

ANNICA HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198304025N)

**QUALIFIED OPINION AND MATERIAL UNCERTAINTY RELATED TO GOING CONCERN BY THE
INDEPENDENT AUDITOR ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL
YEAR ENDED 31 DECEMBER 2025**

Pursuant to Rule 704(4) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the board of directors ("**Board**") of Annica Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company's independent auditor, PKF-CAP LLP (the "**Independent Auditor**"), has, in its Independent Auditor's Report dated 15 April 2026 (the "**Independent Auditor's Report**"), included (i) a qualified opinion ("**Qualified Opinion**"), and (ii) a material uncertainty related to going concern, in the Group's audited consolidated financial statements for the financial year ended 31 December 2025 ("**FY2025**") ("**Audited Financial Statements**").

The basis for the Qualified Opinion is in relation to (i) valuation of property, plant and equipment, and (ii) impairment assessment of amount due from a subsidiary.

The Independent Auditor's Report, which contains the basis for the Qualified Opinion, is attached to this announcement for shareholders' reference. The Independent Auditor's Report and a complete set of the Audited Financial Statements will form part of the Company's Annual Report for FY2025 ("**AR 2025**"), which will be released on SGXNet on the date of this announcement. Shareholders are advised to read this announcement in conjunction with the Independent Auditor's Report, the Audited Financial Statements and the AR 2025 in their entirety.

The Board is of the opinion that (i) the Group and the Company will be able to continue as going concern, and that the use of the going concern assumption in the preparation of the Audited Financial Statements is appropriate, based on the factors set out in Note 3.1 to the Audited Financial Statements; and (ii) sufficient information has been disclosed for trading of the Company's securities to continue in an orderly manner, and the Board confirms that all material disclosures have been provided for trading of the Company's shares to continue. An extract of Note 3.1 to the Audited Financial Statements is also attached to this announcement for shareholders' reference.

Shareholders and potential investors of the Company are advised to exercise caution in trading the shares of the Company. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board
ANNICA HOLDINGS LIMITED

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer

15 April 2026

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

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

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

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

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

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 \$'000	2024 \$'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 \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Total \$'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

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

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.