OCEAN SKY INTERNATIONAL LIMITED
AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS AND
FINANCIAL YEAR ENDED 31 DECEMBER 2025

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CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The board of directors (the "Board" or "Directors") of Ocean Sky International Limited (the "Company") hereby announces the condensed interim consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ("2HY2025") and financial year ended 31 December 2025 ("FY2025"), together with the comparative figures for the six months ("2HY2024") and financial year ended 31 December 2024 ("FY2024"). The Group's interim results for the six months and financial year ended 31 December 2025 are unaudited.

	Note	Six Months Ended			Financial Year Ended		
		31.12.2025 $'000	31.12.2024 $'000	+ / (-) %	31.12.2025 $'000	31.12.2024 $'000	+ / (-) %
Revenue	4	20,560	16,368	25.6	38,558	30,327	27.1
Cost of services		(17,019)	(12,929)	31.6	(31,995)	(24,814)	28.9
Gross profit		3,541	3,439	3.0	6,563	5,513	19.0
Other income		304	462	(34.2)	774	743	4.2
Administrative and other operating expenses		(2,638)	(2,721)	(3.1)	(4,928)	(5,194)	(5.1)
Finance costs	5	(377)	(484)	(22.1)	(789)	(965)	(18.2)
Share of results of joint ventures, net of tax		42	120	(65.0)	32	260	(87.7)
Profit before income tax	5	872	816	6.9	1,652	357	362.7
Income tax expense	6	(141)	(328)	(57.0)	(123)	(445)	(72.4)
Profit/(Loss) for the financial period/year attributable to owners of the parent		731	488	49.8	1,529	(88)	N.M.
Other comprehensive income:							
Item that may be reclassified subsequently to profit or loss:							
- Exchange differences on translating foreign operations		(240)	(42)		(218)	469	
Other comprehensive income for the financial period/year, net of tax		(240)	(42)		(218)	469	
Total comprehensive income for the financial period/year attributable to owners of the parent		491	446		1,311	381	
Profit/(Loss) per share (cents)							
- Basic		0.17	0.11		0.36	(0.02)	
- Diluted		0.17	0.11		0.36	(0.02)	

N.M.: Not meaningful

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

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	Group		Company	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024
		$'000	$'000	$'000	$'000
Non-current assets					
Property, plant and equipment	7	10,565	9,964	338	-
Investment property	8	14,830	14,875	-	-
Investments in subsidiaries		-	-	15,271	15,329
Investments in joint ventures		1,685	1,621	-	-
		27,080	26,460	15,609	15,329
Current assets					
Inventories		172	244	-	-
Trade and other receivables	9	15,601	17,613	15,827	20,511
Contract assets	10	10,041	8,036	-	-
Cash and cash equivalents		16,925	14,767	10,324	7,371
		42,739	40,660	26,151	27,882
Less:					
Current liabilities					
Trade and other payables	11	10,638	7,946	16,981	16,991
Contract liabilities	10	75	225	-	-
Provisions		123	190	-	-
Bank term loans	12	9,672	1,403	-	-
Lease liabilities	12	704	329	67	19
Current income tax payable		506	707	-	-
		21,718	10,800	17,048	17,010
Net current assets		21,021	29,860	9,103	10,872
Less:					
Non-current liabilities					
Bank term loans	12	3,936	13,525	-	-
Lease liabilities	12	1,840	1,679	143	15
Deferred tax liabilities		149	229	-	-
		5,925	15,433	143	15
Net assets		42,176	40,887	24,569	26,186
Equity					
Share capital	13	55,169	55,169	55,169	55,169
Treasury shares	14	(22)	-	(22)	-
Foreign currency translation reserve		(484)	(266)	-	-
Accumulated losses		(12,487)	(14,016)	(30,578)	(28,983)
Equity attributable to owners of the parent		42,176	40,887	24,569	26,186

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Share capital	Treasury shares	Foreign currency translation reserve	Accumulated losses	Equity attributable to owners of the parent
	$'000	$'000	$'000	$'000	$'000
The Group					
Balance at 1 January 2025	55,169	-	(266)	(14,016)	40,887
Profit for the financial year	-	-	-	1,529	1,529
Other comprehensive income for the financial year					
Exchange differences on translating foreign operations	-	-	(218)	-	(218)
Total other comprehensive income for the financial year	-	-	(218)	-	(218)
Total comprehensive income for the financial year	-	-	(218)	-	1,311
Transactions with owners, recognised directly in equity					
Purchase of treasury shares (Note 14)	-	(22)	-	-	(22)
Total transaction with owners, recognised directly in equity	-	(22)	-	-	(22)
Balance at 31 December 2025	55,169	(22)	(484)	(12,487)	42,176
Balance at 1 January 2024	55,169	-	(735)	(13,928)	40,506
Loss for the financial year	-	-	-	(88)	(88)
Other comprehensive income for the financial year					
Exchange differences on translating foreign operations	-	-	469	-	469
Total other comprehensive income for the financial year	-	-	469	-	469
Total comprehensive income for the financial year	-	-	469	(88)	381
Balance at 31 December 2024	55,169	-	(266)	(14,016)	40,887

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

	Share capital $'000	Treasury shares $'000	Accumulated losses $'000	Equity attributable to owners of the parent $'000
The Company				
Balance at 1 January 2025	55,169	-	(28,983)	26,186
Total comprehensive income for the financial year	-	-	(1,595)	(1,595)
Transactions with owners, recognised directly in equity				
Purchase of treasury shares (Note 14)	-	(22)	-	(22)
Total transaction with owners, recognised directly in equity	-	(22)	-	(22)
Balance at 31 December 2025	55,169	(22)	(30,578)	24,569
Balance at 1 January 2024	55,169	-	(28,410)	26,759
Total comprehensive income for the financial year	-	-	(573)	(573)
Balance at 31 December 2024	55,169	-	(28,983)	26,186

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

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Financial Year Ended	
	31.12.2025	**31.12.2024**
	$'000	**$'000**
Operating activities		
Profit before income tax	1,652	357
Adjustments for:		
Depreciation of property, plant and equipment	972	926
Fair value loss on investment property	745	188
Gain on disposal of property, plant and equipment	(151)	(247)
Interest expense	789	965
Interest income	(203)	(361)
Plant and equipment written off	2	12
Provision (reversed)/made for defects liability	(52)	55
Provision for penalty and interest written back	(279)	-
Share of results of joint ventures	(32)	(260)
Unrealised foreign exchange gain	-	(7)
Operating cash flows before working capital changes	3,443	1,628
Working capital changes:		
Inventories	73	(22)
Trade and other receivables	(2,964)	(1,580)
Contract assets and contract liabilities	(2,155)	139
Trade and other payables	2,971	697
Provisions	(15)	(97)
Net cash generated from operations	1,353	765
Income taxes paid	(403)	(234)
Net cash from operating activities	950	531
Investing activities		
Purchase of property, plant and equipment (Note 7)	(606)	(296)
Proceeds from disposals of property, plant and equipment	156	249
Repayment from joint ventures	4,976	2,020
Increase in investment property	(450)	(364)
Interest received	203	361
Net cash from investing activities	4,279	1,970
Financing activities		
Interest paid	(789)	(965)
Purchase of treasury shares	(22)	-
Repayment of bank borrowings	(1,375)	(2,452)
Repayment of lease liabilities	(438)	(291)
Net cash used in financing activities	(2,624)	(3,708)
Net change in cash and cash equivalents	2,605	(1,207)
Cash and cash equivalents at beginning of financial year	14,767	15,896
Effect of foreign exchange rate changes on cash and cash equivalents	(447)	78
Cash and cash equivalents at end of financial year	16,925	14,767

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

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

1. General corporate information

Ocean Sky International Limited (the "Company") is a public limited company incorporated and domiciled in Singapore with its registered office and principal place of business at 29 Tuas South Street 1 Singapore 638036. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Company's registration number is 198803225E.

These condensed interim consolidated financial statements as at and for the six months and financial year ended 31 December 2025 comprise the Company and its subsidiaries (the "Group"). The principal activity of the Company is that of an investment holding company.

The principal activities of the Group are:
(a) Civil engineering & infrastructure construction;
(b) Wholesales/leasing of construction-related machinery and materials;
(c) Property developments; and
(d) Investment holding.

2. Basis of preparation

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

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

The condensed interim financial statements are expressed in Singapore dollar, which is the functional currency of the Company and the presentation currency for the condensed interim financial statements and rounded to the nearest thousand ("$'000"), unless otherwise stated.

2.1 New and amended standards adopted by the Group

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

2. Basis of preparation (Continued)

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2024.

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

Management is of opinion that there is no significant judgement and estimation made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next interim period, except for the fair value of investment property as disclosed in Note 9 to the condensed interim consolidated financial statements.

3. Seasonal operations

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

4. Segment reporting

The Group is organised into the following main business segments:

- Civil engineering and infrastructure construction segment - the business of civil engineering & infrastructure construction; and

- Property segment - the business of leasing of properties and development of properties.

These operating segments are reported in a manner consistent with internal reporting provided to Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments.

	Civil engineering and infrastructure construction $'000	Property $'000	Unallocated $'000	Consolidated $'000
2HY2025				
Revenue				
Revenue from external customers	19,906	654	-	20,560
Total revenue	19,906	654	-	20,560
Results				
Segment results	1,961	333	54	2,348
Interest income	20	22	73	115
Interest expense	(106)	(266)	(5)	(377)
Depreciation of property, plant and equipment	(480)	-	(31)	(511)
Share of results of joint ventures	-	42	-	42
Fair value loss on investment property	-	(745)	-	(745)
Profit/(Loss) before income tax	1,395	(614)	91	872
Income tax expense				(141)
Profit for the financial period				731
Capital expenditure				
Additions to non-current assets	517	33	369	919
Assets and liabilities				
Segment assets	39,522	19,561	10,736	69,819
Segment liabilities	17,542	9,523	429	27,494
Deferred tax liabilities				149
Total liabilities				27,643

4. Segment reporting (Continued)

	Civil engineering and infrastructure construction $'000	Property $'000	Unallocated $'000	Consolidated $'000
2HY2024				
Revenue				
Revenue from external customers	15,817	551	-	16,368
Total revenue	15,817	551	-	16,368
Results				
Segment results	2,357	(56)	(665)	1,636
Interest income	52	35	94	181
Interest expense	(165)	(318)	(1)	(484)
Depreciation of property, plant and equipment	(438)	-	(11)	(449)
Share of results of joint ventures	-	120	-	120
Fair value loss on investment property	-	(188)	-	(188)
Profit/(Loss) before income tax	1,806	(407)	(583)	816
Income tax expense				(328)
Profit for the financial period				488
Capital expenditure				
Additions to non-current assets	332	364	-	696
Assets and liabilities				
Segment assets	36,052	23,644	7,424	67,120
Segment liabilities	15,418	10,329	257	26,004
Deferred tax liabilities				229
Total liabilities				26,233

4. Segment reporting (Continued)

	Civil engineering and infrastructure construction $'000	Property $'000	Unallocated $'000	Consolidated $'000
FY2025				
Revenue				
Revenue from external customers	37,337	1,221	-	38,558
Total revenue	37,337	1,221	-	38,558
Results				
Segment results	4,023	370	(470)	3,923
Interest income	56	41	106	203
Interest expense	(227)	(556)	(6)	(789)
Depreciation of property, plant and equipment	(941)	-	(31)	(972)
Share of results of joint ventures	-	32	-	32
Fair value loss on investment property	-	(745)	-	(745)
Profit/(Loss) before income tax	2,911	(858)	(401)	1,652
Income tax expense				(123)
Profit for the financial year				1,529
Capital expenditure				
Additions to non-current assets	1,211	450	369	2,030
Assets and liabilities				
Segment assets	39,522	19,561	10,736	69,819
Segment liabilities				
Deferred tax liabilities	17,542	9,523	429	27,494
Total liabilities				149
				27,643

4. Segment reporting (Continued)

	Civil engineering and infrastructure construction $'000	Property $'000	Unallocated $'000	Consolidated $'000
FY2024				
Revenue				
Revenue from external customers	29,248	1,079	-	30,327
Total revenue	29,248	1,079	-	30,327
Results				
Segment results	3,644	(64)	(1,765)	1,815
Interest income	103	35	223	361
Interest expense	(314)	(649)	(2)	(965)
Depreciation of property, plant and equipment	(895)	-	(31)	(926)
Share of results of joint ventures	-	260	-	260
Fair value loss on investment property	-	(188)	-	(188)
Profit/(Loss) before income tax	2,538	(606)	(1,575)	357
Income tax expense				(445)
Loss for the financial year				(88)
Capital expenditure				
Additions to non-current assets	533	364	-	897
Assets and liabilities				
Segment assets	36,052	23,644	7,424	67,120
Segment liabilities	15,418	10,329	257	26,004
Deferred tax liabilities				229
Total liabilities				26,233

Geographic information

Revenue by geographical market

	Singapore $'000	Australia $'000	Consolidated $'000
2HY2025			
Civil engineering and infrastructure construction	19,906	-	19,906
Property	-	654	654
2HY2024			
Civil engineering and infrastructure construction	15,817	-	15,817
Property	-	551	551

4. Segment reporting (Continued)

Geographic information (Continued)

Revenue by geographical market

	Singapore	Australia	Consolidated
	$'000	$'000	$'000
FY2025			
Civil engineering and infrastructure construction	37,337	-	37,337
Property	-	1,221	1,221
FY2024			
Civil engineering and infrastructure construction	29,248	-	29,248
Property	-	1,079	1,079

Disaggregation of revenue

	Group Six Months Ended					
Segment	**Civil engineering and infrastructure construction**		**Property**		**Total**	
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**	**31.12.2025**	**31.12.2024**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Type of good or service						
Over time						
- Contract revenue	19,770	15,682	-	-	19,770	15,682
Point in time						
- Sales of construction materials	-	-	-	-	-	-
Lease income	136	135	654	551	790	686
	19,906	15,817	654	551	20,560	16,368

4. Segment reporting (Continued)

Disaggregation of revenue (Continued)

Segment	Group Financial Year Ended					
	Civil engineering and infrastructure construction		Property		Total	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	$'000	$'000	$'000	$'000	$'000	$'000
Type of good or service						
Over time						
- Contract revenue	37,126	28,957	-	-	37,126	28,957
Point in time						
- Sales of construction materials	2	2	-	-	2	2
Lease income	209	289	1,221	1,079	1,430	1,368
	37,337	29,248	1,221	1,079	38,558	30,327

A breakdown of sales:

	31.12.2025 $'000	31.12.2024 $'000	+ / (-) %
Sales reported for the first half year	17,998	13,959	28.9
Operating profit/(loss) after tax reported for the first half year	798	(576)	N.M.
Sales reported for the second half year	20,560	16,368	25.6
Operating profit after tax reported for the second half year	731	488	49.8

N.M.: Not meaningful

5. Profit before income tax

Significant items

	Group			
	Six Months Ended		Financial Year Ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	$'000	$'000	$'000	$'000
Other income				
Interest income	115	181	203	361
Gain on disposal of property, plant and equipment	146	247	151	247
Government grants	5	10	17	25
Cost of services				
Depreciation of property, plant and equipment	301	259	585	536
Provision (reversed)/ made for defects liability	(57)	(49)	(52)	55
Material costs	2,875	2,417	5,991	4,381
Short-term leases	408	399	788	802
Administrative and other operating expenses				
Depreciation of property, plant and equipment	210	189	387	390
Fair value loss on investment property	745	188	745	188
Foreign exchange (gain)/loss, net	(456)	366	(241)	798
Finance costs				
Interest expense				
- Bank term loans	334	452	711	903
- Lease liabilities	43	32	78	62

6. Income tax expense

The Group calculates the period/year income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group			
	Six Months Ended		Financial Year Ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	$'000	$'000	$'000	$'000
Current tax:				
- current period/year	245	298	505	436
- under/(over) provision in prior years	7	14	(302)	14
	252	312	203	450
Deferred tax:				
- current period/year	(111)	16	(80)	(5)
Total income tax expense	141	328	123	445

7. Property, plant and equipment

During the financial year ended 31 December 2025, the Group acquired assets amounting to $1,580,000 (2024: $533,000) and disposed of assets with net book value amounting to $5,000 (2024: $2,000).

Consolidated statement of cash flows

During the financial year ended 31 December 2025, the Group's additions to property, plant and equipment were financed as follows:

	Group	
	Financial Year Ended	
	31.12.2025	31.12.2024
	$'000	$'000
Additions to property, plant and equipment	1,580	533
Acquired under lease agreements	(974)	(237)
Cash payments to acquire property, plant and equipment	606	296

8. Investment property

The Group's investment property consists of a four-storey office building, held for long-term rental yields and/or capital appreciation and are leased to third parties under operating leases.

	Group	
	2025	**2024**
	$'000	**$'000**
At fair value		
At 1 January	14,875	15,688
Addition	450	364
Fair value loss recognised in profit or loss	(745)	(188)
Currency re-alignment	250	(989)
At 31 December	14,830	14,875

Valuation techniques and assumptions

The investment property was valued by independent professional valuers annually who hold a recognised and relevant professional qualification and have recent experience in the location and category of the property held by the Group.

In determining the fair value, the valuers have used capitalisation approach, direct comparison approach and discounted cash flows approach which make reference to certain estimates. The key assumptions used to determine the fair value of investment property include, amongst others, capitalisation rates, discount rates, occupancy details, and price per square metre of gross/net lettable area. The fair value hierarchy used was Level 3.

The valuations were based on the property's highest and best use, which was in line with its actual use. Management of the Group oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures.

Management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 *Fair Value Measurement* guidance.

For valuations performed by external valuation experts, the management reviews the appropriateness of the valuation methodologies and assumptions adopted. The management also evaluates the appropriateness and reliability of the inputs used in the valuations.

Significant changes in fair value measurements from period to period are evaluated by the management for reasonableness.

As at 31 December 2025, the significant input to the valuation technique using capitalisation approach in respect of the investment property in Australia was the capitalisation rate of 7.50% (2024: 7.00%). An increase in capitalisation rate will result in a decrease to the fair value of the investment property.

9. Trade and other receivables

	Group		Company	
	31.12.2025 $'000	31.12.2024 $'000	31.12.2025 $'000	31.12.2024 $'000
Trade receivables				
- Third parties	6,301	4,889	-	-
- Accrued income	584	-	-	-
- Retention sums	7,270	6,278	-	-
Loss allowance	(14)	(14)	-	-
	14,141	11,153	-	-
Other receivables				
- Third parties	381	189	30	3
- Joint venture	305	5,430	-	-
- Subsidiaries	-	-	17,352	21,908
Allowance for impairment losses	-	-	(1,600)	(1,450)
	-	-	15,752	20,458
	686	5,619	15,782	20,461
Deposits	171	222	-	-
Prepayments	603	619	45	50
	15,601	17,613	15,827	20,511

Trade receivables are non-interest bearing and generally have credit terms of 30 to 60 (31.12.2024: 30 to 60) days. Accrued income represents unbilled revenue from work performed by the Group which has been certified by surveyor before the reporting date. Retention receivables are classified as current assets because they are expected to be realised in the normal operating cycle of the Group.

Other receivables due from subsidiaries and joint venture represent advances to and payment on behalf, which are unsecured, non-interest bearing and repayable within the next 12 months.

10. Contract assets and contract liabilities

	Group	
	31.12.2025 $'000	31.12.2024 $'000
Contract assets	10,041	8,036
Contract liabilities	75	225

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for civil engineering works. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for civil engineering works. Contract liabilities are recognised as revenue as the Group fulfils its performance obligations under the contract.

11. Trade and other payables

	Group		Company	
	31.12.2025 $'000	31.12.2024 $'000	31.12.2025 $'000	31.12.2024 $'000
Trade payables				
- Third parties	7,591	4,727	-	-
- Retention sums	1,111	1,212	-	-
	8,702	5,939	-	-
Other payables				
- Third parties	21	19	65	5
- Subsidiaries	-	-	16,762	16,796
- Penalty and interest	-	312	-	-
Goods and services tax payable	83	181	-	-
Deposit received	115	84	-	-
Accrued expenses	1,686	1,380	123	159
Accrued Directors' fee	31	31	31	31
	10,638	7,946	16,981	16,991

Trade payables due to third parties are non-interest bearing and are generally settled on 30 to 60 (31.12.2024: 30 to 60) days' credit terms.

The non-trade amounts due to subsidiaries represent collection received on behalf of the subsidiaries, which are unsecured, interest-free and repayable on demand.

As at 31 December 2024, penalty and interest payable pertains to the outstanding withholding tax on deemed dividend distribution.

12. Borrowings

Borrowings comprise bank term loans and finance lease liabilities by the Group of $1,317,000 (31.12.2024: $756,000), which are recorded under "Lease liabilities".

	Group	
	31.12.2025 $'000	31.12.2024 $'000
Amount repayable within one year		
Secured	10,171	953
Unsecured	-	755
Amount repayable after one year		
Secured	4,753	13,976
	14,924	15,684

Bank term loans and finance lease liabilities of the Group are secured over certain property, plant and equipment and investment property of the Group.

13. Share capital

	Group and Company			
	31.12.2025 Number of shares	31.12.2024 Number of shares	31.12.2025 $'000	31.12.2024 $'000
Issued and fully paid				
Balance at beginning and end of financial year	430,610,283	430,610,283	55,169	55,169

There was no change in the issued and fully paid capital of the Company since 30 June 2025.

The Company did not have any outstanding convertibles and subsidiary holdings as at 31 December 2025 and 31 December 2024.

14. Treasury shares

	Group and Company			
	31.12.2025 Number of shares	31.12.2024 Number of shares	31.12.2025 $'000	31.12.2024 $'000
Balance at beginning of financial year	-	-	-	-
Purchase of treasury shares	520,400	-	22	-
Balance at beginning of financial year	520,400	-	22	-

As at 1 January 2024, 31 December 2024 and 30 June 2025, there were no treasury shares held by the Company.

The Company acquired 520,400 of its own shares through purchases on the SGX-ST during the six months period ended 31 December 2025. The total amount paid and deducted from equity to acquire the shares was approximately $22,000.

As at 31 December 2025, the Company held 520,400 treasury shares which represented approximately 0.12% of the 430,089,883 total number of ordinary shares in the capital of the Company (excluding treasury shares).

There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current and previous financial period/year reported on.

15. Net asset value

	Group		Company	
	31.12.2025 $ Cents	31.12.2024 $ Cents	31.12.2025 $ Cents	31.12.2024 $ Cents
Net asset value per ordinary share	9.81	9.50	5.71	6.08

As at 31 December 2025, net asset value per ordinary share is computed based on the number of issued ordinary shares (excluding treasury shares) of 430,089,883 (31.12.2024: 430,610,283) respectively.

16. Earnings per share ("EPS")

	Group			
	Six Months Ended		Financial Year Ended	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Profit/(Loss) attributable to owners of the parent ($'000)	731	488	1,529	(88)
Weighted average number of ordinary shares in issue	430,530,357	430,610,283	430,569,991	430,610,283
Basic EPS - SGD Cents[(1)]	0.17	0.11	0.36	(0.02)
Diluted EPS - SGD Cents[(2)]	0.17	0.11	0.36	(0.02)

Notes:

(1) The calculation for the basic EPS for the relevant financial periods is based on the weighted average number of ordinary shares of the Company during the relevant financial period/year.

(2) For six months and financial year ended 31 December 2025 and 31 December 2024, the diluted EPS is the same as the basic EPS as the Company does not have any dilutive options during the financial period/year.

17. Financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities of the Group and the Company as at 31 December 2025 and 31 December 2024 recorded at amortised cost are as follows:

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	$'000	$'000	$'000	$'000
Financial assets				
Trade and other receivables	14,998	16,994	15,782	20,461
Cash and cash equivalents	16,925	14,767	10,324	7,371
Total financial assets carried at amortised cost	31,923	31,761	26,106	27,832
Financial liabilities				
Trade and other payables	10,555	7,453	16,981	16,991
Bank term loans	13,608	14,928	-	-
Lease liabilities	2,544	2,008	210	34
Total financial liabilities carried at amortised cost	26,707	24,389	17,191	17,025

18. Fair value of financial assets and financial liabilities

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and

- the fair value of other financial assets and other financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Fair value hierarchy

The Group and the Company classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The table below analyses financial instruments carried at fair value by the valuation method. The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

- 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

- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

19. Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim consolidated financial statements.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

OTHER INFORMATION

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

The condensed statements of financial position of Ocean Sky International Limited and its subsidiaries as at 31 December 2025 and the related condensed consolidated statement of comprehensive income for the six months period and financial year then ended, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the financial year then ended and certain explanatory notes have not been audited or reviewed.

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

Not applicable.

2A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

3. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Company is a Singapore-based investment holding company with an interest in the civil engineering & infrastructure construction and related services ("**Civil Engineering and Infrastructure Construction Business**"), and the business of property development, investment and management ("**Property Business**").

OTHER INFORMATION (CONTINUED)

Statement of Comprehensive Income

Review of the Group's performance for the financial year ended 31 December 2025 ("FY2025") as compared to previous corresponding year ended 31 December 2024 ("FY2024")

Revenue

	FY2025	FY2024	+ / (-)	+ / (-)
	$'000	$'000	$'000	%
Revenue				
- Civil Engineering and Infrastructure Construction Business	37,337	29,248	8,089	27.7
- Property Business	1,221	1,079	142	13.2
Total Revenue	**38,558**	**30,327**	**8,231**	27.1

The Group recorded a revenue of $38.56 million for FY2025 compared with $30.33 million for FY2024.

Revenue from Civil Engineering and Infrastructure Construction Business of $37.34 million for FY2025 was $8.09 million higher compared with $29.25 million for FY2024 mainly due to higher level of construction activities and progress made in various on-going projects.

Revenue from Property Business of $1.22 million for FY2025 was $0.14 million higher compared with $1.08 million for FY2024 mainly due to higher occupancy rate achieved by the Melbourne investment property in FY2025.

Cost of Services

	FY2025	FY2024	+ / (-)	+ / (-)
	$'000	$'000	$'000	%
Cost of Services				
- Civil Engineering and Infrastructure Construction Business	31,540	24,313	7,227	29.7
- Property Business	455	501	(46)	(9.2)
Total Cost of Services	**31,995**	**24,814**	**7,181**	28.9

In line with the increased construction activities, the costs of services for the Civil Engineering and Infrastructure Construction Business of $31.54 million for FY2025 was $7.23 million higher compared with $24.31 million for FY2024. Meanwhile, the cost of services for Property Business of $0.46 million for FY2025 was $0.04 million lower as compared with $0.50 million for FY2024 for the Melbourne investment property, mainly due to fewer ad-hoc repair works and lower operating costs for the Melbourne investment property.

Gross Profit Margin

The Group's gross profit margin ("GPM") decreased from 18.2% for FY2024 to 17.0% for FY2025. The GPM for the Civil Engineering and Infrastructure Construction Business similarly decreased from 16.9% for FY2024 to 15.5% for FY2025, mainly due to the completion of certain higher-margin projects in early FY2025.

Other income

Other income of $0.77 million for FY2025 was $0.03 million marginally higher compared with $0.74 million for FY2024. The increase was mainly attributable to the write-back of an overprovision for penalty and interest following the settlement of a withholding tax assessment for a foreign subsidiary. This was partly offset by lower interest income earned from short-term fixed deposit placements.

OTHER INFORMATION (CONTINUED)

Statement of Comprehensive Income (Continued)

Expenses

Administrative and other operating expenses of $4.92 million for FY2025 was $0.27 million lower compared with $5.19 million for FY2024, mainly due to unrealised foreign exchange gain arising from the appreciation of Australian dollar against Singapore dollar, partly offset by mainly due to higher fair value loss on investment property in Melbourne and employee benefits expenses.

Finance costs of $0.79 million for FY2025 was $0.18 million lower compared with $0.97 million for FY2024 mainly due to lower interest rates for the Melbourne and Singapore property loans.

Share of results of joint ventures

Share of results of joint ventures of $0.03 million for FY2025 was $0.23 million lower compared with $0.26 million for FY2024, mainly due to the finalisation and completion of development project, partly offset by fair value gain on investment property in Cambodia.

Income tax expense

The Group recorded a profit before tax of $1.58 million for FY2025, compared to a profit before tax of $0.36 million for FY2024. Income tax expense of $0.12 million for FY2025 was $0.33 million lower compared with $0.45 million for FY2024. The decrease was due mainly to over provision of income tax expense in prior years, partly offset by higher taxable profit recorded for Civil Engineering and Infrastructure Construction Business in FY2025.

Profit/(Loss) after income tax

As a result of the foregoing, the Group registered a profit after income tax of $1.53 million for FY2025, compared with a loss after income tax of $0.09 million for FY2024.

Statement of Financial Position

Review of the Group's financial position as at 31 December 2025 as compared with that as at 31 December 2024

Non-current assets

Property, plant and equipment increased to $10.57 million as at 31 December 2025 from $9.97 million as at 31 December 2024 due mainly to the additions of new plant and equipment, partly offset by depreciation during the financial year.

Investment property decreased to $14.83 million as at 31 December 2025 from $14.88 million as at 31 December 2024 due to fair value loss, offset by currency re-alignment of Australian dollar denominated investment property in Melbourne and additional refurbishment costs incurred during the financial year.

Investment in joint ventures increased to $1.69 million as at 31 December 2025 from $1.62 million as at 31 December 2024 mainly due to recognition of share of profit of joint ventures, and partly offset by the currency re-alignment on the United States dollar denominated foreign investment.

OTHER INFORMATION (CONTINUED)

Statement of Financial Position (Continued)

Current assets

Trade and other receivables decreased to $15.60 million as at 31 December 2025 from $17.61 million as at 31 December 2024 mainly due to the repayment of shareholder loan extended to a joint venture, partly offset by higher retention sum from customers and certification received on work done from customers towards the end of financial year by the Group's Civil Engineering and Infrastructure Construction Business.

Net contract assets increased to $9.97 million as at 31 December 2025 from $7.81 million as at 31 December 2024 was mainly due to attributable to a higher proportion of work performed by the Group's Civil Engineering and Infrastructure Construction Business but not yet billed to customers as at the reporting date, in line with project progress and billing milestones.

Non-current liabilities and current liabilities

Trade and other payables increased to $10.64 million as at 31 December 2025 from $7.95 million as at 31 December 2024 mainly due to higher level of construction activities by the Group's Civil Engineering and Infrastructure Construction Business towards the end of financial year, partly offset by reversal of overprovision for penalty and interest.

Provisions decreased to $0.12 million as at 31 December 2025 from $0.19 million as at 31 December 2024 mainly due to the utilisation of provision during the financial year, offset by increase in provision of defects liability for the completed projects.

Total bank term loans decreased to $13.61 million as at 31 December 2025 from $14.93 million as at 31 December 2024 mainly due to repayment and currency re-alignment of AUD denominated property loan as at the end of the financial year.

Total lease liabilities increased to $2.54 million as at 31 December 2025 from $2.01 million as at 31 December 2024 due to new financing for plant and equipment, partly offset by repayment during the financial year.

Statement of Cashflows

Review of the Group's cashflows for FY2025

The Group recorded net cash inflow of $0.95 million from operating activities for FY2025 mainly due to operating cash inflow before working capital changes of $3.45 million, partly offset by net working capital outflow of $2.10 million and income tax paid of $0.40 million.

The Group recorded net cash inflow of $4.28 million from investing activities for FY2025 mainly due to repayment from joint venture and interest income received, partly offset by additional refurbishment costs incurred by the Melbourne investment property and purchase of plant and equipment.

The Group recorded net cash outflow of $2.63 million from financing activities for FY2025 mainly due to the repayment of bank borrowings and payment obligations under leases, as well as payment of interest expenses.

Overall, total cash and cash equivalents increased from $14.77 million as at 31 December 2024 to $16.93 million as at 31 December 2025 after taking into effect of foreign exchange rate changes.

OTHER INFORMATION (CONTINUED)

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

No specific forecast or a prospect statement has been disclosed previously.

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

The construction and property industries continue to be supported by underlying demand over the longer term, although near-term conditions remain uncertain. Operating conditions are expected to remain challenging considering prevailing cost pressures and market conditions.

(a) Civil Engineering and Infrastructure Construction Business

Construction activity levels increased during FY2025, supported by new contracts secured by the Group. During FY2025, approximately $100 million worth of new projects were awarded, which are scheduled to be completed over one to four years. These include a main contractor contract for a civil infrastructure project by HDB at Woodgrove. This reflects the continued demand for public civil infrastructure works in Singapore.

According to the Building and Construction Authority ("**BCA**")'s latest outlook, total construction demand in Singapore is projected to remain steady at approximately $47 billion to $53 billion in nominal terms in 2026. Preliminary actual construction demand for 2025 reached $50.5 billion, driven mainly by institutional and residential projects.[1]

Over the medium term, average annual construction demand of between $39 billion and $46 billion from 2027 to 2030 is expected to be supported by public housing programmes and a pipeline of institutional, transport and education-related developments. In line with this demand, BCA has projected total construction output in 2026 to increase to between $43 billion and $46 billion, reflecting the translation of previously awarded contracts into on-site activity across the industry.[1]

Despite the positive demand outlook, the operating environment for contractors remains challenging. Construction material and labour costs remained elevated during FY2025, reflecting inflationary pressures and tight labour conditions within the industry. These factors continue to place pressure on project margins.

The Group remains focused on operational efficiency, cost management and disciplined project execution, while maintaining prudent project selection as it undertakes its construction projects in the coming year.

(b) Property Business

Global economic activity remained resilient during FY2025, supported by trade-related factors and generally accommodative financial conditions. However, early signs of moderation have begun to emerge, including softening labour market conditions in advanced economies and moderating growth momentum in parts of Asia amid trade-related uncertainties.[2] These developments have influenced investment sentiment and asset valuations across markets, including real estate.

Within Southeast Asia, economic conditions remained relatively stable, and in Singapore, economic growth in FY2025 was stronger than earlier expectations but moderated towards a more measured pace amid a challenging global environment.

OTHER INFORMATION (CONTINUED)

Against this backdrop, the Group continues to adopt a cautious and disciplined approach in evaluating property-related opportunities in its existing markets, with a focus on long-term value creation and capital preservation.

Singapore

The Singapore private residential property market remained stable but moderated in FY2025. According to the Urban Redevelopment Authority ("**URA**"), the overall private residential property price index increased by 3.3% for the full year 2025.[3]

This moderation reflects the impact of prevailing macroeconomic conditions and the continuation of government property cooling measures, which have tempered speculative demand and supported a more sustainable pace of market activity.

The Group continues to adopt a disciplined and selective approach in Singapore, focusing on opportunities that align with its long-term property strategy while managing market exposure and capital management.

Cambodia

In Cambodia, Eco Garden Mall maintained stable operations during the period, generating rental income for the Group. The Group continues to work with its joint venture partners on sales and marketing efforts, with no material changes to the project status during the year.

Australia

Interest rates for the property loan remained elevated during the year. According to the Reserve Bank of Australia ("**RBA**"), subsequent to the reporting period, the official cash rate was lifted to 3.85% effective February 2026.[4]

The Victorian Absentee Owner Surcharge remains at 4% of the taxable land value, applied in addition to regular land tax. As a result, land tax and interest expenses continued to constitute a significant portion of the property's overall operating expenses.

The Group continues to engage property agents for lease renewals and carried out improvements to landscaping and the building exterior to enhance the property's attractiveness to tenants.

Footnotes:

[1] Building and Construction Authority (BCA). *Steady Construction Demand In 2026 As Singapore Steps Up Support For Built Environment Firms Through Collaboration And Innovation.* https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2026/01/22/steady-construction-demand-in-2026-as-singapore-steps-up-support-for-built-environment-firms-through-collaboration-and-innovation

[2] Monetary Authority of Singapore (MAS). *Macroeconomic Review Volume XXIV Issue 3, Oct 2025*. https://www.mas.gov.sg/publications/macroeconomic-review/2025/volume-xxiv-issue-3-oct-2025

[3] Urban Redevelopment Authority (URA). *Release of 4th Quarter 2025 real estate statistics.* https://www.ura.gov.sg/Corporate/Media-Room/Media-Releases/pr26-05

[4] *Reserve Bank of Australia (RBA) Cash Rate Target. https://www.rba.gov.au/cash-rate-target-overview.html*

6. Dividend

If a decision regarding dividend has been made:

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

No interim and final dividend has been declared for FY2025.

(b) Amount per share (cents) and previous corresponding period (cents).

Not applicable. No dividend has been declared for FY2024.

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

Not applicable. No dividend has been declared for FY2025.

(d) The date the dividend is payable?

Not applicable.

(e) The date on which Registrable Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared/recommended for FY2025 as the Company currently does not have profits available for the declaration of a dividend.

8. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Latest Full Year	Previous Full Year
	$'000	**$'000**
Ordinary	-	-
Preference	-	-
Total	-	-

9. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please see review of performance in paragraph 3 above.

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

The Group has not obtained a general mandate from shareholders for IPTs.

There was no disclosable interested person transaction during the financial period under review.

OTHER INFORMATION (CONTINUED)

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

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

12. Disclosure of Acquisition (including incorporation) and sale of shares under Catalist Rule 706A

On 28 October 2025, the Company incorporated a new wholly-owned subsidiary in Singapore, namely Ocean Sky Land Pte. Ltd., with issued and paid up capital of $1 comprising 1 ordinary share.

Save as disclosed above, the Company did not strike off or dispose shares in any companies during the financial year ended 31 December 2025.

13. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Ang Boon Cheow Edward	69	N.A.	Executive Chairman & CEO Year 1995	N.A.
Joanna Hoon Pang Heng	63	Wife of Mr Ang Boon Cheow Edward	Vice-President, Corporate Affairs Responsible for Group's corporate communications and investor relations functions. Year 2007	N.A.

BY ORDER OF THE BOARD

Low Wei Han
Company Secretary

27 February 2026

Sponsor's Statement

This announcement has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor").

This announcement 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 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 Mr Lance Tan, Senior Vice President at 83 Clemenceau Avenue, #10-01 UE Square, Singapore 239920, telephone (65) 6590 6881.