



Anchun International Holdings Ltd.

(Incorporated in Singapore)

(Company registration number: 200920277C)

**Condensed Interim Financial Statements
For the six months and full year ended 31 December 2025**

Table of Contents

A. Unaudited condensed consolidated statement of profit or loss and other comprehensive income.....	3
B. Unaudited condensed statements of financial position	4
C. Unaudited condensed statements of changes in equity	5
D. Unaudited condensed consolidated statement of cash flows	7
E. Notes to the unaudited condensed interim consolidated financial statements	9
F. Other information required by Listing Rule Appendix 7.2	26
1. Review	26
2. Review of performance of the Group.....	26
3. Variance from prospect statement.....	33
4. Commentary of Group's significant trends and competitive conditions	34
5. Dividend Information	34
6. Interested person transactions	35
7. Confirmation pursuant to Rule 720(1)	35
8. Negative Confirmation pursuant to Rule 704(13)	35

**A. Unaudited condensed consolidated statement of profit or loss and other comprehensive income
For the six months and full year ended 31 December 2025**

The Group's operations are principally conducted in the People's Republic of China ("PRC"). Accordingly, the condensed consolidated financial statements have been prepared in Chinese Renminbi ("RMB"), being the functional currency of the Company and its subsidiary.

	Group			Group			
	Unaudited	Unaudited	Change	Unaudited	Audited	Change	
	Second half year ended			Full year ended			
	31/12/2025	31/12/2024	%	31/12/2025	31/12/2024	%	
	RMB'000	RMB'000		RMB'000	RMB'000		
Revenue	78,416	110,672	(29)	150,011	177,372	(15)	
Cost of sales	(54,770)	(79,894)	(31)	(109,563)	(136,163)	(20)	
Gross profit	23,646	30,778	(23)	40,448	41,209	(2)	
Other items of income							
Finance and other income	6,440	7,351	(12)	9,531	10,085	(5)	
Write-back of impairment losses/(impairment losses on) trade receivables, net	140	(2,310)	N.M	(466)	(1,234)	(62)	
Write-back of impairment losses/(impairment losses on) contract assets, net	837	(3,758)	N.M	755	(3,758)	N.M	
Other items of expenses							
Marketing and distribution expenses	(3,596)	(3,775)	(5)	(6,670)	(6,790)	(2)	
Administrative expenses	(11,109)	(10,394)	7	(20,524)	(20,802)	(1)	
Research expenses	(3,347)	(2,427)	38	(5,520)	(6,708)	(18)	
Other operating expense	(363)	(410)	(11)	(255)	(504)	(49)	
Finance costs							
- Bank charges	-	(16)	N.M	-	(19)	N.M	
Profit before tax	12,648	15,039	(16)	17,299	11,479	51	
Income tax expense	(2,790)	(541)	416	(2,790)	(541)	416	
Total comprehensive income for the period/year attributable to owners of the Company	9,858	14,498	(32)	14,509	10,938	33	
Earnings per share (RMB cents):							
Basic	16	21.08	30.94	(32)	31.00	23.35	33
Diluted	16	21.08	31.94	(32)	31.00	23.35	33

N.M. - not meaningful

**B. Unaudited condensed statements of financial position
As at 31 December 2025**

	Note	Group			Company		
		Unaudited 31/12/2025 RMB'000	Audited 31/12/2024 RMB'000	Change %	Unaudited 31/12/2025 RMB'000	Audited 31/12/2024 RMB'000	Change %
ASSETS							
Non-current assets							
Property, plant and equipment	10	33,698	36,846	(9)	–	–	–
Intangible assets	8	1,353	896	51	–	–	–
Investment in a subsidiary		–	–	–	75,631	75,631	–
Investment properties	11	1,558	2,008	(22)	–	–	–
Right of use asset	9	10,787	11,152	(3)	–	–	–
Prepayments		171	170	1	–	–	–
		47,567	51,072	(7)	75,631	75,631	–
Current assets							
Inventories		14,587	23,404	(38)	–	–	–
Trade and other receivables	12	44,834	35,846	25	39,257	47,504	(17)
Contract assets	4.4	112,914	104,014	9	–	–	–
Prepayments		1,578	5,141	(69)	43	43	–
Short term deposits		80,000	120,000	(33)	–	–	–
Cash and cash equivalents	14	96,156	76,937	25	10,569	3,006	252
		350,069	365,342	(4)	49,869	50,553	(1)
Total assets		397,636	416,414	(5)	125,500	126,184	(1)
EQUITY AND LIABILITIES							
Current liabilities							
Trade and other payables		37,241	54,522	(32)	13,462	13,072	3
Contract liabilities	4.4	17,283	27,625	(37)	–	–	–
Other liabilities		21,744	22,146	(2)	831	820	1
Income tax payable	17	1,210	2,045	(41)	–	–	–
		77,478	106,338	(27)	14,293	13,892	3
Net current assets		272,591	259,004	5	35,576	36,661	(3)
Non-current liabilities							
Deferred tax liabilities		2,285	–	100	–	–	–
		2,285	–	100	–	–	–
Total liabilities		79,763	106,338	(25)	14,293	13,892	3
Net assets		317,873	310,076	3	111,207	112,292	(1)
Equity attributable to owners of the Company							
Share capital	15	149,278	149,278	–	149,278	149,278	–
Treasury/employee benefit trust shares		(6,110)	(4,994)	22	(6,110)	(4,994)	22
Other reserves		131,296	130,617	1	(10)	(10)	–
Accumulated profits/(losses)		43,409	35,175	23	(31,951)	(31,982)	(0.1)
Total equity		317,873	310,076	3	111,207	112,292	(1)
Total equity and liabilities		397,636	416,414	(5)	125,500	126,184	(1)

C. Unaudited condensed statements of changes in equity
For the year ended 31 December 2025

Statement of Changes in Equity

	Share Capital	Treasury/ Employee benefit trust shares	Other reserves	Loss on reissuance of EBT shares	Contribution from shareholder	Statutory reserve fund	Statutory reserve fund - safety production reserve	Merger reserve	Accumulated profits	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Group Audited										
Balance at 1 January 2024	149,278	(4,994)	128,857	(10)	1,725	45,792	6,350	75,000	26,066	299,207
Profit for the year, representing total comprehensive income	–	–	–	–	–	–	–	–	10,938	10,938
<u>Others</u>										
Transfer to statutory reserve, net	–	–	(293)	–	–	–	(293)	–	293	–
Transfer to statutory reserve fund, net	–	–	2,053	–	–	2,053	–	–	(2,053)	–
Transfer to staff welfare payable, net	–	–	–	–	–	–	–	–	(69)	(69)
Balance at 31 December 2024	149,278	(4,994)	130,617	(10)	1,725	47,845	6,057	75,000	35,175	310,076
Group Unaudited										
Balance at 1 January 2025	149,278	(4,994)	130,617	(10)	1,725	47,845	6,057	75,000	35,175	310,076
Profit for the year, representing total comprehensive income	–	–	–	–	–	–	–	–	14,509	14,509
<u>Others</u>										
Transfer to statutory reserve, net	–	–	(770)	–	–	–	(770)	–	770	–
Transfer to statutory reserve fund, net	–	–	1,449	–	–	1,449	–	–	(1,449)	–
Transfer to staff welfare payable, net	–	–	–	–	–	–	–	–	(46)	(46)
Purchase of treasury share	–	(1,116)	–	–	–	–	–	–	–	(1,116)
Dividend paid	–	–	–	–	–	–	–	–	(5,550)	(5,550)
Balance at 31 December 2025	149,278	(6,110)	131,296	(10)	1,725	49,294	5,287	75,000	43,409	317,873

C. Unaudited condensed statements of changes in equity (cont'd)
For the year ended 31 December 2025

Statement of Changes in Equity (cont'd)

	Share capital	Treasury/Employee benefit trust shares	Other reserves	Treasury shares	Accumulated losses	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Company Audited						
Balance at 1 January 2024	149,278	(4,994)	(10)	(10)	(37,659)	106,615
Loss for the year, representing total comprehensive income for the year	–	–	–	–	(2,947)	(2,947)
Balance at 31 December 2024	149,278	(4,994)	(10)	(10)	(40,606)	103,668
Company Unaudited						
Balance at 1 January 2025	149,278	(4,994)	(10)	(10)	(31,982)	112,292
Profit for the year, representing total comprehensive income for the year	–	–	–	–	5,581	5,581
Purchase of treasury share	–	(1,116)	–	–	–	(1,116)
Dividend paid	–	–	–	–	(5,550)	(5,550)
Balance at 31 December 2025	149,278	(6,110)	(10)	(10)	(31,951)	111,207

**D. Unaudited condensed consolidated statement of cash flows
For the year ended 31 December 2025**

	Note	Group	
		Unaudited	Audited
		Full year ended	
		31/12/2025	31/12/2024
		RMB'000	RMB'000
Operating activities			
Profit before tax		17,299	11,479
<u>Adjustments for:</u>			
Depreciation of property, plant and equipment	6	6,137	7,198
Depreciation of right-of-use assets	6	365	366
Depreciation of investment properties	6	450	479
Amortisation of intangible assets	6	461	290
(Write-back of impairment losses)/impairment losses on financial assets, net	6	(289)	4,992
Write-back of inventory obsolescence	6	(1,111)	(11)
(Gain)/loss on disposal of property, plant and equipment, net	6	(50)	20
Write-off of property, plant and equipment	6	148	134
Finance costs	6	–	19
Finance income	6	(2,645)	(2,914)
Unrealised exchange loss	6	255	16
Operating cash flows before changes in working capital		21,020	22,068
<u>Changes in working capital</u>			
Decrease/(increase) in:			
Inventories		9,928	1,032
Trade and other receivables		(9,454)	6,028
Contract assets		(8,145)	(18,995)
Prepayments		3,571	(1,594)
(Decrease)/increase in:			
Trade and other payables		(19,986)	17,303
Contract liabilities		(10,342)	(7,787)
Other liabilities and provisions		2,342	1,849
Total changes in working capital		(32,086)	(2,164)
Cash flows (used in)/generated from operations		(11,066)	19,904
Interest received		2,645	2,914
Interest paid		–	(19)
Income tax paid		(1,340)	(1,264)
Net cash (used in)/generated from operating activities		(9,761)	21,535

D. Unaudited condensed consolidated statement of cash flows (cont'd)
For the year ended 31 December 2025

	Note	Group	
		Unaudited	Audited
		Full year ended	
		31/12/2025	31/12/2024
		RMB'000	RMB'000
Investing activities			
Purchase of property, plant and equipment		(3,181)	(2,627)
Purchase of intangible assets - software	8	(918)	(973)
Placements of fixed deposits		–	(120,000)
Withdrawals of fixed deposits		40,000	100,000
Net cash generated from/(used in) investing activities		35,901	(23,600)
Financing activities			
Purchase of treasury shares		(1,116)	–
Dividends paid		(5,550)	–
Net cash used in financing activities		(6,666)	–
Net increase/(decrease) in cash and cash equivalents		19,474	(2,065)
Cash and cash equivalents at beginning of year		76,937	79,018
Effect of exchange rate changes on cash and cash equivalents		(255)	(16)
Cash and cash equivalents at end of year	14	96,156	76,937

**E. Notes to the unaudited condensed consolidated financial statements
As at and for the six months and full year ended 31 December 2025**

1. Corporate information

Anchun International Holdings Ltd. (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

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

The principal activities of the Group are those relating to the provision of integrated chemical systems engineering and technology solutions to the petrochemical and chemical industries.

2. Basis of preparation

The condensed interim financial statements for the full 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 financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

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 financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand ("RMB'000"), except when otherwise indicated.

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.

2.2. Use of judgements and estimates

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

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 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.

There are no significant judgements made in applying accounting policies that have a significant effect on the amounts recognised in the consolidated financial statements.

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 year are included in the following:

- Note 4 and Note 12 - Provision for expected credit losses of trade receivables and contract assets
- Note 4 - Contracts and revenue recognition

3. Seasonal operations

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

4. Segment revenue information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

(i) Catalyst Business

The catalyst business segment involves manufacturing of a variety of catalysts for use in the process of gas-making, ammonia synthesis and methanol synthesis.

(ii) Chemical Systems and Components ("CSC") Business

This segment involves manufacturing of chemical equipment designed by the chemical engineering and technology consultancy services department.

(iii) Chemical Engineering and Technology ("CET") Engineering Services

This segment involves providing chemical systems engineering and technology design services for the production of ammonia and methanol related products such as agriculture fertilisers and biodiesel which are mainly used in the agriculture and energy industries.

These operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision makers who are responsible for allocating resources and assessing performance of the operating segments.

4. Segment revenue information (cont'd)

4.1. Reportable segments

	Catalyst Business RMB'000	CSC Business RMB'000	CET Engineering Services RMB'000	Total RMB'000
Group				
1 January 2025 to 31 December 2025				
Revenue				
External customers	15,416	126,847	7,748	150,011
Total revenue	15,416	126,847	7,748	150,011
Results:				
Segment gross profit	5,773	32,117	2,558	40,448
Finance income				2,645
Other income				6,886
Impairment losses on trade receivables, net				(466)
Write-back of impairment losses on contract assets, net				755
Marketing and distribution expenses				(6,670)
Administrative expenses				(20,524)
Research expenses				(5,520)
Other expenses				(255)
Profit before tax				17,299
Other material non-cash items				
Depreciation and amortisation				(7,413)
Gain on disposal of property, plant and equipment, net				50
Write-off of property, plant and equipment				(148)

4. Segment revenue information (cont'd)

4.1. Reportable segments (cont'd)

	Catalyst Business RMB'000	CSC Business RMB'000	CET Engineering Services RMB'000	Total RMB'000
Group				
1 January 2024 to 31 December 2024				
Revenue				
External customers	18,331	151,285	7,756	177,372
Total revenue	18,331	151,285	7,756	177,372
Results:				
Segment gross profit	7,401	29,750	4,058	41,209
Finance income				2,914
Other income				7,171
Impairment losses on trade receivables, net				(1,234)
Impairment loss on contract assets, net				(3,758)
Marketing and distribution expenses				(6,790)
Administrative expenses				(20,802)
Research expenses				(6,708)
Other expenses				(504)
Finance costs				(19)
Profit before tax				11,479
Other material non-cash items				
Depreciation and amortisation				(8,333)
Loss on disposal of property, plant and equipment, net				(20)
Write-off of property, plant and equipment				(134)

Geographical information

No geographical information is provided as the principal assets employed by the Group are located in the PRC and the Group's revenue and profits are derived primarily from customers in the PRC.

Information about major customers

During the financial year ended 31 December 2025, revenue from two (2024: two) major customers amount to RMB41,898,000 (2024: RMB54,132,000), arising from sales by the CSC Business (2024: CSC Business segment).

4. Segment revenue information (cont'd)

4.2. Disaggregation of Revenue

	The Group 6 months ended 31 December 2025 CET			Total revenue RMB'000
	Catalyst Business RMB'000	CSC Business RMB'000	Engineering Services RMB'000	
Primary geographical market				
People's Republic of China	9,932	64,957	3,527	78,416
Major product or service lines				
Catalyst	9,932	–	–	9,932
Chemical systems and components	–	64,957	–	64,957
Engineering and design services	–	–	3,527	3,527
	9,932	64,957	3,527	78,416
Timing of transfer of goods or services				
At a point in time	9,932	–	–	9,932
Over time	–	64,957	3,527	68,484
	9,932	64,957	3,527	78,416

	The Group 6 months ended 31 December 2024 CET			Total revenue RMB'000
	Catalyst Business RMB'000	CSC Business RMB'000	Engineering Services RMB'000	
Primary geographical market				
People's Republic of China	12,834	92,758	5,080	110,672
Major product or service lines				
Catalyst	12,834	–	–	12,834
Chemical systems and components	–	92,758	–	92,758
Engineering and design services	–	–	5,080	5,080
	12,834	92,758	5,080	110,672
Timing of transfer of goods or services				
At a point in time	12,834	–	–	12,834
Over time	–	92,758	5,080	97,838
	12,834	92,758	5,080	110,672

4. Segment revenue information (cont'd)

4.2. Disaggregation of Revenue (cont'd)

	The Group			Total revenue RMB'000
	12 months ended 31 December 2025			
	Catalyst Business RMB'000	CSC Business RMB'000	Engineering Services RMB'000	
Primary geographical market				
People's Republic of China	15,416	126,847	7,748	150,011
Major product or service lines				
Catalyst	15,416	–	–	15,416
Chemical systems and components	–	126,847	–	126,847
Engineering and design services	–	–	7,748	7,748
	15,416	126,847	7,748	150,011
Timing of transfer of goods or services				
At a point in time	15,416	–	–	15,416
Over time	–	126,847	7,748	134,595
	15,416	126,847	7,748	150,011

	The Group			Total revenue RMB'000
	12 months ended 31 December 2024			
	Catalyst Business RMB'000	CSC Business RMB'000	Engineering Services RMB'000	
Primary geographical market				
People's Republic of China	18,331	151,285	7,756	177,372
Major product or service lines				
Catalyst	18,331	–	–	18,331
Chemical systems and components	–	151,285	–	151,285
Engineering and design services	–	–	7,756	7,756
	18,331	151,285	7,756	177,372
Timing of transfer of goods or services				
At a point in time	18,331	–	–	18,331
Over time	–	151,285	7,756	159,041
	18,331	151,285	7,756	177,372

4. Segment revenue information (cont'd)

4.3. Judgement and methods used in estimating revenue

Recognition of revenue from sale of chemical equipment over time

For the sale of chemical equipment where the Group satisfies its performance obligations over time, management has determined that a cost-based input method provides a faithful depiction of the Group's performance in transferring control of the chemical equipment to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the sale of chemical equipment. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the complete construction of the chemical equipment.

The estimated total construction and other related costs are based on contracted amounts and, in respect of amounts not contracted for, management relies on past experience and knowledge of the project engineers to make estimates of the amounts to be incurred. In making these estimates, management takes into consideration the historical trends of amounts incurred to construct other similar chemical equipment.

4.4. Contract assets and contract liabilities

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

	31/12/2025 RMB'000	Group 31/12/2024 RMB'000	31/12/2023 RMB'000
Receivables from contracts with customers (Note 12)	11,465	15,909	17,019
Contract assets	112,914	104,014	88,777
Contract liabilities	17,283	27,625	35,412

During current financial year, the Group has recognised impairment losses of RMB466,000 (2024: impairment losses of RMB1,234,000) on receivables.

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for sale of chemical equipment.

Contract assets are transferred to receivables when the rights become unconditional. During the reporting period, the Group has recognised a net write-back of impairment loss on contract assets of RMB755,000 (2024: impairment losses of RMB3,758,000 on contract assets). Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances received from customers for sale of chemical equipment.

Contract liabilities are recognised as revenue as the Group performs under the contract.

(i) Significant changes in contract assets are explained as follows:

	31/12/2025 RMB'000	Group 31/12/2024 RMB'000
Contract assets reclassified to receivables	61,706	36,460

(ii) Significant changes in contract liabilities are explained as follows:

	31/12/2025 RMB'000	Group 31/12/2024 RMB'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	18,001	23,339

4. Segment revenue information (cont'd)

4.5. Transaction price allocated to remaining performance obligation

The aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2025 is RMB144,678,000 (2024: RMB129,987,000). The Group expects to recognise RMB132,080,000 as revenue relating to the transaction price allocated to the unsatisfied (or partially satisfied) performance obligations as at 31 December 2025 in the financial year 2026 and RMB12,598,000 in the financial year 2027.

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2025 and 31 December 2024:

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	RMB'000	RMB'000	RMB'000	RMB'000
Group				
Financial assets				
Trade and other receivables (excluding sales tax receivables)	44,822	35,833	39,245	47,491
Cash and bank balances	176,156	196,937	10,569	3,006
Total undiscounted financial assets	220,978	232,770	49,814	50,497
Financial liabilities				
Trade and other payables (excluding sales tax and other taxes payables)	21,515	40,001	13,462	13,072
Other liabilities	21,744	22,146	831	820
Total undiscounted financial liabilities	43,259	62,147	14,293	13,892
Total net undiscounted financial assets	177,719	170,623	35,521	36,605

6. Profit before taxation

6.1. Significant items

	Group			
	6 months ended 31/12/2025	6 months ended 31/12/2024	12 months ended 31/12/2025	12 months ended 31/12/2024
	RMB'000	RMB'000	RMB'000	RMB'000
<u>Income</u>				
Interest income on bank balances and deposits	2,387	2,475	2,645	2,914
Government grants	518	506	1,046	864
Sales of scrap materials and parts	1,037	350	1,534	1,126
Rental income from investment properties	1,731	1,945	3,408	3,106
Gain from contract penalty	760	100	870	102
Gain/(loss) on disposal of property, plant and equipment, net	50	(82)	50	(20)
Net foreign exchange (loss)/gain	(360)	18	(255)	(16)
<u>Expenses</u>				
Depreciation of property, plant and equipment	2,756	3,530	6,137	7,198
Depreciation of investment properties	287	163	450	479
Depreciation of right-of-use asset	183	183	365	366
Amortisation of intangible assets	227	187	461	290
(Write-back of)/impairment losses on financial assets, net	(977)	6,068	(289)	4,992
Write-back of inventory obsolescence	(1,111)	(11)	(1,111)	(11)
Write-off of property, plant and equipment	109	54	148	134
Finance costs	–	16	–	19

6.2. Related party transactions

There are no significant related party transactions apart from those disclosed elsewhere in the financial statements.

7. Net Asset Value

	<u>Group</u>		<u>Company</u>	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Net asset value per share (RMB per share)	6.86	6.62	2.40	2.40

Net asset value per ordinary share as at 31 December 2025 and as at 31 December 2024 were calculated based on the existing number of shares in issue excluding EBT shares and treasury shares of 46,350,900 and 46,850,900 ordinary shares as at 31 December 2025 and 31 December 2024 respectively.

8. Intangible assets

	Group	
	2025	2024
	RMB'000	RMB'000
Cost		
At 1 January	3,336	2,363
Additions	918	973
Written off	(14)	–
At 31 December	4,240	3,336
Accumulated amortisation		
At 1 January	(2,440)	(2,150)
Amortisation charge for the year	(461)	(290)
Written off	14	–
At 31 December	(2,887)	(2,440)
Net carrying amount		
At 31 December	1,353	896

Intangible assets relate to computer software purchased from vendors and have an average remaining amortisation period of 2 years (2024: 2 years). The amortisation of intangible asset is included in the "Administrative expenses" line item in the consolidated statement of comprehensive income.

9. Right-of-use assets

The Group has land use rights over three plots of state-owned land in the People's Republic of China ("PRC") where the Group's PRC manufacturing and storage facilities reside. The land use rights are not transferable.

The Group also has certain leases of dormitories with lease term of less than 12 months in which the Group applies the 'short-term lease' recognition exemptions for these leases.

9. Right-of-use assets (cont'd)

Group	Land use rights RMB'000
Cost:	
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	18,271
Accumulated depreciation:	
At 1 January 2024	(6,753)
Depreciation charge for the year	(366)
At 31 December 2024 and 1 January 2025	(7,119)
Depreciation charge for the year	(365)
At 31 December 2025	(7,484)
Net carrying amount:	
At 31 December 2025	10,787
At 31 December 2024	11,152

10. Property, plant and equipment

For the year ended 31 December 2025, the Group acquired assets amounting to RMB3.2 million (31 December 2024: RMB2.6 million) and disposed of assets net book value amounting to RMB0.05 million (31 December 2024: RMB0.02 million). Depreciation expense for the year amounted to RMB6.1million (31 December 2024: RMB7.2 million).

11. Investment properties

The Group's investment properties consist of both commercial and industrial properties, held for long-term rental yields and/or capital appreciation and are not substantially occupied by the Group. They are mainly leased to third parties under operating leases. Investment properties are initially measured at cost, including transaction costs. The Group has adopted the cost model which is to measure investment properties at cost less accumulated depreciation and accumulated impairment losses. Depreciation is computed on a straight-line basis.

	Group	
	2025	2024
	RMB'000	RMB'000
Cost		
At 1 January	17,026	17,026
Reclassification of investment properties to property, plant and equipment	(3,711)	–
At 31 December	13,315	17,026
Accumulated depreciation		
At 1 January	(15,018)	(14,539)
Reclassification of investment properties to property, plant and equipment	3,711	–
Depreciation charge for the year	(450)	(479)
At 31 December	(11,757)	(15,018)
Net carrying amount		
At 31 December	1,558	2,008

The investment properties held by the Group as at 31 December 2025 and 31 December 2024 are as follows:

Description and location	Existing Use	Tenure of land	Unexpired lease term
10 th floor, Xiang Kai Shi Hua Tower, Changsha, PRC*	Offices	Leasehold, 50 years lease from 2 August 1999	24 years (2024: 25 years)
No. 65, Lufeng Road, Industrial Development Zone, Changsha, PRC	Manufacturing	Leasehold, 50 years lease from 16 August 2002	27 years (2024: 28 years)
No. 539, Lusong Road, Industrial Development Zone, Changsha, PRC	Manufacturing	Leasehold, 50 years lease from 28 February 2007	31 years (2024: 32 years)

* During the year, the Xiang Kai Shi Hua Tower investment property was reclassified to property, plant and equipment, as the premises were no longer rented out and are now fully utilised for factory and warehouse operations.

12. Trade and other receivables

12.1. Trade and other receivables

	Group		Company	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
Trade receivables	11,465	15,909	–	–
Bills receivable	30,360	17,446	–	–
VAT/GST receivables	12	13	12	13
Amount due from a subsidiary (non-trade)	–	–	39,245	47,491
Other receivables	2,997	2,478	–	–
Total trade and other receivables	44,834	35,846	39,257	47,504
Add:				
Contract assets	112,914	104,014	–	–
Cash and bank balances	176,156	196,937	10,569	3,006
Less:				
VAT/GST receivables	(12)	(13)	(12)	(13)
Total financial assets carried at amortised cost	333,892	336,784	49,814	50,497

12.2. Expected credit losses

The movement in allowance for expected credit losses of trade and other receivables and contract assets computed based on lifetime ECL are as follow:

	Group			
	Trade and other receivables 31/12/2025 RMB'000	Contract assets 31/12/2025 RMB'000	Trade and other receivables 31/12/2024 RMB'000	Contract assets 31/12/2024 RMB'000
Movements in the allowance accounts:				
At beginning of financial year	24,062	9,125	23,841	5,367
Charge/(reversal) for the year	466	(755)	1,234	3,758
Bad debts written-off against allowances	–	–	(1,013)	–
At end of financial year	24,528	8,370	24,062	9,125

13. Borrowings

The Group has no outstanding borrowings and debt securities as at 31 December 2025 (31 December 2024: Nil).

14. Cash and cash equivalents

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	RMB'000	RMB'000	RMB'000	RMB'000
Cash at banks and on hand	76,910	66,723	2,895	1,719
Short-term deposits	99,246	130,214	7,674	1,287
Total	176,156	196,937	10,569	3,006
Less: Short-term deposits (Maturity >3 months)	(80,000)	(120,000)	–	–
Cash and cash equivalents	96,156	76,937	10,569	3,006

Cash at banks

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Short-term deposits

Short-term deposits are placed for varying periods between one to three months (2024: one to three months) and earned interests at the respective short-term deposit rates.

15. Share capital

Ordinary shares

	Number of Shares	Amount RMB'000
Ordinary shares including employee benefit trust ("EBT") shares & treasury shares as at 31 December 2025 and 31 December 2024	50,500,000	149,278

Convertibles

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

EBT shares

The Company has no EBT shares as at 31 December 2025. (31 December 2024: Nil).

Treasury shares

The Company has 4,149,100 treasury shares (approximately 8.2% of the total number of issued shares) as at 31 December 2025 (31 December 2024: 3,649,100).

16. Earnings per share

Basic earnings per share are calculated by dividing profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share are calculated by dividing profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the periods ended 31 December:

	Group			
	Second half year ended		Full year ended	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Profit for the period/year attributable to owners of the Company used in the computation of basic and diluted loss per share	9,858	14,498	14,509	10,938
Weighted average number of ordinary shares for basic earnings per share computation ('000) #	46,765	46,851	46,808	46,851
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	46,765	46,851	46,808	46,851
Basic earnings per share (RMB cents)	21.08	30.94	31.00	23.35
Diluted earnings per share (RMB cents)	21.08	30.94	31.00	23.35

The weighted average number of ordinary shares takes into account the weighted average effect of changes in treasury and EBT shares transactions during the period/year.

As at 31 December 2025, there was a purchase of 500,000 treasury shares.

17. **Income tax expense**

Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2025 and 2024 are:

	Group	
	2025	2024
	RMB'000	RMB'000
<i>Current income tax:</i>		
– Current year	1,340	1,300
– Over provision in respect of previous years	(1,340)	(1,264)
– Withholding tax on dividends in foreign jurisdiction	505	505
<i>Deferred income tax:</i>		
– Origination and reversal of temporary differences	2,285	–
Income tax expense recognised in profit or loss	2,790	541

17. Income tax expense (cont'd)

Relationship between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2025 and 2024 is as follows:

	Group	
	2025	2024
	RMB'000	RMB'000
Profit before tax	17,299	11,479
	<hr/> <hr/>	
Tax at the domestic rates applicable to profit in the countries where the Group operates	2,515	1,644
Adjustments:		
– Non-deductible expenses	2,055	980
– Income not subject to taxation	(239)	(153)
– Effect of partial tax exemption and tax relief	(706)	(930)
– Utilisation of previously unrecognized deferred tax assets	–	(241)
– Withholding tax on dividends in foreign jurisdiction	505	505
– Over provision in respect of previous years	(1,340)	(1,264)
	<hr/>	
Income tax expense recognised in profit or loss	2,790	541
	<hr/> <hr/>	

Anchun International Holdings Ltd. (the "Company")

The Company is incorporated in Singapore and is subject to a tax rate of 17% for the financial year ended 31 December 2025 (2024: 17%).

Hunan Anchun Advanced Technological Co., Ltd ("Hunan Anchun")

Hunan Anchun was granted the High and New Technology Enterprise ("HNTE") by China's Ministry of Finance, the State Administration of Taxation and the Ministry of Science and Technology in 2007. The HNTE certification allows Hunan Anchun to be taxed at a concessionary rate of 15% with effect from 1 January 2008.

**F. Other information required by Listing Rule Appendix 7.2
For the six months and full year ended 31 December 2025**

1. Review

The condensed consolidated statement of financial position of the Group as at 31 December 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the current financial period/year then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

A) Income Statements

Revenue

FY2025 VS FY2024

Revenue decreased by RMB27.4 million or 15% from RMB177.4 million in FY2024 to RMB150.0 million in FY2025. The decrease was mainly due to lower revenue from the CSC business, Catalyst business and Engineering services, as further described below:

Revenue from our CSC Business

Revenue from our CSC Business decreased by RMB24.5 million or 16% from RMB151.3 million in FY2024 to RMB126.8 million in FY2025. The decrease was due to a lower percentage of completion for CSC contracts and a decrease in the number of contracts during FY2025.

Revenue from our Catalyst Business

Revenue from our Catalyst Business decreased by RMB2.9 million or 16% from RMB18.3 million in FY2024 to RMB15.4 million in FY2025. This was mainly due to decrease in revenue from sales of patented hydrocarbon catalysts and catalyst processing business.

Revenue from our CET Engineering Services

Revenue from our Engineering Services for both reporting periods remain relatively stable at RMB 7.8 million.

2H2025 vs 2H2024

The Group's revenue decreased by RMB32.3 million or 29% from RMB110.7 million in 2H2024 to RMB78.4 million in 2H2025 due to a decrease in the number of contracts and a lower percentage of completion for CSC business amounting to RMB27.8 million, a decrease in the Catalyst business amounting to RMB2.9 million, and a decrease in revenue from CET Engineering services amounting to RMB1.6 million.

Gross profit and gross profit margin

FY2025 VS FY2024

Our overall gross profit decreased by RMB0.8 million or 2% from RMB41.2 million in FY2024 to RMB40.4 million in FY2025, while gross profit margin increased from 23% in FY2024 to 27% in FY2025.

The decrease in the overall gross profit was mainly due to the following:

- 1) The gross profit of the Catalyst business decreased by RMB1.6 million from RMB7.4 million in FY2024 to RMB5.8 million in FY2025. The gross profit margin decreased from 40% in FY2024 to 38% in FY2025, mainly due to lower margins from the sale of ammonia catalysts in FY2025.

2. **Review of performance of the Group (cont'd)**

A) Income Statements (cont'd)

Gross profit and gross profit margin (cont'd)

- 2) The gross profit of the CSC business increased by RMB2.4 million from RMB29.7 million in FY2024 to RMB32.1 million in FY2025 mainly attributable to improved project cost control and margin improvements during the year. The gross profit margin increased by 5% from 20% in FY2024 to 25% in FY2025.
- 3) The gross profit of the CET engineering services decreased by RMB1.5 million from RMB4.1 million in FY2024 to RMB2.6 million in FY2025. The gross profit margin decreased from 52% in FY2024 to 33% in FY2025 mainly attributable to lower revenue contribution from higher-margin engineering design services during FY2025.

2H2025 vs 2H2024

Overall gross profit decreased by RMB7.2 million or 23% from RMB30.8 million in 2H2024 to RMB23.6 million in 2H2025, while gross profit margin increased from 28% in 2H2024 to 30% in 2H2025.

The fluctuations in the overall gross profit were mainly due to the following:

- 1) The gross profit of the Catalyst business decreased by RMB1.7 million from RMB5.7 million in 2H2024 to RMB4.0 million in 2H2025 mainly attributable to lower revenue from catalyst processing business in 2H2025. The gross profit margin decreased from 44% in 2H2024 to 40% in 2H2025 mainly due to lower margins from the sale of ammonia catalysts.
- 2) The gross profit of the CSC business decreased by RMB3.5 million from RMB21.9 million in 2H2024 to RMB18.4 million in 2H2025 mainly attributable to fewer contracts in progress and a lower percentage of completion for CSC contracts as compared to 2H2025. The gross profit margin increased by 4% from 24% in 2H2024 to 28% in 2H2025 mainly attributable to the increase in revenue from patented technologies with higher gross margins.
- 3) The gross profit of the CET engineering services decreased by RMB2.0 million from RMB3.2 million in 2H2024 to RMB1.2 million in 2H2025. The gross profit margin decreased from 63% in 2H2024 to 35% in 2H2025 mainly due to lower revenue contribution from higher-margin CET engineering services in 2H2025.

Finance and other income

FY2025 VS FY2024

Finance and other income decreased by RMB0.6 million or 6% from RMB10.1 million in FY2024 to RMB9.5 million in FY2025. The decrease was mainly due to write-back of advances from customers following contract cancellations amounting to RMB1.2 million and lower interest income on bank balances and deposits of RMB0.4 million partially offset by the increase of rental income of RMB0.3 million, increased government grants of RMB0.2 million and higher sales of scrap metal of RMB0.5 million.

2H2025 vs 2H2024

Finance and other income decreased by RMB0.9 million or 12% from RMB7.3 million in 2H2024 to RMB6.4 million in 2H2025. The decrease was mainly due to write-back of advances from customers following contracts cancellations amounting to RMB1.3 million, partially offset by higher sales of scrap metal of RMB0.4 million.

2. Review of performance of the Group (cont'd)

A) Income Statements (cont'd)

Marketing and distribution expenses

FY2025 vs FY2024

Marketing and distribution expenses for both reporting periods remain relatively the same at RMB6.7 million.

2H2025 vs 2H2024

Marketing and distribution expenses decreased RMB0.2 million or 1% from RMB3.8 million in 2H2024 to RMB3.6 million in 2H2025. The decrease was mainly attributable to the decrease in sales staff's salary and bonus and after-sales maintenance expenses in 2H2025 as compared to 2H2024.

2. Review of performance of the Group (cont'd)

A) Income Statements (cont'd)

Administrative expenses

FY2025 vs FY2024

Administrative expenses decreased by RMB0.3 million or 1% from RMB20.8 million in FY2024 to RMB20.5 million in FY2025. The decrease is analysed in the table below:

Item by nature	FY2025	FY2024	FY2025 vs. FY2024 (Change)		Comments
	RMB'000	RMB'000	RMB'000	%	
Unallocated manufacturing overheads allocated in administrative expenses	2,745	2,215	530	24	The increase is due to the lower volume of production resulting in higher unallocated manufacturing overheads recorded under administrative expenses in FY2025 over FY2024.
Salaries, bonuses and fees	6,214	6,497	(283)	(4)	Include salaries of executive directors and heads of department deployed in administrative functions. Decrease is due to lower number of employees in FY2025 compared to FY2024.
Safety cost	771	293	478	163	Increase in depreciation of environmental protection equipment and emergency expenses for liquid ammonia treatment due to more sustainability efforts in FY2025 compared to FY2024.
Travelling expenses	174	420	(246)	(59)	Travelling expenses in FY2024 is mainly due to the expenses incurred from the attendance of the "Innovation for All" seminar whilst none was noted in FY2025. This hence resulted in the significant decrease from FY2024 to FY2025.
Professional fees	1,669	1,743	(74)	(4)	Decrease in legal services for consultation on commercial matters.
Staff welfare expenses	1,306	1,440	(134)	(9)	Decrease is due to lower employee medical examination expenses in FY2025 compared to FY2024.
Staff compensation	681	526	155	29	Increase in staff compensation for work-related injuries and termination of labor contracts.
Meeting expenses	24	476	(452)	(95)	Decrease is due to the expenses incurred for the Group's 30th anniversary in FY2024 whilst none was noted in FY2025.
Factory repair and maintenance	76	177	(101)	(57)	Decrease in repair and maintenance costs incurred as there was an upgrade of the washrooms in the factory and office in FY2024 whilst none was noted in FY2025.
Other expenses	6,884	7,015	(131)	(2)	Other expenses are an aggregation of miscellaneous expenses. The fluctuations in the miscellaneous expenses are less than RMB0.08 million individually.
Total	20,544	20,802	(258)	(1)	

N.M. - not meaningful

2. Review of performance of the Group (cont'd)

A) Income Statements (cont'd)

Administrative expenses (cont'd)

2H2025 vs 2H2024

Administrative expenses increased by RMB0.7 million or 7% from RMB10.4 million in 2H2024 to RMB11.1 million in 2H2025 as explained below:

Item by nature	2H2025	2H2024	2H2025 vs.2H2024 (Change)		Comments
	RMB'000	RMB'000	RMB'000	%	
Unallocated manufacturing overheads allocated in administrative expenses	1,872	723	1,149	159	The increase is due to the lower volume of production resulting in higher unallocated manufacturing overheads recorded under administrative expenses in 2H2025 compared to 2H2024.
Salaries, bonuses and fees	3,043	3,137	(94)	(3)	Include salaries of executive directors and heads of department deployed in administrative functions. Decrease is due to lower number of employees in 2H2025 compared to 2H2024.
Staff compensation	681	526	155	29	Increase in staff compensation for work-related injuries and termination of labor contracts.
Safety cost	363	157	206	131	Increase in depreciation of environmental protection equipment and emergency expenses for liquid ammonia treatment due to more sustainability efforts in 2H2025 compared to 2H2024.
Factory repair and maintenance	–	177	(177)	(100)	Decrease is due to there being no repair and maintenance costs incurred in 2H2025 compared to 2H2024 where repair and maintenance costs were incurred for upgrade of the washrooms in the factory and office.
Staff welfare expenses	632	886	(254)	(29)	Decrease is due to lower employee medical examination expenses in 2H2025 over 2H2024.
Other expenses	4,538	4,788	(250)	(5)	Other expenses are an aggregation of miscellaneous expenses. The fluctuations in the miscellaneous expenses are less than RMB0.08 million individually.
Total	11,129	10,394	735	7	

N.M. - not meaningful

2. Review of performance of the Group (cont'd)

A) Income Statements (cont'd)

Research expenses

FY2025 vs FY2024

Research expenses decreased by RMB1.2 million or 18% from RMB6.7 million in FY2024 to RMB5.5 million in FY2025. The decrease was mainly due to lower research expenditure incurred in relation to improvements to the waste heat boiler tube bundle under the CSC business segment during the reporting period.

2H2025 vs 2H2024

Research expenses increased by RMB0.9 million or 38% from RMB2.4 million in 2H2024 to RMB3.3 million in 2H2025. This was mainly attributable to higher research expenses incurred for green hydrogen, green ammonia and green alcohol technology improvement initiatives in 2H2025.

Income tax expenses

FY2025 vs FY2024

Income tax expenses increased by RMB2.3 million from a RMB0.5 million of income tax expense in FY2024 to an income tax expense of RMB2.8 million in FY2025. The increase was mainly due to the recognition of a deferred tax liability of RMB2.3m for withholding tax payable on the remaining undistributed earnings of the Group's subsidiary, Hunan Anchun Advanced Technological Co., Ltd..

2H2025 vs 2H2024

Income tax expenses increased by RMB2.3 million from a RMB0.5 million of income tax expense in 2H2024 to an income tax expense of RMB2.8 million in 2H2025. The increase was mainly due to the recognition of a deferred tax liability of RMB2.3m for withholding tax payable on the remaining undistributed earnings of the Group's subsidiary, Hunan Anchun Advanced Technological Co., Ltd..

Net profit attributable to owners of the Company

FY2025 vs FY2024

The net profit attributable to owners of the Company increased by RMB3.6 million from a net profit of RMB10.9 million in FY2024 to a net profit of RMB14.5 million in FY2025, mainly due to the factors explained above.

2H2025 vs 2H2024

The net profit attributable to owners of the Company decreased by RMB4.6 million from a net profit of RMB14.5 million in 2H2024 to a net profit of RMB9.9 million in 2H2025, mainly due to the factors explained above.

B) Balance Sheet Statements

Non-current assets

Non-current assets decreased by RMB3.5 million or 7% from RMB51.1 million as at 31 December 2024 to RMB47.6 million as at 31 December 2025. Non-current assets comprised property, plant and equipment, investment property, intangible assets, right of use asset and prepayments.

The decrease in non-current assets is mainly due to property, plant and equipment ("PPE"). PPE decreased by RMB3.1 million or 9% from RMB36.8 million as at 31 December 2024 to RMB33.7 million as at 31 December 2025, primarily due to depreciation charges of RMB6.1 million during the year, partially offset by additions.

2. Review of performance of the Group (cont'd)

B) Balance Sheet Statements(cont'd)

Current assets

Current assets decreased by RMB15.3 million or 4% from RMB365.3 million as at 31 December 2024 to RMB350.0 million as at 31 December 2025. The decrease was mainly due to the following:

- a) The decrease in inventories of RMB8.8 million was mainly decrease in raw materials purchased for CSC business contract orders;
- b) The decrease in trade and other receivables of RMB3.9 million was due to settlements with our customers.
- c) The decrease in prepayments of RMB3.6 million was mainly due to the decrease in payments made to suppliers for the purchase of raw materials.
- d) Net decrease in cash and cash equivalents and short-term deposits of RMB20.8 million was mainly due to the net cash used in operating activities amounted to RMB9.8 million, purchase of treasury shares of RMB1.1 million, purchase of plant and equipment and intangible assets (software) of RMB4.1 million during FY2025 and payment of dividends amounting to RMB5.6 million.

The decrease in the above current assets was then partially offset by the following:

- a) The increase in contract assets of RMB8.9 million was due to the increase in works incurred for contracts where billings for contractual milestones have not been satisfied.
- b) The increase in bills receivable of RMB12.9 million was due to the settlement by customers in the form of bills receivables which will then be offset with the trade receivables.

Item by nature	31/12/2025 RMB'000	< 6 months RMB'000	6-12 months RMB'000	1-2years RMB'000	>2years RMB'000
Trade Receivables					
Receivables from sales	35,740	5,838	3,070	7,732	19,100
Less: Impairment losses on trade receivables, net	(24,275)	(2,291)	(490)	(2,970)	(18,524)
Sub-total	11,465	3,547	2,580	4,762	576
Other Receivables					
A. Bills receivable	30,360	30,360	–	–	–
B. Operation cash advances	1,640	1,640	–	–	–
C. Bid bonds	1,357	1,357	–	–	–
D. GST receivables	12	12	–	–	–
Total	44,834	36,916	2,580	4,762	576

2. Review of performance of the Group (cont'd)

B) Balance Sheet Statements(cont'd)

Current liabilities

Current liabilities increased by RMB28.8 million or 27% from RMB106.3 million as at 31 December 2024 to RMB77.5 million as at 31 December 2025.

- a) The decrease in contract liabilities of RMB10.3 million was due to revenue recognition as the Group satisfies the contract obligations according to the Group's revenue recognition policy and there was lesser advance received from customers as at year end.
- b) The decrease in trade and other payables of RMB17.3 million was due to settlements with our suppliers.
- c) The decrease in other liabilities of RMB0.4 million pertains to accrued purchases. It was reclassified from other liabilities to trade payables upon receipt of purchase invoices from suppliers.
- d) The decrease in income tax payable of RMB0.8 million was due to reversal of overprovision of income tax in respect of previous financial years.

C) Cash Flow Statements

Net cash used in operating activities amounted to RMB9.8 million in FY2025, compared to net cash generated from operations of RMB21.6 million in FY2024. The cash outflow was primarily attributable to working capital outlays relating to contract assets, inventories, contract liabilities and settlement of payables.

Net cash generated from investing activities amounted to RMB35.9 million, mainly for the withdrawals of fixed deposits of RMB40.0 million and partially offset by the purchase of property, plant and equipment of RMB3.2 million and intangible assets (software) of RMB0.9 million for FY2025.

Net cash used in financing activities was RMB6.7 million, mainly attributable to the purchase of treasury shares amounting to RMB1.1 million and the final dividend payment of RMB5.6 million for FY2024 which was declared and paid during the reporting period.

As a result, the Group's cash and cash equivalents increased from RMB76.9 million as at 31 December 2024 to RMB96.2 million as at 31 December 2025.

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

The Company has not previously disclosed to shareholders any forecast or prospect statement.

4. 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 operating environment of the petrochemical and chemical industries in the PRC remains competitive and subject to fluctuations in project timing and capital expenditure by customers. The Group expects project execution schedules and order flow to continue to be influenced by customers' investment pace and market conditions.

The Group has continued its strategic efforts to diversify into non-fertiliser industries, which contributed revenue of approximately RMB65.4 million in FY2025, accounting for 44% (RMB87.4 million for FY2024 or 49%) of the total revenue. The Group remains focused on costs discipline and will continue to strengthen its research and development initiatives to enhance long-term competitiveness.

The Group's order book as of 31 December 2025 stood at approximately RMB144.7 million (31 December 2024: RMB130.0 million), of which RMB107.7 million (31 December 2024: RMB56.8 million) was attributable to contracts from non-fertiliser sectors. This reflects the Group's efforts in expanding its business mix into adjacent industries that present potential opportunities for growth.

As the local government in Changsha city is strengthening its emergency response policies and placing emphasis on more stringent enforcement of geographical zoning rules in connection with chemical production units, the catalyst processing unit of the Group housed in our manufacturing facility at No. 539, Lusong Road, Hi-Tech Industrial Development Zone, Changsha, PRC (the "Lusong Road Facilities") is currently under assessment by the relevant government authority. Accordingly, there is a possibility that the Group may be required to cease its catalyst processing activities at the Lusong Road Facilities. In such event, the Group will consider the options available, including relocation of the affected business activities, and decide on an option which is the most commercially viable and least disruptive to the business operations of the Group.

Looking ahead, the Group's integrated capabilities in engineering design, equipment manufacture, catalyst production and technological solutions are expected to support continued growth. In tandem with the global transition towards clean energy, demand for green ammonia, green methanol and green hydrogen is gaining momentum. The Group will continue to focus on cost control, project execution efficiency, continue to build on its R&D foundation and, leverage its portfolio of patented technologies to strengthen its competitiveness and capture opportunities arising from industry transition towards cleaner energy solutions.

5. Dividend information

(a) Current financial year reported on

There is no FY2025 interim dividend declared or paid in the current financial year.

For the financial year ended 31 December 2025, the Directors have recommended a final one-tier tax exempt dividend of RMB0.12 for each ordinary share ("FY25 Final Dividend") as follows, subject to shareholders' approval at the forthcoming Annual General Meeting to be held in April 2026. With this, the total dividends for the financial year ended 31 December 2025 will be RMB0.12 for each ordinary share (FY2024: RMB0.12): -

Name of dividend	FY2025 Final Dividend (proposed)
Dividend type	Cash
Dividend rate	RMB0.12 per share
Tax rate	Tax-exempt (one-tier)

5. Dividend information (cont'd)

(b) Corresponding period of the immediately preceding financial year

The final one-tier tax exempt dividend for the financial year ended 31 December 2024 ("FY24 Final Dividend") was paid out in the current financial year.

The FY24 Final Dividend is as follows:

Name of dividend	FY2024 Final Dividend (proposed)
Dividend type	Cash
Dividend rate	RMB0.12 per share
Tax rate	Tax-exempt (one-tier)

(c) Date payable

To be announced in due course.

(d) Books closure date

To be announced in due course.

6. Interested person transactions

The Group does not have a general mandate from shareholders for interest person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

8. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

Zheng, ZhiZhong
Executive Director and Chief Executive Officer

Dai, FengYu
Executive Director

Singapore
27 February 2026