



ANNAIK LIMITED

(Company Registration No: 197702066M)

Condensed Financial Statements for the Six Months and Full Year Ended 31 December 2025

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ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

A. CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Group					
		6 Months Ended			12 Months Ended		
		31-Dec-25	31-Dec-24	Change	31-Dec-25	31-Dec-24	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	4	16,260	26,713	(39.13)	36,019	47,644	(24.40)
Cost of sales		(11,269)	(18,435)	(38.87)	(24,282)	(32,655)	(25.64)
Gross profit		4,991	8,278	(39.71)	11,737	14,989	(21.70)
Other operating income		644	1,179	(45.38)	1,325	1,633	(18.86)
Distribution expenses		(290)	(381)	(23.88)	(615)	(731)	(15.87)
Administrative expenses		(4,393)	(4,990)	(11.96)	(8,380)	(9,061)	(7.52)
(Allowance)/write-back for impairment losses on financial assets		(8)	(43)	(81.40)	2	(45)	NM
Other operating expenses		(305)	(308)	(0.97)	(744)	(714)	4.20
Share of loss of associate		(235)	(47)	400.00	(440)	(216)	103.70
Finance costs		(396)	(630)	(37.14)	(887)	(1,257)	(29.44)
Profit before tax	5	8	3,058	(99.74)	1,998	4,598	(56.55)
Income tax expense	6	(507)	(415)	22.17	(995)	(822)	21.05
(Loss)/profit for the financial period/year		(499)	2,643	(118.88)	1,003	3,776	(73.44)
(Loss)/profit attributable to:							
Owners of the Company		(1,057)	1,592	NM	(520)	2,051	NM
Non-controlling interests		558	1,051	(46.91)	1,523	1,725	(11.71)
		(499)	2,643	NM	1,003	3,776	(73.44)
Earnings per share (cents per share):							
Basic and diluted		(0.37)	0.55	NM	(0.18)	0.71	NM

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group					
	6 Months Ended			12 Months Ended		
	31-Dec-25	31-Dec-24	Change	31-Dec-25	31-Dec-24	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(Loss)/profit for the financial period/year	(499)	2,643	NM	1,003	3,776	(73.44)
Other comprehensive income/(loss):						
<u>Item that may be reclassified subsequently to profit or loss</u>						
Foreign currency translation	1,980	64	2,993.75	(1,311)	246	NM
Other comprehensive income/(loss) for the financial period/year, net of tax	1,980	64	2,993.75	(1,311)	246	NM
Total comprehensive income/(loss) for the financial period/year	1,481	2,707	(45.29)	(308)	4,022	NM
Total comprehensive income/(loss) attributable to:						
Owners of the Company	386	1,642	(76.49)	(1,575)	2,274	NM
Non-controlling interests	1,095	1,065	2.82	1,267	1,748	(27.52)
	1,481	2,707	(45.29)	(308)	4,022	NM

(1) NM denotes not meaningful.

(2) * (Represented)

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B. CONDENSED STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets					
Cash and cash equivalents		12,461	10,013	670	593
Trade receivables		20,186	22,391	-	-
Other receivables		1,459	2,309	-	101
Prepayments		191	143	15	16
Amounts due from subsidiaries and joint venture		-	8	8,741	7,867
Inventories		19,401	22,594	-	-
Total current assets		53,698	57,458	9,426	8,577
Non-current assets					
Property, plant and equipment	7	11,262	11,307	2	5
Right-of-use assets		4,329	4,090	-	-
Goodwill	8	497	497	-	-
Intangible assets	9	31,701	34,506	-	339
Investments in subsidiaries		-	-	28,881	28,881
Investment in associate		9,009	9,603	-	-
Investment in joint venture		51	- #	51	- #
Investment securities		-	-	-	-
Club membership		190	190	190	190
Refundable deposits		427	434	-	-
Deferred tax assets		148	204	-	-
Total non-current assets		57,614	60,831	29,124	29,415
Total assets		111,312	118,289	38,550	37,992
LIABILITIES AND EQUITY					
Current liabilities					
Bank loans	10	5,902	6,121	-	260
Lease liabilities		334	220	-	-
Bills payable	10	4,335	6,903	-	-
Trade payables		1,239	1,411	-	-
Other payables and accruals		4,222	5,314	709	1,113
Provision for income tax		1,630	1,607	-	-
Amounts due to subsidiaries and associate		55	150	276	276
Total current liabilities		17,717	21,726	985	1,649
Non-current liabilities					
Bank loans	10	8,472	9,891	-	-
Lease liabilities		2,774	2,585	-	-
Other payables and accruals		29	30	-	-
Deferred government grants		1,296	1,388	-	-
Deferred tax liabilities		1,055	1,059	-	-
Total non-current liabilities		13,626	14,953	-	-
Capital, reserves and non-controlling interests					
Share capital	11	38,864	38,864	38,864	38,864
Treasury shares	11	(568)	(568)	(568)	(568)
Reserves		26,326	27,901	(731)	(1,953)
Equity attributable to owners of the Company		64,622	66,197	37,565	36,343
Non-controlling interests		15,347	15,413	-	-
Total equity		79,969	81,610	37,565	36,343
Total equity and liabilities		111,312	118,289	38,550	37,992

Amount is less than one thousand.

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Condensed Financial Statements For The Full Year Ended 31-12-2025

C. CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Treasury Shares	Foreign Currency Translation Reserve	Statutory Reserve Fund	Fair Value Reserve	Retained Earnings	Attributable To Owners Of The Company	Non-Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group									
Balance at 1 January 2024	38,864	(568)	(2,733)	3,848	(67)	25,423	64,767	14,144	78,911
Profit for the financial year	-	-	-	-	-	2,051	2,051	1,725	3,776
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	223	-	-	-	223	23	246
Total comprehensive income for the financial year	-	-	223	-	-	2,051	2,274	1,748	4,022
<u>Distributions to owners</u>									
Dividends paid	-	-	-	-	-	(866)	(866)	-	(866)
Total transactions with owners via their capacity as owners	-	-	-	-	-	(866)	(866)	-	(866)
<u>Changes in ownership interests in subsidiaries</u>									
Disposal of subsidiaries	-	-	22	(12)	-	12	22	(205)	(183)
Total changes in ownership interests in subsidiaries	-	-	22	(12)	-	12	22	(205)	(183)
<u>Others</u>									
Transfer to statutory reserve fund	-	-	-	156	-	(156)	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(274)	(274)
Balance at 31 December 2024	38,864	(568)	(2,488)	3,992	(67)	26,464	66,197	15,413	81,610
Balance at 1 January 2025	38,864	(568)	(2,488)	3,992	(67)	26,464	66,197	15,413	81,610
(Loss)/profit for the financial year	-	-	-	-	-	(520)	(520)	1,523	1,003
<u>Other comprehensive income/(loss)</u>									
Foreign currency translation	-	-	(1,055)	-	-	-	(1,055)	(256)	(1,311)
Total comprehensive (loss)/income for the financial year	-	-	(1,055)	-	-	(520)	(1,575)	1,267	(308)
<u>Changes in ownership interests in a subsidiary</u>									
Investment in subsidiary	-	-	-	-	-	-	-	21	21
Total changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	21	21
<u>Others</u>									
Transfer to statutory reserve fund	-	-	(15)	606	-	(591)	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(1,354)	(1,354)
Balance at 31 December 2025	38,864	(568)	(3,558)	4,598	(67)	25,353	64,622	15,347	79,969

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Condensed Financial Statements For The Full Year Ended 31-12-2025

C. CONDENSED STATEMENT OF CHANGES IN EQUITY (continued)

	Share Capital	Treasury Shares	Accumulated Losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000
Company				
Balance at 1 January 2024	38,864	(568)	1,535	39,831
Total comprehensive loss for the financial year	-	-	(2,622)	(2,622)
<u>Distributions to owners</u>				
Dividends paid	-	-	(866)	(866)
Total transactions with owners via their capacity as owners	-	-	(866)	(866)
Balance at 31 December 2024	38,864	(568)	(1,953)	36,343
Balance at 1 January 2025	38,864	(568)	(1,953)	36,343
Total comprehensive income for the financial year	-	-	1,222	1,222
Balance at 31 December 2025	38,864	(568)	(731)	37,565

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Condensed Financial Statements For The Full Year Ended 31-12-2025

D. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group	
		12 Months Ended	
		31-Dec-25	31-Dec-24
		S\$'000	S\$'000
Cash flows from operating activities:	5		
Profit before tax		1,998	4,598
Adjustments for:			
Amortisation of government grants		(69)	(70)
Gain on disposal of property, plant and equipment		(1)	(3)
Gain on disposal of a disposal group classified as held for sale		-	(46)
Loss on write-off of intangible assets		-	23
(Write-back)/allowance for impairment losses on financial assets		(2)	45 *
Depreciation of property, plant and equipment		805	850
Depreciation of right-of-use assets		332	401
Amortisation of intangible assets		1,802	2,147
(Reversal)/allowance for slow moving inventories		(43)	232
Reversal of write down of inventories to net realisable value		-	(14)
Government loan written back		-	(144)
Share of loss of associate		440	216
Interest income		(42)	(64)
Finance costs		887	1,257
Currency translation differences		(559)	74
Operating profit before working capital changes		5,548	9,502
Decrease/(increase) in:	A		
Trade receivables		2,218	(3,220) *
Other receivables and prepayments		811	(356)
Inventories		3,244	(907)
(Decrease)/increase in:			
Trade payables		(172)	(778)
Other payables and accruals		(427)	(1,679)
Bills payable		(2,568)	1,171
Cash generated from operations		8,654	3,733
Interest expense paid		(752)	(1,114)
Interest income received		42	64
Income tax paid		(826)	(511)
Net cash flows from operating activities		7,118	2,172
Cash flows from investing activities:	A		
Proceeds from disposal of property, plant and equipment		1	7
Net cash outflow from disposal of a disposal group classified as held for sale		-	(933)
Purchase of property, plant and equipment		(885)	(1,057)
Additions to intangible assets		(392)	(299)
Additions to right-of-use assets		(6)	-
Investment in joint venture		(51)	-
Investment in subsidiary		21	-
Net cash flows used in investing activities		(1,312)	(2,282)
Cash flows from financing activities:			
Proceeds from loans and borrowings		5,266	11,602
Repayment of loans and borrowings		(6,833)	(12,023)
Decrease in amounts due to associate		(95)	(224)
Dividends paid		-	(866)
Dividends paid to non-controlling interests		(1,354)	(274)
Payment of principal portion of lease liabilities		(233)	(264)
Payment of interest on lease liabilities		(135)	(143)
Net cash flows used in financing activities		(3,384)	(2,192)
Net increase/(decrease) in cash and cash equivalents		2,422	(2,302)
Cash and cash equivalents at beginning of financial year		10,013	12,226
Effect of exchange rate changes on the balance of cash held in foreign currencies		(154)	89
Cash and cash equivalents at end of financial year		12,281	10,013

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

	31-Dec-25	31-Dec-24
	S\$'000	S\$'000
Cash and bank balances	12,461	10,013
	12,461	10,013

Note A: In the previous financial year, the Group acquired intangible assets with an aggregate cost of S\$1,065,000 of which S\$299,000 was paid in cash, whilst the remaining balance of S\$766,000 remains unpaid and recorded under other payables.

* (Represented)

ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

E. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

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

These condensed consolidated financial statements as at and for the full financial year ended 31 December 2025 ("FY2025") as well as for the second half year ended 31 December 2025 ("2H2025") comprise the Company and its subsidiaries (collectively, the "Group") and the comparable periods are for the full financial year ended 31 December 2024 ("FY2024") and for the second half year ended 31 December 2024 ("2H2024") respectively.

The principal activities of the Group are as follows:

- (a) Investment holding;
- (b) Marketing and sale of steel related products; and
- (c) Owning and management of wastewater treatment plants.

2. BASIS OF PREPARATION

The condensed financial statements for 2H2025 and FY2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed 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 interim financial statements for the period ended 30 June 2025 ("1H2025").

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

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

2.1 NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

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

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

2.2 USE OF JUDGEMENTS AND ESTIMATES

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

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

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

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

(i) Included in Note 8 - Goodwill

(ii) Provision of expected credit losses of trade receivables

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

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

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

(iii) Allowance for inventories

Inventories are stated at the lower of cost and net realisable value. In assessing the allowance for inventories, the Group takes into account the recent sales experience, the aging of inventories, the future market demand for their products and other factors that affect inventory obsolescence.

Based on management's estimate, inventories are fully provided for obsolescence if there are no sale movements within 4 years.

(iv) Impairment of investments in subsidiaries

Management has carried out a review of the recoverable amount of the investments in subsidiaries, with consideration to the existing performance of the relevant subsidiaries.

Management has estimated the recoverable amount based on the higher of value in use and fair value less costs of disposal. The recoverable amounts of investments in subsidiaries are assessed using the fair value less costs of disposal. Such assessment requires significant estimation by management.

(v) Impairment of intangible assets

Management assesses at the end of each reporting period whether there are any indicators of impairment of intangible assets. 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.

3. SEASONAL OPERATIONS

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

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Condensed Financial Statements For The Full Year Ended 31-12-2025

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

4. SEGMENT AND REVENUE INFORMATION

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

4.1 BUSINESS SEGMENTS

6 Months Ended - 31 December 2025	Distribution of steel products	Manufacturing of steel flanges	Environmental business	Elimination	Consolidation
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External revenue (steel products)	9,375	-	-	-	9,375
External revenue	-	889	5,996	-	6,885
Inter-segment revenue	932	1,288	28	(2,248)	-
Total revenue	10,307	2,177	6,024	(2,248)	16,260
Result					
Segment results	(1,485)	(248)	2,824	(466)	625
Dividend income	2,300	-	3,909	(6,209)	-
Allowance for impairment losses on financial assets	-	-	(8)	-	(8)
Impairment losses on non-financial assets	-	-	-	-	-
Share of loss of associate	-	-	(235)	-	(235)
Interest income	-	-	-	-	22
Finance costs	-	-	-	-	(396)
Profit before tax	-	-	-	-	8
Income tax expense	-	-	-	-	(507)
Loss for the financial period	-	-	-	-	(499)
Assets					
Segment assets	35,659	7,536	59,057	-	102,252
Investment in associate	-	-	9,009	-	9,009
Investment in joint venture	-	-	51	-	51
Consolidated total assets	-	-	-	-	111,312
Liabilities					
Segment liabilities	8,453	1,547	6,969	-	16,969
Bank loans	11,480	129	2,765	-	14,374
Consolidated total liabilities	-	-	-	-	31,343
Other information					
Depreciation and amortisation	554	232	599	-	1,385
Capital expenditure	3	520	114	-	637
Other non-cash items	(31)	(1)	417	-	385

6 Months Ended - 31 December 2024	Distribution of steel products	Manufacturing of steel flanges	Environmental business	Elimination	Consolidation
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External revenue (steel products)	16,545	-	-	-	16,545
External revenue	-	1,842	8,326	-	10,168
Inter-segment revenue	4,035	2,672	204	(6,911)	-
Total revenue	20,580	4,514	8,530	(6,911)	26,713
Result					
Segment results	(503)	389	3,929	(59)	3,756 *
Dividend income	963	-	-	(963)	-
Write-back/(allowance) for impairment losses on financial assets	-	23	(66)	-	(43)
(Impairment losses)/reversal of impairment losses on non-financial assets	(967)	851	-	116	- *
Share of loss of associate	-	-	(47)	-	(47)
Interest income	-	-	-	-	22
Finance costs	-	-	-	-	(630)
Profit before tax	-	-	-	-	3,058
Income tax expense	-	-	-	-	(415)
Profit for the financial period	-	-	-	-	2,643
Assets					
Segment assets	41,587	6,743	60,356	-	108,686 *
Investment in associate	-	-	9,603	-	9,603
Consolidated total assets	-	-	-	-	118,289
Liabilities					
Segment liabilities	10,946	1,834	7,887	-	20,667 *
Bank loans	12,263	272	3,477	-	16,012 *
Consolidated total liabilities	-	-	-	-	36,679
Other information					
Depreciation and amortisation	608	169	924	-	1,701
Capital expenditure	321	20	565	-	906 *
Other non-cash items	(86)	(12)	82	-	(16) *

* (Represented)

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Condensed Financial Statements For The Full Year Ended 31-12-2025

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

4.1 BUSINESS SEGMENTS (continued)

12 Months Ended - 31 December 2025	Distribution of steel products	Manufacturing of steel flanges	Environmental business	Elimination	Consolidation
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External revenue (steel products)	20,639	-	-	-	20,639
External revenue	-	2,086	13,294	-	15,380
Inter-segment revenue	994	2,707	28	(3,729)	-
Total revenue	21,633	4,793	13,322	(3,729)	36,019
Result					
Segment results	(2,496)	(39)	6,495	(679)	3,281
Dividend income	4,171	-	5,670	(9,841)	-
Write-back for impairment losses on financial assets	-	-	2	-	2
Impairment losses on non-financial assets	-	-	-	-	-
Share of loss of associate	-	-	(440)	-	(440)
Interest income	-	-	-	-	42
Finance costs	-	-	-	-	(887)
Profit before tax	-	-	-	-	1,998
Income tax expense	-	-	-	-	(995)
Profit for the financial year	-	-	-	-	1,003
Assets					
Segment assets	35,659	7,536	59,057	-	102,252
Investment in associate	-	-	9,009	-	9,009
Investment in joint venture	-	-	51	-	51
Consolidated total assets	-	-	-	-	111,312
Liabilities					
Segment liabilities	8,453	1,547	6,969	-	16,969
Bank loans	11,480	129	2,765	-	14,374
Consolidated total liabilities	-	-	-	-	31,343
Other information					
Depreciation and amortisation	1,114	308	1,517	-	2,939
Capital expenditure	62	823	392	-	1,277
Other non-cash items	18	(364)	(259)	-	(605)

12 Months Ended - 31 December 2024	Distribution of steel products	Manufacturing of steel flanges	Environmental business	Elimination	Consolidation
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External revenue (steel products)	28,747	-	-	-	28,747
External revenue	-	3,921	14,976	-	18,897
Inter-segment revenue	5,357	4,814	204	(10,375)	-
Total revenue	34,104	8,735	15,180	(10,375)	47,644
Result					
Segment results	(803)	699	6,742	(586)	6,052 *
Dividend income	1,183	-	1,910	(3,093)	-
Write-back/(allowance) for impairment losses on financial assets	-	23	(68)	-	(45) *
(Impairment losses)/reversal of impairment losses on non-financial assets	(967)	851	-	116	-
Share of loss of associate	-	-	(216)	-	(216)
Interest income	-	-	-	-	64
Finance costs	-	-	-	-	(1,257)
Profit before tax	-	-	-	-	4,598
Income tax expense	-	-	-	-	(822)
Profit for the financial year	-	-	-	-	3,776
Assets					
Segment assets	41,587	6,743	60,356	-	108,686 *
Investment in associate	-	-	9,603	-	9,603
Consolidated total assets	-	-	-	-	118,289
Liabilities					
Segment liabilities	10,946	1,834	7,887	-	20,667 *
Bank loans	12,263	272	3,477	-	16,012
Consolidated total liabilities	-	-	-	-	36,679
Other information					
Depreciation and amortisation	1,229	267	1,902	-	3,398
Capital expenditure	628	421	1,073	-	2,122
Other non-cash items	(2)	106	63	-	167 *

* (Represented)

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

4.2 DISAGGREGATION OF REVENUE

	Sale of goods	Service income from environmental business	Construction revenue	Total revenue
6 Months Ended - 31 December 2025	S\$'000	S\$'000	S\$'000	S\$'000
Primary geographical markets				
Singapore	7,730	-	-	7,730
People's Republic of China	-	5,985	11	5,996
Malaysia	1,412	-	-	1,412
Indonesia	508	-	-	508
Australia	349	-	-	349
New Zealand	217	-	-	217
Vietnam	2	-	-	2
Hong Kong	-	-	-	-
Thailand	37	-	-	37
Japan	1	-	-	1
Others	8	-	-	8
	10,264	5,985	11	16,260
Timing of transfer of goods or services				
At a point in time	10,264	5,985	-	16,249
Over time	-	-	11	11
	10,264	5,985	11	16,260

	Sale of goods	Service income from environmental business	Construction revenue	Total revenue
6 Months Ended - 31 December 2024	S\$'000	S\$'000	S\$'000	S\$'000
Primary geographical markets				
Singapore	11,063	-	-	11,063
People's Republic of China	6	7,369	951	8,326
Malaysia	4,979	-	-	4,979
Indonesia	1,592	-	-	1,592
Australia	414	-	-	414
New Zealand	197	-	-	197
Vietnam	6	-	-	6
Hong Kong	1	-	-	1
Thailand	123	-	-	123
Japan	-	-	-	-
Others	12	-	-	12
	18,393	7,369	951	26,713
Timing of transfer of goods or services				
At a point in time	18,393	7,369	-	25,762
Over time	-	-	951	951
	18,393	7,369	951	26,713

ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

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

4.2 DISAGGREGATION OF REVENUE (continued)

	Sale of goods	Service income from environmental business	Construction revenue	Total revenue
12 Months Ended - 31 December 2025	S\$'000	S\$'000	S\$'000	S\$'000
Primary geographical markets				
Singapore	16,665	-	-	16,665
People's Republic of China	-	12,918	376	13,294
Malaysia	3,795	-	-	3,795
Indonesia	1,282	-	-	1,282
Australia	607	-	-	607
New Zealand	283	-	-	283
Vietnam	3	-	-	3
Hong Kong	-	-	-	-
Thailand	74	-	-	74
Japan	1	-	-	1
Others	15	-	-	15
	22,725	12,918	376	36,019
Timing of transfer of goods or services				
At a point in time	22,725	12,918	-	35,643
Over time	-	-	376	376
	22,725	12,918	376	36,019

	Sale of goods	Service income from environmental business	Construction revenue	Total revenue
12 Months Ended - 31 December 2024	S\$'000	S\$'000	S\$'000	S\$'000
Primary geographical markets				
Singapore	20,843	-	-	20,843
People's Republic of China	6	13,564	1,406	14,976
Malaysia	7,961	-	-	7,961
Indonesia	2,585	-	-	2,585
Australia	709	-	-	709
New Zealand	259	-	-	259
Vietnam	12	-	-	12
Hong Kong	22	-	-	22
Thailand	254	-	-	254
Japan	-	-	-	-
Others	23	-	-	23
	32,674	13,564	1,406	47,644
Timing of transfer of goods or services				
At a point in time	32,674	13,564	-	46,238
Over time	-	-	1,406	1,406
	32,674	13,564	1,406	47,644

A breakdown of revenue as follows:

	Group		Change
	FY2025	FY2024	
	S\$'000	S\$'000	%
Revenue reported for:			
First Half Year ended 30 Jun	19,759	20,931	(5.60)
Second Half Year ended 31 Dec	16,260	26,713	(39.13)
	36,019	47,644	(24.40)
Net (loss)/profit after tax before deducting non-controlling interests reported for:			
First Half Year ended 30 Jun	1,502	1,133	32.57
Second Half Year ended 31 Dec	(499)	2,643	NM
	1,003	3,776	(73.44)

ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

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

5. PROFIT BEFORE TAX

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

	Group			
	6 Months Ended		12 Months Ended	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	S\$'000	S\$'000	S\$'000	S\$'000
Amortisation of government grants	(35)	(35)	(69)	(70)
Gain on disposal of property, plant and equipment	-	(3)	(1)	(3)
Gain on disposal of a disposal group classified as held for sale	-	(46)	-	(46)
Loss on write-off of intangible assets	-	23	-	23
Allowance/(write-back) for impairment losses on financial assets	8	43	(2)	45 *
Depreciation of property, plant and equipment	405	408	805	850
Depreciation of right-of-use assets	236	241	332	401
Amortisation of intangible assets	744	1,052	1,802	2,147
(Reversal)/allowance for slow moving inventories	(62)	110 *	(43)	232
Reversal of write down of inventories to net realisable value	-	(14) *	-	(14)
Government loan written back	-	(144)	-	(144)
Share of loss of associate	235	47	440	216
Interest income	(22)	(22)	(42)	(64)
Finance costs	396	630	887	1,257
Net foreign exchange loss/(gain)	109	45 *	(86)	126 *

* (Represented)

6. INCOME TAX EXPENSE

The major components of income tax expense for the financial period/year ended 31 December are:

	Group			
	6 Months Ended		12 Months Ended	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	S\$'000	S\$'000	S\$'000	S\$'000
Consolidated income statement				
Current taxation:				
- Current income taxation	428	597 *	826	1,028
- Over provision in respect of prior years	(38)	(157) *	(35)	(191)
	390	440	791	837
Deferred taxation:				
-Origination and reversal of temporary differences	101	(25)	101	(25)
Withholding tax expense	16	-	103	10
Income tax expense recognised in profit or loss	507	415	995	822

7. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2025, the Group acquired assets amounting to S\$885,000 (31 December 2024: S\$1,057,000) and disposed of assets with carrying amount of nil (31 December 2024: S\$4,000).

ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

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

8. GOODWILL

Goodwill acquired in a business combination is allocated to the cash-generating unit ("CGU") that is expected to benefit from that business combination for impairment testing purpose, as follows:

	Group	
	As At	
	31-Dec-25	31-Dec-24
	S\$'000	S\$'000
AngWei Environmental Ecological & Engineering (Shanghai) Co., Ltd ("AngWei Enviro") and its subsidiaries ⁽¹⁾	497	497

⁽¹⁾ Relating to the wastewater treatment business of specific subsidiaries within the Group, arising from the service concession rights granted by the PRC government.

The recoverable amount of AngWei Enviro Group has been determined based on value in use calculation using cash flow projections from the financial budgets approved by management. This cash flow projections cover the remaining concession periods, useful lives of the wastewater treatment plant as well as the rights to draw water operated by the CGU, ranging from 13 - 22 years (2024: 14 - 23 years). The pre-tax discount rate applied to these cash flows is 8% (2024: 10%).

Key assumptions used for the value in use calculation:

The calculation of value in use is most sensitive to the following assumptions:

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

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

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

Sensitivity to changes in key assumptions:

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

9. INTANGIBLE ASSETS

	Group			
	Patent rights	Concession rights	Technical know-how	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Cost:				
At 1 January 2024	3,732	47,615	373	51,715
Additions	-	1,065	-	1,065
Written off	-	(47)	-	(47)
Exchange differences	-	(13)	-	(13)
At 31 December 2024 and 1 January 2025	3,732	48,615	373	52,720
Additions	-	392	-	392
Other adjustments ⁽¹⁾	-	(847)	-	(847)
Exchange differences	-	(772)	(6)	(778)
At 31 December 2025	3,732	47,388	367	51,487
Accumulated amortisation:				
At 1 January 2024	3,053	12,658	373	16,084
Amortisation charge for the financial year	340	1,807	-	2,147
Written off	-	(24)	-	(24)
Exchange differences	-	7	-	7
At 31 December 2024 and 1 January 2025	3,393	14,448	373	18,214
Amortisation charge for the financial year	339	1,463	-	1,802
Exchange differences	-	(224)	(6)	(230)
At 31 December 2025	3,732	15,687	367	19,786
Carrying amount:				
At 31 December 2024	339	34,167	-	34,506
At 31 December 2025	-	31,701	-	31,701

⁽¹⁾ Other adjustments represent the revision of previously capitalised costs arising from final settlement differences and VAT rate differences.

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Condensed Financial Statements For The Full Year Ended 31-12-2025

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

9. INTANGIBLE ASSETS (continued)

	Company Patent rights S\$'000
Cost:	
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	3,732
Accumulated amortisation:	
At 1 January 2024	3,053
Amortisation charge for the financial year	340
At 31 December 2024 and 1 January 2025	3,393
Amortisation charge for the financial year	339
At 31 December 2025	3,732
Carrying amount:	
At 31 December 2024	339
At 31 December 2025	-

10. LOANS AND BORROWINGS

	Group As At		Company As At	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand:-				
Secured	10,237	12,764	-	-
Unsecured	-	260	-	260
Sub-total	10,237	13,024	-	260
Amount repayable after one year				
Secured	8,472	9,891	-	-
Unsecured	-	-	-	-
Sub-total	8,472	9,891	-	-
Total borrowings	18,709	22,915	-	260

Details of any collaterals

As at 31 December 2025 and 31 December 2024, the Group's secured borrowings consist of bank loans and bills payable.

As at 31 December 2025, bank loans of S\$5.56m (31 December 2024: S\$6.37m) was secured by a charge over a property of a subsidiary.

As at 31 December 2025, bills payable and remaining bank loans of S\$13.15m (31 December 2024: S\$16.29m) was secured by corporate guarantee of the Company and corporate guarantee by a subsidiary company.

11. SHARE CAPITAL AND TREASURY SHARES

	Group and Company			
	31-Dec-25		31-Dec-24	
	No. of ordinary shares '000	Amount S\$'000	No. of ordinary shares '000	Amount S\$'000
Share capital				
Beginning of financial year	294,054	38,864	294,054	38,864
End of financial year	294,054	38,864	294,054	38,864
Treasury shares				
Beginning of financial year	(5,534)	(568)	(5,534)	(568)
End of financial year	(5,534)	(568)	(5,534)	(568)

Company has 5,533,700 treasury shares as at 31 December 2025 and 31 December 2024.

Company issued nil ordinary shares as at 31 December 2025 and 31 December 2024.

There were no outstanding convertibles and shares held as subsidiary holdings as at 31 December 2025 and 31 December 2024.

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Condensed Financial Statements For The Full Year Ended 31-12-2025

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

12. RELATED PARTIES TRANSACTIONS

	Group			
	6 Months Ended		12 Months Ended	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	S\$'000	S\$'000	S\$'000	S\$'000
Sales and purchases of goods and services				
In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period/year:				
Sale of goods to a corporate shareholder of a subsidiary	1	-	1	-
Purchase of goods from a corporate shareholder of a subsidiary	96	193	167	369
Compensation of directors and key management personnel				
The remuneration of directors and other members of key management during the financial period/year were as follows:				
Salaries, bonuses and benefits	1,494	1,854	2,558	2,879
Central Provident Fund contributions	49	54	94	95
Directors' fees	64	58	124	113
	1,607	1,966	2,776	3,087
Comprise of:				
- Directors of the Company	1,068	1,327	1,828	2,050
- Other key management personnel	539	639	948	1,037
	1,607	1,966	2,776	3,087
The remuneration of directors and key management is determined by the remuneration committee having regard to the performance of individuals and market trends.				

13. DIVIDENDS

	Group	
	12 Months Ended	
	31-Dec-25	31-Dec-24
	S\$'000	S\$'000
Declared and paid during the financial year:		
Dividends on ordinary shares:		
-Final exempt (one-tier) dividend for 2025: nil (2024: nil) cent per share	-	-
Proposed but not recognised as liability as at 31 December:		
Dividends on ordinary shares, subject to shareholders' approval at AGM:		
-Final exempt (one-tier) dividend for 2025: 0.3 (2024: nil) cent per share	866	-

14. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Group		Company	
	As At		As At	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets (Amortised cost)				
Refundable deposits	427	434	-	-
Trade and other receivables ⁽¹⁾	9,430	11,872	-	101
Amounts due from subsidiaries and joint venture	-	8	8,741	7,867
Cash and cash equivalents	12,461	10,013	670	593
	22,318	22,327	9,411	8,561
Financial liabilities (Amortised cost)				
Trade payables	1,239	1,411	-	-
Other payables and accruals ⁽²⁾	3,983	5,263	698	1,101
Amounts due to associate	55	150	-	-
Amounts due to subsidiaries	-	-	276	276
Loans and borrowings	18,709	22,915	-	260
Lease liabilities	3,108	2,805	-	-
	27,094	32,544	974	1,637

⁽¹⁾ Exclude VAT/GST receivables, advances to suppliers and accrued revenue.

⁽²⁾ Exclude VAT/GST payables and deposits from customers.

15. CONTINGENCIES

On 13 December 2023, the Company entered into a sale and purchase agreement (SPA) with a minority shareholder of its subsidiary, Pioneer Environmental Technology Pte. Ltd. (Pioneer), a 51% owned subsidiary of the Company (Purchaser) to dispose of all the Company's shares in Pioneer. Pursuant to the SPA, the Company will continue to provide securities and guarantees ("Guarantees") to Pioneer for its ongoing projects and bank facilities until the completion of these projects undertaken by Pioneer or when Pioneer has fully settled the bank facilities and discharged their obligations to the bank.

Based on the SPA, the outstanding obligations to be fulfilled under the project contract amounted to approximately S\$4,450,000, of which the bank has provided banker's guarantees of approximately S\$1,790,000.

No liabilities were expected to arise from the Guarantees as the Company's exposure is mitigated by the certain securities pledged by the Purchaser. Accordingly, no provision was recognised for the financial year ended 31 December 2024, during which the Guarantees were still subsisting.

As announced on 13 June 2025, following the release of the Company's obligations as guarantor under the Guarantees, the securities pledged by the Purchaser has been fully discharged, and that all formalities relating to the disposal of the Pioneer have been completed.

ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

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

SHARE CAPITAL

	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	No. of ordinary shares		Amount	
	'000		S\$'000	
Balance as at beginning of financial year 294,053,974 ordinary shares	294,054	294,054	38,864	38,864
Less: Treasury shares	(5,534)	(5,534)	(568)	(568)
Balance as at end of financial year 288,520,274 ordinary shares	288,520	288,520	38,296	38,296
Percentage (%) of treasury shares held against the total number of shares outstanding as at end of financial year	1.90	1.90		

Company has 5,533,700 treasury shares as at 31 December 2025 and 31 December 2024.

Company issued nil ordinary shares as at 31 December 2025 and 31 December 2024.

There were no outstanding convertibles and shares held as subsidiary holdings as at 31 December 2025 and 31 December 2024.

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

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

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

There are no sales or transfers, cancellation and/or use of treasury shares between 1 January 2025 and 31 December 2025.

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

Not applicable.

ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C (continued)

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

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

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

Not applicable.

3. (a) Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion, the financial statements have been adequately disclosed.

(i) update on the efforts taken to resolve each outstanding audit issue,

(ii) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

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

There has been no changes in the accounting policies and methods of computation, including any required by an accounting standard.

The Group and Company have adopted the same accounting policies and methods of computation for the current financial year as those applied in the financial year ended 31 December 2024.

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

Not applicable.

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

EARNINGS PER ORDINARY SHARE

	Group		
	31-Dec-25	31-Dec-24	Change
			%
Earnings per ordinary share for the financial year based on net (loss)/profit attributable to owners of the Company			
(i) Based on weighted average number of ordinary shares (in cents)	(0.18)	0.71	NM
- Weighted average number of shares	288,520,274	288,520,274	-
(ii) On a fully diluted basis (in cents)	(0.18)	0.71	NM
- Adjusted weighted average number of shares	288,520,274	288,520,274	-

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial year reported on; and

(b) immediately preceding financial year

	Group			Company		
	As At		Change	As At		Change
	31-Dec-25	31-Dec-24		31-Dec-25	31-Dec-24	
	Cents	Cents	%	Cents	Cents	%
Net asset attributable to owners of the Company per ordinary share based on the existing issued share capital excluding treasury shares as at end of financial year	22.40	22.94	(2.35)	13.02	12.60	3.33

The net asset value per ordinary share is based on 288,520,274 (2024: 288,520,274) shares at the end of each financial year.

ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C (continued)

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

Income Statement

The Group's loss attributable to owners of the Company for the financial year ended 31 December 2025 ("FY2025") was S\$0.52 million as compared to a profit of S\$2.05 million recorded in the prior year. The loss incurred for the current year was mainly due to fewer project sales secured and continued pressures from competitive steel prices, which affected both turnover and gross profit in the distribution of steel products and the manufacturing of steel flanges businesses. In contrast, environmental business continues to provide stability to the Group's overall results. Although it recorded a slight dip in turnover and a marginal drop in profit, its unique concession rights business model and the stable operating environment in PRC helped maintain steady performance.

The Group's revenue for current year decreased by approximately S\$11.62 million or 24.40% from S\$47.64 million for the financial year ended 31 December 2024 ("FY2024") to S\$36.02 million for FY2025. The decrease was mainly due to:

- significantly lower sales as a result of fewer project sales secured in the distribution of steel products business under the distribution division;
- significantly lower sales generated from the manufacturing of steel flanges business, driven by intensified competition as more local distributors import alternative sources of steel flanges to compete with our SHINSEI flanges; and
- slightly lower turnover from environmental business division attributed to lower sales generated from industrial cum municipal wastewater treatment business in the PRC.

Based on disaggregation of revenue by geographical markets, sales to Singapore, Malaysia and Indonesia decreased by S\$4.18 million, S\$4.17 million and S\$1.30 million respectively for the reasons explained under the distribution of steel products and manufacturing of steel flanges businesses above.

Gross profit decreased by S\$3.25 million or 21.70% for current year from S\$14.99 million in FY2024 to S\$11.74 million in FY2025. The decrease was in tandem with lower turnover in both distribution of steel products and manufacturing of steel flanges businesses. The decrease in gross profit margin in the manufacturing of steel business also lead to lower gross profit, as a result of adjustments in selling price in response with fierce competition within Malaysia market.

Other operating income decreased by S\$0.30 million or 18.86% from S\$1.63 million in FY2024 to S\$1.33 million in FY2025. The decrease was mainly due to lower reversal of accrual of VAT expenses amounting to S\$0.41 million and absence of write-back of a government loan of S\$0.15 million in current year as compared to the prior year. However, the decrease was partially offset by additional commission income of S\$0.28 million received from a third-party contractor in relation to miscellaneous services and maintenance work rendered under environmental business division.

Distribution expenses decreased by S\$0.11 million or 15.87% from S\$0.73 million in FY2024 to S\$0.62 million in FY2025. The decrease was in line with lower revenue generated from the distribution of steel products and manufacturing of steel flanges business.

As a result of fewer EPC projects secured and delivered during the year, coupled with provision for doubtful debts on interest income from a shareholder's loan during the year in the rural wastewater treatment business under the environmental business division, share of results of associate recorded a loss of S\$0.44 million in FY2025 as compared to share of loss of S\$0.22 million in FY2024.

Depreciation and amortisation were S\$0.46 million lower compared to FY2024 as lesser property, plant and equipment and intangible assets were acquired during FY2025.

The Group recorded a reversal of S\$0.04 million for slow moving inventories in the current year as compared to an allowance of slow moving inventories of S\$0.23 million in FY2024.

Finance costs decreased by S\$0.37 million or 29.44% from S\$1.26 million in FY2024 to S\$0.89 million in FY2025, mainly attributed to lower interest expenses following net repayments of bank loans during the year.

Income tax expense increased by S\$0.17 million or 21.05% from S\$0.82 million in FY2024 to S\$0.99 million in FY2025 mainly due to higher withholding tax arising from increased dividend income received from PRC.

Statement of Financial Position

The current assets of the Group decreased by S\$3.76 million from S\$57.46 million as at 31 December 2024 to S\$53.70 million as at 31 December 2025. The decrease was mainly attributed to:

- decrease in trade receivables of S\$2.21 million in tandem with lower sales generated and improved collections;
- decrease in other receivables of S\$0.85 million mainly due to reversal of supplier advances made in prior year after goods were received in FY2025; and
- decrease in inventories of S\$3.19 million as a result of better inventory management for stock replenishment; offset by:
- an increase in cash and cash equivalents by S\$2.45 million from S\$10.01 million as at 31 December 2024 to S\$12.46 million as at 31 December 2025 for the reasons set out under Cash Flow section below.

The Group maintained a healthy and positive working capital of S\$35.98 million or current ratio of 3.03 times with current assets of S\$53.70 million and current liabilities of S\$17.72 million as at 31 December 2025.

The non-current assets of the Group decreased by S\$3.22 million from S\$60.83 million as at 31 December 2024 to S\$57.61 million as at 31 December 2025. The decrease was attributed to:

- decrease in intangible assets of S\$2.81 million due to the amortisation charge of S\$1.80 million, other adjustments of intangible assets of S\$0.85 million and recognition of foreign currency translation loss of S\$0.55 million; which was partially offset by acquisition of intangible assets amounting to S\$0.39 million related to the upgrading of wastewater treatment plants in the industrial cum municipal wastewater treatment business under the environmental business division.
- decrease in investment in associate by S\$0.59 million mainly due to share of loss of associate during the year; offset by
- an increase in right-of-use assets of S\$0.24 million due to addition of motor vehicles and processing equipment of S\$0.54 million for our newly set up business in Malaysia, which was partially offset by depreciation charge of S\$0.33 million.

The total liabilities of the Group decreased by S\$5.34 million from S\$36.68 million as at 31 December 2024 to S\$31.34 million as at 31 December 2025. The decrease was mainly attributable to repayment of bank loans, reductions in bills payable, other payables and accruals amounting to S\$1.64 million, S\$2.57 million, S\$1.09 million respectively. Net gearing ratio decreased from 0.24 times as at 31 December 2024 to 0.14 times as at 31 December 2025.

Cash Flow

Net cash flow generated from operating activities amounted to S\$7.30 million in the current year. Operating profit before working capital changes was S\$5.73 million. The improvement in net cash flow generated from operating activities was mainly due to improved collection in trade receivables, other receivables and prepayments and reduction of inventories holding amounting to S\$2.22 million, S\$0.81 million, S\$3.24 million respectively, which was partially offset by payment made in trade payables, other payables and accruals and bills payable amounting to S\$0.17 million, S\$0.43 million and S\$2.57 million respectively. Interest paid amounted to S\$0.75 million and income tax paid amounted to S\$0.83 million during the year.

Net cash flow used in investing activities amounted to S\$1.31 million mainly due to (i) additions to intangible assets amounting to S\$0.39 million for the upgrading of plants in industrial cum municipal wastewater treatment business under the environmental business division, (ii) additions to property, plant and equipment amounting to S\$0.89 million mainly under the distribution of steel products business and manufacturing of steel flanges division and (iii) investment in joint venture amounting to S\$0.05 million, which relates to the additional capital contribution to Anxon Ecotech Pte. Ltd.. Further details as set out in Section F18.

Net cash flow used in financing activities amounted to S\$3.38 million mainly due to net repayments to loans and borrowings of S\$1.57 million, obligations under lease liabilities of S\$0.37 million and dividend payment to non-controlling interests of S\$1.35 million.

The Group's net asset attributable to owners of the Company per share as at 31 December 2025 was 22.40 cents and weighted average loss per share was 0.18 cents.

ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C (continued)

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

The Group's financial results for FY2025 are in line with the Company's trends and competitive conditions previously disclosed in the Company's announcement dated 14 August 2025 in relation to its results for half year ended 30 June 2025.

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

The global economic environment remains challenging and vulnerable to potential slowdown, driven by uncertain tariffs, geopolitical conflicts and ongoing uncertainties. Singapore, as a trade-dependent small open economy is significantly exposed direct or indirect to these external headwinds.

Against this backdrop, the Group's distribution of steel products and manufacturing of steel flanges businesses continue to face downward pressure on pricing and margins due to customers' shifting of supply chain and increased dumping of steel products from mills in our region. These factors will lead to stiff competition and weaker demand for the Group's steel products in the near term.

On the other hand, the Group's environmental business continues to act as a stabiliser for profit and cash flows over the next 12 months. The Group is actively exploring opportunities to expand this business into other regions.

Separately, the Group has commenced the initial trial run of a new business in Malaysia through Shinsei Energy Sdn Bhd, which may potentially develop into an additional business pillar for the Group in the near future. The Group will continue to exercise prudence in managing its costs and working capital, with a focus on operational efficiency and mitigating business and market risks.

11. **If a decision regarding dividend has been made.**

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

The Director are pleased to propose a first and final one-tier tax-exempt of 0.3 Singapore cent per share for the year ended 31 December 2025, subject to shareholders' approval at the forthcoming Annual General Meeting.

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

0.3 Singapore cent per share.

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

Not applicable.

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

One - tier tax exempt.

- (d) **The date the dividend is payable.**

To be announced later.

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

To be announced later.

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

Not applicable.

ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C (continued)

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

Total Annual Dividend Paid

Total	FY2025	FY2024
	S\$'000	S\$'000
Ordinary	-	866
Preference	-	-
	-	866

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

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

15. 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 and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ow Eei Meng Benjamin	47	Son of Mr Ow Chin Seng (Executive Chairman cum CEO) and brother of Mr Ow Eei Phurn, Benedict (Executive Director cum Sales Director).	Deputy Chief Executive Officer of the Group and as executive director for the rest of the Company's subsidiaries. His roles are to assist the Chief Executive Officer in managing the strategic direction of the Company and oversee operations.	-
Low Kheng	73	Wife of Mr Ow Chin Seng (Executive Chairman cum CEO) and mother of Mr Ow Eei Phurn, Benedict (Executive Director cum Sales Director).	Mdm. Low is responsible for the marketing and sales of the Group's distribution products in Singapore. She has over 44 years of experience in the hardware and steel industry.	-
Peh Choon Chieh	51	Nephew of Mr Ow Chin Seng (Executive Chairman cum CEO) and cousin of Mr Ow Eei Phurn, Benedict (Executive Director cum Sales Director).	Commercial Manager in AnnAik Limited's subsidiary (Ann Aik Pte Ltd). Responsible for development of sales in distribution products.	-

16. Use of proceeds pursuant to Chapter 8 of the Catalist Rules.

None.

ANNAIK LIMITED

Condensed Financial Statements For The Full Year Ended 31-12-2025

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C (continued)

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

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

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

As announced on 26 May 2025, the Company's wholly-owned subsidiary, Anxon Oasis Pte. Ltd. ("Anxon"), together with Ms. Danielea Dhanja Binti Amran ("Ms. Danielea"), incorporated a new subsidiary in Malaysia, Shinsei Energy Sdn. Bhd. ("Shinsei Energy"), with an initial issued and paid-up share capital of MYR1,000 comprising 1,000 ordinary shares. The initial shareholding structure was 30% held by Anxon and 70% held by Ms. Danielea. Subsequently, on 24 July 2025, the share capital of Shinsei Energy was increased to MYR100,000 through the issuance of an additional 99,000 ordinary shares. The shareholding structure remained unchanged at 30% held by Anxon and 70% held by Ms. Danielea.

Although Anxon holds 30% of the equity interest in Shinsei Energy, it has control over the operations and management of the entity pursuant to the terms of the shareholders' agreement dated 24 July 2025. As such, Shinsei Energy will be treated as a subsidiary of the Company for accounting consolidation purposes.

The principal activity of Shinsei Energy is to engage in the oil and gas and energy sectors, specialising in the sourcing, processing, and delivery of high-quality raw materials for infrastructure and construction applications. The incorporation of Shinsei Energy was funded through internal resources and is not expected to have any material impact on the earnings per share or net tangible assets of the Group for the financial year ended 31 December 2025.

On 26 June 2025, Anxon Ecotech Pte. Ltd. ("Anxon Ecotech"), a 51%-owned joint venture of the Company, increased its issued share capital from S\$100 to S\$1,000,000, comprising of 100,000 paid-up ordinary shares and 900,000 unpaid ordinary shares. There is no change in the percentage shareholding of Anxon Ecotech owned by the Company following the increase in issued share capital. The unpaid contribution of Anxon Ecotech will be fully paid by each partner based on their respective shareholding proportion in due course. The increase in issued share capital was funded through internal resources and is not expected to have any material impact on the earnings per share or net tangible assets per share of the Group for the financial year ended 31 December 2025.

On 10 October 2025, the Company's wholly-owned subsidiary, Anxon Environmental Pte Ltd, has incorporated a 100%-owned subsidiary, ChangXing XinYi Wastewater Treatment Co., Ltd. ("XinYi") in the People's Republic of China (the "PRC") to undertake the construction and operation of a new reclaimed water plant under the build-own-operate business model with the government of LiJiaXiang, PRC. As at the date of this announcement, the registered share capital of RMB10 million has not yet been paid up and will be funded through internal resources. The incorporation of XinYi is not expected to have any material impact on the consolidated net tangible assets or earnings per share of the Company and the Group for the current financial year ended 31 December 2025.

By Order of the Board

Ow Chin Seng
Executive Director

Ng Kim Keang
Executive Director

27 February 2026

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

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