial year ended 31 December 2025, together with the Directors’ Statement and Independent Auditor’s Report thereon.			
2.	Ordinary Resolution 2 To re-elect Ms. Sandra Liz Hon Ai Ling who is retiring by rotation pursuant to Regulation 95 of the Constitution and Rule 720(4) of the Catalist Rules, and who, being eligible, is offering herself for re-election, as a Director.			
3.	Ordinary Resolution 3 To re-elect Ms. Randell Leong who is retiring by rotation pursuant to Regulation 95 of the Constitution, and who, being eligible, is offering herself for re-election as a Director.			
4.	Ordinary Resolution 4 To approve the payment of Directors’ fees of S\$205,000 for the financial year ending 31 December 2026, to be paid quarterly in arrears (FY2025: S\$195,000).			
5.	Ordinary Resolution 5 To re-appoint PKF-CAP LLP as the Independent Auditor of the Company and to authorise the Directors to fix its remuneration.			
	Special Business			
6.	Ordinary Resolution 6 Authority to allot and issue shares and convertible securities in the capital of the Company.			

** Please note that any short description given above of a particular Resolution to be passed does not in any way whatsoever reflect the intent and purpose of the Resolution. The short description has been inserted for convenience only. Shareholders are encouraged to refer to the Notice of AGM dated 15 April 2026 for the full purpose and intent of the Resolution to be passed.

IMPORTANT: PLEASE READ NOTES OVERLEAF



Dated this _____ day of _____ 2026.

Total no. of shares in	No. of shares
(a) in CDP Register	
(b) in Register Members	

Signature(s) of Member(s)/Common Seal of
Corporate Member(s)

* Delete where inapplicable

NOTES FOR PROXY FORM

1. For this AGM, members of the Company (including relevant intermediaries) may vote by way of this Proxy Form appointing their duly appointed proxy or proxies.
2. Please insert the total number of Shares held by you: (a) if you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number; (b) if you have Shares registered in your name in the Register of Members of the Company, you should insert that number; (c) if you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate of the numbers. If no number is inserted, this Proxy Form shall be deemed to relate to all the Shares held by you.
3. Details of the steps for registration, submission of questions and voting at the AGM by Shareholders, including CPF and SRS Investors, are set out in Appendix A to the Notice of AGM dated 15 April 2026. In particular, CPF and SRS Investors who wish to request their CPF Agent Banks or SRS Operators to appoint the Chairman of the AGM as their proxy in respect of their Shares held by such CPF Agent Banks or SRS Operators should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions at least seven (7) working days before the date of the AGM.
4. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
5. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the instrument.
6. "Relevant intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore.
7. A proxy need not be a member of the Company.
8. The instrument appointing a proxy must be signed under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
9. A corporation which is a member of the Company may authorise, by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore, the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it was an individual.
10. The duly executed instrument appointing a proxy must be submitted to the Company's share registrar, B.A.C.S. Private Limited, in the following manner: (a) by email to main@zicoholdings.com; or (b) by post to 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, in each case by 10.00 a.m. on 27 April 2026 (being at least seventy-two (72) hours before the time and date set for the AGM).
11. By submitting this Proxy Form, a member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 15 April 2026.
12. The Company shall be entitled to reject this proxy form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this proxy form. In addition, in the case of Shares entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register at least seventy-two (72) hours before the time and date set for holding the AGM (or at any adjournment thereof), as certified by The Central Depository (Pte) Limited to the Company.



(COMPANY REGISTRATION NO.: 198304025N)
40 UBI CRESCENT
#01-01 UBI TECHPARK
SINGAPORE 408567