

Asia Vets Holdings Ltd. and its subsidiary

Condensed interim consolidated financial statements

for the six months and full year ended

31 December 2025

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

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

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

		Group					
	Note	2H2025*	2H2024*	Increase / (decrease)	FY2025**	FY2024**	Increase / (decrease)
		\$'000 (Unaudited)	\$'000 (Unaudited)	%	\$'000 (Unaudited)	\$'000 (Audited)	%
Revenue		1,164	1,157	1	2,320	2,521	(8)
Cost of sales		(884)	(914)	(3)	(1,721)	(1,827)	(6)
Gross profit		280	243	15	599	694	(14)
Other operating income		88	184	(52)	247	402	(39)
Administrative expenses		(798)	(835)	(4)	(1,600)	(1,661)	(4)
Other expenses		(1,700)	(1,400)	21	(5,700)	(1,400)	>100
Finance expenses		(7)	(9)	(22)	(16)	(11)	45
Loss before tax	6, 6.1	(2,137)	(1,817)	18	(6,470)	(1,976)	>100
Income tax expenses	7	-	-	-	-	-	-
Loss for the period/year, representing total comprehensive income attributable to equity holders of the Company		(2,137)	(1,817)	18	(6,470)	(1,976)	>100
Loss per share (in \$ cents)	8						
Basic		(1.46)	(1.24)		(4.43)	(1.35)	
Fully diluted		(1.46)	(1.24)		(4.43)	(1.35)	

N.M. denotes Not Meaningful

* "2H2025" denotes six months ended 31 December 2025 and "2H2024" denotes six months ended 31 December 2024.

** "FY2025" denotes full year ended 31 December 2025 and "FY2024" denotes full year ended 31 December 2024.

B. Condensed interim statements of financial position

		Group		Company	
	Note	As at		As at	
		31/12/2025	31/12/2024	31/12/2025	31/12/2024
		\$'000	\$'000	\$'000	\$'000
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
Non-current assets					
Plant and equipment	10	436	528	-	-
Right-of-use assets	17	269	500	-	-
Investment in a subsidiary	11	-	-	-	471
Goodwill	12	1,305	7,005	-	-
Loans due from a subsidiary	13	-	-	-	3,841
		2,010	8,033	-	4,312
Current assets					
Inventories		87	83	-	-
Trade and other receivables	14	112	717	13	2,034
Prepayments		39	32	9	3
Cash and cash equivalents		7,860	8,101	7,699	7,904
		8,098	8,933	7,721	9,941
Total assets		10,108	16,966	7,721	14,253
Current liabilities					
Trade payables		28	48	-	-
Other payables and accruals		393	519	145	209
Provision for taxation		-	-	-	-
Lease liabilities	17	187	288	-	-
		608	855	145	209
Net current assets		7,490	8,078	7,576	9,732
Non-current liabilities					
Lease liabilities	17	98	239	-	-
		98	239	-	-
Total liabilities		706	1,094	145	209
Net assets		9,402	15,872	7,576	14,044
Equity attributable to equity holders of the Company					
Share capital	16(a)	21,333	21,333	21,333	21,333
Capital reserve	16(b)	228	228	228	228
Revenue reserve		(12,159)	(5,689)	(13,985)	(7,517)
Total equity		9,402	15,872	7,576	14,044
Total equity and liabilities		10,108	16,966	7,721	14,253

C. Condensed interim statements of changes in equity

Group	Share Capital \$'000	Capital Reserves \$'000	Revenue Reserves \$'000	Total Equity \$'000
Opening balance at 1 January 2025 (audited)	21,333	228	(5,689)	15,872
Loss for the year, representing total comprehensive income for the year	-	-	(6,470)	(6,470)
Total comprehensive income for the year	-	-	(6,470)	(6,470)
Closing balance at 31 December 2025 (unaudited)	21,333	228	(12,159)	9,402
Opening balance at 1 January 2024 (audited)	21,333	228	(3,713)	17,848
Loss for the year, representing total comprehensive income for the year	-	-	(1,976)	(1,976)
Total comprehensive income for the year	-	-	(1,976)	(1,976)
Closing balance at 31 December 2024 (audited)	21,333	228	(5,689)	15,872

C. Condensed interim statements of changes in equity (cont'd)

Company	Share Capital \$'000	Capital Reserves \$'000	Revenue Reserves \$'000	Total Equity \$'000
Opening balance at 1 January 2025 (audited)	21,333	228	(7,517)	14,044
Loss for the year, representing total comprehensive income for the year	-	-	(6,468)	(6,468)
Total comprehensive income for the year	-	-	(6,468)	(6,468)
Closing balance at 31 December 2025 (unaudited)	21,333	228	(13,985)	7,576
Opening balance at 1 January 2024 (audited)	21,333	228	(3,820)	17,741
Loss for the year, representing total comprehensive income for the year	-	-	(3,697)	(3,697)
Total comprehensive income for the year	-	-	(3,697)	(3,697)
Closing balance at 31 December 2024 (audited)	21,333	228	(7,517)	14,044

D. Condensed interim consolidated statement of cash flows

	Group	
	FY2025	FY2024
	\$'000	\$'000
	(Unaudited)	(Audited)
Cash flows from operating activities		
Loss before tax	(6,470)	(1,976)
Adjustments for:		
Depreciation of plant and equipment	102	59
Depreciation of right-of-use assets	286	277
Loss on disposal of plant and equipment	1	13
Allowance for goodwill impairment loss	5,700	1,400
Interest income	(190)	(311)
Interest expense	16	11
Government grants	(32)	(18)
Unrealised exchange loss	1	-*
Operating cash flows before working capital changes	(586)	(545)
(Increase)/decrease in inventories	(4)	20
Decrease in trade and other receivables	567	146
Increase in prepayments	(7)	(5)
Decrease in trade and other payables	(146)	(15)
Cash used in operations	(176)	(399)
Interest received	260	228
Net cash flows generated from/(used in) operating activities	84	(171)
Cash flows from investing activities		
Purchase of plant and equipment	(11)	(469)
Net cash flows used in investing activities	(11)	(469)
Cash flows from financing activities		
Repayment of lease liabilities	(297)	(258)
Interest paid	(16)	(11)
Net cash flows used in financing activities	(313)	(269)
Net decrease in cash and cash equivalents	(240)	(909)
Cash and cash equivalents at beginning of the year	8,101	9,010
Effect of exchange rate changes on cash and cash equivalents	(1)	-*
Cash and cash equivalents at end of the year	7,860	8,101

* Between \$500 and (\$500)

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Asia Vets 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**”). The Company is considered to be a de facto subsidiary of Tan Gee Beng Pte. Ltd. In this connection, the immediate and ultimate holding company of the Company is Tan Gee Beng Pte. Ltd., which is incorporated in Singapore.

The registered office and principal place of business of the Company is located at 95 Amoy Street, Singapore 069915.

The principal activity of the Company is investment holding. The principal activities of the subsidiary are disclosed in Note 11 to the condensed interim consolidated financial statements below.

2. Basis of Preparation

The condensed interim consolidated financial statements of the Group for the six months and 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 consolidated financial statements of the Group 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 since the last condensed interim consolidated financial statements for the six months financial period ended 30 June 2025.

The accounting policies and methods of computation adopted are consistent with those adopted by the Group in its most recently audited consolidated financial statements for the year ended 31 December 2024, 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 to the condensed interim consolidated financial statements below.

The condensed interim consolidated financial statements are presented in Singapore Dollar (\$) or SGD) and all values in the tables are rounded to the nearest thousand (\$’000), except when otherwise indicated.

2.1. New and amended standards adopted by the Group

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

2.2. Use of judgements and estimates

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

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited 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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the condensed interim consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Carrying value of goodwill

As disclosed in Note 12 to the condensed interim consolidated financial statements below, the recoverable amount of the cash generating unit ("CGU") which goodwill has been allocated to is determined based on value in use calculation. The value in use calculation is based on a discounted cash flow model. The recoverable amount is most sensitive to the revenue growth rate, budgeted gross profit margin, discount rate used for the discounted cash flow model and the terminal growth rate used for extrapolation purposes. The key assumptions applied in the determination of the value in use including a sensitivity analysis, are disclosed and further explained in Note 12 to the condensed interim consolidated financial statements below.

The carrying amount of the goodwill as at 31 December 2025 is disclosed in Note 12 to the condensed interim consolidated financial statements below.

(b) Impairment assessment of investment in a subsidiary

An impairment exists when the carrying value of an investment in a subsidiary exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years. The recoverable amount is most sensitive to the annual growth rate of the business, the budgeted gross profit margin, the discount rate and the terminal growth rate used for the discounted cash flow model. The carrying amount of the investment as at 31 December 2025 is disclosed in Note 11 to the condensed interim consolidated financial statements below.

(c) Impairment assessment of loans due from a subsidiary

The loans to a subsidiary are subject to expected credit loss ("ECL") assessment at year end. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL 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 the actual default in the future. The information about the ECL on the loans due from subsidiary is disclosed in Note 13 to the condensed interim consolidated financial statements below.

3. Seasonal operations

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

4. Segment and revenue information

The Group operates in Singapore in one business segment, that of provision of veterinary services and sales of veterinary medicines and products to its customers in Singapore.

	Group			
	2H2025	2H2024	FY2025	FY2024
	\$'000 (Unaudited)	\$'000 (Unaudited)	\$'000 (Unaudited)	\$'000 (Audited)
Veterinary services	614	535	1,187	1,175
Sales of veterinary medicines and products	550	622	1,133	1,346
Total revenue recognised at point in time	1,164	1,157	2,320	2,521

No geographical segment information has been prepared as the Group's assets and operations are all located in Singapore.

A breakdown of sales as follows:

		Group		
		FY2025	FY2024	Increase / (decrease)
		\$'000	\$'000	%
		(Unaudited)	(Audited)	
(a)	Sales reported for first half year	1,156	1,364	(15)
(b)	Operating loss after tax before deducting non-controlling interests reported for first half year	(4,333)	(159)	>100
(c)	Sales reported for second half year	1,164	1,157	1
(d)	Operating loss after tax before deducting non-controlling interests reported for second half year	(2,137)	(1,817)	18

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	
	As at		As at	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	\$'000	\$'000	\$'000	\$'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<u>Financial assets</u>				
Trade and other receivables	112	717	13	2,034
Cash and cash equivalents	7,860	8,101	7,699	7,904
Loans due from a subsidiary	-	-	-	3,841
Total financial assets carried at amortised cost	7,972	8,818	7,712	13,779
<u>Financial liabilities</u>				
Trade payables	28	48	-	-
Other payables and accruals	393	519	145	209
Lease liabilities	285	527	-	-
	706	1,094	145	209
Less: Goods and services tax ("GST") payable, net	(35)	(20)	-	-
Total financial liabilities carried at amortised cost	671	1,074	145	209

6. Loss before tax

6.1. Significant items

	Group				
	2H2025	2H2024	Increase / (decrease)	FY2025	FY2024
	\$'000 (Unaudited)	\$'000 (Unaudited)	%	\$'000 (Unaudited)	\$'000 (Audited)
Income					
Interest income	52	163	(68)	190	311
Government grants	36	21	71	57	91
Expenses					
Professional fee	58	58	-	138	181
Depreciation of plant and equipment	51	39	31	102	59
Depreciation of right-of-use assets	143	186	(23)	286	277
Loss on disposal of plant and equipment	-	13	N.M.	1	13
Employee benefits expense	873	894	(2)	1,675	1,675
Interest expense	7	9	(22)	16	11
Allowance for goodwill impairment loss	1,700	1,400	21	5,700	1,400

N.M. denotes Not Meaningful

6.2. Related party transactions

	Group			
	2H2025	2H2024	FY2025	FY2024
	\$'000 (Unaudited)	\$'000 (Unaudited)	\$'000 (Unaudited)	\$'000 (Audited)
Compensation of key management personnel				
Short term benefits	305	346	592	633
CPF contributions	21	24	41	43
Directors' fees	68	56	135	240
	394	426	768	916
Comprises amounts paid to:				
Directors of the Company	230	242	460	585
Other key management personnel	164	184	308	331
	394	426	768	916

There are no material related party transactions apart from those disclosed elsewhere in the condensed interim consolidated financial statements.

7. Income tax expenses

There are no income tax expenses or credit for FY2025 and FY2024.

8. Loss per share

Basic loss per share (“LPS”) is computed by dividing the loss attributable to the owners of the Group in each financial period/year by the weighted average number of ordinary shares outstanding during the respective financial period/year.

For computation of fully diluted LPS, the weighted average number of ordinary shares in issue has been adjusted, where applicable, for any dilutive effect of potential ordinary shares arising from the settlement of contingent liabilities.

	Group			
	2H2025	2H2024	FY2025	FY2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Loss attributable to owners of the Group (\$'000)	(2,137)	(1,817)	(6,470)	(1,976)
LPS, based on loss attributable to owners of the Group				
- Basic (\$ cents)	(1.46)	(1.24)	(4.43)	(1.35)
- Fully diluted (\$ cents)	(1.46)	(1.24)	(4.43)	(1.35)
Weighted average number of ordinary shares in issue ('000):				
- Basic	146,146	146,146	146,146	146,146
- Fully diluted	146,146	146,146	146,146	146,146

9. Net Asset Value (“NAV”)

	Group		Company	
	As at		As at	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
NAV per ordinary share (\$ cents)	6.43	10.86	5.18	9.61
Number of shares used in computation of NAV per share ('000)	146,146	146,146	146,146	146,146

10. Property, plant and equipment

During FY2025, the Group acquired assets amounting to approximately \$11,000 (FY2024: approximately \$469,000) and disposed of assets amounting to approximately \$5,000 (FY2024: approximately \$175,000).

11. Investment in a subsidiary

	Company	
	As at	
	31/12/2025	31/12/2024
	\$'000	\$'000
	(Unaudited)	(Audited)
Shares, at cost	-*	-*
Investment in a subsidiary	4,294	4,294
Transaction cost relating to the acquisition	1,926	1,926
Allowance for impairment loss	(6,220)	(5,749)
	-	471

* Less than \$500

As at 30 June 2025, the Company carried out a review of the investment in its subsidiary, having regard for indicators of impairment on investment in the subsidiary based on the existing performance of the subsidiary. Following the review, an impairment loss of approximately \$0.47 million was recognised for the cost of investment in the subsidiary for FY2025 (FY2024: \$2.60 million).

Details of the Company's subsidiary as at 31 December 2025 are as follows:

Name of subsidiary	Country of incorporation and principal place of business	Principal activities	31/12/2025	31/12/2024
			%	%
Held by the Company				
AVH Animal Ark Pte.Ltd.	Singapore	Own and operate veterinary clinics	100%	100%

12. Goodwill

	Group	
	As at	
	30/06/2025	31/12/2024
	\$'000	\$'000
	(Unaudited)	(Audited)
Cost	8,405	8,405
Allowance for goodwill impairment loss	(7,100)	(1,400)
	1,305	7,005

Impairment testing of goodwill

As at 31 December 2025, the recoverable amount of the CGU, AVH Animal Ark Pte. Ltd. ("AVHAA"), has been determined based on value-in-use calculations using management-approved discounted cash flow projections covering a period of 5 years (31 December 2024: 5 years) and projected to terminal year. Management assessed 5 years cash flows and projection to terminal year for the financial forecast of the CGU is appropriate considering management's plan for its business plan in the near future. The forecasted revenue growth rate, budgeted gross profit margin, terminal growth rate and post-tax discount rate used in the cash flow projections over the 5-year period are as follows:

	FY2025	FY2024
Revenue growth rate	-9.0% to 3.0%	2.6% to 18.5%
Terminal growth rate	1.9%	1.9%
Budgeted gross profit margin	32.1%	33.1% to 40.0%
Post-tax discount rate	10.0%	10.0%

Key assumptions used in the value in use calculations

The calculations of value in use are most sensitive to the following assumptions:

Revenue growth rate – The forecasted growth rates are based on management's expectations with reference to the historical trends and future operational changes.

Terminal growth rate – Management estimates terminal growth rate reflects current market assessment of the time value of money and the risks specific to the CGUs.

Budgeted gross profit margin – Gross margin of 32.1% is applied for based on historical gross profit margins.

Post-tax discount rate – Discount rates represent the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

With regards to the assessment of value in use for the veterinary business, any adverse change in the key assumptions would result in further impairment loss in goodwill.

The financial impacts on the profit and loss as a result of the changes in key assumptions are disclosed below:

Key assumptions	Range	Sensitivity of the input to recoverable amount
Revenue growth rate	Number of veterinarians decreased by 1	Additional impairment of approximately \$867,000.
Budgeted gross profit margin	Decreased by 0.5%	Additional impairment of approximately \$115,000.
Terminal growth rate	Decreased by 0.5%	Additional impairment of approximately \$63,000.
Discount rate	Increased by 0.5%	Additional impairment of approximately \$80,000.

13. Loans due from a subsidiary

	Company	
	As at	
	31/12/2025	31/12/2024
	\$'000	\$'000
	(Unaudited)	(Audited)
Non-current:		
Loans due from subsidiary at cost	5,933	5,627
Allowance for expected credit loss	(5,933)	(1,786)
Net carrying amount	-	3,841

The loans due from subsidiary are unsecured, interest-free and repayable in August 2023 and March 2026 respectively. In February 2022, the Board has approved the extension of the repayment dates to December 2030 and December 2031 respectively. All amounts are expected to be settled in cash.

As at 30 June 2025, the Company carried out a review of impairment assessment for the loans due from subsidiary based on the existing performance of the subsidiary and its ability to meet the repayment obligations. Following the review, an additional ECL allowance of approximately \$4.15 million is recognised for FY2025 (FY2024: \$1.27 million) and the loans due from subsidiary are fully impaired.

14. Trade and other receivables

	Group		Company	
	As at		As at	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	\$'000	\$'000	\$'000	\$'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Trade receivables	2	6	-	-
Interest receivable	13	83	13	83
Grant receivable	32	18	-	-
Sundry deposits	65	64	-	-
Other receivables				
- Third parties	-*	546	-	546
- Subsidiary	-	-	2,109	1,475
Less: Allowance for expected credit losses	-	-	(2,109)	(70)
Total trade and other receivables	112	717	13	2,034
Add:				
Cash and cash equivalents	7,860	8,101	7,699	7,904
Loans due from a subsidiary (Note 13)	-	-	-	3,841
Total loans and receivables	7,972	8,818	7,712	13,779

* Less than \$500

Trade receivables

Trade receivables are unsecured, non-interest bearing and are normally settled on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Other receivables

As at 31 December 2024, other receivables from third parties relate to the professional fees incurred for the proposed acquisition of the entire issued and paid-up share capital in AIDigi Holdings Pte. Ltd. from RHT AIDigi Financial Holdings Pte. Ltd. (the "**Vendor**") (the "**Proposed Acquisition**"). The conditional sale and purchase agreement and supplemental agreements in relation to the Proposed Acquisition have lapsed in June 2024. The outstanding amount has been fully received as at 31 December 2025.

Other receivables from subsidiary are unsecured, non-interest bearing and repayable on demand.

Expected credit losses

The movement in allowance for expected credit losses of other receivables from subsidiary computed based on three-stage ECL model are as follows:

	Company	
	2025	2024
	\$'000 (Unaudited)	\$'000 (Audited)
Movement in allowance accounts:		
Balance as at 1 January	70	-
Charge for the year	2,039	70
Balance as at 31 December	2,109	70

15. Borrowings

The Group and the Company do not hold any borrowings and debt securities as at 31 December 2025 and 31 December 2024.

16. Share capital and capital reserve

(a) Share capital

	Group and Company			
	2025		2024	
	Number of shares	Resultant issued share capital	Number of shares	Resultant issued share capital
	'000	\$'000	'000	\$'000
At 1 January, 30 June and 31 December	146,146	21,333	146,146	21,333

There was no movement in the Company's issued and paid-up share capital since the end of the previous financial period reported on.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

The Company has no shares that may be issued on conversion of outstanding convertibles as 31 December 2025 and 31 December 2024.

The Company has neither treasury shares nor subsidiary holdings as at 31 December 2025 and 31 December 2024.

There was no sale, transfer, cancellation and/or use of treasury shares and subsidiary holdings during FY2025.

(b) Capital reserve

Capital reserve represents the value ascribed to the bonus issue warrants and will be transferred to the share capital account when the bonus issue warrants are exercised. The balance as at period/year end is net of subscription fee and issuance expenses. The bonus issue warrants have expired on 30 June 2020 and not exercised.

17. Right-of-use assets/lease liabilities

Group as a lessee

The Group has lease contracts for its office and veterinary clinics. These leases have an average tenure of between one to three years. There are no restrictions placed upon the Group by entering into these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Properties
	\$'000
Cost:	
At 1 January 2024	514
Additions	635
Disposals	(504)
At 31 December 2024 and 1 January 2025	645
Additions	55
Disposals	(55)
At 31 December 2025	645
Accumulated depreciation:	
At 1 January 2024	372
Charge for the year	277
Disposal	(504)
At 31 December 2024 and 1 January 2025	145
Charge for the year	286
Disposal	(55)
At 31 December 2025	376
Net carrying amount:	
At 31 December 2024	500
At 31 December 2025	269

Set out below are the carrying amounts of lease liabilities, movements during the period and reconciliation of liability arising from the Group's financing activity:

	FY2025 \$'000	FY2024 \$'000
At 1 January	527	150
Additions	55	635
Accretion of interest	16	11
Payments		
- Principal	(297)	(258)
- Interest	(16)	(11)
	(313)	(269)
At 31 December	285	527
Current	187	288
Non-current	98	239
	285	527

The following are the amounts recognised in profit or loss:

	FY2025 \$'000	FY2024 \$'000
Depreciation expense of right-of-use assets	286	277
Interest expense on lease liabilities	16	11
	302	288

The Group had total cash outflow for leases of \$313,000 (2024: \$269,000) in 2025.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leases portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

18. Subsequent events

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

F. Other Information Required Pursuant to Appendix 7C of the Catalyst Rules

1. Review

The condensed consolidated statement of financial position of Asia Vets Holdings Ltd. and its subsidiary 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 six months and full year ended 31 December 2025 and explanatory notes have not been audited or reviewed by the Company's auditors.

1A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The Group's latest audited consolidated financial statements for the financial year ended 31 December 2024 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

2. Review of performance of the Group

(a) Statement of Profit and Loss and Other Comprehensive Income

Revenue, Cost of sales and Gross profit

The Group's revenue is derived from rendering of veterinary services and sales of veterinary medicines and products. It decreased by \$0.20 million or 8%, from \$2.52 million for FY2024 to \$2.32 million for FY2025. The decrease was mainly due to i) the lower revenue contribution from one of the relocated clinics; and ii) one of the veterinarians being on maternity leave since the second quarter of 2025.

The Group's cost of sales includes purchase of veterinary medicine and consumables, and employee benefits paid to veterinarians, vet technicians and vet nurses. It decreased by \$0.11 million or 6%, from \$1.83 million for FY2024 to \$1.72 million for FY2025. The decrease was mainly due to the decreased purchase of veterinary medicine and consumables, which was in line with the decrease in revenue in FY2025.

Gross profit for FY2025 was \$0.60 million and gross profit margin was 25.8%. Gross profit for FY2024 was \$0.69 million and gross profit margin was 27.5%. The decrease in gross profit margin by 1.7 percentage points was attributable to the higher decrease in revenue as compared to the decrease in cost of sales in FY2025.

Other operating income

Other operating income comprises mainly interest income from short-term deposits and government grants. The amount decreased from \$0.40 million for FY2024 to \$0.25 million for FY2025.

Government grants relate to:

- (i) the Progressive Wage Credit Scheme;
- (ii) the Government-Paid Maternity Leave Scheme;
- (iii) cash rebate for corporate income tax; and

(iv) the CPF Transition Offset.

Government grants decreased from \$0.09 million for FY2024 to \$0.06 million for FY2025 mainly due to a decrease in the Progressive Wage Credit Scheme, which was partially offset by an increase in the Government-Paid Maternity Leave Scheme.

Interest income decreased from \$0.31 million for FY2024 to \$0.19 million for FY2025 mainly due to lower interest rate for FY2025, as compared to FY2024.

Please refer to Note 6.1 to the condensed interim consolidated financial statements above for details.

Administrative expenses

Administrative expenses mainly relate to general office expenses, administrative staff costs, professional fees, listing expenses and depreciation charges. It decreased from \$1.66 million for FY2024 to \$1.60 million for FY2025. The decrease in professional fees, directors' fees, training expenses, utilities, repair and maintenance expenses and merchant charges was partially offset by the increase in depreciation charges and marketing expenses in FY2025. The increase in depreciation charges was due to i) purchase of new equipment; ii) renovation of the two relocated clinics in the third quarter of FY2024; and iii) new leases entered into for the two relocated clinics since the third quarter of FY2024. The increase in marketing expenses was to improve the relocated clinics' awareness.

Please refer to Note 6.1 to the condensed interim consolidated financial statements above for details.

Other expenses

Other expenses in FY2025 relate to impairment of goodwill arising from the acquisition of AVHAA. It increased from \$1.40 million for FY2024 to \$5.70 million for FY2025.

Please refer to Note 12 to the condensed interim consolidated financial statements above for details.

Finance expenses

Finance expenses relate to interest expenses on lease liabilities arising from right-of-use assets. It increased from approximately \$11,000 for FY2024 to approximately \$16,000 for FY2025.

Income tax expenses

There was no income tax expense in FY2025 and FY2024 due to loss incurred by the Group.

Loss for the year

As a result of the above, the Group recorded a loss for the year of \$6.47 million for FY2025, as compared to a loss for the year of \$1.98 million for FY2024.

(b) Statement of Financial Position

Non-current assets

Plant and equipment comprise veterinary and medical equipment, office equipment, computer and software, furniture and fixtures and renovation. It decreased from \$0.53 million as at 31 December 2024 to \$0.44 million as at 31 December 2025, mainly due to depreciation charges incurred in FY2025.

Right-of-use assets relate to leases of veterinary clinics and office premise occupied by the Group. It decreased from \$0.50 million as at 31 December 2024 to \$0.27 million as at 31 December 2025, mainly due to depreciation charges incurred in FY2025, partially offset by the renewal of office lease in the third quarter of FY2025.

Goodwill arising from the acquisition of AVHAA decreased from \$7.01 million as at 31 December 2024 to \$1.31 million as at 31 December 2025, due to the impairment loss of \$5.70 million recorded in FY2025.

Current assets

Inventories mainly comprise veterinary medicine, clinic consumables and pet food. It increased from \$83,000 as at 31 December 2024 to \$87,000 as at 31 December 2025. The increase in inventories was due to the higher purchases of inventories in the month of December 2025.

Trade and other receivables mainly comprise trade receivables, interest receivables, deposits, and other receivables. It decreased from \$0.72 million as at 31 December 2024 to \$0.11 million as at 31 December 2025, mainly due to the decrease in other receivables from third parties, in relation to the professional fees incurred for the Proposed Acquisition, being reimbursed from the Vendor. Please refer to Note 14 to the condensed interim consolidated financial statements above for details.

Prepayments increased slightly from approximately \$32,000 as at 31 December 2024 to approximately \$39,000 as at 31 December 2025.

Current liabilities

Trade payables decreased from approximately \$48,000 as at 31 December 2024 to approximately \$28,000 as at 31 December 2025, due to the higher portion of cash purchases in FY2025.

Other payables and accruals comprise mainly professional fees, directors' fees, staff bonus and GST payable. Other payables and accruals decreased from \$0.52 million as at 31 December 2024 to \$0.39 million as at 31 December 2025 due to decrease in director fees.

Lease liabilities (current portion) relate to veterinary clinics and office premise leases which are due within the next 12 months after 31 December 2025. It decreased from \$0.29 million as at 31 December 2024 to \$0.19 million as at 31 December 2025, mainly due to one of its leases nearing the end of its lease term, resulting in lower remaining payments within the next 12 months.

Non-current liabilities

Lease liabilities (non-current portion) relate to veterinary clinics and office premise leases which are due after the next 12 months after 31 December 2025. It decreased from \$0.24 million as at 31 December 2024 to \$0.10 million as at 31 December 2025, mainly due to a reclassification of amount due within the next 12 months after 31 December 2025 from non-current liabilities to current liabilities.

Working capital

The Group reported a positive working capital position of \$7.49 million as at 31 December 2025 (\$8.08 million as at 31 December 2024).

(c) Statement of Cash Flows

Net cash generated from operating activities amounted to \$0.08 million for FY2025. The net cash flow generated from operating activities was due to (i) the operating cash outflows before working capital changes of \$0.59 million; (ii) net working capital inflow of \$0.41 million; and (iii) interest received of \$0.26 million. The net working capital inflow was attributable to a decrease in trade and other receivables of \$0.57 million, which was partially offset by (i) a decrease in trade and other payables of \$0.15 million, (ii) an increase in prepayments of approximately \$7,000, and (iii) an increase in inventories of approximately \$4,000.

Net cash used in investing activities for FY2025 amounted to \$0.01 million and was due to the purchase of veterinary and medical equipment, and other fixed assets.

Net cash used in financing activities for FY2025 amounted to \$0.31 million and was mainly due to the repayment of lease liabilities.

As a result of the above, the Group's cash and cash equivalents decreased from \$8.10 million as at 31 December 2024 to \$7.86 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.

No forecast or prospect statement was previously disclosed to shareholders.

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 Group has relocated its veterinary clinics in the third quarter of 2024 and one of the Group's clinic leases is expiring in the second quarter of 2026. As of date, management is working on the renewal or extension of current lease. The Group will make the necessary announcements as and when there are further material developments on this matter.

5. Dividend information

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

No.

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

5c. Date Payable

Not applicable.

5d. The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

5e. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision

No dividend has been declared (recommended) for FY2025 as the Board of Directors of the Company deems it appropriate to conserve cash for the Group's business activities and growth.

5f. Total Annual Dividend

Not applicable.

6. Interested person transactions ("IPTs")

The Group has not obtained a general mandate from shareholders of the Company for IPTs and there were no IPTs entered into in FY2025.

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

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

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

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who are a relative of a director, chief executive officer or substantial shareholder of the Company.

9. Disclosure of acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period pursuant to Rule 706A of the Catalist Rules

The Group does not have any acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period, up to 31 December 2025.

**BY ORDER OF THE BOARD
ASIA VETS HOLDINGS LTD.**

Tan Tong Guan
Executive Chairman and Chief Executive Officer

Henry Tan Song Kok
Lead Independent Director

Singapore
24 February 2026