

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(B) OR 12(G) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 001-41772

OIO Group

(formerly known as ESGL Holdings Limited)
(Exact name of Registrant as specified in its charter)

Not applicable

(Translation of Registrant's name into English)

Cayman Islands

(Jurisdiction of incorporation or organization)

101 Tuas South Avenue 2
Singapore 637226

(Address of Principal Executive Offices)

Mr. Quek Leng Chuang, Chief Executive Officer
101 Tuas South Avenue 2
Singapore 637226
Tel: +65 6653 2299
Email: queklc@env-solutions.com

(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Ordinary shares, par value \$0.0003 per share	OIO	The Nasdaq Stock Market LLC
Warrants to purchase ordinary shares	OIOWW	The Nasdaq Stock Market LLC

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 348,022,108 ordinary shares and 9,317,331 warrants.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of “large accelerated filer”, “accelerated filer,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards[†] provided pursuant to Section 13(a) of the Exchange Act.

[†] The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting Standards as issued by the International Accounting Standards Board

Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 Item 18

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual report on Form 20-F is being filed by OIO Group (formerly known as ESGL Holdings Limited), a Cayman Islands business company. Unless otherwise stated or unless the context otherwise requires, the terms “Company,” “the registrant,” “our company,” “the company,” “we,” “us,” “our,” “ours” and “OIO” refer to OIO Group, a Cayman Islands business company, and its subsidiaries. References to “ESGH” and “Environmental Solutions Group Holdings Limited” refer to Environmental Solutions Group Holdings Limited, a Cayman Islands exempted company. References to ESA refer to Environmental Solutions (Asia) Pte Ltd, a company incorporated in Singapore. “S\$” refers to the legal currency of Singapore.

Forward-looking statements are typically identified by words such as “plan,” “believe,” “expect,” “anticipate,” “intend,” “outlook,” “estimate,” “forecast,” “project,” “continue,” “could,” “may,” “might,” “possible,” “potential,” “predict,” “should,” “would” and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this report may include, for example, statements about:

- our business strategies and outcomes;
- our financial performance;
- government regulations governing business operations, and in particular those governing the environmental industry;
- macro-economic conditions in Singapore;
- the outcome of any known and unknown litigation and regulatory proceedings.

These forward-looking statements are based on information available as of the date of this report, and current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

You should not place undue reliance on these forward-looking statements. New risk factors and uncertainties emerge from time to time and it is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. As a result of a number of known and unknown risks and uncertainties, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements.

This report also contains statistical data and estimates that we obtained from industry publications and reports generated by third-party providers of market intelligence. These industry publications and reports generally indicate that the information contained therein was obtained from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information.

INTRODUCTION

We are a holding company primarily operating in Singapore through our subsidiary, Environmental Solutions (Asia) Pte. Ltd. (“ESA”). Unless otherwise stated or unless the context otherwise requires, the terms “Company,” “the registrant,” “our company,” “the company,” “we,” “us,” “our,” “ours,” “OIO Group” and “OIO” refer to OIO Group (formerly known as ESGL Holdings Limited), a Cayman Islands business company, and its subsidiaries.

Our consolidated financial statements are presented in U.S. dollars. All references in this annual report to “\$,” “U.S. \$,” “U.S. dollars” and “dollars” mean U.S. dollars, unless otherwise noted.

All share and per-share amounts for all periods presented have been retroactively restated or adjusted to give effect to the one-for-three (1-for-3) reverse share split effected by the Company on April 24, 2026.

On August 2, 2023, we completed a merger with Genesis Unicorn Capital Corp., a Delaware corporation (“GUCC”), and our Ordinary Shares and warrants began trading on the Nasdaq Stock Exchange on August 4, 2023. The Company, GUCC, ESGH Merger Sub Corp, a Cayman Islands exempted company and wholly-owned subsidiary of the Company (the “Merger Sub”), and Environmental Solutions Group Holdings Limited, a Cayman Islands exempted company (“Legacy ESGL”), entered into a Merger Agreement dated as of November 29, 2022 (the “Merger Agreement”). The Merger Agreement provided for a business combination which was effected in two steps: (i) GUCC reincorporated to Cayman Islands by merging with and into the Company, with the Company remaining as the surviving publicly traded entity (the “Reincorporation Merger”); and (ii) following the Reincorporation Merger, Merger Sub merged with and into Legacy ESGL, resulting in Legacy ESGL being a wholly owned subsidiary of the Company (the “Acquisition Merger,” together with Reincorporation Merger, the “Business Combination”).

On February 26, 2025, OIO entered into a share purchase agreement (the “Agreement”) with De Tomaso Automobili Holdings Limited, a Cayman Islands exempted company (“DT” or “De Tomaso”), and certain of DT’s shareholders named therein, including De Tomaso Automobili Holdings Limited, a Marshall Islands company, and Ideal Team Ventures Limited, a British Virgin Islands company, pursuant to which OIO agreed to purchase from the DT shareholders, and the DT shareholders agreed to sell to OIO, the entire issued share capital of DT, for the Consideration (as defined below), such that upon the closing, DT shall become a direct wholly-owned subsidiary of OIO, and the DT shareholders shall become shareholders of OIO (the “Acquisition”). The Acquisition closed on April 24, 2026.

Pursuant to the terms of the Agreement, the aggregate consideration paid by OIO at the closing of the Acquisition to the DT shareholders was \$1,030,000,000 (the “Consideration”), which was paid in 333,333,334 newly issued Ordinary Shares (the “Consideration Shares”) at a deemed issue price of \$3.09 per share. In addition, subject to DT and its subsidiaries (the “DT Group”) having achieved the FY2025 Performance Target and the FY2026 Performance Target, OIO shall issue additional Ordinary Shares to the DT shareholders equal to 5% of the number of Consideration Shares (the “Earnout Shares”) for each fiscal year. The total number of Earnout Shares that may be issued in both FY2025 and FY2026 shall not exceed 10% of the number of the Consideration Shares. In the event that the FY2025 Performance Target is not satisfied by the end of 2025 but the FY2025 Performance Target and the FY2026 Performance Target have been satisfied by the end of FY2026, all of the Earnout Shares in respect of both fiscal years (to the extent not yet issued) shall be issued to the DT shareholders. The “FY2025 Performance Target” stipulates that 36 units of DT vehicles be delivered to and accepted by its customers in the year was not met as at end of December 31, 2025. The “FY2026 Performance Target” requires 74 units of DT vehicles to be delivered and accepted by its customers in the year.

In anticipation of the Acquisition, OIO held an extraordinary general meeting on June 10, 2025, where a proposal to change the Company’s name from “ESGL Holdings Limited” to “OIO Group” was approved by shareholders. On December 4, 2025, the Cayman Islands Registrar of Companies issued a Certificate of Incorporation on Change of Name in accordance with the requirements of Companies Act (Revised) of the Cayman Islands to reflect the name change. On March 10, 2026, the Ordinary Shares and Public Warrants commenced trading on the Nasdaq Capital Market under the new name, and the Company’s ticker symbols changed to “OIO” and “OIOWW,” respectively.

In connection with the Acquisition, the Company sought and obtained shareholder approval for a reverse share split (the “RSS”) at an extraordinary general meeting held on June 10, 2025. Pursuant to such approval, the Company’s authorised share capital was to be restructured from US\$300,000 divided into 3,000,000,000 ordinary shares with a par value of US\$0.0001 each to US\$300,000 divided into 1,000,000,000 ordinary shares with a par value of US\$0.0003 each, effected by way of a consolidation of every three (3) issued and unissued ordinary shares into one (1) ordinary share. The RSS was effected on April 24, 2026 concurrently with the completion of the Acquisition. Subsequently, the Company commenced trading on the Nasdaq Capital Market under the ticker symbol “OIO.”

Further, in this annual report:

- “\$” or “US\$” or “U.S. dollars” or “USD” refers to the legal currency of the United States.
- “Acquisition” means the transactions contemplated by the share purchase agreement dated February 26, 2025 between the Company, De Tomaso and the other parties named therein.
- “Amended and Restated Articles of Association” means OIO’s amended and restated articles of association adopted by special resolutions dated July 28, 2023 and effective on August 2, 2023.
- “Amended and Restated Memorandum and Articles of Association” means OIO’s amended and restated memorandum and articles of association adopted by special resolutions dated July 28, 2023 and effective on August 2, 2023.
- “Amended and Restated Memorandum of Association” means OIO’s amended and restated memorandum of association adopted by special resolutions dated July 28, 2023 and effective on August 2, 2023.
- “Board” means the board of directors of the Company.
- “Business Combination” means the Merger contemplated by the Merger Agreement.
- “Code” means the Internal Revenue Code of 1986, as amended.
- “Company” means OIO Group.
- “De Tomaso” or “DT” means De Tomaso Automobili Holdings Limited, a Cayman Islands exempted company.
- “DT DE” means De Tomaso Automobili GmbH, a company incorporated in Germany
- “DT UK” means De Tomaso Automobili Limited, a company incorporated in the United Kingdom
- “DT HK” means De Tomaso Automobili Limited, a company incorporated in Hong Kong
- “DT US” means De Tomaso Automobili Holdings N.A. LLC, a company incorporated in the United States of America
- “ESA” means Environmental Solutions (Asia) Pte. Ltd., which was incorporated under the laws of Singapore on May 8, 1999.
- “ESGC” means ESG Chemicals Sdn. Bhd. which was incorporated under the laws of Malaysia on December 22, 2023.
- “ESGH” means Environmental Solutions Group Holdings Limited, a holding company incorporated under the laws of the Cayman Islands as an exempted company with limited liability on June 14, 2022.
- “OIO” means OIO Group (formerly known as ESGL Holdings Limited), a holding company incorporated under the laws of the Cayman Islands as an exempted company with limited liability on November 18, 2022.
- “Exchange Act” means the Securities Exchange Act of 1934, as amended.
- “GAAP” means accounting principles generally accepted in the United States of America.
- “Group” means OIO and its subsidiaries, including ESGH, ES BVI, ESA and ESGC.
- “GUCC” means Genesis Unicorn Capital Corp., a Delaware corporation.
- “IASB” means International Accounting Standards Board.
- “IFRS” means International Financial Reporting Standards as issued by the IASB.
- “IRS” means the United States Internal Revenue Service.
- “Merger” means the transactions contemplated by the Merger Agreement.
- “Merger Agreement” means that certain Agreement and Plan of Merger, dated as of November 29, 2022, as may be amended from time to time, by and among OIO, GUCC, ESGH, and the other parties named therein.
- “Ordinary Shares” means the ordinary shares, \$0.0003 par value per share, of OIO.
- “Public Warrants” or “public warrants” means the public warrants issued in the IPO, with each Public Warrant entitling the holder to purchase one Ordinary Share.
- “SEC” means the U.S. Securities and Exchange Commission.
- “Securities Act” means the Securities Act of 1933, as amended.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Risks Relating to the Group's Business and Industry

For the two years ended December 31, 2025 and 2024, the Group has incurred operating losses and may incur significant losses for the foreseeable future. The Group may not generate sufficient revenue or become profitable or, if it achieves profitability, it may not be able to sustain it.

For the two years ended December 31, 2025 and 2024, the Group's net losses were approximately US\$4.7 million and US\$0.6 million, respectively. The increase in net loss of approximately US\$4.1 million was mainly due to (i) increase in employee benefits expense of US\$1.2 million arising from the Group's Equity Incentive Plan; (ii) expensing of labor costs of US\$0.9 million incurred in maintaining and developing the Company's solid industrial waste thermal processing and spent catalyst system and the physical-chemical treatment of acid and alkali wastes projects. The increase in labor costs recognized as an expense, rather than capitalized as in prior periods, was primarily due to the nature of the activities undertaken during the year. A larger proportion of such costs related to routine maintenance, operational optimization, and incremental process improvements that did not meet the capitalization criteria under applicable accounting standards. This treatment is consistent with the Group's accounting policies and reflects a more mature stage of project development, where efforts are increasingly focused on enhancing operational efficiency and reliability; (iii) higher inventory costs and (iv) higher logistics costs, mainly relating to transportation and disposal. The above expenses increased by approximately US\$1.2 million, US\$1.1 million, US\$0.8 million and US\$0.3 million respectively. The other major contributors to the net loss were expenses incurred in connection with the depreciation of property, plant and equipment and amortization of intangible assets. The Group may continue to incur losses for the foreseeable future as it continues its research and development activities, pursues potential mergers and acquisitions, seeks product certification approvals in the territories it has identified, hires additional personnel, obtains and protects its intellectual property and incurs additional costs for commercialization or to expand its pipeline of waste materials it collects and the circular products it generates from the recycled waste collected from its customers with respect to its waste collection and disposal services.

As of December 31, 2025, the Group had an accumulated deficit of US\$105.4 million (2024: US\$100.6 million). The significant accumulated losses were mainly attributable to the carried-forward non-operational and non-recurring listing expenses of approximately US\$93.1 million incurred in FY2023 that was largely related to the accounting treatments tied to the Business Combination and revaluation of the Forward Purchase Agreement (FPA). Excluding these one-off charges, the Group's operational fundamentals have remained resilient despite ongoing investments in growth.

To become and remain profitable, the Group must increase its operating capacity to treat higher volumes of wastes and succeed in developing and eventually commercializing circular products that can generate sufficient revenue. In that regard, the Group has signed an offtake agreement for calcium fluoride with a buyer to purchase 500 tons monthly. This arrangement is expected to commence in March 2026.

In addition, the Group has not yet demonstrated an ability to successfully overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the environmental services industry. Because of these numerous risks and uncertainties, the Group is unable to accurately predict the timing or amount of increased expenses or when, or if, it will be able to achieve profitability. Even if the Group achieves profitability, it may not be able to sustain or increase profitability on a quarterly or annual basis. Its failure to become and remain profitable would depress the value of the Company and could impair the ability of the Company to raise capital, expand its business, maintain its research and development efforts, diversify its products, or even continue its operations. A decline in the value of the Company could also cause you to lose all or part of your investment.

The environmental services industry is highly competitive and includes competitors that may have greater financial and operational resources, flexibility to reduce prices or other competitive advantages that could make it difficult for the Group to compete effectively.

The Group principally competes with waste management companies who collect and dispose the waste the Group needs for its waste management and treatment processes. Competition for waste collection is typically based on factors such as geographic location, quality of services, ease of doing business and/or price. The Group's competitors may have greater financial and operational resources than we do. They could also seek to gain market share by reducing the prices they charge customers, introducing products and solutions that are similar to the Group's or introducing new technology tools. If the Group were to lose market share or if it were to lower prices to address competitive issues, it could negatively impact the Group's consolidated financial condition, results of operations and cash flows.

The Group requires a significant amount of capital to fund its operations and growth. If the Group cannot obtain sufficient capital on acceptable terms, its business, financial condition, and prospects may be materially and adversely affected.

The Group requires a significant amount of capital and resources for its operations and continued growth. The Group expects to make significant investments to develop new operating capabilities and technology, which are fundamental to the Group's business operations and future growth. However, the Group cannot assure you that these investments will generate the optimal returns, if at all. To date, the Group has historically funded its cash requirements primarily through the issuance of Ordinary Shares, cash generated by operations and borrowings from banks. If these resources are insufficient to satisfy the Group's cash requirements, the Group may seek to raise funds through additional equity offering or debt financing or additional bank facilities. The Group's ability to obtain additional capital in the future, however, is subject to a number of uncertainties, including those relating to its future business development, financial condition, and results of operations, general market conditions for financing activities by companies in its industry, and macro-economic and other conditions. If the Group cannot obtain sufficient capital on acceptable terms to meet its capital needs, the Group may not be able to execute its growth strategies, and the Group's business, financial condition, and prospects may be materially and adversely affected.

The Group did not meet its revenue projection for the fiscal year ended 2025.

The Group's projected revenue for fiscal year 2025 was between approximately US\$6.2 million and US\$7.5 million. Actual revenue for fiscal year 2025 was approximately US\$5.8 million. The Group did not meet its 2025 revenue projection primarily due to lower-than-expected revenue from the sale of circular products.

The variance reflected a combination of company-specific, market and regulatory factors. During fiscal year 2025, the Group announced its proposed business combination with De Tomaso in February 2025, and the transaction was subsequently approved by shareholders at the extraordinary general meeting held in June 2025. During this period, management and board attention were focused on progressing the transaction, obtaining shareholder approval, and advancing related regulatory processes. Accordingly, the Group adopted a measured approach to capital deployment and funding initiatives, including investments to enhance technologies, expand capacity and commercialize circular products. This affected the pace at which the Group could pursue growth opportunities and, consequently, revenue generation.

The Group's operating environment was also affected by macroeconomic headwinds, including geopolitical tensions, market volatility and tariff-related uncertainty. These factors contributed to more cautious manufacturing activity and customer demand in certain sectors. Lower manufacturing activity reduced waste volumes available for treatment and recycling, impacting the Group's waste management and circular product revenue streams. The Group also experienced increased regulatory and compliance requirements in Singapore, including heightened safety expectations and operational tightening within the waste management and industrial processing sector. While these developments required additional operational focus and affected efficiency, the Group views stronger safety and environmental standards as important to long-term sustainability and resilience. Accordingly, there can be no assurance that the Group's actual financial results will meet the financial projections previously prepared. There is a significant likelihood that actual results for the periods and scenarios covered by such projections may differ materially from those projections.

At this time, management expects that measured capital deployment, macroeconomic uncertainty, tariff volatility and increased regulatory requirements may continue to affect near-term operating performance. As a result, the Group may not be able to meet its original revenue projections for fiscal years 2026 and/or 2027. However, management remains focused on strengthening the Group's operational foundation, improving execution discipline and positioning the business to benefit from future demand for circular solutions when conditions improve. In parallel, management is focused on disciplined capital controls, prioritizing investments with clear strategic benefits, and evaluating new ventures and potential merger and acquisition opportunities consistent with the Group's evolving portfolio company strategy. These initiatives are intended to support long-term value creation; however, there can be no assurance that any such opportunities will be completed or achieve their intended outcomes.

The Group has not updated its projections due to uncertainties surrounding recent developments and their potential impact on financial performance. Following the business combination with De Tomaso, the Group is expected to transform from a primarily environmental solutions operating business into a portfolio company holding and supporting distinctive operating businesses. As a result, the historical projections may no longer reflect the Group's expected business mix, strategic direction, operating model or future financial profile. Accordingly, the Group does not intend to provide updated projections until there is greater visibility on the post-combination business plan, capital allocation strategy and operating outlook of the transformed group. Investors should not place undue reliance on the previously prepared projections, which were based on assumptions existing at the time they were prepared and did not fully reflect the subsequent macroeconomic, regulatory, financing and strategic developments described above.

Fluctuations in prices for recyclable waste materials the Group collects from its customers and the circular products that it sells to local and international end users, traders or overseas refiners may adversely affect the Group's revenue, operating income, and cash flows.

The Group collects a variety of recyclable waste materials from its customers and processes and transforms them into circular products for sale to local and international end users, traders or overseas refiners, and the Group may directly or indirectly receive proceeds from its waste collection services and the sale of circular products. The Group's results of operations may be affected by changing prices or market requirements for the recyclable waste materials and the circular products. The resale and purchase prices of, and market demand for, the circular products can be volatile because of changes in economic conditions and numerous other factors beyond the Group's control. These fluctuations may affect the cost of and demand for the Group's services and the Group's future revenue, operating income, and cash flows.

The Group is also exposed to inflationary pressures and rising interest rates which may adversely affect the selling price of its circular products. If this causes purchasing demand from the Group's customers for its circular products to reduce, the selling price of certain of the Group's circular products such as copper and nickel could drop and reduce its revenue. Inflation has also resulted in higher costs for the maintenance of the Group's equipment, higher electricity and fuel costs and freight and payroll costs, which had an adverse impact on the Group's operating profit and operating profit margin. Moreover, certain suppliers who are affected by supply chain inflationary pressures may decide to reduce their production and as a result the volume of industrial waste that is generated and supplied to the Group may be reduced. Similarly, following the general decline in the spending power of consumers, the Group's waste disposal customers which are mainly semi-conductor companies with products that are used in mobile devices to cars may also decide to reduce their production which in turn would lead to lower volumes of waste being disposed to the Group. Although increasing the selling price of the Group's circular products could mitigate the impact of inflation, competitive pressures may constrain the Group's ability to fully recover any increased costs in this way. In addition, efforts to mitigate the effect of inflation through continuous investments in waste treatment processes and software developments to automate, streamline and improve the productivity of the Group's business operations may not be sufficient.

The Group may not be able to enhance its existing recycling, reuse, disposal and waste treatment solutions and develop new solutions in a timely manner.

The Group's future operating results will depend, to a significant extent, on its ability to continue to provide efficient and innovative recycling, reuse, disposal and waste treatment services that compare favorably with alternative services on the basis of cost, performance, and customer preferences. The Group's success in maintaining and growing with its existing customers and attracting new customers depends on various factors, including the following:

- innovative development of new services for customers;
- maintenance of quality standards;
- efficient and cost-effective services; and
- utilization of advances in technology.

The Group's inability to enhance its existing services and develop new services on a timely basis could harm its operating results and impede its growth.

The Group's revenues, earnings and cash flows will fluctuate based on changes in commodity prices, and commodity prices for circular products are particularly susceptible to volatility based on regulations and tariffs that affect its ability to export products.

Enforcement or implementation of foreign and domestic regulations can affect the Group's ability to export its circular products. In 2017, the Chinese government announced bans on certain scrap materials and begun to enforce extremely restrictive quality and other requirements, which significantly reduced China's import of recyclables. As of January 1, 2021, China ceased importing virtually all recyclables, including those exported by the Group. Many other markets, both domestic and foreign, have also tightened their quality expectations and limited or restricted the import of certain circular products. The slew of tariffs announced by the United States of America in 2025 and the ripple effects of escalating trade tension may have far-reaching implications. Higher tariffs on a global scale risk disrupting supply chains, raising costs and weakening trade flows and culminate in slower and/or lower growth.

Such trade restrictions have disrupted the global trade of recyclables, creating excess supply and decreasing recyclable commodity prices. The Group has been actively working to identify alternative markets for recycling commodities, but there may not be demand for all of the circular products it produces. The heightened quality requirements have been difficult for the industry to achieve and have driven up operating costs. As prices of circular products have fallen and operating costs have increased, the Group and other recyclers are passing cost increases through to waste collection customers.

Fluctuation in energy prices also affects the Group's business, including recycling of plastics manufactured from petroleum products. Significant variations in the price of methane gas, electricity and other energy-related products can result in a corresponding significant impact to the Group's revenue from yield from such operations. Any of the commodity prices to which the Group is subject may fluctuate substantially and without notice in the future.

Acute and chronic weather events, including those brought about by climate change, may limit the Group's operations and increase the costs of collection, transfer, disposal, and other environmental services it provides.

The Group's operations could be adversely impacted by extreme weather events, changing weather patterns, and rising mean temperature and sea levels, some of which the Group is already experiencing. The Intergovernmental Panel on Climate Change ("IPCC"), which includes more than 1,300 scientists from the United States and other countries, forecasts a temperature rise of 2.5° to 10° Fahrenheit over the next century. Changing weather patterns and rising temperatures are expected to result in more severe heat waves, fires, storms, and other extreme weather events. Any of these extreme weather events such as flash flooding in Singapore could significantly decrease the volume of waste material the Group collects from its waste disposal customers and suppliers of industrial waste as they may be required to temporarily cease or suspend their business activities, thereby reducing the volume of waste they generate. Other than the Group's customers and suppliers, such adverse weather conditions may also result in the temporary suspension of the Group's business operations, ability to utilize the Group's normal commercial channels and supply chain, and the incursion of significant costs to repair its fixtures, equipment and property, all of which could significantly affect the Company's operating results during those periods.

The Group's businesses are subject to operational and safety risks.

Providing waste management, treatment and recycling services to the Group's customers involves risks such as equipment defects, malfunctions and failures and natural disasters, which could potentially result in releases of hazardous materials, damage to or total loss of the Group's property or assets, injury or death of the Group's employees or a need to shut down or reduce operations of the Group's facilities while remedial actions are undertaken. The Group's employees and logistics providers, when necessary, often work under potentially hazardous conditions. These risks expose the Group to potential liability for pollution and other environmental damages, personal injury, loss of life, business interruption and property damage or destruction. The Group must also maintain a solid safety record in order to remain a preferred supplier to its major customers. While the Group seeks to minimize its exposure to such risks primarily through entering and maintaining various insurance policies in relation to the business, operations, employees and assets of ESA, such actions and insurance may not be adequate to cover all of the Group's potential liabilities which could negatively impact its results of operations and cash flows.

The Group's insurance coverage and self-insurance reserves may be inadequate to cover all significant risk exposures, and increasing costs to maintain adequate coverage may significantly impact the Group's financial condition and results of operations.

The Group carries a range of insurance policies intended to protect its assets and operations, including general liability insurance, property damage, business interruption and environmental risk insurance. While the Group endeavors to purchase insurance coverage appropriate to its risk assessment, it is unable to predict with certainty the frequency, nature or magnitude of claims for direct or consequential damages, and as a result the Group's insurance program may not fully cover itself for losses it may incur.

As a result of a number of catastrophic weather and other events, insurance companies have incurred substantial losses and in many cases they have substantially reduced the nature and amount of insurance coverage available to the market, have broadened exclusions and/or have substantially increased the cost of such coverage. If this trend continues, the Group may not be able to maintain insurance of the types and coverage it desires at reasonable rates. A partially or completely uninsured claim against the Group (including liabilities associated with cleanup or remediation), if successful and of sufficient magnitude, could have a material adverse effect on the Group's business, financial condition and results of operations. Any future difficulty in obtaining insurance could also impair the Group's ability to secure future contracts, which may be conditional upon the availability of adequate insurance coverage. In addition, claims associated with risks for which the Group is to some extent self-insured (property, workers' compensation, employee medical, comprehensive general liability and vehicle liability) may exceed the Group's recorded reserves, which could negatively impact future earnings.

The Group may have environmental liabilities that are not covered by its insurance. Changes in insurance markets also may impact its financial results.

The Group may incur environmental liabilities arising from its operations or properties. The Group maintains high deductibles for its environmental liability insurance coverage. If the Group was to incur substantial liability for environmental damage, its insurance coverage may be inadequate to cover such liability. This could have a material adverse effect on the Group's consolidated financial condition, results of operations and cash flows.

Also, due to the variable condition of the insurance market, the Group has experienced, and may experience in the future, increased insurance retention levels and increased premiums or unavailability of insurance. As the Group assumes more risk for insurance through higher retention levels, the Group may experience more variability in its insurance reserves and expense.

The Group depends on key personnel who would be difficult to replace, and its business will likely be harmed if it loses their services or cannot hire additional qualified personnel.

The Group's success depends, to a significant extent, upon the continued services of its current management team and key personnel. The loss of one or more of its key executives or employees could have a material adverse effect on its business. The Group does not maintain "key person" insurance policies on the lives of any of its executives or any of its other employees. The Group employs all of its executives and key employees on an at-will basis, and their employment can be terminated by the Group or them at any time, for any reason, and without notice, subject, in certain cases, to severance payment rights.

The Group's success also depends on its ability to attract, retain, and motivate additional skilled management personnel. The Group plans to continue to expand its work force to continue to enhance its business and operating results. The Group believes that there is significant competition for qualified personnel with the skills and knowledge that it requires. Many of the other companies with which the Group competes for qualified personnel have substantially greater financial and other resources than the Group does. They also may provide more diverse opportunities and better chances for career advancement. Some of these characteristics may be more appealing to high-quality candidates than those which the Group has to offer. If the Group is not able to retain its current key personnel or attract the necessary qualified key personnel to accomplish its business objectives, it may experience constraints that will significantly impede the achievement of its business objectives and its ability to pursue its business strategy. New hires require significant training and, in most cases, take significant time before they achieve full productivity. New employees may not become as productive as the Group expects, and the Group may be unable to hire or retain sufficient numbers of qualified individuals. If the Group's recruiting, training, and retention efforts are not successful or do not generate a corresponding increase in revenue, the Group's business will be harmed.

General economic conditions can directly and adversely affect revenues for environmental services and the Group's income from operations margins.

The Group's business is directly affected by changes in national and general economic factors that are outside of the Group's control, including consumer confidence, interest rates and access to global markets. A weak economy generally results in decreases in volumes of waste generated, which negatively impacts the ability to grow through new business or service upgrades, and may result in customer turnover and reduction in the waste service needs of the Group's customers and the demand for circular products from end users, traders or overseas refiners. Consumer uncertainty and the loss of consumer confidence may also reduce the number and variety of services and/or circular products requested by customers. This decrease in demand can negatively impact commodity prices and the Group's operating income and cash flows.

The Group could become involved in litigation matters that may be expensive and time consuming, and, if resolved adversely, could harm its business, financial condition, or results of operations.

Although the Group is not currently involved in any litigation matters, any such litigation to which it is a party may result in an onerous or unfavorable judgment that may not be reversed upon appeal, or the Group may decide to settle lawsuits on similarly unfavorable terms. Any negative outcome could result in payments of substantial monetary damages or fines, or changes to the Group's products or business practices, and accordingly the Group's business, financial condition, or results of operations could be materially and adversely affected.

The Group could be required to make immediate repayment of certain of its outstanding debt with financial institutions.

As of December 31, 2025, the Group has certain borrowings with outstanding balances of approximately US\$3.5 million. The loan agreements the Group entered with the lenders provide them discretion to demand immediate repayment of the outstanding balances from us.

Notwithstanding the above, the lenders could demand immediate repayment of the outstanding balances from the Group for the borrowings and it may be unable to repay, negotiate, extend or refinance the bank borrowings on favorable terms or at all, which may have a material adverse effect on its business, results of operations and financial position. If the Group fails to repay certain of the bank borrowings, some lenders could enforce their security interests under the relevant loan agreements and take possession of the Group's leasehold land and buildings where it operates its business, thereby resulting in a material adverse effect on the Group's business, results of operations and financial condition. See Note 17 to the Group's financial statements for further information on the Group's outstanding debt with financial institutions.

The Group's strategy includes an increasing dependence on technology in its operations. If any of its key technology fails, its business could be adversely affected.

The Group's operations are increasingly dependent on technology. The Group's information technology systems are critical to its ability to drive profitable growth, implement standardized processes and deliver a consistent customer experience. Problems with the operation of the information or communication technology systems it uses could adversely affect, or temporarily disable, all or a portion of the Group's operations. Inabilities and delays in implementing new systems can also affect its ability to realize projected or expected revenue or cost savings. Further, any systems failures could impede its ability to timely collect and report financial results in accordance with applicable laws.

Emerging technologies represent risks, as well as opportunities, to the Group's current business model. The costs associated with developing or investing in emerging technologies could require substantial capital and adversely affect the Group's results of operations and cash flows. Delays in the development or implementation of such emerging technologies and difficulties in marketing new products or services based on emerging technologies could have similar negative impacts. The Group's financial results may suffer if it is not able to develop or license emerging technologies, or if a competitor obtains exclusive rights to an emerging technology that disrupts the current methods used in the environmental services industry.

A cyber security incident could negatively impact the Group's business and its relationships with customers.

The Group uses information technology, including computer and information networks, in substantially all aspects of its business operations. The Group also use mobile devices, social networking and other online activities to connect with its employees and its customers. Such uses give rise to cyber security risks, including security breach, espionage, system disruption, theft and inadvertent release of information. The Group's business involves the storage and transmission of numerous classes of sensitive and/or confidential information and intellectual property, including customers' personal information, private information about employees, and financial and strategic information about the Group and its business partners. In connection with its strategy to grow through acquisitions and to pursue new initiatives that improve its operations and cost structure, the Group is also expanding and improving its information technologies, resulting in a larger technological presence and corresponding exposure to cyber security risk. If the Group fails to assess and identify cyber security risks associated with acquisitions and new initiatives, it may become increasingly vulnerable to such risks. Additionally, while the Group has implemented measures to prevent security breaches and cyber incidents, its preventive measures and incident response efforts may not be entirely effective. Also, the regulatory environment surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and constantly changing requirements. This changing regulatory landscape may cause increasingly complex compliance challenges, which may increase the Group's compliance costs. Any failure to comply with these changing security and privacy laws and regulations could result in significant penalties, fines, legal challenges and reputational harm. The theft, destruction, loss, misappropriation, or release of sensitive and/or confidential information or intellectual property, or interference with the Group's information technology systems or the technology systems of third parties on which it relies, could result in business disruption, negative publicity, brand damage, violation of privacy laws, loss of customers, potential liability and competitive disadvantage.

The Group may be subject to intellectual property claims that create uncertainty about ownership of technology essential to its business and divert its managerial and other resources.

The Group can provide no assurance that third parties will not claim infringement by it with respect to its current or future services, trademarks, or other proprietary rights. The Group's success depends, in part, on its ability to protect its intellectual property and to operate without infringing the intellectual property rights of others in the process. There can be no assurance that any of its intellectual property will be adequately safeguarded or that it will not be challenged by third parties. The Group may be subject to intellectual property infringement claims that would be costly to defend, could limit its ability to use certain critical technologies, and may divert its technical and management personnel from their normal responsibilities. The Group may not prevail in any of these suits. An adverse determination of any litigation or defense proceedings could cause the Group to pay substantial damages, including treble damages, if it willfully infringes and also could increase the risk of its patent applications not being issued.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of the Group's confidential information could be compromised by disclosure during this type of litigation. In addition, during the course of this kind of litigation, there could be public announcements of the results of hearings, motions, or other interim proceedings or developments in the litigation. If these results are perceived to be negative, it could have an adverse effect on the Group's business.

Changes in policies imposed by governments may impact on the availability and costs of employing non-Singapore workers.

The Group is dependent on non-Singapore workers for its business operations. The Group's ability to meet its labor requirements for operational needs is subject to various factors, including changes in the labor policies of such foreign workers' countries of origin or the policies imposed by Ministry of Manpower ("MOM") in Singapore. The Group is therefore vulnerable to any shortage in the supply of foreign workers and any increase in the cost of foreign labor, the occurrence of which would adversely affect its business and financial performance.

Government policies affecting labor costs include, *inter alia*, the new progressive wage model (“PWM”) and foreign worker levies. Changes in these policies may lead to an increase in the Group’s labor costs which may result in its business, financial condition and results of operations being materially and adversely affected. The Group is subject to foreign worker levies for the foreign workers it hires. The Group paid foreign worker levies in the amount of US\$165,089 and US\$173,632 for the two fiscal years ended December 31, 2025 and 2024, respectively.

The foreign worker levies applicable to the Group will differ according to the percentage of the Group’s total workforce comprising of foreign workers. As of March 31, 2026 approximately 67% of the Group’s total workforce comprised of foreign workers for whom it might have to pay such foreign worker levies. Further, the criteria for applying for certain foreign work permits will be tightened moving forward and there will be increase in foreign worker levies. There is no assurance that the Singapore Government will not further increase the levy rates in future, and if they do so, the Group may face a significant increase in labor costs.

In January 2022, the National Environment Agency (“NEA”) and MOM announced a new waste management PWM with a six (6) year schedule of sustained PWM wage increases from 2023 to 2028 and a mandatory annual PWM bonus for eligible workers from January 2024. Under the new PWM wage schedule, the monthly baseline wage of an entry-level waste collection crew worker is expected to increase from US\$2,210 in 2023 to US\$3,260 in 2028 or possibly sooner. The implementation of and revisions to the PWM has increased the Group’s labor costs and there is no assurance that the Singapore government will not revise the PWM to further increase the base salaries beyond 2028.

The Group is exposed to environmental liability.

The Group’s business operations are subject to environmental laws and regulations in Singapore, in particular on the disposal and treatment of industrial and toxic waste and obligations to protect public health and the environment. While the Group has not had any material non-compliance with applicable environmental laws and regulations to date, there is no assurance that it will continue to be in compliance with all the applicable laws and regulations, and the Group may incur additional costs in complying with such laws and regulations. Any violation of the relevant environmental laws and regulations may lead to substantial fines, costs for implementation of preventive or corrective measures, clean-up costs or even suspension of operations that could materially and adversely affect the Group’s business, operations, financial performance, financial condition, results of operations and/or prospects.

The Group is exposed to the risk of non-renewal, non-granting or suspension of its licenses, permits and accreditations that are required to operate its business.

The waste management industry in Singapore in which the Group operates in is highly regulated. The Group’s licenses and registrations are subject to periodic renewal by the relevant government authorities and are generally subject to a variety of conditions which are stipulated either within the licenses and registrations themselves, or under the laws and/or regulations issued by the competent authorities. Failure to comply with such conditions, laws or regulations could result in the revocation, non-renewal or downgrade of the relevant licenses, permits or accreditations and/or imposition of penalties. In such an event, the Group’s business and financial performance will be adversely affected. The Group conducts its operations primarily from two facilities leased from JTC Corporation (“JTC”), a statutory board under Singapore’s Ministry of Trade and Industry responsible for the development and management of industrial infrastructure. The lease for one of these facilities, which was originally due to expire in 2030, was successfully extended for an additional 20-year term to 2050 in January 2026. The lease for the Group’s other facility is scheduled to expire in 2038. While the Group has demonstrated its ability to secure a lease extension, there can be no assurance that it will be able to obtain a renewal or extension of the lease for its second facility on commercially acceptable terms, or at all.

Developments in the social, political, regulatory and economic environment in the country where the Group operates, may have a material and adverse impact on the Group.

The Group’s business, prospects, financial condition and results of operations may be adversely affected by social, political, regulatory and economic developments in the country in which the Group operates. Such political and economic uncertainties include, but are not limited to, the risks of war, terrorism, nationalism, nullification of contract, changes in interest rates, imposition of capital controls and methods of taxation. For example, all of the Group’s current operations are located in Singapore, and negative developments in Singapore’s socio-political environment may adversely affect the Group’s business, financial condition, results of operations and prospects.

Disruptions in the international trading environment may seriously decrease the Group's international sales outside Singapore.

The success and profitability of the Group's international activities depends on factors such as general economic conditions, labor conditions, political stability, macro-economic regulating measures, tax laws, import and export duties, transportation difficulties, fluctuation of local currency and foreign exchange controls of the countries in which the Group sells its services, as well as the political and economic relationships in Singapore where the Group sources waste materials and jurisdictions where the Group's end users, traders or overseas refiners are located. As a result, the Group's sales are vulnerable to disruptions in the international trading environment, including adverse changes in foreign government regulations, political unrest and international economic downturns. Any disruptions in the international trading environment may affect the demand for the Group's products, which could impact its business, financial condition and results of operations.

As of the date of this report, the ongoing conflict between the United States and Iran presents significant risks that could materially and adversely affect the Company's business, financial condition, and results of operations. Escalation or prolongation of hostilities may disrupt global energy markets, particularly through potential constraints on the Strait of Hormuz, through which a substantial portion of the world's oil and gas supply transits, leading to increased energy prices, inflationary pressures, and higher operating costs. The conflict may also contribute to broader macroeconomic instability, including volatility in global financial markets, reduced investor confidence, tightening liquidity, and fluctuations in foreign exchange rates. In addition, disruptions to global supply chains, increased shipping and insurance costs, and potential trade restrictions could adversely impact the availability and cost of key inputs and services. Prolonged geopolitical tensions may further result in slower global economic growth and reduced demand across key markets, particularly in Asia and other energy-importing regions.

Many of the economies in Asia are experiencing substantial inflationary pressures which may prompt the governments to take action to control the growth of the economy and inflation that could lead to a significant decrease in the Group's profitability.

While many of the economies in Asia have experienced rapid growth over the last two decades, they currently are experiencing inflationary pressures, and the rate of growth is slowing down. The economy in Singapore and globally has experienced general increases in certain operating costs and expenses, such as employee compensation and office operating expenses, as a result of higher inflation. Average wages in Singapore are expected to continue to increase and the Group expects that its employee costs, including wages and employee benefits, will continue to increase. Unless the Group is able to control its employee costs or pass them on to its clients, the Group's financial condition, and results of operations may be adversely affected.

As governments in Asia (and worldwide) take steps to address current inflationary pressures, there may be significant changes in the availability of bank credit, commercial reasonability of interest rates, limitations on loans, restrictions on currency conversions and foreign investment rules, thereby restricting the availability of credit and reducing economic growth. Inflation, actions that may be implemented to combat inflation and public speculation about any possible additional actions also may contribute materially to economic uncertainty in Asia (and worldwide) and accordingly weaken investor confidence, thus adversely impacting economic growth and causing decreased economic activity, which in turn could lead to a reduction in demand for the Group's products and services, and consequently have a material adverse effect on the Group's businesses, financial condition and results of operations. Conversely, more lenient government policies and interest rate decreases may trigger increases in inflation and, consequently, growth volatility and the need for sudden and significant interest rate increases, which could negatively affect the Group's business. There also may be imposition of price controls. If prices for the Group's waste disposal services and/or circular products rise at a rate that is insufficient to compensate for the rise in the costs of supplies and operations, it may have an adverse effect on the Group's profitability. If these or other similar restrictions are imposed by a government to influence the economy, it may lead to a slowing of economic growth.

Cayman Islands economic substance requirements may have an effect on the Group's business and operations.

Pursuant to the International Tax Cooperation (Economic Substance) Act (As Revised) of the Cayman Islands ("ES Act") that came into force on 1 January 2019, a "relevant entity" is required to satisfy the economic substance test set out in the ES Act. A "relevant entity" includes an exempted company incorporated in the Cayman Islands as is the Company; however, it does not include an entity that is tax resident outside the Cayman Islands. Accordingly, for so long as the Company is a tax resident outside the Cayman Islands, it is not required to satisfy the economic substance test set out in the ES Act.

Risks Relating to DT's Business

DT may not be successful in preserving and enhancing the value of the De Tomaso brand, which DT depends upon to drive demand and revenues.

The De Tomaso brand plays a pivotal role in DT's business operations and financial performance. The preservation of the brand and its exclusivity, which forms part of the brand, depends highly on the design, performance and build quality of DT's cars, DT's after-sales service and the success of various promotional activities such as its model launch campaigns. Maintaining the value of the De Tomaso brand will depend significantly on DT's ability to continue to produce limited luxury performance cars of the highest quality. The market for luxury automobiles is intensely competitive, and DT may not be successful in maintaining and strengthening the appeal of the De Tomaso brand. Client preferences, particularly among luxury goods, can vary over time, sometimes rapidly. DT is therefore exposed to changing perceptions of DT's brand image. Any failure to preserve and enhance the value and image of the De Tomaso brand, including in particular, its strong history in motorsports and aura of exclusivity, may materially and adversely affect DT's ability to sell DT's cars, to maintain premium pricing, and to extend the value of the De Tomaso brand into other activities profitably or at all.

DT selectively licenses the use of the De Tomaso brand and certain intellectual property rights of De Tomaso to various video game developers and entertainment companies. DT depends on these video game developers and entertainment companies to preserve and enhance the value of the De Tomaso brand through automobile-themed video games and movie merchandise. DT may also selectively license the De Tomaso brand to third parties that produce and sell De Tomaso branded products and rely on them to preserve and enhance the value of the De Tomaso brand. If DT's licensees or the manufacturers of these De Tomaso branded products do not maintain the standards of quality and exclusivity that DT believe is consistent with the De Tomaso brand, or if such licensees or manufacturers otherwise misuse the De Tomaso brand, the integrity and value of the De Tomaso brand may be damaged and DT's business, operating results and financial condition may be materially and adversely affected.

If DT fails to properly understand their clients' taste and preferences and design cars that do not appeal to their clients, it may harm its brand and competitive position.

Design and styling are both integral components of the De Tomaso model lineup and the De Tomaso brand. DT has a rich racing heritage, and its current design language in its revival model the P72 is inspired by the original De Tomaso P70, an iconic sports car developed in the 1960s by Alejandro De Tomaso, the founder of De Tomaso, and designed by Peter Brock, that is renowned for its powerful powertrain and super-light chassis. DT aims to incorporate the same level of mechanical synergy between man and machines as enshrined in the original De Tomaso P70 in its revival model lineups. As the automotive industry continues to move towards electrification, DT believes its clients purchase its cars not just for their timeless design and supreme performance but also for the nostalgic analogue driving experience. However, DT will need to update over time the style and mechanical configuration of its cars to differentiate its future models from its current models, and to reflect the broader evolution of aesthetics in its markets. If the design of its future models fails to meet the evolving tastes and preferences of DT's clients and prospective clients while also maintaining DT's distinctive identity in its cars, it may harm the De Tomaso brand and its competitiveness.

The value of the De Tomaso brand depends in part on the automobile collector and enthusiast community.

An important factor in the connection of clients to the De Tomaso brand is its strong relationship with the active global community of automotive collectors and enthusiasts, particularly collectors and enthusiasts of hypercars. This is influenced by DT's close ties to the automotive collectors' community and DT's support of related events, such as car shows and driving events, specifically DT's own factory-run drivers program (De Tomaso Competizione) which will enable owners of the P900 around the globe to connect and share their passion for driving excellence at a range of world-class race circuits and participate in driver training programs and a yearly calendar of factory-supported track events. The support of this community also depends upon the perception of DT's cars as collectibles which DT strives to protect through its right to repurchase its cars for up to two years after delivery in order to protect the secondary market.

If there is a change in collector appetite or damage to the De Tomaso brand, DT's ties to and the support it receives from this community may be diminished. Such a loss of enthusiasm for DT's cars from the automotive collectors' community could harm the perception of the De Tomaso brand and adversely impact its sales and profitability.

If DT's cars do not perform as expected, it may harm DT's ability to develop, market and sell its cars.

DT's cars may suffer design or manufacturing defects that may cause them not to perform as expected or require after-sale repair. There can be no assurance that DT will be able to detect and fix any defects in the cars prior to their delivery to clients. DT's cars may not perform in line with its clients' evolving expectations or in a manner that meets or exceeds the performance of other cars currently available. For example, DT's cars may not have the same level of durability or longevity or be as easy to repair as other cars currently on the market. Any product defects or any other failure of its cars to perform as expected could harm DT's reputation and result in adverse publicity, lost revenue, delivery delays, product recalls, product liability claims, harm to the De Tomaso brand and reputation, and significant warranty and other expenses, and could have a material adverse impact on its business, operating results and financial condition.

DT faces competition in the luxury performance car industry.

DT faces competition in certain product categories and markets in which it operates. DT competes with other international luxury performance car manufacturers which own and operate well-known brands of high-quality cars, some of which form part of larger automotive groups and may have greater financial resources and bargaining power with suppliers than DT does, particularly in light of DT's strategy to produce vehicles for a limited group of owners in order to preserve and enhance the exclusivity of its cars. DT believes that it competes primarily on the basis of its rich racing heritage, the timeless design and supreme performance of its cars, and most importantly, the nostalgic analogue driving experience that its cars offer. If DT is unable to compete successfully, its business, results of operations and financial condition could be adversely affected.

DT depends on the strength of its trademarks and other intellectual property rights.

DT believes that its trademarks and other intellectual property rights are fundamental to its success and market position. Therefore, DT's business depends on its ability to protect and promote its trademarks and other intellectual property rights, such as its designs. Accordingly, DT devotes substantial efforts to the establishment and protection of its trademarks and other intellectual property rights such as registered designs on a worldwide basis. DT believe that its trademarks and other intellectual property rights are adequately supported by applications for registrations, existing registrations and other legal protections in its principal markets. However, DT cannot exclude the possibility that its intellectual property rights may be challenged by others, or that DT may be unable to register its trademarks or otherwise adequately protect them in some jurisdictions. If a third party were to register DT's trademarks, or similar trademarks, in a country where it has not successfully registered such trademarks, it could create a barrier to DT commencing trade under those marks in that country.

Third parties may claim that DT infringes their intellectual property rights.

DT believe that it holds all the rights required for its business operations (including intellectual property rights and third-party licenses). However, DT are exposed to potential claims from third parties alleging that it infringes their intellectual property rights, since many competitors and suppliers also submit patent applications for their inventions and secure patent protection or other intellectual property rights. If DT is unsuccessful in defending against any such claim, it may be required to pay damages or comply with injunctions which may disrupt its operations. As a result, DT may also be forced to enter into royalty or licensing agreements on unfavorable terms or to redesign products to comply with third parties' intellectual property rights.

DT has a limited operating history since its brand revival and its ability to develop, manufacture, and deliver cars of high quality and appeal to customers, on schedule, is unproven and still evolving.

DT's first revival model, the P72, was officially launched in 2019 and DT is on course to deliver this model to markets worldwide by the end of 2025. DT currently has two models in its revival lineup under the "P" series, namely the P72 and P900, and the P72 vehicles are fully allocated and substantially oversubscribed. Although there is a clear demand for DT's cars, there is very limited historical basis to support the demand for DT's cars in the future or DT's ability to develop, manufacture, and deliver cars on schedule. It is also difficult to predict DT's future revenues and appropriately budget for its expenses.

Furthermore, DT relies on third-party manufacturing and development partners for the provision and development of many of the key components and materials used in its cars. To the extent its manufacturing and development partners experience any difficulties in providing DT with or developing necessary components, DT could experience delays in delivering cars to its clients. Any delay in the development, manufacturing, and delivery of any current or future car models, or in performing facelifts to existing car models, could subject DT to customer complaints and cancellation of order, which could in turn, materially and adversely affect its reputation, demand for its vehicles, and ultimately, its business, financial condition, and operating results.

Although the P72 vehicles are fully allocated and oversubscribed, some customers may cancel their orders despite their deposit payment.

DT's customers may cancel their orders for many reasons that are beyond its control. Due to the nature of DT's cars, they require long development time, and the lead time between ordering to delivery could impact customer decisions on whether to terminate the order, due to factors that are beyond DT's control. If DT encounters further delays in the deliveries of the P72, or if the finalized design and specifications do not match the prototypes that DT developed, orders may be cancelled. As a result, DT cannot assure you that orders will not be cancelled or that such orders will ultimately result in the final purchase, delivery, and sale of the cars. Such cancellations could harm DT's business, brand image, financial condition, results of operations, and prospects.

DT's business is subject to changes in client preferences and automotive trends.

DT's success depends in part on its ability to keep abreast of automotive trends while maintaining its distinctive identity in its cars. Evaluating and responding to client preferences has become more complex in recent years, due to the speed in which trends evolve. DT is committed to anticipate and respond promptly to changing client demands and automotive trends in the design, styling, technology, production, merchandising and pricing of its cars while still maintaining its identity and positioning. If DT misjudges the market for its cars, DT and its dealers and wholesalers may face a lower demand for its cars. In addition, there can be no assurance that DT will be able to produce, distribute and market new cars efficiently or that any product category that DT may expand or introduce will achieve sales levels sufficient to generate profits. Any of these outcomes could have a material adverse effect on its business, results of operations and financial condition.

DT relies on its dealer and wholesaler network to provide sales and services.

DT does not own any of its dealerships, and a substantial portion of its sales are made through its network of dealers and wholesalers located throughout the world. DT's authorized dealers also provide after-sales services, including repair and maintenance services, for DT's customers. If DT's dealers and wholesalers are unable to provide sales or service quality that its clients expect or do not otherwise adequately present the De Tomaso brand, its brand prestige may be negatively affected. DT depends highly on the quality of its dealer and wholesaler network, its business, operating results and financial condition could be adversely affected if its dealers or wholesalers suffer financial difficulties or are otherwise unable to perform to DT's brand standards.

Part of DT's growth strategy also depends on its ability to attract quality new dealers or wholesalers to sell its cars in new geographical areas. DT may face competition from other luxury performance car manufacturers in attracting quality new dealers or wholesalers, based on, among other things, dealer margin, incentives and the performance of other dealers or wholesalers in the respective geographical areas.

DT's reliance on a variety of agreements with various manufacturing and development partners, including agreements related to research and development, procurement, manufacturing, and engineering, could subject DT to risks.

DT adopts an asset-light structure in its business operations and relies on a variety of agreements, including those related to research and development, procurement, manufacturing, and engineering entered into with various manufacturing and development partners. DT's reliance on these agreements subjects DT to a number of significant risks, including the risk of being unable to operate as a standalone business, launch new vehicles, reach its development and production targets or focus its efforts on core areas of differentiation.

DT cannot provide any assurance as to whether these manufacturing and development partners will be able to develop and manufacture cars that meet the quality, price, engineering, design, and production standards, required to successfully commercialize DT's vehicles. Even if these manufacturing and development partners are successful in developing and manufacturing such cars, no assurance can be given as to whether they will be able to do so in a manner that avoids significant delays and cost overruns, including as a result of factors beyond their or DT's control, such as problems with suppliers and vendors, or force majeure events, or in time to meet DT's commercialization schedules or to satisfy the requirements of existing and potential customers. Any failure to develop such cars within DT's projected costs and timelines could have a material and adverse effect on DT's business, results of operations, financial condition and prospects. There is risk of potential disputes between DT and these manufacturing and development partners, and DT could be affected by adverse publicity related to these manufacturing and development partners whether or not such publicity is related to their collaboration with DT. In addition, although DT is involved in each step of the supply chain and manufacturing process, given that it also relies on these manufacturing and development partners to meet its quality standards, there can be no assurance that DT will successfully maintain quality standards.

DT's exclusivity strategy of producing limited number of vehicles may limit potential profits.

Part of the De Tomaso brand is to maintain its exclusivity and that can only be achieved through limiting the number of models and cars it produces, which is also an important reason why DT's clients are willing to pay a premium for its cars. While important to DT's current marketing strategy, its focus on maintaining a limited number of vehicles produced and exclusivity limits its potential sales growth and profitability. As part of a public company following the consummation of this Acquisition, DT may from time to time face pressure to demonstrate growth including by increasing the volume of cars it sells. Notwithstanding any such pressure, DT intends to continue to pursue its limited production strategy in order to maintain its exclusivity, while growing volume in a controlled way to respond to growth in emerging markets and demographic changes.

Conversely, if DT were to change its strategy and increase production of its cars more aggressively, it may not be able to maintain its exclusivity, which may in turn lower the desirability and demand for its cars. As a result, if DT is unable to increase its car production volume meaningfully or introduce new car models without eroding its exclusivity, DT may be unable to significantly increase its revenues.

The small number of car models that DT produces and sells may result in greater volatility in its financial results.

DT currently depends on the sales of a very limited range of car models to generate its revenues. While DT anticipates expanding its car offerings, DT expects that a limited number of models will continue to account for a large portion of its revenues at any given time in the foreseeable future. Therefore, DT's future operating results depend upon the continued market acceptance of each model in its lineup. There can be no assurance that DT's cars will continue to be successful in the market. DT would unlikely be able to replace the revenue lost from one of its main car models if it does not achieve market acceptance. There can be no assurance that DT will be successful in developing, producing and marketing additional new car models that will sustain sales growth in the future.

DT's cars are subject to homologation and motor vehicle safety standards and the failure to acquire homologation or satisfy mandated safety standards in jurisdictions it operates would materially and adversely affect DT's business and results of operations.

DT's cars must meet or exceed all mandated safety standards to be certified under applicable regulations in jurisdictions where DT plans to sell its cars. Although DT manufactures a limited number of cars and its cars are subject to certain exemptions or alternative homologation pathways to the traditional type approval standards that other mass-production manufacturers are required to comply with, such as the European Community Whole Vehicle Type Approval ("ECWVTA") under EU Regulation 2007/46/EC in the European Union, and the Federal Motor Vehicle Safety Standards ("FMVSS") administered by the National Highway Traffic Safety Administration in the U.S., these laws and standards are subject to change from time to time, and DT could become subject to additional safety regulations in jurisdictions that DT sells its cars in the future, which would increase the effort and expense of compliance. As of the date of this report, DT is in the process of obtaining the Individual Vehicle Approval as an alternative homologation pathway to the ECWVTA under EU Regulation 2018/858 for its P72 in the European Union; DT has also secured a "Show or Display" exemption under the FMVSS and is in the process of expanding the road-legal access of its P72 in the U.S. by partnering with Independent Commercial Importers approved by the U.S. Environmental Protection Agency. DT has incurred, and expects to continue to incur, significant costs in homologation in jurisdictions where DT plans to sell its cars.

To the extent that it takes DT longer to acquire or DT eventually fails to acquire or renew safety standard certification in jurisdictions that it plans to sell any of its future vehicles, DT could experience delays in delivering or fail to deliver at all, which would have a material and adverse effect on its reputation, business, financial condition, and results of operations.

New laws, regulations, or policies of governmental organizations regarding increased fuel economy requirements, reduced greenhouse gas or pollutant emissions, or vehicle safety, or changes in existing laws, may have a significant effect on DT's costs of operation and/or how it does business.

DT is subject to laws, regulations and policies that are ever evolving, and DT expects the extent of the legal and regulatory requirements affecting its business and its costs of compliance will continue to increase significantly in the future. In Europe and the U.S., significant governmental regulation is driven by environmental, fuel economy, vehicle safety and noise emission concerns. Evolving regulatory requirements could significantly affect DT's product development plans and may limit the number and types of cars it sells and the jurisdictions in which it sells them, which may in turn affect its revenue. Governmental regulations may increase the costs that DT incurs to design, develop and produce its cars and may affect its product portfolio. Regulation may also result in a change in the character or performance of DT's cars which may render them less appealing to its clients. DT anticipates that the number and extent of these regulations, and their effect on DT's cost structure and model lineup, will increase significantly in the future. DT may have to incur substantial capital expenditures and research and development expenditures in order to stay complied with the stricter laws and regulations in the future, which would have an impact on its cost of production and results of operation.

Changes in tax, tariff or fiscal policies could adversely affect demand for its products.

Imposition of any additional taxes and levies designed to limit the use of automobiles could adversely affect the demand for DT's cars and in turn, its operating results. Changes in corporate and other taxation policies as well as changes in export and other incentives given by various governments or import or tariff policies could also adversely affect DT's operating results. While DT is managing its product development and production operations on a global basis to reduce costs and lead times, unique national or regional standards can result in additional costs for product development, testing, and manufacturing. Governments often require the implementation of new requirements during the middle of a product cycle, which can be substantially more expensive than accommodating these requirements during the design of a new product. The imposition of any additional taxes and levies or change in government policy designed to limit the use of high-performance sports cars more generally could also adversely affect the demand for DT's cars. The occurrence of the above may have a material adverse effect on DT's business, operating results and financial condition.

DT may become subject to product liability claims, which could harm its financial condition and liquidity if it fails to successfully defend or insure against such claims.

DT may become subject to product liability claims, which could harm its business, operating results and financial condition. The automobile industry experiences significant product liability claims, and DT has an inherent risk of exposure to claims in the event that its cars do not perform as expected or malfunction resulting in personal injury or death. A successful product liability claim against DT could require it to pay a substantial monetary award. Moreover, a product liability claim could generate substantial negative publicity about DT's cars and business, adversely affecting its reputation and inhibiting or preventing commercialization of future cars which could have a material adverse effect on its brand, business, operating results and financial condition. While DT seeks to insure against product liability risks, insurance may be insufficient to protect against any monetary claims it may face and will not mitigate any reputational harm. Any lawsuit seeking significant monetary damages may have a material adverse effect on DT's reputation, business and financial condition. DT may not be able to secure additional product liability insurance coverage on commercially acceptable terms or at reasonable costs when needed, particularly if DT faces liability for its products and is forced to make a claim under such a policy.

DT is exposed to risks in connection with product warranties as well as the provision of services.

A number of DT's contractual and legal requirements oblige it to provide extensive warranties to its clients, dealers and wholesalers. There is a risk that, relative to the guarantees and warranties granted, the calculated product prices and the provisions for DT's guarantee and warranty risks have been set or will in the future be set too low. There is also a risk that DT will be required to extend the guarantee or warranty originally granted in certain markets for legal reasons, or provide services as a courtesy or for reasons of reputation where DT is not legally obliged to do so, and for which DT will generally not be able to recover from suppliers or insurers.

DT may be compelled to undertake product recalls or other actions, which could adversely affect its brand image, financial condition, results of operations, and growth prospects.

DT's cars are subject to recalls, which may cause adverse publicity, damage to its brand, and liability for costs. In the future, DT may at various times, voluntarily or involuntarily, initiate a recall if any of its vehicles, including any systems or parts developed or sourced by its manufacturing and development partners, prove to be defective or noncompliant with applicable laws and regulations. Such recalls, whether voluntary or involuntary, could involve significant expense and could adversely affect DT's brand image in its target markets, as well as DT's business, financial condition, operating results, and growth prospects.

Improper conduct of employees, agents, or other representatives could adversely affect DT's reputation and its business, operating results, and financial condition.

DT's compliance controls, policies, and procedures may not in every instance protect it from acts committed by its employees, agents, contractors, or collaborators that would violate the laws or regulations of the jurisdictions in which DT operates, including employment, foreign corrupt practices, environmental, competition, and other laws and regulations. Such improper actions could subject DT to civil claims or criminal investigations, and monetary and injunctive penalties. In particular, its business activities may be subject to anti-corruption laws, regulations or rules of other countries in which DT operates. If DT fails to comply with any of these laws or regulations, it could adversely impact its operating results and its financial condition. In addition, actual or alleged violations could damage its reputation and its ability to conduct business. Furthermore, detecting, investigating, and resolving any actual or alleged violation is expensive and can consume significant time and attention of DT's management.

DT's insurance coverage may not be adequate to protect DT against all potential losses to which it may be subject, which could have a material adverse effect on its business.

DT maintains insurance coverage that its executive management believes is adequate to cover normal risks associated with the operation of its business. However, there can be no assurance that any claim under DT's insurance policies will be honored fully or timely, its insurance coverage will be sufficient in any respect or its insurance premiums will not increase substantially. Accordingly, to the extent that DT suffers loss or damage that is not covered by insurance or which exceeds its insurance coverage, or has to pay higher insurance premiums, DT's financial condition may be affected.

A disruption in DT's information technology could compromise confidential and sensitive information.

DT's ability to keep its business operating effectively depends on the functional operation of its information technology and data processing systems, including but not limited to its car design and logistics management systems. These systems are susceptible to malfunction and interruption due to equipment damage, power outages, and a range of other hardware, software and network problems. They are also susceptible to cybercrime, or threats of intentional disruption, which may result in system malfunctions or interruptions. Any significant or large-scale malfunction or interruption of DT's information technology or data processing systems could adversely affect its ability to manage and keep its operations running efficiently.

In addition, DT uses its systems to collect and store confidential and sensitive data, including information about its business, customers and employees. Much of DT's value is derived from its confidential business information, including car design, proprietary technology and trade secrets, and to the extent the confidentiality of such information is compromised, DT may lose its competitive advantage, and its vehicle sales may also be adversely affected. In the event of a breach in security that allows third parties access to such personal information as collected, retained and used by DT, DT's business operations and reputation may suffer and DT may also be subject to lawsuits, fines and other means of regulatory enforcement.

If DT fails to maintain an effective system of internal control over financial reporting, it may be unable to accurately report its financial results or prevent fraud, and investor confidence in DT and the market price of its securities may be adversely affected.

Upon completion of the consummation of the Acquisition, DT will become subject to the Sarbanes-Oxley Act of 2002. Section 404 of the Sarbanes-Oxley Act, or Section 404, will require that DT includes a report from management on the effectiveness of its internal control over financial reporting in its annual report on Form 20-F. In addition, once DT ceases to be an “emerging growth company” as such term is defined in the Jumpstart Our Business Startups Act of 2012 or JOBS Act, DT’s independent registered public accounting firm must attest to and report on the effectiveness of its internal control over financial reporting. DT’s management may conclude that its internal control over financial reporting is not effective. Moreover, even if DT’s management concludes that its internal control over financial reporting is effective, its independent registered public accounting firm, after conducting its own independent testing, may issue a report that is qualified if it is not satisfied with DT’s internal controls or the level at which its controls are documented, designed, operated or reviewed, or if it interprets the relevant requirements differently from DT. In addition, after the Acquisition is consummated, its reporting obligations may place a significant strain on DT’s management, operational and financial resources and systems for the foreseeable future. DT may be unable to timely complete its evaluation testing and any required remediation.

During the course of documenting and testing DT’s internal control procedures, in order to satisfy the requirements of Section 404, DT may identify other weaknesses and deficiencies in its internal control over financial reporting. In addition, if DT fails to maintain the adequacy of its internal control over financial reporting, as these standards are modified, supplemented or amended from time to time, DT may not be able to conclude on an ongoing basis that it has effective internal control over financial reporting in accordance with Section 404. If DT fails to achieve and maintain an effective internal control environment, DT could suffer material misstatements in its financial statements and fail to meet its reporting obligations, which would likely cause investors to lose confidence in its reported financial information. This could in turn limit DT’s access to capital markets, harm its operating results, and lead to a decline in the trading price of securities. Additionally, ineffective internal control over financial reporting could expose DT to increased risk of fraud or misuse of corporate assets and subject DT to potential delisting from stock exchange(s), regulatory investigations, and civil or criminal sanctions. DT may also be required to restate its financial statements from prior periods.

DT may be subject to legal proceedings in the ordinary course of its business. If the outcomes of such proceedings are adverse to DT, it could have a material adverse effect on its business, operating results, and financial condition.

DT may be subject to legal proceedings from time to time in the ordinary course of its business, which could have a material adverse effect on its business, operating results, and financial condition. Claims arising out of actual or alleged violations of law could be asserted against DT by its customers, its competitors, governmental entities in civil or criminal investigations and proceedings, or other entities. These claims could be asserted under a variety of laws, including but not limited to product liability laws, consumer protection laws, intellectual property laws, labor and employment laws, securities laws, tort laws, contract laws, property laws, data compliance laws, and employee benefit laws. There is no guarantee that DT will be successful in defending itself in legal and administrative actions or in asserting its rights under various laws. Even if DT is successful in its attempt to defend itself in legal and administrative actions or to assert its rights under various laws, enforcing DT’s rights against the various parties involved may be expensive, time-consuming, and ultimately futile. Such actions could also expose DT to negative publicity and to substantial monetary damages and legal defense costs, injunctive relief, and criminal, civil, and administrative fines and penalties.

Global economic conditions may adversely affect DT.

DT’s sales volumes and revenues may be affected by overall general economic conditions. Deteriorating general economic conditions may affect disposable incomes and reduce consumer wealth impacting client demand, particularly for luxury automobiles which may negatively impact DT’s profitability and put downward pressure on its prices and volumes. Furthermore, during recessionary periods, social acceptability of luxury purchases may decrease, and higher taxes may be more likely to be imposed on certain luxury goods including DT’s cars, which may affect its sales. Adverse economic conditions may also affect the financial health and performance of DT’s dealers in a manner that will affect sales of DT’s cars or their ability to meet their commitments to DT.

Many factors affect the level of consumer spending in the luxury automotive industry, including the state of the economy as a whole, stock market performance, interest and exchange rates, inflation, political uncertainty, the availability of consumer credit, tax rates, unemployment levels and other matters that influence consumer confidence. Although DT’s cars tend to be fully allocated and oversubscribed, sales of luxury goods tend to decline during recessionary periods when the level of disposable income tends to be lower or when consumer confidence is low.

DT distributes its products internationally and DT may be affected by downturns in general economic conditions or uncertainties regarding future economic prospects that may impact the countries in which DT sells a significant portion of its products. In particular, the majority of its current sales are in the EU and in the U.S.; if DT is unable to expand in emerging markets, a downturn in mature economies such as the EU and the U.S. may negatively affect its financial performance. A significant decline in the global economy or in the specific economies of DT’s markets or in consumers’ confidence could have a material adverse effect on its business.

Risks Relating to our Securities

Currently, our Ordinary Shares and Warrants are listed on Nasdaq Capital Market. However, there may not be enough liquidity in such market to enable shareholders to sell their securities.

Currently, our Ordinary Shares and Warrants are listed on Nasdaq Capital Market. If a public market for our securities does not develop, investors may not be able to re-sell their Ordinary Shares or Warrants, rendering their shares illiquid and possibly resulting in a complete loss of their investment. We cannot predict the extent to which investor interest in us will lead to the development of an active, liquid trading market. The trading price of and demand for the Ordinary Shares and the development and continued existence of a market and favorable price for the Ordinary Shares will depend on a number of conditions, including the development of a market following, including by analysts and other investment professionals, the businesses, operations, results, and prospects of the Group, general market and economic conditions, governmental actions, regulatory considerations, legal proceedings, and developments or other factors. These and other factors may impair the development of a liquid market and the ability of investors to sell shares at an attractive price. These factors also could cause the market price and demand for the Ordinary Shares of the Group to fluctuate substantially, which may limit or prevent investors from readily selling their shares and may otherwise affect negatively the price and liquidity of the Ordinary Shares. Many of these factors and conditions are beyond the control of the Group or the shareholders.

We do not anticipate that we will pay dividends on our Ordinary Shares and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of Ordinary Shares.

We intend to retain any earnings to finance the operation and expansion of its business, and we do not anticipate paying any cash dividends in the foreseeable future. In addition, in the future we may enter into agreements that prohibit or restrict its ability to declare or pay dividends on our Ordinary Shares. As a result, you may only receive a return on your investment in our Ordinary Shares if the market price of such shares increases.

Certain judgments obtained against us by our shareholders may not be enforceable.

We are an exempted company incorporated under the laws of the Cayman Islands. The Group conducts most of its operations in Singapore and substantially all of its operations outside of the United States. Substantially all of the Group's assets are located outside of the United States. In addition, all of our senior executive officers reside outside the United States. Substantially all of the assets of these persons are located outside the United States. As of the date of this annual report, there are no officers, directors, or director nominees residing in China or Hong Kong, except for Lim Boon Yew Gary, who is one of our independent directors and resides in Hong Kong. A judgment of a court in the United States predicated upon U.S. federal or state securities laws may be enforced in Hong Kong at common law by bringing an action in a Hong Kong court on that judgment for the amount due thereunder, and then seeking summary judgment on the strength of the foreign judgment, provided that the foreign judgment, among other things, is (1) for a debt or a definite sum of money; (2) made by a court of competent jurisdiction over the parties and the subject matter; (3) between the same parties on an identical issue; (4) final and conclusive on the merits; and (5) not impeachable according to the rules on conflicts of laws of Hong Kong. Such a judgment may not, in any event, be so enforced in Hong Kong if (a) it was obtained by fraud; (b) the proceedings in which the judgment was obtained were opposed to natural justice; or (c) its enforcement or recognition would be contrary to the public policy of Hong Kong. It will be costlier and more time-consuming for the investors to effect service of process outside the United States, or to enforce judgments obtained from the U.S. courts in the courts of the jurisdictions where our directors and officers reside. For example, to enforce a foreign judgment in Hong Kong, the applicant will be required to apply to the Hong Kong High Court to enforce a foreign judgment (the "Application") for which the applicant will be required to (i) engage a local counsel to facilitate or prepare the Application; and (ii) go through the standard litigation process to sue on the judgment as a debt. In addition, a judgment of a United States court for civil liabilities predicated upon the federal securities laws of the United States may also not be enforceable in or recognized by the courts of the jurisdictions where our directors and officers reside.

Furthermore, as of the date of this annual report, most of officers, directors, or director nominees reside in Singapore. It is possible that the Singapore courts may not (i) recognize and enforce judgments of courts in the United States, based upon the civil liability provisions of the securities laws of the United States or any state or territory of the United States (ii) enter judgments in original actions brought in the Singapore courts based solely on the civil liability provisions of these securities laws. An *in personam* final and conclusive judgment in the federal or state courts of the United States under which a fixed or ascertainable sum of money is payable may be enforced as a debt in the Singapore courts under the common law as long as it is (i) from a court of competent jurisdiction in the United States and (ii) final and conclusive on the merits under the laws of the United States. Additionally, the court where the judgment was obtained must have had international jurisdiction over the party sought to be bound in the local proceedings. However, the Singapore courts are unlikely to enforce a foreign judgment if (a) the foreign judgment is inconsistent with a prior local judgment that is binding on the same parties; (b) the enforcement of the foreign judgment would contravene the public policy of Singapore; (c) the proceedings in which the foreign judgment was obtained were contrary to principles of natural justice; (d) the foreign judgment was obtained by fraud; or (e) the enforcement of the foreign judgment amounts to the direct or indirect enforcement of a foreign penal, revenue or other public law. As a result, it may be difficult or impossible for you to bring an action against us or against these individuals in the United States in the event that you believe that your rights have been infringed under the U.S. federal securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands, Singapore, and Hong Kong may render you unable to enforce a judgment against our assets or the assets of our directors and officers. For more information regarding the relevant laws of the Cayman Islands and Singapore, see “*Comparison of Stockholders’ Rights — Enforceability of Civil Liabilities under the U.S. Securities Laws.*”

Our share price may be volatile and could decline substantially.

The market price of our Ordinary Shares may be volatile, both because of actual and perceived changes in our financial results and prospects, and because of general volatility in the stock market. The factors that could cause fluctuations in our share price may include, among other factors discussed in this section, the following:

- actual or anticipated variations in the financial results and prospects of the company or other companies in the same industry;
- changes in financial estimates by research analysts;
- changes in the market valuations of other waste management companies;
- announcements by us or our competitors of new products and services, expansions, investments, acquisitions, strategic partnerships, or joint ventures;
- mergers or other business combinations;
- additions and departures of key personnel and senior management;
- changes in accounting principles;
- the passage of legislation or other developments affecting us or our industry;
- the trading volume of our Ordinary Shares in the public market;
- the release of lockup or other transfer restrictions on our outstanding equity securities or sales of additional equity securities;
- potential litigation or regulatory investigations;
- changes in economic conditions, including fluctuations in global and Singaporean economies;
- financial market conditions;
- natural disasters, terrorist acts, acts of war, or periods of civil unrest; and
- the realization of some or all of the risks described in this section.

In addition, the stock markets have experienced significant price and trading volume fluctuations from time to time, and the market prices of the equity securities have been volatile and are sometimes subject to sharp price and trading volume changes. These broad market fluctuations may materially and adversely affect the market price of our Ordinary Shares.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about us or our business, our Ordinary Shares price and trading volume could decline.

The trading market for our Ordinary Shares will depend in part on the research and reports that securities or industry analysts publish about us or our business. Securities and industry analysts do not currently, and may never, publish research on us. If no securities or industry analysts commence coverage of us, the trading price for our Ordinary Shares would likely be negatively affected. In the event securities or industry analysts initiate coverage, if one or more of the analysts who cover us downgrade our securities or publish inaccurate or unfavorable research about our business, our share price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us, demand for our Ordinary Shares could decrease, which might cause the share price and trading volume to decline.

Our Amended and Restated Memorandum and Articles of Association contains anti-takeover provisions that could have a material adverse effect on the rights of holders of the Ordinary Shares.

The Amended and Restated Memorandum and Articles of Association contains provisions to limit the ability of others to acquire control of us or cause us to engage in change of control transactions. These provisions could have the effect of depriving our shareholders of an opportunity to sell their shares at a premium over prevailing market prices by discouraging third-parties from seeking to obtain control of us in a tender offer or similar transaction. For example, our board of directors has the authority, subject to any resolution of the shareholders to the contrary, to issue preferred shares in one or more series and to fix their designations, powers, preferences, privileges, and relative participating, optional or special rights and the qualifications, limitations or restrictions, including dividend rights, conversion rights, voting rights, terms of redemption, and liquidation preferences, any or all of which may be greater than the rights associated with our Ordinary Shares. Preferred shares could be issued quickly with terms calculated to delay or prevent a change in control of us or make removal of management more difficult. If our board of directors decides to issue preferred shares, the price of the Ordinary Shares may fall and the voting and other rights of the holders of the Ordinary Shares may be materially and adversely affected.

If the benefits of the Business Combination do not meet the expectations of financial or industry analysts, the market price of our securities may decline.

The market price of our securities may decline as a result of the Business Combination if:

- we do not achieve the perceived benefits of the Business Combination as rapidly as, or to the extent anticipated by, financial or industry analysts; or
- the effect of the Business Combination on the financial statements is not consistent with the expectations of financial or industry analysts.

Accordingly, investors may experience a loss as a result of declining share prices.

Risks Relating to Operating as a Public Company

Although as a foreign private issuer, OIO is exempt from certain corporate governance standards applicable to US domestic issuers, if OIO cannot continue to satisfy, the continued listing requirements and other rules of Nasdaq, OIO's securities may not be listed or may be delisted, which could negatively affect the price of its securities and your ability to sell them.

OIO's securities currently list on Nasdaq. OIO cannot assure you that its securities will continue to be listed on Nasdaq. In order to maintain its listing on Nasdaq, OIO is required to comply with certain rules of Nasdaq, including those regarding minimum shareholders' equity, minimum share price, minimum market value of publicly held shares, and various additional requirements.

OIO's management team has limited experience managing a public company.

The members of OIO's management team have limited or no experience managing a publicly-traded company, interacting with public company investors, and complying with the increasingly complex laws, rules and regulations that govern public companies. There are significant obligations it is subject to relating to reporting, procedures and internal controls after OIO becomes a publicly-traded company. These new obligations and scrutiny will require significant attention from management and could divert their attention away from the day-to-day management of the Group's business, which could adversely affect its business, financial condition and operating results.

If OIO fails to implement and maintain an effective system of internal controls to remediate its material weaknesses over financial reporting, OIO may be unable to accurately report its results of operations, meets its reporting obligations or prevent fraud, and investor confidence and the market price of Ordinary Shares may be materially and adversely affected.

Once OIO ceases to be an "emerging growth company" as such term is defined in the JOBS Act, OIO's independent registered public accounting firm must attest to and report on the effectiveness of OIO's internal controls over financial reporting. Moreover, even if OIO's management concludes that OIO's internal controls over financial reporting is effective, OIO's independent registered public accounting firm, after conducting its own independent testing, may issue an adverse opinion on the effectiveness of internal control over financial reporting if it is not satisfied with OIO's internal controls or the level at which OIO's controls are documented, designed, operated or reviewed, or if it interprets the relevant requirements differently from OIO. In addition, OIO's reporting obligations may place a significant strain on OIO's management, operational and financial resources and systems for the foreseeable future. OIO may be unable to timely complete its evaluation testing and any required remediation.

During the course of documenting and testing OIO's internal control procedures, in order to satisfy the requirements of Section 404, OIO may identify weaknesses and deficiencies in OIO's internal control over financial reporting. If OIO fails to maintain the adequacy of its internal control over financial reporting, as these standards are modified, supplemented, or amended from time to time, OIO may not be able to conclude on an ongoing basis that it has effective internal control over financial reporting in accordance with Section 404. Generally speaking, if OIO fails to achieve and maintain an effective internal control environment, it could result in material misstatements in OIO's financial statements and could also impair OIO's ability to comply with applicable financial reporting requirements and related regulatory filings on a timely basis. As a result, OIO's businesses, financial condition, results of operations and prospects, as well as the trading price of the Ordinary Shares, may be materially and adversely affected. Additionally, ineffective internal control over financial reporting could expose OIO to increased risk of fraud or misuse of corporate assets and subject OIO to potential delisting from the stock exchange on which OIO lists, regulatory investigations and civil or criminal sanctions. OIO may also be required to restate its financial statements from prior periods. OIO will incur increased costs as a result of being a public company.

OIO is a public company and expects to incur significant legal, accounting, and other expenses. For example, as a result of becoming a public company, OIO needs to increase the number of independent directors and adopt policies regarding internal controls and disclosure controls and procedures. Operating as a public company will make it more difficult and more expensive for it to obtain director and officer liability insurance, and OIO may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition, OIO will incur additional costs associated with its public company reporting requirements. It may also be more difficult for OIO to find qualified persons to serve on its Board of Directors or as executive officers.

After OIO is no longer an "emerging growth company," OIO may incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 and the other rules and regulations of the SEC.

If OIO ceases to qualify as a foreign private issuer, it would be required to comply fully with the reporting requirements of the Exchange Act applicable to U.S. domestic issuers, and it would incur significant additional legal, accounting, and other expenses that it would not incur as a foreign private issuer.

As a foreign private issuer, OIO will be exempt from the rules under the Exchange Act prescribing the furnishing and content of annual report. In addition, it will not be required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as United States domestic issuers, and it will not be required to disclose in its periodic reports all of the information that United States domestic issuers are required to disclose. OIO currently prepares its financial statements in accordance with IFRS. OIO will not be required to file financial statements prepared in accordance with or reconciled to U.S. GAAP so long as the Company's financial statements are prepared in accordance with IFRS as issued by the IASB. If it ceases to qualify as a foreign private issuer in the future, it would incur significant additional expenses that could have a material adverse effect on its results of operations.

Because OIO is a foreign private issuer and is exempt from certain Nasdaq corporate governance standards applicable to U.S. issuers, you will have less protection than you would have if it were a domestic issuer.

OIO's status as a foreign private issuer exempts it from compliance with certain Nasdaq corporate governance requirements if it instead complies with the statutory requirements applicable to a Cayman Islands exempted company. The statutory requirements of OIO's home country of Cayman Islands, do not strictly require a majority of its board to consist of independent directors. Thus, although a director must act in the best interests of OIO, it is possible that fewer board members will be exercising independent judgment and the level of board oversight of the management the company may decrease as a result. In addition, the Nasdaq Listing Rules also require U.S. domestic issuers to have an independent compensation committee with a minimum of two members, a nominating committee, and an independent audit committee with a minimum of three members. OIO, as a foreign private issuer, with the exception of needing an independent audit committee composed of at least three members, is not subject to these requirements. The Nasdaq Listing Rules may also require shareholder approval for certain corporate matters that OIO's home country's rules do not. Following Cayman Islands governance practices, as opposed to complying with the requirements applicable to a U.S. company listed on Nasdaq, may provide less protection to you than would otherwise be the case.

You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under Cayman Islands law.

We are an exempted company incorporated under the laws of the Cayman Islands. Our corporate affairs are governed by our Amended and Restated Memorandum and Articles of Association, the Companies Act (As Revised) of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take action against OIO's directors, actions by OIO's minority shareholders and the fiduciary duties of OIO's directors to OIO under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of OIO's shareholders and the fiduciary duties of OIO's directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands have a less developed body of securities laws than the United States and provides significantly less protection to investors. In addition, some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands.

There is uncertainty as to whether the courts of the Cayman Islands would (i) recognize or enforce judgments of U.S. courts obtained against OIO or OIO's directors or officers predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States, or (ii) entertain original actions brought in the Cayman Islands against OIO or OIO's directors or officers predicated upon the securities laws of the United States or any state in the United States. It may be difficult or impossible for you to bring an action against OIO or against these individuals in the Cayman Islands in the event that you believe that your rights have been infringed under the applicable securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands may render you unable to enforce a judgment against OIO's assets or the assets of OIO's directors and officers.

Shareholders of Cayman Islands exempted companies like OIO have no general rights under Cayman Islands law to inspect corporate records or to obtain copies of lists of shareholders of these companies. OIO's directors have discretion under our Amended and Restated Memorandum and Articles of Association to determine whether or not, and under what conditions, its corporate records may be inspected by its shareholders, but are not obliged to make them available to its shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

As a result of all of the above, OIO's public shareholders may have more difficulty in protecting their interests in the face of actions taken by OIO's management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States.

Cayman Islands companies may not have standing to initiate a derivative action in a federal court of the United States. As a result, your ability to protect your interests if you are harmed in a manner that would otherwise enable you to sue in a United States federal court may be limited to direct shareholder lawsuits.

OIO may be a "passive foreign investment company," or "PFIC", which could result in adverse U.S. federal income tax consequences to U.S. Holders.

In general, we will be treated as a PFIC for any taxable year in which either (1) at least 75% of our gross income (looking through certain 25% or more-owned subsidiaries) is passive income or (2) at least 50% of the average value of our assets (looking through certain 25% or more-owned subsidiaries) is attributable to assets that produce, or are held for the production of, passive income. Passive income generally includes, without limitation, dividends, interest, rents, royalties, and gains from the disposition of passive assets. If we are determined to be a PFIC for any taxable year (or portion thereof) that is included in the holding period of a U.S. Holder (as defined in the Section of this prospectus captioned "Material U.S. Federal Income Tax Considerations for U.S. Holders") of our securities, the U.S. Holder may be subject to increased U.S. federal income tax liability and may be subject to additional reporting requirements. The determination of whether we are a PFIC is a fact-intensive determination made on an annual basis applying principles and methodologies that in some circumstances are unclear and subject to varying interpretation. Our actual PFIC status for any taxable year will not be determinable until after the end of such taxable year. Accordingly, there can be no assurance with respect to our status as a PFIC for our current taxable year or any subsequent taxable year. We urge U.S. Holders to consult their own tax advisors regarding the possible application of the PFIC rules in light of their individual circumstances.

Risks Relating to the Acquisition with DT

If OIO's due diligence investigation of DT was inadequate, then OIO shareholders following the Acquisition could lose some or all of their investment.

Even though OIO conducted a due diligence investigation of DT, it cannot be sure that this diligence uncovered all material issues that may be present inside DT or its business, or that it would be possible to uncover all material issues through a customary amount of due diligence, or that factors outside of DT and its business and outside of its control will not later arise. Even if OIO's due diligence successfully identifies certain risks, unexpected risks may arise and previously known risks may materialize in a manner not consistent with DT's preliminary risk analysis.

OIO and DT have incurred and expect to incur significant costs associated with the Acquisition. The incurrence of these costs will reduce the amount of cash available to be used for other corporate purposes by OIO following the closing of the Acquisition.

OIO and DT have incurred and expect to incur significant costs associated with the Acquisition. OIO expects to incur approximately US\$215,000 in expenses. These expenses will reduce the amount of cash available to be used for other corporate purposes by OIO following the closing of the Acquisition.

OIO's shareholders will experience immediate dilution as a consequence of, among other transactions, the issuance of OIO Ordinary Shares as consideration in the Acquisition. Having a minority share position may reduce the influence that OIO's current shareholders have on the management of the combined company.

Following the closing of the Acquisition, OIO's public shareholders have retained an ownership interest of approximately 2.0% of the combined company and the current DT shareholders, including public DT shareholders, own approximately 95.8% of the combined company.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

The Company was formed to serve as a holding company for Legacy ESGL and GUCC after consummation of the Business Combination contemplated by the Merger Agreement. The Company, a Cayman Islands exempted company, was formed on November 18, 2022. Prior to the Business Combination, the Company owned no material assets and did not operate any business. The Company's principal executive office is located at 101 Tuas South Avenue 2 Singapore 637226, and its telephone number is +65 6653 2299.

On August 3, 2023 the parties consummated the Business Combination, and an aggregate of 3,922,961 shares of common stock of GUCC were redeemed.

ESGH is a holding company incorporated under the laws of the Cayman Islands as an exempted company with limited liability on June 14, 2022. ESGH has no substantive operations other than holding all of the issued shares of Environmental Solutions Asia Holdings Limited ("ES BVI"), a holding company incorporated under the laws of the British Virgin Islands on June 29, 2022. On August 5, 2022, as part of a reorganization, ES BVI acquired the entire equity interest in ESA, which was incorporated under the laws of Singapore on May 8, 1999, from its shareholders, namely Quek Leng Chuang, Law Beng Hui, Chem Integrated Management Pte. Ltd., LV Capital Holdings Limited, Ling Sheng Hwang, Ling Sheng Chung, Lim Suat Bee, Julie and other shareholders, and as consideration, ES BVI allotted and issued its ordinary shares to the aforementioned shareholders in the same proportion as their respective shareholdings in ESA. Upon completion of such reorganization, ESA became a wholly-owned subsidiary of ES BVI.

On February 26, 2025, OIO entered into a share purchase agreement (the "Agreement") with De Tomaso Automobili Holdings Limited, a Cayman Islands exempted company ("DT" or "De Tomaso"), and certain of DT's shareholders named therein, including De Tomaso Automobili Holdings Limited, a Marshall Islands company, and Ideal Team Ventures Limited, a British Virgin Islands company, pursuant to which OIO agreed to purchase from the DT shareholders, and the DT shareholders agreed to sell to OIO, the entire issued share capital of DT, for the Consideration (as defined below), such that upon the closing, DT shall become a direct wholly-owned subsidiary of OIO, and the DT shareholders shall become shareholders of OIO (the "Acquisition"). The Acquisition closed on April 24, 2026.

Pursuant to the terms of the Agreement, the aggregate consideration paid by OIO at the closing of the Acquisition to the DT shareholders was US\$1,030,000,000 (the "Consideration"), which was paid in 333,333,334 newly issued Ordinary Shares (the "Consideration Shares") at a deemed issue price of US\$3.09 per share. In addition, subject to DT and its subsidiaries (the "DT Group") having achieved the FY2025 Performance Target (as defined below) and the FY2026 Performance Target (as defined below), OIO shall issue additional Ordinary Shares to the DT shareholders equal to 5% of the number of Consideration Shares (the "Earnout Shares") for each fiscal year. The total number of Earnout Shares that may be issued in both FY2025 and FY2026 shall not exceed 10% of the number of the Consideration Shares. In the event that the FY2025 Performance Target is not satisfied by the end of 2025 but the FY2025 Performance Target and the FY2026 Performance Target have been satisfied by the end of FY2026, all of the Earnout Shares in respect of both fiscal years (to the extent not yet issued) shall be issued to the DT shareholders. The "FY2025 Performance Target" stipulates that 36 units of DT vehicles be delivered to and accepted by its customers in the year was not met as at December 31, 2025. The "FY2026 Performance Target" requires 74 units of DT vehicles to be delivered and accepted by its customers in the year.

In anticipation of the Acquisition, the Company held an extraordinary general meeting on June 10, 2025, where a proposal to change the Company's name from "ESGL Holdings Limited" to "OIO Group" was approved. On December 4, 2025, the Cayman Islands Registrar of Companies issued a Certificate of Incorporation on Change of Name in accordance with the requirements of Companies Act (Revised) of the Cayman Islands to reflect the name change.

In connection with the Acquisition, the Company sought and obtained shareholder approval for a reverse share split (the "RSS") at an extraordinary general meeting held on June 10, 2025. Pursuant to such approval, the Company's authorised share capital was to be restructured from US\$300,000 divided into 3,000,000,000 ordinary shares with a par value of US\$0.0001 each to US\$300,000 divided into 1,000,000,000 ordinary shares with a par value of US\$0.0003 each, effected by way of a consolidation of every three (3) issued and unissued ordinary shares into one (1) ordinary share.

The RSS was effected on April 24, 2026 concurrently with the completion of the Acquisition. Subsequently, the Company commenced trading on the Nasdaq Capital Market under the ticker symbol "OIO."

B. Business Overview

Overview – OIO Group

OIO Group (“OIO”) is a holding company incorporated as an exempted company under the laws of the Cayman Islands. As a holding company with no material operations of its own, OIO conducts all of its operations through its operating entity incorporated in Singapore, ESA.

ESA is a waste management, treatment and recycling company involved in the collection and recycling of hazardous and non-hazardous industrial waste from customers such as pharmaceutical, semiconductor, petrochemical and electroplating companies. ESA currently has two revenue streams, from: (i) services income which is primarily comprised of the fees it charges its customers for waste collection and disposal services, which fees are similar to those charged by ESA’s competitors, and (ii) the sales and trading of ESA’s circular products that are made and processed from the recycled waste collected from its customers with respect to its waste collection and disposal services, which ESA believes makes ESA a unique and environmentally friendly offering in the marketplace.

A fundamental tenet of ESA is that waste is a resource to be reused, repurposed and recirculated. ESA believes that this mindset of creating commodities from waste sets itself apart from the linear traditional waste industry participants, which largely only generate income from the collection, destruction and disposal of post-collection waste. This philosophy is ingrained and reflected in ESA’s business operations where it utilizes renewable energy and by-products produced from ESA’s waste treatment process to reduce its own operating costs. In line with this mindset, ESA’s primary business focus is the conversion and processing of industrial waste (that would otherwise be unused in the waste recycling process) into circular products such as pyrolysis oil, diesel, metals such as nickel, zinc, copper, silver, gold, minerals such as lime (calcium hydroxide) and fluorspar (calcium fluoride), and chemicals such as hydrochloric acid, sulfuric acid, and calcium chloride. ESA then sells these converted circular products to local and international end users, traders or overseas refiners who require the circular products for their own commercial use or for further processing including manufacturing and galvanizing purposes.

Recent Developments

Acquisition of De Tomaso Automobili Holdings Limited

On February 26, 2025, the Company entered into a share purchase agreement (the “Agreement”) with De Tomaso Automobili Holdings Limited, a Cayman Islands exempted company (“DT” or De Tomaso), and certain of DT’s shareholders named therein, including De Tomaso Automobili Holdings Limited, a Marshall Islands company, and Ideal Team Ventures Limited, a British Virgin Islands company, pursuant to which the Company agreed to purchase from the DT shareholders, and the DT shareholders agreed to sell to the Company, the entire issued share capital of DT, for the Consideration (as defined below), such that upon the closing, DT shall become a direct wholly-owned subsidiary of the Company, and the DT shareholders shall become shareholders of the Company (the “Acquisition”). The Acquisition closed on April 24, 2026.

Pursuant to the terms of the Agreement, the aggregate consideration paid by the Company at the closing of the Acquisition to the DT shareholders was US\$1,030,000,000 (the “Consideration”), which was paid in 333,333,334 newly issued ordinary shares of the Company (the “Consideration Shares”) at a deemed issue price of US\$3.09 per share. In addition, subject to DT and its subsidiaries (the “DT Group”) having achieved the FY2025 Performance Target (as defined below) and the FY2026 Performance Target (as defined below), the Company shall issue additional ordinary shares to the DT shareholders equal to 5% of the number of Consideration Shares (the “Earnout Shares”) for each fiscal year. The total number of Earnout Shares that may be issued in both FY2025 and FY2026 shall not exceed 10% of the number of the Consideration Shares. In the event that the FY2025 Performance Target is not satisfied by the end of 2025 but the FY2025 Performance Target and the FY2026 Performance Target have been satisfied by the end of FY2026, all of the Earnout Shares in respect of both fiscal years (to the extent not yet issued) shall be issued to the DT shareholders. The “FY2025 Performance Target” stipulates that 36 units of DT vehicles be delivered to and accepted by its customers in the year was not met as at December 31, 2025. The “FY2026 Performance Target” requires 74 units of DT vehicles to be delivered and accepted by its customers in the year.

In anticipation of the Acquisition, the Company held an extraordinary general meeting on June 10, 2025, where a proposal to change the Company's name from "ESGL Holdings Limited" to "OIO Group" was approved by shareholders. On December 4, 2025, the Cayman Islands Registrar of Companies issued a Certificate of Incorporation on Change of Name in accordance with the requirements of Companies Act (Revised) of the Cayman Islands to reflect the name change. On March 10, 2026, the Ordinary Shares and Public Warrants commenced trading on the Nasdaq Capital Market under the new name, and the Company's ticker symbols changed to "OIO" and "OIOWW," respectively.

In connection with the Acquisition, the Company sought and obtained shareholder approval for a reverse share split (the "RSS") at an extraordinary general meeting held on June 10, 2025. Pursuant to such approval, the Company's authorised share capital was to be restructured from US\$300,000 divided into 3,000,000,000 ordinary shares with a par value of US\$0.0001 each to US\$300,000 divided into 1,000,000,000 ordinary shares with a par value of US\$0.0003 each, effected by way of a consolidation of every three (3) issued and unissued ordinary shares into one (1) ordinary share.

On April 24, 2026, the RSS was effected and the Acquisition was concurrently completed. Subsequently, the Company commenced trading on the Nasdaq Capital Market under the ticker "OIO".

Competitive Strengths

Revolutionizing Waste Management for a Sustainable Future

OIO is at the forefront of a new era in waste management, pioneering innovative solutions that transform industrial waste into valuable resources instead of discarding it. By reimagining waste as an opportunity, OIO is driving a more sustainable and circular economy. Our circular economy-driven approach has not only differentiated us from traditional waste management companies but has also positioned us as an industry pioneer. With increased operational capacity in 2025, OIO's impact in sustainable waste management is greater than before.

With an expanded portfolio of six circular products derived from waste, OIO is offering a greater variety of high-value sustainable raw materials. As demand for circular solutions rises, OIO is at the forefront of this transformation, helping industries meet ambitious sustainability targets. OIO's pioneering renewable energy capture techniques continue to gain traction, allowing us to optimize energy use while reinforcing Singapore's Zero Waste to Landfill commitment. Our ISCC-certified NewOil remains a trusted, sustainable alternative for businesses looking to reduce their carbon footprint while embracing a circular economy.

ESA owns and operates an industrial waste management plant in Singapore that uses waste wood gasification and solar energy for the thermal treatment processing of industrial waste. In order to harness the solar energy for the thermal treatment of industrial waste, ESA currently has 640kWp photovoltaic panels (also known as solar panels) installed in its plant building. ESA also owns and operates a commercial plant in Singapore to supply ISCC PLUS-certified circular pyrolysis oil made from waste plastics in Singapore.

Experienced Management Team

The Group's core executive and management team, which consists of Mr. Quek Leng Chuang, Mr. Law Beng Hui, Mr. Ho Shian Ching and Mr. Lee Meng Seng, has amassed approximately a combined 100 years of relevant experience in waste management and the chemical supply chain and general management, including but not limited to corporate and financial management and services. The Company is led by its two executive directors, Mr. Quek Leng Chuang and Mr. Law Beng Hui. Mr. Quek, OIO's Chief Executive Officer and Chairman of OIO's board of directors, has over 30 years of experience in the waste management industry. In addition, Mr. Quek was awarded a Singapore Armed Force Scholarship to pursue Engineering in 1986 and subsequently served full time in the Singapore Army as an officer with an Elite Infantry Division. He continued service honorably in the reserve until 2016 and attained the rank of Lieutenant Colonel. Mr. Law, the Company's Chief Growth and Sustainability Officer, has over 20 years of experience in business strategy, brand portfolio and marketing management, including roles at Diageo plc and WPP plc.

Growth Strategy

We are committed to advancing OIO's position as a sustainability-driven, innovation-led organization focused on delivering long-term shareholder value. Our growth strategy is structured around four core strategic pillars: (i) positioning our Singapore operations as a center of excellence for circular technologies, (ii) expanding into overseas markets through recyclable materials offtake, (iii) leveraging partnerships through technology licensing and joint ventures. This strategy supports our broader objective to diversify into sectors where innovation and brand power can drive meaningful growth, enabling us to address emerging opportunities within the global circular economy. (iv) to opportunistically acquire companies in order to diversify our portfolio and to enter into adjacent sectors.

Pillar 1: Singapore Operations – Centre of Excellence for Circular Technologies

We continue to invest in our wholly owned subsidiary, Environmental Solutions (Asia) Pte. Ltd. ("ESA"), to establish it as a regional center of excellence for circular technologies. Subject to the availability of funding, we plan to expand ESA's operational capabilities through:

- Increasing sludge thermal processing capacity to broaden the types of industrial waste ESA can treat;
- Enhancing spent acid treatment capacity through the acquisition of additional reactors, filter presses, and supporting auxiliaries; and
- Constructing a high-temperature hazardous waste treatment system designed to improve ESA's ability to recover valuable materials and generate eligible carbon and plastic credits under Singapore's regulated environmental credit schemes.

We have previously also entered into a Joint Development Agreement (the "JDA") with Nanomatics Pte. Ltd. ("NMT"), a technology spin-off from Nanyang Technological University, to jointly develop and integrate NMT's THERMO-CVD process with ESA's proprietary FR-3 Pyrolysis Technology. The purpose of the collaboration is to convert synthetic gas from plastic pyrolysis into carbon nanotubes and hydrogen. Upon achieving commercially viable outputs in the pilot phase, we intend to explore licensing arrangements with NMT for exclusive use of the technology in Southeast Asia.

Pillar 2: Overseas Expansion – Recyclable Materials Offtake

We believe our business model is scalable and applicable to other regional markets. To this end, we have begun expanding beyond Singapore through the establishment of warehousing and circular product sales infrastructure in Johor Bahru, Malaysia. This facility, launched in late 2024, serves as a base to scale operations and distribute our circular products across Malaysia.

We are also actively evaluating other ASEAN markets where industrial waste management infrastructure is underdeveloped. For example, in Batam, Indonesia—a free trade zone near Singapore with significant manufacturing activity—hazardous waste is currently shipped to West Java for treatment. We believe the establishment of local treatment capabilities could reduce transportation costs for waste generators and provide an effective demonstration of our sustainable waste management model in a cross-border context.

Pillar 3: Partnerships via Technology Licensing and Joint Ventures

We intend to expand our international presence through strategic partnerships and licensing arrangements. Our approach includes:

- Protecting and patenting key proprietary technologies and trade secrets;
- Entering into licensing agreements with overseas partners to deploy OIO's circular technologies in industrial markets similar to Singapore's; and
- Forming joint development programs or joint venture entities to facilitate technology transfer, drive local adoption, and accelerate recycling rates across partner jurisdictions.

Pillar 4: Portfolio Diversification – Entry into Adjacent Sectors

In line with our strategic vision to build a diversified and future-ready business, we are actively pursuing opportunities beyond traditional environmental services. In February 2025, we signed a definitive agreement to acquire De Tomaso Automobili Holdings S.A., an iconic high-performance automotive brand. This acquisition represents a deliberate move into the luxury innovation sector, where we believe our expertise in sustainable materials, engineering capabilities, and brand development can unlock meaningful long-term growth.

We believe the execution of our growth strategy across these three pillars will enhance our competitive positioning, expand our customer and revenue base, and create sustainable value for our shareholders over the long term. We are committed to advancing our business through strategic diversification into sectors where innovation and brand power can drive meaningful growth, reinforcing our position as a differentiated, sustainability-focused organization.

Product & Service Quality and Safety

ESA's waste management operations are ISO 14001:2015 certified. All of ESA's operating procedures are documented and the associated risks of each business activity is reviewed at least annually, and updated where necessary. To ensure ESA's waste collection procedures are followed correctly, ESA provides operator training to our operator staff and this training is conducted by our safety and production managers.

In addition to ESA's waste collection procedures, its waste treatment and conversion processes are also ISO 9001: 2015 certified and we follow strict operational procedures in the treatment and conversion of waste. Moreover, ESA ensures its circular products meet its quality control standards with the support of its in-house laboratory. More recently, ESA's business operations involved in the conversion of waste plastics into oil have complied with the requirements of the certification systems of ISCC Plus (International Sustainability and Carbon Certification). These certifications and qualifications are renewed annually, with the provision of regular training to ESA's management team and employees being an integral requisite. ESA's workplace safety and health procedures are certified as Bizsafe Level 3, as issued by the Workplace Safety and Health Council in Singapore.

Suppliers and Logistics Providers

In addition to the waste generated by ESA's customers, ESA acquires industrial waste from suppliers, such as companies from the biomedical, pharmaceutical, electronics, semiconductors, electroplating, and petrochemicals industries. ESA also has suppliers that provide it with certain equipment such as bins, containers for waste, machine parts, as well as other auxiliary equipment used in ESA's waste generation plant and laboratory that is essential to ESA's business operations.

For the year ended December 31, 2024, one supplier accounted for approximately 36.9% of the Group's total inventory and logistic costs. For the year ended December 31, 2025, two suppliers accounted for approximately 25.2% of the Group's total inventory and logistic costs.

The following summarizes the material terms of ESA's typical purchase contracts:

Term:	The agreed term is generally 1 to 2 years.
Description and type of product:	The contract stipulates the type and specifications of the waste to be purchased by ESA.
Rebate Scheme:	The purchase price for the waste is determined based on the concentration and amount of precious metals in the waste and sold to ESA via a rebate scheme.
Weight:	The contract stipulates how ESA will perform the weighing procedures and the containers used to pack the waste.
Acceptance:	The waste shall be transported to the plants of ESA.
Sample and Analysis:	The contract stipulates how the sampling and analysis of the waste will be performed by ESA.
Payment terms:	Payment is generally made in US dollars upon receipt of the invoice within 30 days from the relevant supplier.
Termination:	<p>The contract shall be renewed automatically unless termination notice has been issued to either party at least 1 to 3 months before the expiry date.</p> <p>The contract shall be terminated by the supplier if:</p> <ul style="list-style-type: none">• ESA fails to observe or perform any provision or terms of the agreement.• ESA gives or offers any substantial gift whether by way of money, goods or otherwise to an employee of the supplier, or if any employee/family of an employee of the supplier has an unrevealed substantial interest in the business of ESA of which ESA has knowledge of.
Confidentiality:	<p>It also stipulates both parties shall not disclose the existence of the contract, its terms and conditions, without prior consent from the other party and any information received by the parties under this contract shall not be used other than for the waste treatment/storage/conditioning services and shall not be disclosed to any third parties.</p> <p>This clause shall survive 3 years from the termination or expiration of the contract.</p>

ESA engages third party logistics providers to provide ESA with freight and transportation services for the collection of waste and the transportation of ESA's circular products to customers.

For the year ended December 31, 2024, two logistics providers in the aggregate accounted for approximately 52.2% of the Group's total cost of inventory and logistics.

The following summarizes the material terms of the typical contracts with the Company's logistics providers:

Term:	The agreed term is generally 1 to 2 years.
Service Fee for transportation:	The contract stipulates the amount of service fees (i) per trip during specified hours and (ii) per hour after specified hours.
Service Fee for loading:	The service fees for the loading of goods per trip.
Payment terms:	Generally within 30 days and prices quoted excluding good and services tax.

Sales and Marketing

ESA's sales team is comprised of two employees, and they are involved in providing sales support administration and customer services.

Sales and marketing generally is a business-to-business endeavor, and ESA adopts email marketing as the primary method of reaching out to potential customers. ESA acquires new email-registered members through a diverse set of paid and unpaid marketing channels. ESA's paid advertising efforts include search engine marketing, affiliate channels, and specific offline marketing channels. ESA's non-paid advertising efforts include search engine optimization, non-paid social media, customer referrals and email. Upon acquiring a customer or a potential customer's email address, ESA focuses on how to increase their engagement with ESA's products and services. This effort to increase engagement and repeat purchasing is primarily accomplished by providing consistent customer service and email marketing efforts. ESA also has a cloud-based customer relationship management system to promote its sales and marketing efforts. ESA also adopts search engine optimization strategies to place it on the first page of most relevant searches so that potential customers and suppliers can easily locate ESA.

Other than the above traditional means to attract potential customers, ESA is also a member of the Waste Management Recycling Association of Singapore, the United Nations Global Compact, and Association of Process Industry where it actively participates in industry forums to promote the ESA's brand and awareness to sustainable solutions towards waste management. Additionally, and as part of ESA's corporate social responsibility efforts, ESA has partnered up with the non-profit, Alliance to End Plastic Waste, to develop an educational program which aims to recycle at least 350 metric tons of plastics through educational institutions in Singapore.

Customers

We provide our waste collection and disposal services to the following customers, which include but are not limited to:

- (i) petrochemical companies such as Shell Eastern Petroleum Pte Ltd ("Shell"), ExxonMobil Asia Pacific Pte Ltd, Huntsman Corporation and Singapore Refining Company Pte Ltd;
- (ii) semi-conductors such as Micron Semiconductor Asia Operations Pte Ltd ("Micron"), STMicroelectronics Pte Ltd ("STMicro") and Systems on Silicon Manufacturing Company Pte Ltd ("SSMC");
- (iii) pharmaceutical corporations such as AbbVie Operations Singapore Pte Ltd, Alcon Singapore Manufacturing Pte Ltd and Pfizer Asia Manufacturing Pte Ltd;
- (iv) technology equipment manufacturers such as Lixens Singapore Pte Ltd, Singapore Epson Industrial Pte Ltd and Lincstech Circuit Singapore Pte Ltd; and
- (v) chemical product companies such as Stella Chemifa Singapore Pte Ltd and BASF South East Asia Pte Ltd.

In line with our circularity mission, we treat and process the collected waste into circular products, which include but are not limited to, pyrolysis oil, fluorspar, regenerated acid, base metals and nickel carbonate, and sell them to local and international end users, traders or overseas refiners, including Shell, Gee Hoe Seng Pte Ltd, Progress Galvanizing Pte Ltd, GRM Co. Ltd and NickelHutte Aue GMBH.

When selecting ESA's customers, ESA considers factors such as their size, creditworthiness and financial strength. ESA generally delivers the circular products to its customers after they have made approximately more than 80% of the payment to ESA to minimize any risk of bad debt and non-payment.

For the year ended December 31, 2024, four of the Group's customers accounted for approximately 22.3%, 15.4%, 14.7% and 13.4% of the Group's total revenue. Trade receivables from these customers was approximately US\$558,000 as of December 31, 2024.

For the year ended December 31, 2025, four of the Group's customers accounted for approximately 33.7%, 9.7%, 9.4% and 9.3% of the Group's total revenue. Trade receivables from these customers was approximately US\$888,000 as of December 31, 2025.

The following summarizes the material terms of the Company's typical service contracts:

Term:	The agreed term is generally for 1 to 2 years.
Description and type of waste:	The contract stipulates the type and specifications of the waste to be collected by ESA.
Service Fee:	The service fees for the collection and disposal of waste are determined based on a fixed price per unit of the waste.
Payment terms:	Full payment of the service fees is to be made within 7 to 14 working days after receipt of the invoice from ESA.
Termination:	<p>The contract shall be renewed automatically unless termination notice has been issued to either party at least 1 to 3 months before the expiry date.</p> <p>The contract shall be terminated by the customer if:</p> <ul style="list-style-type: none">• ESA fails to observe or perform any provision or terms of the agreement.• ESA gives or offers any substantial gift whether by way of money, goods or otherwise to an employee of the customer, or if any employee/family of an employee of the customer has an unrevealed substantial interest in the business of ESA of which ESA has knowledge of.
Confidentiality:	<p>The contract stipulates that ESA shall not assign, transfer or subcontract the contract nor assign rights, obligations or duties under the contract to any other party without the prior written consent of the customer.</p> <p>It also stipulates both parties shall not disclose the existence of the contract, its terms and conditions, without prior consent from the other party and any information received by the parties under this contract shall not be used other than for the waste treatment/storage/conditioning services and shall not be disclosed to any third parties.</p> <p>This clause shall survive 3 years from the termination or expiration of the contract.</p>

The following summarizes the material terms of a typical purchase order:

Description and type of product:	The purchase order stipulates the type and specifications of the circular products to be supplied and delivered to the customer.
Price of product:	The price of the circular product is determined based on a fixed price per unit.
Weight:	The contract stipulates how ESA will perform the weighing procedures for the circular products.
Payment terms:	Full payment of the price of the product is to be made within 30 days after receipt of the invoice from ESA.

Research and Development

ESA is committed to researching and developing its industrial waste treatment technologies in order to meet the demands of its customers in the industrial waste treatment market.

Internally, ESA collects feedback from its completed projects and modifies its equipment and technologies based on the feedback and from its previous experiences. ESA believes scientific and technological innovations will aid it to achieve its long-term strategic objective of becoming one of the premier industrial waste treatment companies in Singapore. For this reason, ESA devotes significant financial and personnel resources to research and development. ESA's current research and development efforts are primarily focused on waste treatment methodologies. ESA's internal research and development team is comprised of highly skilled engineers and scientists with extensive experience in industrial waste treatment technologies, chemistry, and design. To supplement ESA's internal expertise, it is also looking to collaborate with third-party institutions.

As of December 31, 2024 and 2025, the Company's capitalized development expenses were approximately US\$6.1 million and US\$7.3 million, respectively. The Company intends to continue to invest in research and development to support and enhance its existing waste management methodologies and promote further innovation in the realm of waste management and treatment to enhance ESA's position in the market.

Seasonality

The volume of industrial waste tends to increase during summer. ESA's second and third quarter revenues and results of operations typically reflect these seasonal trends. Service disruptions caused by severe storms, extended periods of inclement weather or climate events can significantly affect ESA's operating results.

Intellectual Property

The following Company logos have been approved by the Intellectual Property Office of Singapore.



In addition, the Group intends to register the trademark   and   as the Company and ESA's logo in Indonesia.

The Group believes that its intellectual property is important to the success and positioning of the Company. Through ESA's trademarks and domain name, the Group believes it has enhanced its brand recognition as well as highlighted NewOil as one of its key products, hence distinguishing ESA from its competitors and reinforcing the positive corporate image ESA has among its customers and suppliers.

The Group cannot assure you that any pending trademark, patent or copyright will be approved by the relevant government authorities. In addition, any rights granted under any of ESA's existing or future patents, copyrights or trademarks may not provide meaningful protection or any commercial advantage to the Company. With respect to our other proprietary rights, it may be possible for third parties to copy or otherwise obtain and use proprietary technology without authorization or to develop similar technology independently. The Group may in the future initiate claims or litigation against third parties to determine the validity and scope of proprietary rights of others. In addition, the Group may in the future initiate litigation to enforce its intellectual property rights or to protect its trade secrets.

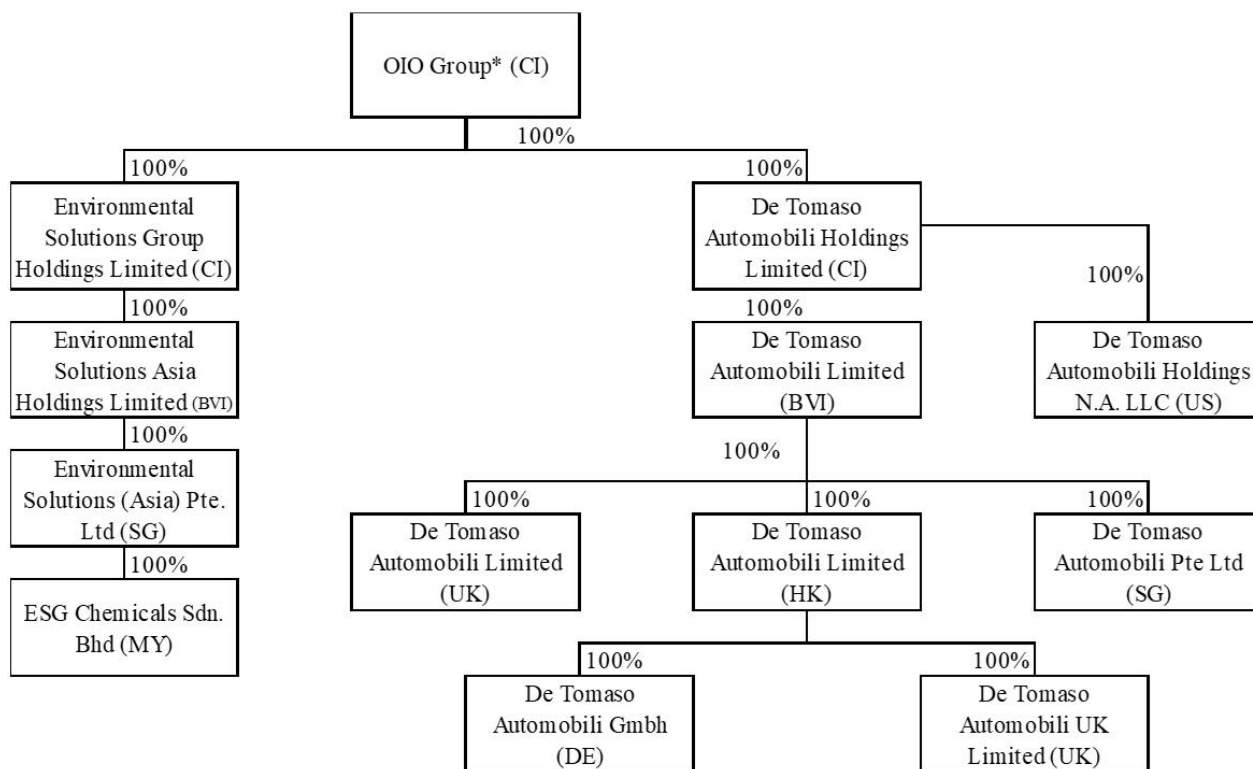
Competition

The Group faces significant competition from the numerous waste management companies who collect and dispose of the waste ESA needs for its waste management and treatment processes. Such competitors include ECO Special Waste Management Pte Ltd, Chem-Solv Technologies Pte Ltd, Modern Asia Environmental Holdings Pte Ltd, and Veolia ES Singapore Industrial Pte. Ltd.

A substantial majority of the Group's competitors are significantly larger than the ESA and have more capital to invest in their businesses. Competitors could also seek to gain market share by reducing the prices they charge customers, introducing products and solutions that are similar to ESA's or introducing new technology tools.

C. Organizational Structure

The Company's organizational chart is below:



The following denotes the countries of incorporation :

CI : Cayman Islands; BVI : British Virgin Islands; UK : United Kingdom; SG : Singapore, DE: Germany; HK : Hong Kong; MY : Malaysia

*formerly known as ESGL Holdings Limited

D. Property, Plant and Equipment

OIO's headquarters are located at 101 Tuas South Avenue 2, Singapore 637226, with approximately 95,000 square feet of facility space, pursuant to a 17-year state lease that terminates on November 30, 2030. During FY2025, OIO fulfilled certain investment criteria stipulated by the landlord and was granted a 20 year lease extension from December 1, 2030. In FY2025, OIO paid US\$9,502.43 a month under this lease, which may be subject to a potential increase of rent based on the prevailing market rate every year. Under the lease agreement, any rental increase is capped at 5.5% year on year. This facility is used for the processing of solid and liquid industrial waste and the physical-chemical treatment of acids and alkali wastes. The facility also processes waste wood to be converted into renewable heat energy, and the auxiliaries and offices are powered by 640 KWp Solar PV on the main building roof.

OIO also leases a factory space at 62 Tuas Street 5, Singapore 637802, with approximately 25,000 square feet of facility space, pursuant to a 30-year state lease that terminates on March 31, 2038. This facility is used for the processing of chemical wastes and the pyrolysis of waste plastics into NewOil. OIO pays US\$2,489.53 per month under such lease, which may be subject to a potential increase of the rent based on the prevailing market rate every year.

During October 2024, the Company gave notice to terminate the lease at 110 Tuas South Avenue 3, #03-17 The Index, Singapore 637369 and commenced the move of its storage operations to Malaysia. This shift reduced the Company's rental expense by approximately US\$17,000 monthly.

In Malaysia, OIO leases factory space at PLO 67, Jalan Cyber 2, Kawasan Perindustrian Estate III, 81400 Senai, Johor, with approximately 52,270 square feet of facility space, pursuant to a two year tenancy agreement that expires on October 15, 2026. This facility is integral to OIO's supply chain operations and is used mainly for storage of circular products for sale to customers in Malaysia.

OIO believes that its facilities are adequate to meet its needs for the immediate future, and that, should it be needed, suitable additional space will be available on commercially reasonable terms to accommodate any expansion of the OIO's operations.

Overview – De Tomaso

DT is a holding company incorporated under the laws of the Cayman Islands as an exempted company with limited liability on April 21, 2023. As a holding company with no material operations of its own, DT conducts the operations of DT Group principally through its operating subsidiaries, including DT DE, DT UK, DT HK and DT US.

DT Group is a high-end ultra-luxury automotive group with a rich legacy tracing back to 1959 when the iconic Italian brand was founded by Argentine racing driver Alejandro de Tomaso. Since its reboot in 2019, De Tomaso has established a strong relationship with the active global community of high-end automotive collectors and enthusiasts, particularly within the hypercar sector. Leveraging the experience and expertise of a visionary team led by Choi Sung Fung, or Norman Choi, DT Group has redefined De Tomaso as an ultra-luxury automotive marque, distinguished by high-performance sports cars that merge classically driven design principles with modern engineering. Embracing an analogue-first philosophy and timeless aesthetics, the brand's revival has resonated deeply with ultra-high net worth individuals worldwide, evidenced by overwhelming demand and a growing global following. To date, DT Group has launched two models of limited-edition sports cars under the "P" series, namely P72 and P900, with targeted delivery of the first batch of vehicles by the end of 2025.

History

Founded in 1959 in Modena, Italy by Argentine-born racing driver and visionary industrialist Alejandro de Tomaso, De Tomaso quickly established itself as a pioneering force in motorsport and sports car design. Initially focused on crafting racing prototypes and mid-engine competition vehicles, the brand made its mark across several prominent racing categories, including Formula Junior, Formula 3, Formula 2, and Formula 1.

By the early 1960s, De Tomaso's innovative chassis designs and engineering ingenuity attracted a growing circle of affluent privateers – often referred to as gentleman drivers – who sought performance and individuality on the racetrack. DT sought to expand its motorsport ambitions, fielding cars in international competitions such as the World Sports Car Championship and the 24 Hours of Le Mans.

Parallel to its racing endeavors, De Tomaso began producing road cars that captured the spirit of motorsport engineering for everyday enthusiasts. The most iconic of these was the Pantera, introduced in 1971—a mid-engined sports car powered by a V8 that fused Italian design with American muscle. Over 7,000 Panteras were produced between 1971 and 1992, cementing De Tomaso's legacy in the annals of high-performance automotive design.

Following the passing of Alejandro de Tomaso in 2003, the marque entered a prolonged period of dormancy, and the company then running the De Tomaso business was subsequently placed into liquidation. Yet, the De Tomaso name endured – an emblem of visionary engineering, racing spirit, and uncompromising design.

In 2015, the De Tomaso marque was revitalized under the leadership of Norman Choi, who—through DT UK—acquired the intellectual property rights and key assets of the historic brand. Guided by a bold vision, Choi assembled a world-class team of seasoned industry talent with a singular mission: to restore De Tomaso's prestige and reestablish its presence in the rarefied world of ultra-luxury hypercars.

Choi's vision materialized in 2019 with the debut of the P72, a tribute to the brand's motorsport heritage and 60's design legacy. Conceived as a modern icon with a strictly analogue soul, the P72 was announced as a limited-production model, with just 72 units planned for global release. Since its unveiling, the entire production run has been fully allocated, with each vehicle commanding an average price of €1.7 million – underscoring both the market demand and the brand's renewed desirability.

That same year, anticipating a renaissance in analogue automotive experiences among discerning collectors, the De Tomaso team conjured a ten-year product strategy. This roadmap was built around three foundational pillars: a reverent connection to De Tomaso's rich racing lineage, a commitment to purely analogue driving engagement, and an uncompromising approach to timeless automotive design. Through this philosophy, De Tomaso aims not only to recapture its legendary status, but to redefine the future of ultra-luxury performance motoring.

Competitive Strengths

Years of Heritage, Reignited by Demand from Discerning Collectors all over the World

DT draws upon over 65 years of heritage and the enduring prestige of its iconic name – long revered among automotive connoisseurs. Since its revitalization, the brand has witnessed a remarkable resurgence in demand for its ultra-luxury hypercars, particularly from a global community of ultra-high net worth (UHNW) individuals.

To preserve the exclusivity and integrity of the brand, each limited-edition vehicle is allocated only after a thorough interview and vetting process, ensuring alignment with De Tomaso's values and vision. The P72, the brand's flagship revival model, has been met with overwhelming enthusiasm. It was significantly oversubscribed upon launch, and today, more than 1,500 prospective clients remain on a growing registration of interest list—eager not only for the P72, but also for future offerings that embody De Tomaso's signature blend of heritage, craftsmanship, and performance.

Proven Track Record of Management Team

Under the leadership of Norman Choi, who brings over 12 years of experience in establishing and scaling hypercar marques while cultivating an elite network of UHNW clientele, De Tomaso is guided by an exceptional management team composed of seasoned professionals with deep roots in the performance automotive sectors. The team draws expertise from leading and respected automotive manufacturers, including McLaren and Apollo Automobil – the latter being the modern reincarnation of Gumpert, DT's team known for reviving the brand through boundary-pushing models like the Apollo Intensa Emozione (IE). This diverse collective brings a rare combination of technical mastery, operational insight, and brand-building prowess.

With a proven track record in revitalizing and positioning hypercar brands, the De Tomaso leadership is united by a shared passion: to elevate De Tomaso as a symbol of prestige, performance, and design excellence. DT believes this highly qualified team is uniquely equipped to realize its ambitious vision and drive the brand's continued evolution in the ultra-luxury automotive space.

Asset-light Structure

DT operates under an asset-light business model, leveraging strategic partnerships with leading global service providers in technical, engineering and manufacturing domains. A prime example is its collaboration with HWA AG, a renowned German engineering powerhouse recognized for its excellence in motorsport and high-performance automotive development. This model allows DT Group to concentrate on its expected core competencies in design innovation, product conceptualization and development, brand building, and global marketing. By collaborating with world-class partners on specialized functions, De Tomaso ensures uncompromising product quality while maintaining a high degree of operational agility, scalability, and capital efficiency. This approach enables the brand to respond swiftly to evolving market demands without the overhead of traditional manufacturing infrastructure.

Strategies

Expanding global market presence, particularly in North America, Middle East and Asia

The majority of the customers of DT's vehicles are UHNW automotive collectors from all over the world who are followers of the De Tomaso brand. Currently, DT Group has authorized luxury automotive dealers and sales agents located in Hong Kong, the Netherlands and the U.S. to cover sales and distribution of its vehicles in Asia, Europe and North America. As it develops a loyal customer base, DT plans to broaden and deepen its market reach and further expand its global presence, and to this end, DT notes the growing community of luxury automotive aficionados in North America, Middle East and other parts of Asia, and is adopting a focused sales strategy to capture market interest and drive brand loyalty in these selected regions.

Accelerating the development and launch of high-performance new vehicle models based on the modular chassis derived from P72

At the core of the P72 lies a bespoke, state-of-the-art carbon-fibre chassis, paired with modular front and rear subframes. Engineered to meet uncompromising standards of rigidity, safety, and lightweight performance, this architecture represents more than just structural innovation—it forms the strategic backbone of De Tomaso’s future product development.

Designed with scalability and adaptability at its core, this advanced modular platform enables the seamless integration of new body designs, powertrain configurations, and performance systems without requiring costly or time-intensive modifications to the underlying structure. As a result, De Tomaso is positioned to dramatically shorten development cycles, reduce engineering costs, and accelerate the launch of future “P” series models. Beyond time and cost efficiency, the modular approach also allows De Tomaso to maintain greater agility in responding to evolving market trends and technological advancements.

Enhancing the De Tomaso brand through strategic partnerships and exclusive merchandise offerings

To elevate the value, visibility, and cultural resonance of the De Tomaso brand, DT Group has established strategic partnerships with globally renowned video game developers and entertainment companies. These collaborations are designed to expand brand presence through immersive digital experiences and high-profile promotional platforms, reinforcing De Tomaso’s relevance in both the automotive and lifestyle spheres. In addition, De Tomaso continues to align with iconic luxury brands across diverse industries to amplify its reach. For example, the brand’s vehicles have been featured in campaigns with premium fashion labels, showcasing the De Tomaso ethos within a broader context of timeless elegance and design.

As part of its brand engagement strategy, De Tomaso has also launched an exclusive European merchandise collection, featuring high-quality apparel—including hoodies, jackets, T-shirts, polo shirts, and caps—each bearing the iconic De Tomaso emblem. This collection is crafted to appeal to collectors and enthusiasts alike, reinforcing the brand’s aspirational identity.

Furthermore, De Tomaso has actively cultivated relationships with influential figures in the automotive world. Through selective placement of the P72 with prominent collectors and celebrity clients, the brand seeks to enhance its credibility, desirability, and positioning within the ultra-luxury segment.

Vehicles

P72

Launched in 2019, P72 stands as the first and flagship model of De Tomaso’s modern era—a bold yet reverent tribute to the legendary P70, originally conceived in the mid-1960s by Alejandro de Tomaso, the founder of De Tomaso, and designed by Peter Brock. Embodying the spirit of that era, the P72 merges classic motorsport inspiration with contemporary engineering, presenting itself as a modern-day classic destined to become timeless.

Visually, the P72 is a masterclass in elegance and proportion. Its flowing silhouette and design cues draw heavily from the P70, invoking a sense of nostalgia and romanticism that harks back to a golden age of mechanical purity. With its analogue-focused approach, the P72 offers an immersive driving experience that celebrates the visceral connection between driver and machine—echoing Alejandro de Tomaso’s original vision and the brand’s rich heritage.

At P72’s core is a bespoke, lightweight carbon-fibre chassis, enveloped by an encapsulating glasshouse that evokes both visual and physical lightness. Performance-wise, the two-seater hypercar is powered by a bespoke 5.0-litre supercharged V8 engine, delivering 700 horsepower and 800 Nm of torque, exclusively paired with a 6-speed manual transmission. This configuration delivers a refined yet thrilling analogue experience, designed to resonate with enthusiasts across generations.

Production of the P72 is strictly limited to 72 units worldwide, underscoring its exclusivity.

P900

Aptly named for its 900 horsepower output, the De Tomaso P900 represents the pinnacle of performance and aerodynamic efficiency, drawing direct inspiration from Le Mans Prototype 1 (LMP1) engineering standards. While pushing the limits of motorsport technology, the P900 remains deeply rooted in De Tomaso's distinct design DNA—retaining the sculptural beauty and flowing language introduced by its predecessor, the P72.

Conceived as a homage to Alejandro de Tomaso's enduring passion for motorsport, the P900 is a bold evolution of the brand's racing pedigree—a modern-day expression of purpose-built performance, fused with elegance and sophistication. The vehicle offers an uncompromising, track-focused experience, designed to replicate the visceral thrill of LMP-style racing in a format tailored for the discerning gentleman driver.

At its heart, the P900 features a naturally aspirated 6.2-litre V12 engine—a high-revving, symphonic powertrain that captures the essence of analogue performance. Beyond its raw capability, the P900 celebrates artisanal craftsmanship and bespoke personalization, with each vehicle tailored to the unique tastes and preferences of its owner.

To elevate the ownership experience, De Tomaso offers exclusive access to the De Tomaso Competizione programme—a factory-run initiative that provides P900 custodians with unparalleled track-day support. This includes a dedicated team of engineers and mechanics for setup, tuning, and vehicle transportation, along with entry into a curated calendar of private racing events, driver development sessions, and global track experiences at some iconic circuits in the world.

With production strictly limited to 18 units worldwide, the De Tomaso P900 is not only a hypercar of extraordinary capability—it is a highly exclusive, collectible symbol of the brand's ongoing renaissance and racing soul.

Sales and Delivery

DT Group sells its vehicles primarily through its authorized network of dealers and sales agents located in Hong Kong, the Netherlands and the U.S., covering principal markets in Asia, Europe and North America. The U.S. dealer and the Hong Kong sales partner facilitate sales of vehicles on a wholesale model, under which they purchase P72 vehicles from DT Group and subsequently resell them to their end customers. The other local sales agents act as intermediaries between their end customers and DT Group, and the vehicles are directly sold by DT Group to the end customers. These dealers, sales agents and partners are carefully selected based on their market presence, reputation, customer service track record, and commitment to brand standards. DT maintains a close relationship with them and will discuss and formulate marketing plans and activities conducted for De Tomaso in collaboration with each other. DT regularly publishes an official price list, quoted ex works, for its vehicles to all of its dealers, sales agents and partners. DT does not provide financing or leasing services to retail customers or dealers.

Potential customers who are interested in purchasing any De Tomaso vehicles are required to register their interest and provide a brief on their professional and personal background and past and current experience in automotive collection. DT then conducts a vetting process with reference to such brief in order to determine the formal allocation of its vehicles. Upon completion of the vetting process, individual customers with allocations granted are required to enter into a standard purchase agreement, which requires a non-refundable deposit. DT reserves the right to repurchase such vehicles for up to two years after delivery in order to protect the secondary market.

As of the date of this report, all 72 units of the P72 vehicles have been allocated with deposits received, and DT Group has received a strong registration of interest list of over 1,500 applicants for its future product offerings. Delivery of P72 and P900 vehicles to the first batch of customers who have specified their options was expected to take place by the end of 2025.

After-sales Service

DT believes that after-sales service is fundamental to the customers' experience of quality excellence and continued enjoyment of De Tomaso vehicles. DT's after-sales service policy includes a comprehensive warranty with a standard 3-year/36,000-mile coverage and global repair and maintenance support through a network of authorized service centers. DT's authorized dealers also provide after-sales services, including repair and maintenance services, in accordance with DT's warranty policy and procedures manual. DT will also contract and provide training and support to other qualified repair shops in areas not covered by DT's authorized dealers (for example, the United Kingdom). Where necessary, DT will provide a "flying doctor" service where DT's factory mechanics or technicians will personally travel and attend to the vehicle requiring technical support at no extra cost to the customer during the warranty period.

Branding and Marketing

Dealerships

To enhance brand visibility and support the promotion and sales of its vehicles, De Tomaso has established its flagship showroom in the heart of Hong Kong. Operated in collaboration with a trusted sales partner, the showroom serves as a dedicated space for showcasing the De Tomaso range and offering personalized consultations to prospective clients.

Designed to provide an immersive and comfortable environment, the showroom allows customers to finalize bespoke specifications for their vehicles, engaging with the brand in a setting that reflects De Tomaso's commitment to craftsmanship and exclusivity. Throughout the year, the space also serves as a platform to unveil new models and display client vehicles, reinforcing brand presence and keeping the experience dynamic and engaging.

Strategically located in a region known for its high concentration of ultra-high net worth individuals (UHNWIs), Hong Kong offers a gateway to key clientele in Asia while positioning the brand on a global stage. The flagship showroom not only elevates De Tomaso's profile within the luxury automotive landscape but also supports long-term customer relationships in one of the world's most influential luxury markets.

Events

De Tomaso actively participates in a curated calendar of prestigious motorsport and automotive collector events throughout the year, reinforcing its presence within the global enthusiast and collector community. In alignment with its storied heritage, De Tomaso proudly served as the Grid 5 sponsor of Le Mans Classic in both 2022 and 2023—an event that pays homage to endurance racing's golden era.

At Le Mans Classic, De Tomaso hosted an exclusive program for its P72 clients, offering privileged access and the rare opportunity to experience prototype track drives, deepening engagement with the brand and its performance ethos. These immersive experiences are designed to foster community among De Tomaso custodians while celebrating the brand's legacy in motorsport.

Looking ahead, De Tomaso continues to strategically evaluate high-profile events across the globe with the goal of expanding brand visibility and creating compelling, dynamic environments to welcome clients, enthusiasts, and supporters.

Merchandise and Licensing

DT Group has entered into licensing agreements with leading video game developers and entertainment companies, granting the use of select intellectual property across automobile-themed video games and film-related merchandise. These partnerships serve to amplify De Tomaso's visibility in digital and cinematic platforms, introducing the brand to a broader audience through immersive and aspirational experiences.

In parallel, De Tomaso has launched an exclusive merchandise collection in Europe, featuring premium apparel items such as branded hoodies, jackets, T-shirts, polo shirts, and baseball caps—all adorned with the iconic De Tomaso emblem. Beyond clothing, the brand's lifestyle offerings extend to collectible scale models, branded accessories, and other bespoke items, allowing enthusiasts to connect with the brand beyond the vehicle itself.

Looking ahead, De Tomaso continues to explore strategic collaborations and crossovers with luxury brands that share its values in design, craftsmanship, and lifestyle—expanding its presence within the broader luxury and automotive ecosystem.

Design, Development, Manufacturing and Product Launch

Concept Launch and Vehicle Engineering

A typical production cycle for De Tomaso vehicles starts with concept launch. In this initial stage, DT's in-house design, engineering and marketing experts collaborate in brainstorming sessions to outline the concept and vision for a new vehicle, and to generate and refine ideas for its appearance, technical features, performance and market positioning. The concept is then incubated and translated into tangible specifications through a vehicle engineering phase, which usually lasts for 24 to 36 months. DT's engineers and designers collaborate to develop the vehicle's architecture, including the chassis, powertrain integration, electronics and safety features and other systems. Extensive simulations and computational modelling are conducted by DT's experts to help refine and optimize the design, ensuring that the new vehicle meets performance and regulatory benchmarks while minimising any future obstacles in production.

Prototype Production

After the completion of vehicle engineering, experiential prototypes of the vehicle are created to allow engineers and designers to critically evaluate the incubated concept from the perspectives of aesthetics, ergonomics and user experience and to test the functionality and the user interface of the vehicle physically. During this 6-month period of prototype production, DT Group partners with an established German engineering specialist in the fields of automobile racing and high-performance cars. The German partner has an advanced engineering and manufacturing facility in Affalterbach, Germany with precision assembly lines and a state-of-the art testing center and it is expected to be able to support DT with an annual production capacity of at least 100 units of vehicles.

Testing, Homologation and Final Validation

The next phase is testing and homologation of the structural components and powertrains of DT's vehicles, which typically last for 12 months. To ensure that all DT vehicles conform to performance, safety, technical and compliance standards, DT teams up with homologation experts with testing facilities and calibration certifications in this stage to meticulously plan and carry out extensive and rigorous testing on its prototypes, including but not limited to crash tests, endurance tests, as well as safety compliance and emission evaluation. To expand road-legal access and enable broader distribution, DT also pursues partnerships with independent commercial importers for vehicle modification and certification of U.S. safety and emission standards. Based on testing results and feedback, adjustments and refinements may have to be made to the vehicle to address any issues identified during the testing stage. This final validation stage usually takes up to six months and entails tweaking design and structural elements and modifying or enhancing certain features of the vehicle. The goal is to confirm that all systems work harmoniously and ensure that having complied with all quality standards, the vehicle is finally production-ready.

As of the date of this report, DT has secured approval of the Show or Display exemption for P72 in the United States by the U.S. Environmental Protection Agency and the U.S. Department of Transportation's National Highway Traffic Safety Administration. For the European Union, DT is adopting the Individual Vehicle Approval strategy to align the design of its vehicles with the relevant EU regulations and directives on safety and environmental standards. For the Asian markets, DT is conducting market-specific assessments and navigating each jurisdiction's applicable regulatory requirements with precision through partnerships with local experts.

Customization and Delivery

Once the vehicle has been validated and approved for production, the focus shifts to customization and delivery. This phase typically lasts for six to 12 months and involves configuring vehicles to meet specific customer preferences which range from material options to intricate paint packages. When the customized vehicle is ready for delivery, logistics are arranged to transport the vehicles to DT's dealers, wholesalers or directly to end customers on an ex works basis.

Quality Control

DT recognizes that robust quality assurance is essential for regulatory approval and delivering consistent and reliable results to its valued customers. DT is committed to ensuring that all vehicles it designs, manufactures and delivers embody the highest standard of craftsmanship, as well as conforming to stringent safety and performance standards and applicable regulatory requirements. All of its suppliers and service providers in this process are selected based on their quality certifications, technical expertise, financial stability and geographic proximity.

Regulatory compliance plays an important role in DT’s risk management and product assurance framework. DT vehicles must be able to comply with the applicable regulatory requirements in various jurisdictions in order to launch in these markets. DT is fully prepared for the dynamic nature of the regulatory landscapes by engaging experts who are knowledgeable in local regulatory requirements in its relevant markets. Its compliance team is actively and continuously monitoring regulatory changes and devising contingency plans to be implemented to address any challenges ahead. Compliance procedures are also put in place progressively to support the vehicles’ type approval and homologation procedures in the relevant markets.

Product quality assurance is embedded in every stage of production. First, all purchased components undergo quality checks in order to ensure that all the specifications defined in DT’s procurement contracts are fulfilled. DT is also establishing document control and record-keeping systems to ensure the traceability of clear parts, materials, and assemblies and support future audits and regulatory submissions. During the production stage, DT applies multiple rounds of engineering reviews, risk assessments and prototype validation processes in order to ensure that the design intent is upheld. Given the limited number of cars being produced, product assurance during assembly of each of its vehicles is managed through detailed manual checks and continuous hands-on supervision by dedicated experts. DT maintains a practical process for identifying, documenting, and addressing non-conformances. Root cause analysis and corrective action planning are being integrated into its workflow. Going forward, DT intends to introduce more formal in-process inspections and end-of-line testing protocols as its business grows.

Given the nature of product quality assurance as an evolving discipline, DT is continuously reviewing and improving its internal systems and practices against the latest trends, market practice and regulatory landscape and with reference to guidance obtained from various channels, including but not limited to internal evaluation and feedback from customers through its customer engagement team and authorized dealers.

Intellectual Property

DT believes that the integrity of the De Tomaso brand is crucial to its business, and safeguarding its intellectual property rights and ensuring their robustness is fundamental to preserving the reputation and value of the De Tomaso brand and its positioning as a high-end ultra-luxury automotive brand. To this end, as of the date of this report, DT Group has registered more than 200 trademarks and 30 registered designs in relation to its brand, vehicle architecture and systems in various jurisdictions across the globe, including the United Kingdom, the European Union, the United States, and other major markets. DT Group also owns more than 10 domain names as of the date of this report.

Employees

As of the date of this report, DT Group has 28 staff members. The following table illustrates the number of DT Group’s staff categorized by different functions:

Function	Number of staff
Senior management	5
Finance and accounting	3
Sales and marketing	2
Creative	3
Design	2
Engineering	7
Mechanics and technicians	4
Procurement	2
Total	28

Competition

DT Group faces competition primarily from other luxury automotive developers and manufacturers. It competes on the basis of factors including but not limited to brand recognition, heritage and prestige, design and styling, performance and functionalities, driving experience, safety and overall quality. Many of DT Group's competitors are substantially larger in terms of size of operations and capital with stronger brand recognition and may be able to deploy greater resources to support the development, manufacturing, sales and marketing of their vehicles. Despite its limited scale of production and shorter operating history, DT believes that the longstanding reputation and prestige of the De Tomaso brand among sports cars aficionados, its capability of delivering the highest standard of craftsmanship in the design and manufacturing of high-performance sports cars, its unique combination of the romance of Italian styling and state-of-the-art precision engineering and its strategy of establishing a loyal drivers' community set it apart from its competitors and give it a competitive edge in the market. DT Group's sales and marketing strategy has been effective in building brand awareness and fostering customer engagement and loyalty and is expected to allow it to establish a stronger position in the market.

Legal Proceedings

DT Group may from time to time be subject to legal claims and proceedings arising out of its ordinary course of business. Regardless of the outcome, these claims and proceedings may result in substantial costs and diversion of DT's resources, including its management's time and attention.

As at the date of this report, DT is not a party to any ongoing legal proceedings that in its management's opinion would have a material adverse effect on DT Group.

Regulatory Matters

DT Group has a global operation of vehicle manufacturing and sales, and hence its activities are governed by various laws and regulations concerning environmental, health and safety issues across jurisdictions. These laws and regulations dictate various aspects of DT's vehicles, such as safety, emissions and fuel efficiency standards. For example, DT is required to adhere to standards regarding emissions, waste management and the handling of hazardous materials, in addition to complying with restrictions on environmental pollution. DT Group's vehicles and their engines must adhere to extensive regulations at regional, national and local levels, as well as industry self-regulations related to vehicle safety.

Currently, DT enjoys certain regulatory exemptions due to its classification as a Small Volume Manufacturer (SVM) or a similar status in many jurisdictions, including the United States, and its approach of pursuing the Individual Vehicle Approval (IVA) process in the European Union. These allow DT Group to benefit from more lenient emissions caps, extended compliance deadlines and relief from zero-emission vehicle production mandates, etc. DT is committed to maintaining substantial compliance with applicable regulations worldwide, continuously monitoring these requirements and adjusting its operations as needed to ensure adherence.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

OIO Group

Overview

OIO is a holding company incorporated as an exempted company under the laws of the Cayman Islands. As a holding company with no material operations of its own, the Group's operations are conducted almost entirely through its operating entity incorporated in Singapore, ESA. In late 2024, a subsidiary, ESG Chemicals Sdn. Bhd., was incorporated in Johor for purposes of growing the Group's business activities in Malaysia.

The Group is a waste management, treatment and recycling company involved in the collection and recycling of hazardous and non-hazardous industrial waste from customers such as pharmaceutical, semiconductor, petrochemical and electroplating companies. The Group currently has two revenue streams, from: (i) services income which is primarily comprised of the fees charged to customers for the provision of waste collection and disposal services, which fees are similar to those charged by the Group's competitors, and (ii) the sales and trading of its circular products made from recycled waste, which is believed to make the Group a unique and environmentally-friendly offering in the marketplace.

Factors Affecting the Group's Performance and Related Trends

The Group believes that the key factors affecting its performance and financial performance include:

- (i) *Continuous Engagement with the Group's Customers:* The Group benefits from its unique approach to waste handling — captive consumption, which has allowed it to capture customers from the target market segment of multinational corporations that aim to meet their environmental, social and governance goals. The Group's revenue growth largely depends on its ability to retain current customers and attract new customers, including its ability to form relationships with and manage an increasing number of customers. In addition to the traditional means of attracting potential customers via emails, business brochures and LinkedIn, ESA is also a member of the Waste Management Recycling Association of Singapore and the United Nations Global Compact where it actively participates in industry forums to promote the Group's brand and awareness of sustainable solutions, which has resulted in a substantial increase in customer engagement.
- (ii) *Manufacturing Activities:* The Group derives part of its revenue by charging a disposal fee for the use of its collection and disposal service. Since the Group's core business is tied to the volume of waste generated by its customers, its revenue growth could be influenced by manufacturing activities which are affected by the global supply and demand, as well as macroeconomic conditions.
- (iii) *Commodities Price:* The Group derives part of its revenue from the sales and trading of its circular products, which typically include zinc, precious metals and base metals. As such, the prevailing market prices and the demand of these commodities will also determine the Group's profitability and the sale of each commodity, respectively.
- (iv) *Inflation:* While many of the economies in Asia have experienced rapid growth over the last two decades, they currently are experiencing inflationary pressures, and the rate of growth is slowing down. The economy in Singapore and globally has experienced general increases in certain operating costs and expenses, such as employee compensation and office operating expenses as a result of higher inflation. Average wages in Singapore are expected to continue to increase and the Group expects that its employee costs, including wages and employee benefits, will continue to increase. Unless the Group is able to control its employee costs or pass them on to its clients, its financial condition, and results of operations may be adversely affected.

As governments in Asia (and worldwide) take steps to address current inflationary pressures, there may be significant changes in the availability of bank credit, commercial reasonability of interest rates, limitations on loans, restrictions on currency conversions and foreign investment rules, thereby restricting the availability of credit and reducing economic growth. Inflation, actions that may be implemented to combat inflation and public speculation about any possible additional actions also may contribute materially to economic uncertainty in Asia (and worldwide) and accordingly weaken investor confidence, thus adversely impacting economic growth and causing decreased economic activity, which in turn could lead to a reduction in demand for the Group's products and services, and consequently have a material adverse effect on its businesses, financial condition and results of operations. Conversely, more lenient government policies and interest rate decreases may trigger increases in inflation and, consequently, growth volatility and the need for sudden and significant interest rate increases, which could negatively affect the Group's business. There also may be imposition of price controls. If prices for the Group's waste disposal services and/or its circular products rise at a rate that is insufficient to compensate for the rise in the costs of supplies and operations, it may have an adverse effect on the Group's profitability. If these or other similar restrictions are imposed by a government to influence the economy, it may lead to a slowing of economic growth.

- (v) *Government Regulations in Singapore:* The Group's operating subsidiary, ESA, is incorporated, and its operations and assets are all located, in Singapore. Accordingly, the Group's business could be influenced by economic policies and initiatives undertaken by the Singapore government, changes in the Singapore business or regulatory environment affecting its customers and changes in the Singapore government policy on waste management. Unfavorable changes could affect demand for services that the Group provides and could materially and adversely affect its results of operations. Although the Group has generally benefited from Singapore's economic growth and the policies to encourage the improvement of waste management, it is also affected by the complexity, uncertainties and changes in the Singapore economic conditions and regulations governing the waste industry.

Results of Operations

Comparison of the Years Ended December 31, 2025 and 2024

	For the year ended December 31,			Percentage Change (%)
	2025 (US\$)	2024 (US\$)	Change (US\$)	
Revenue	5,831,650	6,099,777	(268,127)	-4.4%
Other income	326,637	427,147	(100,510)	-23.5%
Changes in inventories of finished goods and work-in-progress	(590,514)	215,059	805,573	374.6%
Logistics costs	(916,472)	(642,423)	274,049	42.7%
Operating expenses	(6,019,180)	(3,789,227)	2,229,953	58.8%
Finance expense	(292,656)	(350,145)	(57,489)	-16.4%
Depreciation and amortization	(3,256,147)	(2,720,774)	535,373	19.7%
Loss before income tax	(4,916,682)	(760,586)	4,156,096	546.4%
Income tax credit	155,788	127,329	(28,459)	-22.4%
Net loss	(4,760,894)	(633,257)	4,127,637	651.8%

Revenue

The Group derives its revenue from (i) the sales and trading of its circular products and (ii) waste disposal services which generally comprise the disposal fees it charges its customers for waste collection and disposal services. The Group's revenue decreased by approximately US\$268,000 or -4.4% from approximately US\$6.1 million for the year ended December 31, 2024 ("FY2024") to approximately US\$5.8 million for the year ended December 31, 2025 ("FY2025"). The higher revenue in FY2024 was mainly due to approximately US\$0.8 million of revenue recognized upon the completion of an agreement to deliver precious metals in FY2024 to an oversea customer. The lower revenue was also attributable to lower waste disposal of solid hazardous wastes in FY2025 which decreased by approximately US\$0.2 million (-5.2%) from US\$2.5 million to US\$2.3 million. The decrease in revenue in FY2025 was somewhat mitigated by higher revenue from treatment and disposal of liquid hazardous wastes and sales of circular products which increased by approximately US\$408,000 (28.9%) and US\$317,000 (26.5%) respectively compared to the previous financial year.

Other Income

The Group's other income is mainly comprised of (i) foreign exchange gain, (ii) gain on disposal of plant and equipment and (iii) government grants. The following table sets out the breakdown of other income for the periods indicated:

	For the Year Ended December 31,			Percentage change %
	2025 US\$	2024 US\$	Change US\$	
Foreign exchange gain	210,159	251,897	(41,738)	-16.6%
Interest income	20	7	13	185.7%
Government grants	42,728	21,779	20,949	96.2%
Gain on disposal of plant and equipment	73,730	-	73,730	nm
Write-back of deferred underwriting fees payable	-	153,125	153,125	-100%
Others	-	339	(399)	-100%
	326,637	427,147	(100,510)	-23.5%

nm: not meaningful

The Group's other income decreased by US\$100,510 (-23.5%) from approximately US\$427,000 for the year ended December 31, 2024 to approximately US\$327,000 for the year ended December 31, 2025. The higher other income in prior year was primarily attributable to write-back of deferred underwriting fees of US\$153,000 offset by gain on disposal of plant and equipment of US\$73,000.

Government grants primarily comprise funding from career conversion programs—designed to transition mid-career professionals into the sustainability sector—alongside wage supplements for the employment of older workers. The increase in FY2025 was mainly due to funds received for the career conversion program which amounted to approximately US\$35,000.

Changes in inventories of finished goods and work-in-progress

Changes in the Group's inventories of finished goods and work-in-progress mainly represents costs and expenses attributable to the provision of its circular products and consists of costs arising from the change in inventory balances, the purchase of inventory and costs related to lab sampling and analysis. Such costs increased by approximately US\$806,000 (374.6%) due mainly to lower inventory holding of circular products for sale at year end. In FY2024, The Group secured purchase orders to supply regenerated calcium hydroxide to one of its major customers, STMicroelectronics Pte Ltd. This resulted in higher inventory holding as at the end of FY2024 compared to FY2025.

Logistics Costs

The Group's logistics costs mainly relate to the collection of waste and the delivery of its circular products. The Group's logistics costs increased by approximately US\$274,000 or 42.7% from approximately US\$642,000 for the year ended December 31, 2024 to approximately US\$916,000 for the year ended December 31, 2025. This is mainly due to increase in costs of transportation which increased by approximately US\$261,000 in FY2025 compared to FY2024. Cost of transportation mainly relates to transportation of wastes from customer sites and to landfill after treatment.

Operating Expenses

Operating expenses increased by US\$2.3 million, or 58.8%, to US\$6.0 million for the fiscal year ended December 31, 2025, compared to US \$3.8 million in 2024. This increase was primarily driven by (i) a \$1.2 million increase in employee benefits expense, resulting from the issuance of shares under the Group's Equity Incentive Plan. This reflects the Group's commitment to aligning employee interests with long-term shareholder value (ii) \$1.1 million increase arising from the expensing of labor costs incurred in maintaining and developing the Company's solid industrial waste thermal processing and spent catalyst system and the physical-chemical treatment of acid and alkali wastes projects. The increase in labor costs recognized as an expense, rather than capitalized as in prior periods, was primarily due to the nature of the activities undertaken during the year. A larger proportion of such costs related to routine maintenance, operational optimization, and incremental process improvements that did not meet the capitalization criteria under applicable accounting standards. This treatment is consistent with the Group's accounting policies and reflects a more mature stage of project development, where efforts are increasingly focused on enhancing operational efficiency and reliability. Beyond personnel costs, operating expenses mainly consist of variable and fixed overheads, including disposal and incineration fees, foreign worker levies, equipment rentals, and professional fees. The disposal and incineration fees in FY2025 increased by US\$173,000 year-on-year and this was the other main contributor to the higher operating expenses.

Finance Expense

	For the Year Ended December 31,			
	2025	2024	Change	Percentage
	US\$	US\$	US\$	change %
				%
Interest expenses:				
- Lease liabilities	61,362	53,725	7,637	14.2%
- Borrowings	167,783	249,284	(81,501)	-32.7%
- Loans from Directors	63,511	47,136	16,375	34.7%
	292,656	350,145	-57,489	-9.9%

Finance expense decreased by US\$57,000, or 9.9%, from US\$350,000 in 2024 to US\$293,000 in 2025. This decrease was primarily driven by an \$82,000 reduction in interest expense on borrowings, attributable to the maturation of two bank loans during the period. Additionally, the Group benefited from lower interest charges on remaining facilities as a result of the reducing balance method of interest calculation.

Amortization

The Group's amortization expense in FY2025 increased by approximately US\$515,000 (46.1%) mainly due to a higher intangible assets balance at the end of the financial year.

Net Loss

As a result of the foregoing, the Group's net loss after taxation for the year ended December 31, 2025 increased by approximately US\$4.1 million (>100%) from approximately US\$0.6 million to approximately US\$4.7 million as compared with the same period last year.

Non-GAAP Measures

EBITDA

The Group defines EBITDA as net income (loss) before interest, taxes and depreciation and amortization.

For the years ended December 31, 2025 and 2024, EBITDA consisted of the following:

	For the Year Ended December 31,			Percentage change %
	2025	2024	Change	
	US\$	US\$	US\$	
Loss before income tax	(4,916,682)	(760,586)	(4,156,096)	546.4%
Finance expense	292,656	350,145	(57,489)	-16.4%
Depreciation and amortization	3,256,147	2,720,774	535,373	19.7%
EBITDA	(1,367,879)	2,310,333	(3,678,212)	-159.2%

EBITDA is a financial measure that is not calculated in accordance with IFRS, as issued by the IASB. The Group's management uses EBITDA (i) as a measure of operating performance, (ii) for planning and forecasting in future periods, and (iii) in communications with the Group's board of directors concerning the Group's financial performance. The Group's presentation of EBITDA is not necessarily comparable to other similarly titled captions of other companies due to different methods of calculation and should not be used by investors as a substitute or alternative to net income or any measure of financial performance calculated and presented in accordance with IFRS, as issued by the IASB. Instead, the Group's management believes EBITDA should be used to supplement the Group's financial measures derived in accordance with IFRS, as issued by the IASB, to provide a more complete understanding of the trends affecting the business.

Liquidity and Capital Resources

OIO was incorporated in the Cayman Islands as a holding company and it did not have active business operations as of December 31, 2024. The Group's consolidated assets and liabilities, consolidated revenue and net income are primarily the operation results of its subsidiary in Singapore. The Group has another operating subsidiary in Malaysia, ESG Chemicals Sdn Bhd ("ESGC"), that commenced operations in December 2024. ESGC's contribution to the Group's operating results were not significant in the financial years ended December 31, 2025 and 2024. In assessing the Group's liquidity, the Group monitors and analyzes its cash on-hand and its operating expenditure commitments. The Group's liquidity needs are to meet its working capital requirements and operating expense obligations. Historically, the Group has financed its operations primarily through the (i) issuance of Ordinary Shares, (ii) cash generated by operations, (iii) loans from Shareholders and Directors and (iv) borrowings from banks. The Group has no other debt instruments other than those stated here.

As of December 31, 2025, the Group's working capital was approximately negative US\$8.4 million, a decrease of approximately US\$1.4 million (20.2%) compared to the working capital of FY2024. The Group's cash and cash equivalents as of December 31, 2025 amounted to approximately US\$534,000, and it has current assets of approximately US\$2.0 million and current liabilities of US\$10.3 million. The negative working capital was mainly due to bank loan balances of approximately US\$3.5 million as current liabilities, other creditor balance of US\$3.0 million and loans from shareholders and directors amounting to US\$1.1 million and US\$1.3 million respectively. Loans from shareholders are interest-free whilst loans from Directors bear interest of 6% per annum.

Interest rates for the Group's borrowings range from a fixed rate of 2% and 2.5% per annum to a floating rate of up to 2% above the lending bank's cost of funds on a reducing balance basis. The Group's treasury policy is to maintain controls on all exposures, to adhere to stringent counterparty credit standards, and to actively monitor marketplace exposures.

The capital expenditure contracted for as of December 31, 2025 and 2024 but not recognized in the financial statements were approximately US\$62,000 and US\$1.3 million respectively.

Based on the Group's current operating plan, the Group believes that its existing cash and cash equivalents and anticipated cash generated from operating and fund raising activities will be sufficient to meet its anticipated working capital and capital expenditures for at least the next 12 months. The Group's future working capital requirements will depend on many factors, including the rate of its revenue growth, its introduction of new products and processes, and its expansion of sales and marketing and product development activities. To the extent that the Group's cash and cash equivalents and cash flow from operating activities are insufficient to fund its future activities, the Group may need to raise additional funds through bank credit arrangements, public or private equity or debt financings. The Group also may need to raise additional funds in the event it decides in the future to acquire businesses, technologies and products that will complement its existing operations. In the event additional funding is required, the Group may not be able to obtain bank credit arrangements or equity or debt financing on terms acceptable to it or at all.

Cash Flows for the Years Ended December 31, 2025 and 2024

The following summarizes the key components of the Group's cash flows for the years ended December 31, 2025 and 2024:

	For the Year Ended	
	December 31,	
	2025	2024
	(US\$)	(US\$)
Net cash generated from/(used in) operating activities	311,823	(3,041,938)
Net cash used in investing activities	(2,246,280)	(2,019,272)
Net cash generated from financing activities	1,707,628	5,329,331
Net (decrease)/increase in cash and bank balances	(226,829)	268,121

Operating Activities

For the year ended December 31, 2025, the Group exercised better working capital management and generated approximately US\$0.3 million from its operating activities. For the year ended December 31, 2024, approximately US\$3.0 million was used for the Group's operating activities. This was mainly due to the settlement of deferred underwriting fees amounting to approximately US\$2.6 million and settlement of trade and other payables consisting mainly of contract liabilities of approximately US\$1.1 million. Higher trade receivables and inventory balances as at December 31, 2024 also contributed to the net cash used in operating activities although this was partially offset by the adjustments for the depreciation of property, plant and equipment and the amortization of intangible assets of approximately US\$2.7 million.

Investing Activities

Net cash used in investing activities for the years ended December 31, 2025 and 2024 were approximately US\$2.2 million and US\$2.0 million respectively. These were primarily attributable to (i) the purchase property, plant and equipment amounting to approximately US\$1.2 million (2024: US\$305,000), and (ii) the addition of intangible assets amounting to approximately US\$1.1 million (2024: US\$1.7 million).

Financing Activities

During FY2025, the Company received US\$2 million (2024 : US\$7.5 million) in funds raised from shares subscription and issuance. Additionally, the Company received US\$0.9 million and US\$0.4 million from shareholders' loan and directors' loan respectively. The cash inflow was offset by repayment of bank borrowings, interest, payments for share issuance expenses and lease repayments amounting to approximately US\$1.7 million, resulting in net cash provided by financing activities of approximately US\$1.7 million.

During the year ended December 31, 2024, the Group issued shares to investors and received US\$7.5 million in funds raised. This cash inflow was offset by repayment of bank borrowings, amounts owing to shareholders and directors, interest, payments for share issuance expenses and lease repayments amounting to approximately US\$2.1 million resulting in net cash generated by financing activities of approximately US\$5.3 million.

Trade Receivables

The Group's trade receivables increased by approximately US\$170,000 from US\$684,000 as of December 31, 2024 to approximately US\$854,000 as of December 31, 2025.

The Group seeks to maintain strict control over its outstanding receivables, and overdue balances are reviewed regularly by its senior management. The following table sets out an ageing analysis of the Group's trade receivables that are past due but not impaired, as of the dates indicated:

	For the Year Ended December 31,	
	2025 (US\$)	2024 (US\$)
Less than 30 days	15,415	96,741
30 to 90 days	82,452	20,412
More than 90 days	67,165	-
	<u>165,032</u>	<u>117,153</u>

As of December 31, 2025, the Group's trade receivables that are past due but not impaired amounted to approximately US\$165,000. These trade receivables were all subsequently settled as of date of this report.

The following table sets out the Group's average trade receivables turnover days for the periods indicated:

	Average Trade Receivables Turnover Days
As of December 31, 2025	48
As of December 31, 2024	34

Average trade receivables turnover days indicates the average time required for the Group to collect cash payments from its provision of goods or services. The Group's average trade receivables turnover days were 48 and 34 as of December 31, 2025 and 2024, respectively. The increase in the Group's average trade receivables turnover days as of December 31, 2025 as compared to 2024 was mainly attributable to the increased sales from the provision of waste disposal services to multi-national companies which generally require an average credit term of 60 days.

The Group has applied the simplified approach by using the provision matrix to measure the lifetime expected credit loss ("ECL") for trade receivables.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the 2025 financial year, 60.4% of the total trade receivables were from three of the Group's largest customers. In 2024, 76.3% of the total trade receivables were from three of the Group's largest customers.

Individual credit evaluations are performed on all customers. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Unless agreed otherwise, trade receivables are generally due within 30 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated with reference to the credit spread for each of the groupings (which taking into consideration of historical credit loss experience, average actual date of receipt, customers' background, listing status and size as groupings of various debtors), which reflect the credit risk of the debtors, over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

Expected loss rates are based on actual loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. The movements in loss allowance for trade receivables during the periods indicated:

	For the Year Ended December 31,	
	2025 (US\$)	2024 (US\$)
At January 1	47,691	46,768
Foreign exchange adjustment	1,281	923
At December 31	48,972	47,691

Trade Payables

Trade payables represent primarily the Group's obligations to pay for goods or services that have been engaged in the ordinary course of business from suppliers, including purchases of raw materials and utilities, as well as payment to its logistics providers. The Group is generally granted credit periods ranging from 30 to 60 days.

Trade payables decreased by approximately US\$42,000, or 13.8%, during the fiscal year ended December 31, 2025. The decrease was primarily attributable to payments made to logistics service providers, which constitute the Company's principal trade creditors.

Lease Liabilities

The Group recognized and measured lease liabilities in accordance with IFRS 16 "Leases". The Group leases properties in Singapore mainly for use as factory space for the processing and storage of waste. The table below sets forth the breakdown of the Group's lease liabilities as of the dates indicated:

	For the Year Ended December 31,	
	2025 (US\$)	2024 (US\$)
Current	301,143	221,254
Non-current	1,831,126	1,926,702
	2,132,269	2,147,956

The Group's lease liabilities (comprising current and non-current liabilities) remained relatively unchanged at US\$2.1 million due mainly to reduction in lease liabilities arising from lease repayments was offset by the addition of new leases for acquisition of certificates of entitlements for vehicles.

Capital Commitments

During the years ended December 31, 2025 and 2024, the Group incurred capital expenditures mainly for the procurement of property, plant and equipment. The following table sets out the Group's capital expenditures contracted for as of December 31, 2025 and 2024 but not recognized in the financial statements:

	As of December 31,	
	2025 (US\$)	2024 (US\$)
Property, plant and equipment	61,709	1,312,753

Off-Balance Sheet Arrangements

The Group has no off-balance sheet arrangements including arrangements that would affect its liquidity, capital resources, market risk support and credit risk support or other benefits.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and liabilities, each as of the date of the financial statements, and revenues and expenses during the periods presented. On an ongoing basis, management evaluates their estimates, assumptions and judgments, and the effects of any such revisions are reflected in the financial statements in the period in which they are determined to be necessary. Management bases their estimates on historical experience and on various other factors, including expectations of future events, that they believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual outcomes could differ materially from those estimates in a manner that could have a material effect on the Group's consolidated financial statements. While the Group's significant accounting policies are more fully described in the notes to its consolidated financial statements appearing elsewhere in this report, the Group believes that the following accounting policies and estimates are critical to the process of making significant judgments and estimates in the preparation of the Group's financial statements and understanding and evaluating its reported financial results.

Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognized when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

Revenue from contracts with customers

(a) Rendering of services

Revenue from rendering services is recognized when the entity satisfies the performance obligation at a point in time, generally when the significant acts have been completed and when transfer of control occurs, or for services that are not significant, transactions revenue is recognized as the services are provided. The Group's primary service consists of collecting and disposing of industrial wastes for its customers.

(b) Sale of goods

Revenue from sale of goods is recognized at a point in time when the performance obligation is satisfied by transferring a promised good to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Other revenue

(c) Interest income

Interest income is recognized using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate, a shorter period.

Critical judgements in applying the entity's accounting policies

(a) Determination of functional currency

In determining the functional currency of the Group, judgment is used by the management to determine the currency of the primary economic environment in which the Group operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

(b) Determination of lease term of contracts with extension options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Group reassesses the lease term to consider whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Group includes the extension option in the lease term for leases of leasehold buildings because of the leasehold improvements made and the significant costs that would arise to replace the assets. The extension options for leases of motor vehicles are not included as part of the lease term because the Group typically leases motor vehicles for not more than five years and, hence, will not exercise the extension options.

Critical accounting estimates and assumptions

(a) Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences an unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Group's property, plant and equipment as of December 31, 2025 was US\$21,471,539 (as of December 31, 2024: US\$20,762,483).

(b) Inventory valuation method

Inventory write-down is made based on the current market conditions, historical experience and selling goods of a similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically for excess inventories, obsolescence and declines in net realizable value and an allowance is recorded against the inventory balances for any such declines. The realizable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available and inherently involves estimates regarding the future expected realizable value. The carrying amount of the Group's inventories as of December 31, 2025 was US\$300,258 (as of December 31, 2024: US\$440,194).

(c) Allowance for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

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

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

The carrying amount of the Group's trade receivables as of December 31, 2025 was US\$853,668 (as of December 31, 2024: US\$683,939).

(d) Impairment of non-financial assets

The impairment testing of non-financial assets requires assumptions about the future cash flows projections as well as about the discount rate to be applied. The assumptions used to arrive at the cash flow projections are dependent on the future market shares, the market trend and the profitability of the Group's products.

Impairment testing of non-financial assets requires estimates about the extent and probability of the occurrence of future events. As far as possible, estimates are derived from past experience taking into account current market conditions and the stage of technological advancement.

(e) Capitalization of intangible assets

The costs of internally generated intangible assets are capitalized in accordance with the accounting policy in Note 2.6 to the financial statements. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The carrying amount of the intangible assets as of December 31, 2025 was US\$2,434,454 (as of December 31, 2024: US\$2,977,311).

The Group's internally generated intangible assets consist of software development projects. These include an inventory management system, a proprietary software for tracking real time used catalytic converters to facilitate buying and selling decisions, a database to facilitate reporting, analysis and certification in its laboratory, a thermal treatment and desiccation system, an acid treatment and renewal system and a system to convert waste plastics to oil. These intangible assets were developed to improve efficiency, increase productivity and generate circular products. The costs incurred for each project consist principally of the salaries of the employees working directly on the projects and include time to develop business requirements, programming and coding, software architecture design and version deployment and testing.

(f) Incremental borrowing rate applied in the measurement of lease liabilities

The Group determines the incremental borrowing rate ("IBR") applied in the measurement of lease liabilities where the interest rate implicit in the lease cannot be readily determined. The IBR represents the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. In determining the IBR, management makes assumptions and judgements with reference to observable market data, the Group's credit risk profile, lease term, and currency of the lease. The carrying amount of the lease liabilities at the reporting date is US\$2,132,269 (2024: US\$2,147,956).

(g) Inputs and valuation method used in determining the fair value of leasehold land and building

The fair value of leasehold land and building is determined by management with reference to independent professional valuations carried out by external valuers. The valuation is performed using the market comparison approach and/or income approach, whereby significant unobservable inputs include estimated market rental rates, capitalization rates, and discount rates applied to projected future cash flows. Management exercises judgement in determining the appropriateness of the valuation methodology adopted and in assessing the reasonableness of key inputs and assumptions applied by the independent valuers. A change in any of the key assumptions used could result in a significant change to the fair value measurement. The carrying amount of the leasehold land and building at fair value at the reporting date is US\$15,964,489 (2024: US\$15,823,299).

Emerging Growth Company Status

OIO is an “emerging growth company”, as defined in Section 2(a) of the Securities Act, as modified by the JOBS Act. As such, the Group is eligible to take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to SEC reporting companies that are not emerging growth companies. For so long as OIO remains an emerging growth company, it will not be required to, among other things:

- present more than two years of audited consolidated financial statements and two years of related selected financial data and management’s discussion and analysis of financial condition and results of operations disclosure;
- have an auditor report on its internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act; and
- disclose certain executive compensation related items.

OIO will remain an emerging growth company until the earlier of (i) the last day of the fiscal year following the fifth anniversary of the closing of the Business Combination, (ii) the last day of the fiscal year during which OIO has total annual gross revenue of at least US\$1.07 billion, (iii) the date on which OIO is deemed to be a “large accelerated filer” under the Exchange Act, which means the market value of its Ordinary Shares that are held by non-affiliates exceeds US\$700.0 million as of the last business day of its most recently completed second fiscal quarter, and (iv) the date on which OIO has issued more than US\$1.0 billion in non-convertible debt during the prior three-year period.

OIO has taken advantage of certain of the reduced reporting requirements as a result of being an emerging growth company and a foreign private issuer. Among those advantages, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies are required to comply with the new or revised financial accounting standards. OIO has elected not to opt out of such extended transition period. Accordingly, when a standard is issued or revised and it has different application dates for public or private companies, OIO, as an emerging growth company, can defer adopting the new or revised standard until the later of the two application dates. As a result, the information that OIO provides here may be different than the information you may receive from other public companies in which you hold equity interests. If some investors find OIO’s securities less attractive as a result, there may be a less active trading market for its securities and the prices of its securities may be more volatile.

Quantitative and Qualitative Disclosures about Market Risk

Risk management overview

The Group has exposure to market risk (including currency risk and interest rate risk), credit risk, liquidity risk, capital risk and commodity price risk. The Group’s exposure to each of these risks, and its objectives, policies and processes for measuring and managing risk are more fully described in the notes to its consolidated financial statements appearing elsewhere in this report.

Market Risk

(i) Currency Risk

While the Group’s reporting currency is the U.S. dollar, almost all of its sales and purchases are denominated in Singapore dollars. As a result, the Group is exposed to foreign exchange risk as its revenues and results of operations may be affected by fluctuations in the exchange rate between the U.S. dollar and Singapore dollar. If the Singapore dollar depreciates against the U.S. dollar, the value of the Group’s Singapore dollar revenues, earnings and assets as expressed in the Group’s U.S. dollar consolidated financial statements will decline. The Group does not have a policy to hedge its exposure to foreign exchange risk.

(ii) Interest Rate Risk

The Group is exposed to interest rate risk on its non-current borrowings at variable rates.

The Group’s borrowings at variable rates are denominated mainly in Singapore dollars. At December 31, 2025, if the Singapore dollar interest rates had increased/decreased by 0.5% (at December 31, 2024: 0.5%) with all other variables including tax rate being held constant, the loss after tax for the financial year would have been lower/higher by US\$15,474 (2024: US\$16,504) as a result of higher/lower interest expense on these borrowings.

Credit risk

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of its counterparties' financial conditions and generally do not require collateral.

Financial assets are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash and cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings.

Liquidity risk

The Group is exposed to liquidity risk, which is risk that it will be unable to provide sufficient capital resources and liquidity to meet its commitments and business needs. Liquidity risk is controlled by the application of financial position analysis and monitoring procedures. When necessary, the Group will turn to other financial institutions and related parties to obtain short-term funding to cover any liquidity shortage.

Capital risk

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and a net current asset position to support its business and maximize its shareholders' value. The capital structure of the Group comprises issued share capital and retained earnings.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company's bank borrowings are subject to certain financial covenants imposed by lending institutions. One of the banks' covenants requires the Company to maintain a gearing ratio of 1.3 at all times and net tangible asset of US\$2.2 million. The gearing ratio is calculated as the ratio of total bank borrowings to tangible net worth, where tangible net worth comprises paid-up capital and revenue reserves, excluding intangible assets. Adjusted tangible net worth is defined as paid-up capital plus revenue reserves, loans owing by the company to its group company and related companies, amount due to its directors and/or shareholders, excluding intangibles, loans and/or investments by the company in its group company and related companies, amount due from its directors and/or shareholders. As of December 31, 2025, the Company's gearing ratio was not in compliance with the aforementioned covenant. The breach provides the lenders with the right to demand immediate repayment of the outstanding borrowings. In light of this, the Company has classified the relevant borrowings as current liabilities in the consolidated statement of financial position as of December 31, 2025, in accordance with applicable accounting standards. The bank has performed its half-yearly review of the Company's financials and has not made demands for immediate repayment from the lender as of the date of this report. In addition, this bank loan is expected to be fully repaid by end of June 30, 2026.

Commodity Price Risk

As the Group derives part of its revenue from the sales and trading of its circular products, which typically include zinc, precious metals and base metals, the Group is exposed to commodity price risk, which is risk on its financial performance and profitability upon fluctuations in the prevailing market prices of these commodities that are out of its control since they are primarily driven by external market forces.

De Tomaso

DT is a holding company incorporated under the laws of the Cayman Islands as an exempted company with limited liability on April 21, 2023. As a holding company with no material operations of its own, DT conducts its operations principally through its operating subsidiaries, including DT DE, DT UK, DT HK and DT US.

DT Group is a high-end ultra-luxury automotive group with a rich legacy tracing back to 1959 when the iconic Italian brand was founded by Argentine racing driver Alejandro de Tomaso. Since its reboot in 2019, De Tomaso has established a strong relationship with the active global community of high-end automotive collectors and enthusiasts, particularly within the hypercar sector. Leveraging the experience and expertise of a visionary team led by Choi Sung Fung, or Norman Choi, DT Group has redefined De Tomaso as an ultra-luxury automotive marque, distinguished by high-performance sports cars that merge classically driven design principles with modern engineering. Embracing an analogue-first philosophy and timeless aesthetics, the brand's revival has resonated deeply with ultra-high net worth individuals worldwide, evidenced by overwhelming demand and a growing global following. To date, DT Group has launched two models of limited-edition sports cars under the "P" series, namely P72 and P900, with targeted delivery of the first batch of vehicles by the end of 2026.

Factors Affecting DT Group's Performance and Related Trends

DT Group believes that the key factors affecting its performance and financial performance include:

- (i) The De Tomaso brand: The De Tomaso brand plays a pivotal role in DT's financial performance, the preservation of the brand and its exclusivity, which forms part of the brand, depends highly on the design, performance and built quality of DT's cars, the service provided in DT's dealer and wholesaler network and the success of various promotional activities, which includes but not limited to, its model launch campaigns and digital presence.
- (ii) Ties to the automobile collector and enthusiast community: An important factor in the connection of clients to the De Tomaso brand is its strong relationship with the active global community of automotive collectors and enthusiasts, particularly collectors and enthusiasts of hypercars.
- (iii) Competition within the luxury performance car industry: DT competes with other international luxury performance car manufacturers which own and operate well-known brands of high-quality cars, some of which form part of larger automotive groups and may have greater financial resources and bargaining power with suppliers than DT does, particularly in light of DT's strategy to maintain low production volumes in order to preserve and enhance the exclusivity of its cars.

(iv) Reliance on third-party manufacturing and development partners: DT adopts an asset-light structure in its business operations and relies on a variety of agreements, including those related to research and development, procurement, manufacturing, and engineering entered into with various manufacturing and development partners.

(v) Tax, tariff and fiscal policies: Imposition of any additional taxes and levies designed to limit the use of automobiles could adversely affect the demand for DT's cars and in turn, its operating results. Changes in corporate and other taxation policies as well as changes in export and other incentives given by various governments or import or tariff policies could also adversely affect DT's operating results.

(vi) Global economic conditions: DT's sales volumes and revenues may be affected by overall general economic conditions. Deteriorating general economic conditions may affect disposable incomes and reduce consumer wealth impacting client demand, particularly for luxury automobiles which may negatively impact DT's profitability and put downward pressure on its prices and volumes.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Executive Officers

Our directors and executive officers as of the date of this report are as follows:

Name	Age	Position(s)
Quek Leng Chuang	60	Chief Executive Officer and Chairman
Ho Shian Ching	57	Chief Financial Officer
Law Beng Hui	51	Chief Growth and Sustainability Officer and Director
Anita Pushparani Dorett ⁽¹⁾	59	Independent Director
Lim Boon Yew Gary ⁽¹⁾	52	Independent Director
Yap Chin Yee Richard ⁽¹⁾	60	Independent Director
Ernest Fong ⁽¹⁾	55	Independent Director

(1) Member of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee.

Quek Leng Chuang has served as OIO's Chief Executive Officer and Chairman of the Board since August 2023 and as ESA's Chief Executive Officer since December 2020. Mr. Quek founded ESA in May 1999 and has since served as its director and chairman since that time. From June 1996 to January 1997, Mr. Quek served as an operations manager of Green Singapore Pte Ltd, a waste paper recycling and industrial commercial solid waste recycling company. From February 1997 to December 1998, Mr. Quek served as an operations engineer at Eco Industrial Environmental Engineering Pte Ltd, an environmental engineering firm with particular focus on solid waste recovery facilities. Mr. Quek was awarded a Singapore Armed Force Scholarship to pursue Engineering in 1986, and subsequently served full time in the Singapore Army as an officer with Elite Infantry Division. He continued service honorably in the reserve till 2016, and attained the rank of Lieutenant Colonel. Mr. Quek received a Bachelor of Engineering (Chemical Engineering) from the National University of Singapore in 1990, and a Master of Business Administration from Leicester University in 1996. We believe Mr. Quek's wealth of industry experience qualifies him to serve on our Board.

Ho Shian Ching has served as OIO's Chief Financial Officer since August 2023. From January 2015 to May 2022, Mr. Ho served as the financial controller of ETH Enterprises Pte Ltd, a leading manufacturer of quality timber products. From May 2007 to May 2017, Mr. Ho served as the Chief Financial Officer of Fujian Zhenyun Plastics Industry Co., Ltd (SGX:5KT), a company principally engaged in research and development and manufacturing of plastic pipes and fittings. From January 2005 to February 2007, Mr. Ho served as the group financial controller of China Great Land Holdings Ltd (SGX:D50), an investment holding company. From March 2004 to January 2005, Mr. Ho served as company secretary, director and financial controller of Planet Fitness Co., Pte Ltd, a fitness gym company. From January 2001 to January 2004, Mr. Ho served as the commercial manager of Hanson Building Materials (S) Pte Ltd, a building materials company. From September 1999 to December 2000, Mr. Ho served as the internal auditor for NatSteel Electronics Ltd, a leading electronic manufacturer which offered box-building and related services. From December 1995 to July 1999, Mr. Ho was an external auditor with KPMG LLP, an audit firm, where he primarily performed statutory audits. Mr. Ho is a member of CPA Australia and is a Chartered Accountant of Singapore CA. Mr. Ho received a Bachelor of Commerce from Murdoch University in 1995.

Law Beng Hui has served as OIO's director and Chief Growth and Sustainability Officer since August 2023 and as ESA's Chief Growth and Sustainability Officer and director since December 2020 and January 2021, respectively. Mr. Law co-founded NewOil Solutions Pte Ltd in July 2020, a chemical recycling company. Mr. Law is an Internationally Certified Practicing Management Consultant registered with Singapore Business Advisors and Consultants Council (SBACC). He currently sits on the board of consultants for Diageo plc's carbon neutral whisky distillery investment in China and has taken on various leadership positions at Diageo plc since June 2011. From January 2005 to August 2008, Mr. Law served as regional client services director at Young and Rubicam Brands Ltd, one of the advertising groups owned by WPP plc (LON:WPP), an advertising and media conglomerate. Mr. Law received a Bachelor of Business Administration from the National University of Singapore in 1999 and an Executive Master of Business Administration from INSEAD Business School in 2021. We believe Mr. Law's extensive experience qualifies him to serve on the Board, including his over 20 years of experience in business strategy, brand portfolio and marketing management at leading consumer packaged goods companies and advertising agencies, working across global and regional markets.

Anita Pushparani Dorett has served as OIO's independent director since August 2023. Since September 2018, Ms. Dorett has worked with the Investor Alliance for Human Rights, an initiative of the Interfaith Center on Corporate Responsibility. Ms. Dorett took on the leadership role of director of the Investor Alliance since January 2021, providing support to investors on international laws and standards in relation to human rights risks and developing programs, tools and guidance for investors, to inform and advance their responsibility to respect human rights. From January 2015 to June 2017, Ms. Dorett served as Associate General Counsel at International Business Machines Corporation (NYSE:IBM). From October 2009 to December 2014, Ms. Dorett served as legal counsel for Dell Global BV, a computer hardware company, in Singapore and was the global legal lead for Dell Services Business, providing legal advice on regional and global strategy, as well as business planning. From August 1997 to August 2009, Ms. Dorett was employed by British Telecommunications Singapore Pte Ltd, a telecommunications company, as head legal counsel for Southeast Asia and as counsel for mergers and acquisitions in Asia Pacific and Japan. In July 1991, Ms. Dorett qualified as an advocate and solicitor from the Supreme Court of Singapore, and engaged in private legal practice with Wong Partnership. Ms. Dorett received a Bachelor of Laws from the National University of Singapore in 1990 and a Master of Laws from the Columbia University in 2018. We believe Ms. Dorett's extensive legal experience and tenure serving as legal counsel to multinational corporations qualifies her to serve on the Board.

Lim Boon Yew Gary has served as OIO's independent director since August 2023. He is presently an Executive Director in Rockpool Capital Limited. Rockpool Capital is a multi-family office licensed by the Securities and Futures Commission in Hong Kong. He manages the various relationships and advises the families on their wealth management matters. Mr. Lim served as an independent advisory director of A.Plus International Corporation Limited from February 2022 to January 2023. In January 2019, Mr. Lim served as an independent non-executive director and chairman of the remuneration committee of ZACD Group Limited (HKG:8313), an integrated real estate asset manager, although he has since stepped down from this role in June 2023 as part of the scheduled rotation of directors of the firm. Since June 2017, Mr. Lim served as a committee member of the Singapore Chamber of Commerce in Hong Kong. During the period from January 2012 to January 2022, Mr. Lim co-founded A.Plus International Corporation Limited, a financial documentation services company, a subsidiary of A.Plus Group Holdings Limited (HKG: 1841). In addition, Mr. Lim served as the assistant general manager of Toppan Vite Limited, a company providing financial printing services, in Hong Kong from August 2002 to December 2012. Mr. Lim received a Bachelor's of Engineering in Mechanical Engineering (Honors) from Nanyang Technology University in 1999 and a Master's of Business Administration from University of Chicago, Booth School of Business in 2008. We believe Mr. Lim's extensive experience as a founder, executive and a director of publicly-traded companies qualifies him to serve on the Board.

Yap Chin Yee Richard has served as OIO's independent director since August 2023. Since June 2020, Dr. Yap has served various board roles with HCA Hospice Care, a charity organization that provides palliative care to patients. Since October 2020, Dr. Yap has served as a council member and a member of the finance and investment committee of Dyslexia Association of Singapore, a charity association that provides learning support for learning differences students. From July 2019 to February 2020, Dr. Yap served in Deloitte Consulting LLP as the subject matter expert on a project for a conglomerate in southeast Asia. From May 2015 to May 2019, Dr. Yap served as chief executive officer of Q Fund Management Ltd., an alternative asset manager licensed under the Securities and Futures Commission of Hong Kong ("SFC") specializing in fundamental equity investment in Chinese companies, where he oversaw risk, operations, regulatory, and technology matters, and investor relations. From September 2009 to April 2015, Dr. Yap served as managing director of Gemini Capital Ltd., a family office. From March 2009 to September 2009, Dr. Yap served as a consultant of the Bank of China (Hong Kong) Limited (HKG:1988) where he advised the senior management and its board of directors on establishing an offshore asset management business for the group. From April 2008 to January 2009, he served in Nomura International (Hong Kong) Limited as head of structured credit markets in Asia. From August 1994 to March 2008, Dr. Yap served as the managing director of Lehman Brothers and was responsible for sales management in Singapore until December 1999 and in Hong Kong until March 2008. Dr. Yap has obtained licenses for dealing in securities (type 1), advising on securities (type 4), corporate finance (type 6) and asset management (type 9) from the SFC. Dr. Yap further obtained Series 7 qualification from the US National Association of Securities Dealers in 1994. Dr. Yap received a Bachelor of Science in Computer and Information Science from the University of Oregon in 1986, a Master of Business Administration from New York University in 1994 and a Doctor of Business Administration from the City University of Hong Kong in 2018. We believe Dr. Yap's extensive experience in the banking, investment and charitable giving fields qualifies him to serve on the Board.

Ernest Fong has served as OIO's independent director since August 2023. Since October 2021, Mr. Fong has been the Asia Pacific CEO of Optimas Capital, an Asian-based Hedge Fund with offices in Hong Kong, Singapore and Taiwan. Mr. Fong joined Credit Suisse in March 1998 and after spending more than 21 years in its Singapore, Taiwan and Hong Kong offices, he retired from Credit Suisse in December 2019. His last position in Credit Suisse was as the Head of Markets Research in Asia Pacific and he was responsible for a team of almost 300 across 14 offices and 12 markets. Prior to Credit Suisse, Mr. Fong was an equity research analyst at Credit Lyonnais Securities Asia from June 1995 to February 1998. Since June 2020, Mr. Fong is also a non-executive director of Vincom Retail, listed in Vietnam, which is part of the Vincom group, the largest privately-owned company in Vietnam. Mr. Fong graduated from National University of Singapore with a Bachelor of Arts degree, majoring in Economics and Statistics. We believe Mr. Fong's extensive experience in the banking and investment fields qualifies him to serve on the Board.

B. Compensation

Decisions with respect to the compensation of OIO's executive officers, including its named executive officers, will be made by the compensation committee of the Board. The actual compensation of the named executive officers will depend on the judgment of the members of the compensation committee and may differ from that set forth in the following discussion.

The compensation for OIO's executive officers has the following components: base salary, cash bonus opportunities, share incentive award, broad-based employee benefits, supplemental executive perquisites and severance benefits. Base salaries, broad-based employee benefits, supplemental executive perquisites and severance benefits are designed to attract and retain senior management talent. OIO also uses cash bonuses and long-term equity awards to promote performance-based pay that aligns the interests of its named executive officers with the long-term interests of its equity owners and to enhance executive retention.

Base Salary

OIO's named executive officers' base salaries in effect will continue to be subject to increases made in connection with OIO's annual review of its named executive officers' base salaries, and be reviewed annually by the Compensation Committee. For the year ended December 31, 2025, base salary paid to our named executive officers, including Quek Leng Chuang, Ho Shian Ching, Law Beng Hui and Lee Meng Seng, amounted to US\$558,118. For the year ended December 31, 2024, base salary paid to our named executive officers, including Quek Leng Chuang, Ho Shian Ching, Law Beng Hui and Lee Meng Seng, amounted to US\$563,596.

Annual Bonuses

OIO uses annual cash incentive bonuses for the named executive officers to motivate their achievement of short-term performance goals and tie a portion of their cash compensation to performance. An annual bonus amounting to US\$47,871 was paid to our named executive officers, including Quek Leng Chuang, Ho Shian Ching, Law Beng Hui and Lee Meng Seng, in the year ended December 31, 2025. In the year ended December 31, 2024, our named executive officers, including Quek Leng Chuang, Ho Shian Ching, Law Beng Hui and Lee Meng Seng received an annual bonus of US\$37,840.

Other Compensation

OIO continues to maintain various broad-based employee benefit plans similar to those in effect prior to the business combination with Genesis Unicorn Capital Corp. OIO continues to provide its named executive officers with specified perquisites and personal benefits currently provided by OIO prior to the aforementioned business combination. For the year ended December 31, 2025, OIO's contribution to its defined contribution plan for the named executive officers, including Quek Leng Chuang, Ho Shian Ching, Law Beng Hui and Lee Meng Seng, amounted to US\$47,687. For the year ended December 31, 2024, OIO's contribution to its defined contribution plan for the named executive officers, including Quek Leng Chuang, Ho Shian Ching, Law Beng Hui and Lee Meng Seng, amounted to US\$44,884. In addition, Mr Quek Leng Chuang was compensated for acting as the personal guarantor of bank loans to ESA. In FY2025, this amounted to US\$65,743 (2024 : US\$86,813).

On February 17, 2025, the Group's Board of Directors approved the Equity Incentive Plan (the "Plan"). The Plan is intended to attract, retain, and motivate employees and directors by providing equity ownership opportunities. During the fiscal year ended December 31, 2025, the Group issued 1,201,821 ordinary shares to certain employees under the Plan. These shares were granted as fully vested. An aggregate of approximately 865,000 Ordinary Shares at a fair market value of US\$1.03 were issued to the named executive officers, Quek Leng Chuang, Law Beng Hui, Ho Shian Ching and Lee Meng Seng.

Director Compensation

Non-employee directors of OIO will receive varying levels of compensation for their services as directors and members of committees of the Board. OIO anticipates that director compensation will be determined in accordance with industry practice and standards. OIO's non-employee directors' total remuneration for the year ended December 31, 2025 was US\$128,000. There were no annual bonuses paid to the non-employee directors. OIO's non-employee directors' total remuneration for the year ended December 31, 2024 was US\$128,000. There were no annual bonuses paid to the non-employee directors.

C. Board Practices

Board of Directors

The Board consists of six directors, including four independent directors, namely Anita Pushparani Dorett, Lim Boon Yew Gary, Yap Chin Yee Richard and Ernest Fong. A director is not required to hold any shares in OIO to qualify as a director.

Board Committees

The Board has established an audit committee, a compensation committee and a nomination and governance committee, which have the responsibilities and authority necessary to comply with applicable Nasdaq and SEC rules. The audit committee is comprised of Anita Pushparani Dorett, Lim Boon Yew Gary, Yap Chin Yee Richard and Ernest Fong. The compensation committee is comprised of Anita Pushparani Dorett, Lim Boon Yew Gary, Yap Chin Yee Richard and Ernest Fong. The nomination and governance committee is comprised of Anita Pushparani Dorett, Lim Boon Yew Gary, Yap Chin Yee Richard and Ernest Fong. We have adopted a charter for each of these committees that complies with Nasdaq rules. The Board may establish other committees as it deems necessary or appropriate from time to time.

Audit Committee

Anita Pushparani Dorett, Lim Boon Yew Gary, Yap Chin Yee Richard and Ernest Fong serve as members of the audit committee of the Company (the "Audit Committee"). Yap Chin Yee Richard serves as the chair of the Audit Committee. Each of the members of the Audit Committee satisfies all independence requirements under the applicable rules and regulations of the SEC and Nasdaq. Our Board has determined that Yap Chin Yee Richard possesses accounting or related financial management experience that qualifies him as an "audit committee financial expert" as defined by the rules and regulations of the SEC and Nasdaq.

The Audit Committee oversees our accounting and financial reporting processes and the audits of our financial statements. The Audit Committee is generally responsible for, among other things:

- appointing the independent auditors and pre-approving all auditing and non-auditing services permitted to be performed by the independent auditors;
- reviewing with the independent auditors any audit problems or difficulties and management's response;
- discussing the annual audited financial statements with management and the independent auditors;
- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any steps taken to monitor and control major financial risk exposures;
- reviewing and approving all proposed related party transactions;
- meeting separately and periodically with management and the independent auditors; and
- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance.

Compensation Committee

Anita Pushparani Dorett, Lim Boon Yew Gary, Yap Chin Yee Richard and Ernest Fong serve as members of the compensation committee of the Company (the "Compensation Committee"). Lim Boon Yew Gary serves as the chair of the Compensation Committee. Each of the members of the Compensation Committee satisfies the independence requirements under the applicable rules and regulations of the SEC and Nasdaq.

The Compensation Committee is generally responsible for overseeing and making recommendations to the Board regarding the salaries and other compensation of our Executive Officers and general employees and providing assistance and recommendations with respect to our compensation policies and practices. The Compensation Committee is generally responsible for, among other things:

- reviewing and approving annually the corporate goals and objectives applicable to the compensation of the chief executive officer, evaluating the chief executive officer's performance at least annually, and determining and approving the chief executive officer's compensation level based on this evaluation;
- reviewing and approving the compensation of all other Executive Officers;
- reviewing, approving and recommending incentive compensation plans and equity-based plans to the Board and shareholders of the Company for approval, and administering the Company's incentive compensation plans and equity-based plans;
- reviewing, approving and recommending employment agreements and severance arrangements or plans to the Board for approval;
- reviewing all Director compensation and benefits for service on the Board and Board committees at least once a year, and recommending any changes to the Board as necessary; and
- overseeing, in conjunction with the Nominating and Corporate Governance Committee, engagement with shareholders and proxy advisory firms on executive compensation matters.

Nominating and Governance Committee

Anita Pushparani Dorett, Lim Boon Yew Gary, Yap Chin Yee Richard and Ernest Fong serve as members of the nominating and governance committee of OIO (the "Nominating and Governance Committee"). Anita Pushparani Dorett serves as the chair of the Nominating and Governance Committee. Each of the members of the Nominating and Governance Committee satisfies all independence requirements under the applicable rules and regulations of the SEC and Nasdaq.

The Nominating and Governance Committee is generally responsible for identifying and proposing new potential director nominees to the Board for consideration and for reviewing our corporate governance policies. The Nominating and Governance Committee is generally responsible for, among other things:

- determining the qualifications, qualities, skills, and other expertise required to be a Director, and developing and recommending to the Board the criteria to be considered in selecting director nominees for the Board's approval;
- identifying and screening individuals qualified to become members of the Board, and considering any director candidates recommended by the Company's shareholders pursuant to the procedures described in the Company's annual report;
- selecting and approving the director nominees to be submitted to a shareholder vote at the shareholders' annual meeting, subject to approval by the Board;
- developing and recommending to the Board a set of corporate governance guidelines applicable to the Company, reviewing these principles at least once a year and recommending any changes to the Board;
- overseeing the Company's corporate governance practices and procedures, including identifying best practices, and reviewing and recommending to the Board for approval any changes to the documents, policies and procedures in the Company's corporate governance framework;
- reviewing the Board's committee structure and composition and to make recommendations to the Board annually regarding the appointment of directors to serve as members of each committee and committee chairmen;
- if a vacancy on the Board and/or any Board committee occurs, identifying and making recommendations to the Board regarding the selection and approval of candidates to fill such vacancy either by election by shareholders or appointment by the Board;
- developing and overseeing a Company orientation program for new Directors and a continuing education program for current Directors, periodically reviewing these programs and updating them as necessary;
- reviewing, approving and overseeing any transaction between the Company and any related person on an ongoing basis in accordance with the Company's related party transaction approval policy;
- reviewing and discussing with management disclosure of the Company's corporate governance practices;
- developing and recommending to the Board for approval an officer succession plan, to review such succession plan periodically with the chief executive officer, developing and evaluating potential candidates for executive positions, and recommending to the Board any changes to and any candidates for succession under the succession plan.

Duties and Functions of Directors

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company and therefore it is considered that he owes the following duties to the company — a duty to act bona fide in the best interests of the company, a duty not to make a profit based on his or her position as director (unless the company permits him to do so) and a duty not to put himself in a position where the interests of the company conflict with his or her personal interest or his or her duty to a third party, and a duty to exercise powers for the purpose for which such powers were intended. A director of a Cayman Islands company owes to the company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands. In fulfilling their duty of care to the Company, the directors must ensure compliance with our Amended and Restated Memorandum and Articles of Association. The Company has the right to seek damages if a duty owed by any of the directors is breached.

Terms of Directors and Officers

OIO's officers are appointed by and serve at the discretion of the Board. Each director holds office for the term fixed by the resolution of shareholders or the resolution of directors appointing him until such time as his successor takes office or until the earlier of his or her death, resignation or removal from office by resolution of directors with or without cause or by resolution of shareholders for cause. The directors may at any time appoint any person to be a director either to fill a vacancy or as an addition to the existing directors. Where the directors appoint a person as director to fill a vacancy, the term shall not exceed the term that remained when the person who has ceased to be a director ceased to hold office. A vacancy in relation to directors occurs if a director dies or otherwise ceases to hold office prior to the expiration of his term of office.

Interested Transactions

A director may, subject to any separate requirements for Audit Committee approval under applicable laws or applicable Nasdaq Stock Market Listing Rules, vote on a matter relating to the transaction in which he or she is interested, provided that the interest of any directors in such transaction is disclosed by him or her to all other directors.

D. Employees

As of December 31, 2025, OIO had 63 full-time employees, all of whom are based in Singapore.

The following table sets forth the number of its employees by function as of December 31, 2025.

Function:	
Management	4
Operations – Office staff	8
Operations – workers	36
Engineering	5
Finance	2
HR & Admin	3
Sales & Marketing	2
Laboratory	3
Total	63

E. Share Ownership

The following table sets forth information regarding the beneficial ownership of our Ordinary Shares by:

- each person or “group” (as such term is used in Section 13(d)(3) of the Exchange Act) known by us to be the beneficial owner of more than 5% of our ordinary shares;
- each of our current executive officers and directors; and
- all executive officers and directors of the Company as a group.

The beneficial ownership of ordinary shares of the Company is based on 348,022,108 Ordinary Shares issued and outstanding as of April 27, 2026 after the RSS and Acquisition.

Beneficial ownership is determined according to the rules of the SEC, which generally provide that a person has beneficial ownership of a security if he, she or it possesses sole or shared voting or investment power over that security, including options and warrants that are currently exercisable or exercisable within sixty (60) days.

Unless otherwise indicated, we believe that all persons named in the table have sole voting and investment power with respect to all of our Ordinary Shares beneficially owned by them, subject to applicable community property laws. Any shares of our Ordinary Shares subject to options or warrants exercisable within 60 days of the consummation of this annual report are deemed to be outstanding and beneficially owned by the persons holding those options or warrants for the purpose of computing the number of shares beneficially owned and the percentage ownership of that person. They are not, however, deemed to be outstanding and beneficially owned for the purpose of computing the percentage ownership of any other person.

Name and Address of Beneficial Owner	Number of Shares	Percentage of Shares
<i>Five Percent or Greater Holders:</i>		
FTAG Asset Management Limited ⁽¹⁾	76,554,284	22.0%
Sung Fung (Norman) Choi ⁽²⁾	235,130,275	67.6%
<i>Directors and Executive Officers⁽³⁾:</i>		
Quek Leng Chuang	1,088,007	*
Law Beng Hui	449,637	*
Ho Shian Ching	62,182	*
Lim Boon Yew Gary	4,444	*
Ernest Fong	149,257	*
Anita Pushparani Dorett	4,444	*
Yap Chin Yee, Richard	0	*
<i>All Directors and Executive Officers as a group (7 individuals)</i>	<u>1,757,971</u>	<u>*</u>

* Less than 1%.

(1) The address of FTAG Asset Management Limited is Level 15(A1), Main Office Tower, Financial Park Labuan, Jalan Merdeka, Federal Territory of Labuan, Labuan 87000

(2) The address of Sung Fung (Norman) Choi is 26/F Prosperity Tower, 39 Queen’s Road Central, Central, Hong Kong

(3) Unless otherwise indicated, the business address of each of our officers and directors is 101 Tuas South Avenue 2, Singapore 637226.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

See “Item 6. Directors, Senior Management and Employees— E. Share Ownership.”

B. Related Party Transactions

We entered into agreements with our officers and directors to provide contractual indemnification. We also purchased a policy of directors’ and officers’ liability insurance that insures our officers and directors against the cost of defense, settlement or payment of a judgment in some circumstances and insures us against our obligations to indemnify our officers and directors.

As of December 31, 2025, ESA has bank borrowings of US\$3.5 million from which are secured by, among others, a guarantee by a director of the Group, namely Mr. Quek Leng Chuang in his personal capacity.

Upon the closing of the Business Combination, the Company entered into employment agreements with each of its executive officers. The Company also entered into director agreements with each of its directors and indemnification agreements with each of its directors and executive officers.

C. Interests of Experts and Counsel

Not Applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

See Item 18 of this report.

B. Significant Changes

Except as otherwise disclosed in this annual report, we have not experienced any significant changes since the date of our audited consolidated financial statements included herein.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

Our Ordinary Shares and Public Warrants are listed on the Nasdaq Capital Market under the symbols “OIO” and “OIOWW,” respectively.

B. Plan of Distribution

Not applicable.

C. Markets

Our Ordinary Shares and Public Warrants are listed on the Nasdaq Capital Market under the symbols “OIO” and “OIOWW,” respectively.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

As of the date of this report, the authorized share capital of the Company was \$300,000, comprising of 1,000,000,000 Ordinary Shares with a par value of \$0.0003 per share. As of April 24, 2026, there were 348,022,108 Ordinary Shares outstanding. There were also 9,317,331 warrants outstanding, each exercisable to purchase one Ordinary Share at a price of \$34.50 per full share.

B. Memorandum and Articles of Association

We are a Cayman Islands company incorporated under the laws of the Cayman Islands and our affairs are governed by our memorandum and articles of association, as amended and restated from time to time, and the Companies Act (As Revised) of the Cayman Islands.

The following are summaries of material provisions of our Amended and Restated Memorandum and Articles of Association and the Companies Act insofar as they relate to the material terms of our Ordinary Shares.

Registered Office

Our registered office is at the offices of Appleby Global Services (Cayman) Limited, 71 Fort Street, PO Box 500, George Town, Grand Cayman, KY1-1106, Cayman Islands.

Board of Directors

See “Item 6. Directors, Senior Management and Employees.”

Ordinary Shares

The following includes a summary of the terms of the Ordinary Shares based on our Amended and Restated Memorandum and Articles of Association and Cayman Islands law. According to our Amended and Restated Memorandum and Articles of Association, the authorized share capital is US\$300,000 divided into 1,000,000,000 Ordinary Shares of par value of US\$0.0003 each.

General. OIO’s authorized share capital is US\$300,000 divided into 1,000,000,000 Ordinary Shares, with a par value of US\$0.0003 each. All of OIO’s issued and outstanding Ordinary Shares are fully paid and non-assessable. Certificates representing the Ordinary Shares are issued in registered form. OIO may not issue share to bearer. OIO’s shareholders who are non-residents of the Cayman Islands may freely hold and transfer their Ordinary Shares.

In connection with the Acquisition, the Company sought and obtained shareholder approval for a reverse share split (the “RSS”) at an extraordinary general meeting held on June 10, 2025. Pursuant to such approval, the Company’s authorised share capital was to be restructured from US\$300,000 divided into 3,000,000,000 ordinary shares with a par value of US\$0.0001 each to US\$300,000 divided into 1,000,000,000 ordinary shares with a par value of US\$0.0003 each, effected by way of a consolidation of every three (3) issued and unissued ordinary shares into one (1) ordinary share.

On April 24, 2026, the RSS was effected and the Acquisition was concurrently completed. Subsequently, the Company commenced trading on the Nasdaq Capital Market under the ticker symbol “OIO.”

Dividends. Subject to the Companies Act and our Amended and Restated Articles of Association and except as otherwise provided by the rights attached to any OIO’s shares, OIO’s directors may resolve to pay dividends and other distributions on OIO’s shares in issue and authorise payment of the dividends or other distributions out of the funds of OIO lawfully available therefor. A dividend shall be deemed to be an interim dividend unless the terms of the resolution pursuant to which OIO’s directors resolve to pay such dividend specifically state that such dividend shall be a final dividend. No dividend or other distribution shall be paid except out of the realised or unrealised profits of OIO, out of the share premium account or as otherwise permitted by law.

Voting Rights. In respect of all matters subject to a shareholders’ vote, each ordinary share is entitled to one vote. Votes may be cast either personally or by proxy (or in the case of a corporation or other non-natural person by its duly authorised representative or proxy). A Member may appoint more than one proxy or the same proxy under one or more instruments to attend and vote at a meeting. Where a Member appoints more than one proxy the instrument of proxy shall specify the number of Ordinary Shares in respect of which each proxy is entitled to exercise the related votes.

A Member holding more than one share need not cast the votes in respect of their shares in the same way on any resolution and therefore may vote a share or some or all such shares either for or against a resolution and/or abstain from voting a share or some or all of the shares and, subject to the terms of the instrument appointing the proxy, a proxy appointed under one or more instruments may vote a Share or some or all of the shares in respect of which they are appointed either for or against a resolution and/or abstain from voting a share or some or all of the Ordinary Shares in respect of which they are appointed.

An ordinary resolution to be passed at a meeting by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the Ordinary Shares cast by those shareholders entitled to vote who are present in person or by proxy at a general meeting, while a special resolution also requires the affirmative vote of no less than two-thirds of the votes attaching to the Ordinary Shares cast by those shareholders entitled to vote who are present in person or by proxy at a general meeting. A special resolution will be required for important matters such as a change of name or making changes to our Amended and Restated Memorandum and Articles of Association.

Transfer of Ordinary Shares. Subject to the restrictions in our Amended and Restated Articles of Association as set out below, any of our shareholders may transfer all or any of his or her Ordinary Shares by an instrument of transfer in writing in the usual or common form or in a form prescribed by the rules and regulations of the Designated Stock Exchange, the Securities and Exchange Commission and/or any other competent regulatory authority or otherwise under Applicable Law or in any other form approved by OIO’s Board of Directors and shall be executed by or on behalf of the transferor (and if the Directors so require, signed by or on behalf of the transferee) and may be under hand or, if the transferor or transferee is a Clearing House or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Directors may approve from time to time. The transferor shall be deemed to remain the holder of a Share until the name of the transferee is entered in the Register of Members.

If the Ordinary Shares in question were issued in conjunction with rights, options or warrants issued pursuant to the Amended and Restated Articles of Association on terms that one cannot be transferred without the other, the OIO's directors shall refuse to register the transfer of any such ordinary share without evidence satisfactory to them of the like transfer of such right, option or warrant.

Redemption, Repurchase and Surrender of Ordinary Shares. Subject to the provisions of the Companies Act, and, where applicable, the rules and regulations of the Designated Stock Exchange, the Securities and Exchange Commission and/or any other competent regulatory authority or otherwise under Applicable Law, the Company may issue Ordinary Shares that are to be redeemed or are liable to be redeemed at the option of the Member or the Company. The redemption of such Shares shall be effected in such manner and upon such other terms as the Company may, by Special Resolution, determine before the issue of the Ordinary Shares.

Subject to the provisions of the Companies Act, and, where applicable, the rules and regulations of the Designated Stock Exchange, the Securities and Exchange Commission and/or any other competent regulatory authority or otherwise under Applicable Law, the Company may purchase its own Ordinary Shares (including any redeemable Shares) in such manner and on such other terms as the Directors may agree with the relevant Member.

The Company may make a payment in respect of the redemption or purchase of its own Ordinary Shares in any manner permitted by the Companies Act, including out of capital.

The Directors may accept the surrender for no consideration of any fully paid ordinary share.

Variations of Rights of Shares. Subject to Amended and Restated Articles of Association, if at any time the share capital of the Company is divided into different classes of ordinary shares, all or any of the rights attached to any class (unless otherwise provided by the terms of issue of the Ordinary Shares of that class) may, whether or not the Company is being wound up, be varied without the consent of the holders of the issued Ordinary Shares of that class where such variation is considered by the Directors not to have a material adverse effect upon such rights; otherwise, any such variation shall be made only with the consent in writing of the holders of not less than two-thirds of the issued Shares of that class, or with the approval of a resolution passed by a majority of not less than two-thirds of the votes cast at a separate meeting of the holders of the Ordinary Shares of that class. For the avoidance of doubt, the Directors reserve the right, notwithstanding that any such variation may not have a material adverse effect, to obtain consent from the holders of Ordinary Shares of the relevant class. To any such meeting all the provisions of the Articles relating to general meetings shall apply mutatis mutandis, except that the necessary quorum shall be one person holding or representing by proxy at least one third of the issued Ordinary Shares of the class and that any holder of Shares of the class present in person or by proxy may demand a poll.

Inspection of Books and Records. Holders of Ordinary Shares have no general right under Cayman Islands law to inspect or obtain copies of OIO's list of shareholders or its corporate records. However, OIO will provide its shareholders with annual audited financial statements.

Issuance of Additional Shares. Subject to the provisions, if any, in our Amended and Restated Memorandum of Association (and to any direction that may be given by the Company in general meeting) and, where applicable, the rules and regulations of Nasdaq, the Securities and Exchange Commission and/or any other competent regulatory authority or otherwise under Applicable Law, and without prejudice to any rights attached to any existing Ordinary Shares, the Directors may allot, issue, grant options over or otherwise dispose of Ordinary Shares (including fractions of an ordinary share) with or without preferred, deferred or other rights or restrictions, whether in regard to dividend or other distribution, voting, return of capital or otherwise and to such persons, at such times and on such other terms as they think proper, and may also (subject to the Companies Act and the Amended and Restated Articles of Association) vary such rights.

C. Material Contracts

Private Placements

On March 27, 2024, the Company entered into a Share Purchase Agreement dated March 27, 2024 with an accredited investor, pursuant to which the Company issued in a private placement an aggregate of 3,333,333 Ordinary Shares to the investor at a purchase price of US\$0.75 per share. The initial closing occurred on March 28, 2024, pursuant to which the investor purchased 666,667 Ordinary Shares for an aggregate purchase price of US\$500,000. The second and final closing under the purchase agreement took place on April 3, 2024 pursuant to which the investor purchased 2,666,667 Ordinary Shares. The Company received gross proceeds of US\$2,500,000 in the private placement. The Company agreed to use 85% of the net proceeds received from the private placement for working capital and general corporate purposes and the remaining 15% to pay outstanding professional fees.

On August 21, 2024, the Company entered into a Share Purchase Agreement with certain accredited investors named therein, pursuant to which the Company issued in a private placement an aggregate of 4,600,000 Ordinary Shares to the investors at a purchase price of US\$0.87 per share. The closing of the private placement occurred on August 22, 2024 and the Company received gross proceeds of US\$4,002,000. For a period of three months following the closing date, Mr. Samuel Wu, one of the investors, was granted the right to purchase up to an aggregate of 1,147,127 additional Ordinary Shares on the same and terms and conditions set forth in the purchase agreement (the "Second Closing Option"). On September 30, 2024, the Second Closing Option was exercised and the Company accordingly issued and sold to such investor an additional 1,147,127 Ordinary Shares for gross proceeds to the Company of US\$998,000.

On January 17, 2025, the Company entered into a Share Purchase Agreement with certain accredited investors named therein, pursuant to which the Company may issue in a private placement an aggregate of 12,500,000 Ordinary Shares to the investors at a purchase price of US\$2.40 per share. The first closing of the private placement occurred on January 18, 2025 pursuant to which the Company issued 125,000 Ordinary Shares and received gross proceeds of US \$300,000. The second and third closings under the purchase agreement occurred on November 25, 2025 and April 10, 2026 pursuant to which the Company issued an aggregate of 750,000 Ordinary Shares to the investors for an aggregate purchase price of US\$1.8 million. The Company agreed to use approximately 20% of the net proceeds received pursuant to the purchase agreement for working capital and approximately 80% for strategic mergers and acquisitions.

D. Exchange Controls and Other Limitations Affecting Security Holders

Under the laws of the Cayman Islands, there are currently no restrictions on the export or import of capital, including foreign exchange controls or restrictions that affect the remittance of dividends, interest or other payments to non-resident holders of our Ordinary Shares.

E. Taxation

Material U.S. Federal Income Tax Considerations for U.S. Holders

The following is a discussion of the material U.S. federal income tax considerations for U.S. Holders (as defined below) of the ownership and disposition of our Ordinary Shares and Public Warrants. For purposes of this discussion, a "Holder" is a beneficial owner of our Ordinary Shares or public warrants. This discussion applies only to our Ordinary Shares and public warrants, as the case may be, that are held as "capital assets" within the meaning of Section 1221 of the Code for U.S. federal income tax purposes (generally, property held for investment). This discussion is based on the provisions of the Code, U.S. Treasury regulations ("Treasury Regulations"), administrative rules, and judicial decisions, all as in effect on the date hereof, and all of which are subject to change or differing interpretations, possibly with retroactive effect. Any such change or differing interpretation could significantly alter the tax considerations described herein. The Company has not sought any rulings from the IRS with respect to the statements made and the positions or conclusions described in this summary. Such statements, positions and conclusions are not free from doubt, and there can be no assurance that your tax advisor, the IRS, or a court will agree with such statements, positions, and conclusions.

This summary does not address the Medicare tax on certain investment income, U.S. federal estate or gift tax laws, any U.S. state or local or non-U.S. tax laws, or any tax treaties. Furthermore, this discussion does not address all U.S. federal income tax considerations that may be relevant to particular holders in light of their personal circumstances or that may be relevant to certain categories of investors that may be subject to special rules under the U.S. federal income tax laws, such as:

- banks, insurance companies, or other financial institutions;
- tax-exempt or governmental organizations;
- “qualified foreign pension funds” as defined in Section 897(1)(2) of the Code (or any entities all of the interests of which are held by a qualified foreign pension fund);
- dealers in securities or foreign currencies;
- persons whose functional currency is not the U.S. dollar;
- traders in securities that use the mark-to-market method of accounting for U.S. federal income tax purposes;
- “controlled foreign corporations,” “passive foreign investment companies,” and corporations that accumulate earnings to avoid U.S. federal income tax;
- entities or arrangements treated as partnerships or other pass-through entities for U.S. federal income tax purposes or holders of interests therein;
- persons deemed to sell our Ordinary Shares or public warrants under the constructive sale provisions of the Code;
- persons that acquired our Ordinary Shares or public warrants through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan;
- persons that hold our Ordinary Shares or public warrants as part of a straddle, appreciated financial position, synthetic security, hedge, conversion transaction, or other integrated investment or risk reduction transaction;
- certain former citizens or long-term residents of the United States;
- except as specifically provided below, persons that actually or constructively own 5% or more (by vote or value) of any class of shares of the Company;
- holders of private placement warrants;
- the Company’s officers or directors; and
- holders who are not U.S. Holders.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our Ordinary Shares or public warrants, the tax treatment of a partner in such partnership generally will depend upon the status of the partner, upon the activities of the partnership and upon certain determinations made at the partner level. Accordingly, partners in partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) holding our Ordinary Shares or public warrants are urged to consult with their own tax advisors regarding the U.S. federal income tax consequences to them relating to the matters discussed below.

ALL HOLDERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS (INCLUDING ANY POTENTIAL FUTURE CHANGES THERETO) TO THEIR PARTICULAR SITUATIONS, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY OTHER TAX LAWS, INCLUDING U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR ANY U.S. STATE OR LOCAL OR NON-U.S. TAX LAWS, OR UNDER ANY APPLICABLE INCOME TAX TREATY.

U.S. Holder Defined

For purposes of this discussion, a “U.S. Holder” is a Holder that, for U.S. federal income tax purposes, is:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (i) the administration of which is subject to the primary supervision of a U.S. court and which has one or more “United States persons” (within the meaning of Section 7701(a)(30) of the Code) who have the authority to control all substantial decisions of the trust or (ii) that has made a valid election under applicable Treasury Regulations to be treated as a United States person.

Passive Foreign Investment Company Rules

Certain adverse U.S. federal income tax consequences could apply to a U.S. Holder if we are treated as a PFIC for any taxable year during which U.S. Holders hold our securities. A foreign (i.e., non-U.S.) corporation will be classified as a PFIC for U.S. federal income tax purposes if at least 75% of its gross income in a taxable year, including its pro rata share of the gross income of any entity in which it is considered to own at least 25% of the interest by value, is passive income. Alternatively, a foreign corporation will be a PFIC if at least 50% of its assets in a taxable year, ordinarily determined based on fair market value and averaged quarterly over the year, including its pro rata share of the assets of any entity in which it is considered to own at least 25% of the interest by value, are held for the production of, or produce, passive income. Passive income generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business) and gains from the disposition of passive assets.

The determination of whether we are a PFIC is a fact-intensive determination made on an annual basis applying principles and methodologies that in some circumstances are unclear and subject to varying interpretation. Under the income test described above, our status as a PFIC depends on the composition of our income which will depend on the transactions we enter into in the future and our corporate structure. The composition of our income and assets is also affected by the spending of the cash we raise in any offering. We are not currently expected to be treated as a PFIC for U.S. federal income tax purposes, but this conclusion is a factual determination made annually and, thus, is subject to change. Our U.S. counsel expresses no opinion with respect to our PFIC status for any taxable year. We urge U.S. Holders to consult their own tax advisors regarding the possible application of the PFIC rules in light of their individual circumstances.

Taxation of Distributions

Subject to the PFIC rules discussed above, a U.S. holder generally will be required to include in gross income any distribution paid on our Ordinary Shares that is treated as a dividend for U.S. federal income tax purposes. A distribution on such shares generally will be treated as a dividend for U.S. federal income tax purposes to the extent the distribution is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because we may not maintain calculations of earnings and profits under U.S. federal income tax principles, it is possible that the full amount of distributions paid by us will need to be reported as dividends for U.S. federal income tax purposes.

Distributions in excess of such earnings and profits generally will be applied against and reduce the U.S. holder’s basis in its Ordinary Shares (but not below zero) and, to the extent in excess of such tax basis, will be treated as gain from the sale or exchange of such Ordinary Shares.

Dividends paid by the Company will be taxable to a corporate U.S. Holder at regular rates and will not be eligible for the dividends-received deduction generally allowed to domestic corporations in respect of dividends received from other domestic corporations. Dividends the Company pays to a non-corporate U.S. Holder generally will constitute “qualified dividends” that will be subject to U.S. federal income tax at the lower applicable long-term capital gains tax rate only if (i) our Ordinary Shares are readily tradable on an established securities market in the United States, and (ii) a certain holding period and other requirements are met. If such requirements are not satisfied, a non-corporate U.S. Holder may be subject to tax on the dividend at regular ordinary income tax rates instead of the preferential rate that applies to qualified dividend income.

Possible Constructive Distributions

The terms of the public warrants provide for an adjustment to the number of our Ordinary Shares for which Public Warrants may be exercised or to the exercise price of the public warrants in certain events. An adjustment which has the effect of preventing dilution generally is not taxable. U.S. Holders of public warrants would, however, be treated as receiving a constructive distribution from the Company if, for example, the adjustment increases the warrant holders’ proportionate interest in the Company’s assets or earnings and profits (e.g., through an increase in the number of our Ordinary Shares that would be obtained upon exercise or through a decrease in the exercise price of the public warrants) as a result of a distribution of cash or other property to the U.S. Holders of shares of our Ordinary Shares. Any such constructive distribution would be treated in the same manner as if U.S. Holders of public warrants received a cash distribution from the Company generally equal to the fair market value of the increased interest and would be taxed in a manner similar to distributions to U.S. Holders of our Ordinary Shares described herein. Please see the section entitled “*Taxation of Distributions*” above. For certain information reporting purposes, the Company is required to determine the date and amount of any such constructive distributions. Proposed Treasury Regulations, which the Company may rely on prior to the issuance of final Treasury Regulations, specify how the date and amount of any such constructive distributions are determined.

Gain or Loss on Sale or Other Taxable Exchange or Disposition of our Ordinary Shares and public warrants

Subject to the PFIC rules discussed above, upon a sale or other taxable disposition of our Ordinary Shares or public warrants (which, in general, would include a redemption of our Ordinary Shares or public warrants that is treated as a sale of such securities), a U.S. Holder generally will recognize capital gain or loss in an amount equal to the difference between (i) the sum of the amount of cash and the fair market value of any property received in such disposition and (ii) the U.S. Holder's adjusted tax basis in our Ordinary Shares or public warrants. Any such capital gain or loss generally will be long-term capital gain or loss if the U.S. Holder's holding period for our Ordinary Shares or public warrants, as applicable, so disposed of exceeds one year. Long-term capital gains recognized by non-corporate U.S. Holders may be eligible to be taxed at reduced rates. The deductibility of capital losses is subject to limitations.

Exercise or Lapse of a Public Warrant

Subject to the PFIC rules discussed above, a U.S. Holder generally will not recognize gain or loss on the acquisition of our Ordinary Shares upon the exercise of a public warrant for cash. The U.S. Holder's tax basis in our Ordinary Shares received upon exercise of a public warrant generally will be an amount equal to the sum of the U.S. Holder's tax basis in the public warrant and the exercise price of such public warrant. It is unclear whether a U.S. Holder's holding period for our Ordinary Shares received upon exercise of the public warrant will commence on the date of exercise of the public warrant or the immediately following date. In either case, the holding period will not include the period during which the U.S. Holder held the public warrant. If a public warrant is allowed to expire unexercised, a U.S. Holder generally will recognize a capital loss equal to such U.S. Holder's tax basis in the public warrant. The deductibility of capital losses is subject to certain limitations.

The tax characterization of a cashless exercise of a public warrant is not clear under current U.S. federal tax law. A cashless exercise could potentially be characterized as any of the following for U.S. federal income tax purposes: (i) not a realization event and thus tax-deferred, (ii) a realization event that qualifies as a tax-deferred "recapitalization," or (iii) a taxable realization event. The tax consequences of all three characterizations are generally described below. U.S. Holders should consult with their own tax advisors regarding the tax consequences of a cashless exercise.

If a cashless exercise were characterized as either not a realization event or as a realization event that qualifies as a recapitalization, a U.S. Holder would not recognize any gain or loss on the exchange of public warrants for our Ordinary Shares. A U.S. Holder's basis in our Ordinary Shares received would generally equal the U.S. Holder's aggregate basis in the exchanged public warrants.

If the cashless exercise were not a realization event, it is unclear whether a U.S. Holder's holding period in our Ordinary Shares would be treated as commencing on the date of exchange of the public warrants or on the immediately following date, but the holding period would not include the period during which the U.S. Holder held the public warrants. On the other hand, if the cashless exercise were characterized as a realization event that qualifies as a recapitalization, the holding period of our Ordinary Shares would include the holding period of the warrants exercised therefor.

If the cashless exercise were treated as a realization event that does not qualify as a recapitalization, the cashless exercise could be treated in whole or in part as a taxable exchange in which gain or loss would be recognized by the U.S. Holder. Under this characterization, a portion of the public warrants to be exercised on a cashless basis would be deemed to have been surrendered in payment of the exercise price of the remaining portion of such warrants, which would be deemed to be exercised. In such a case, a U.S. Holder would effectively be deemed to have sold a number of Public Warrants having an aggregate value equal to the exercise price of the remaining public warrants deemed exercised. The U.S. Holder would recognize capital gain or loss in an amount generally equal to the difference between the value of the portion of the warrants deemed sold and its adjusted tax basis in such warrants (generally in the manner described in the section entitled "Gain or Loss on Sale or Other Taxable Exchange or Disposition of our Ordinary Shares and public warrants" above), and the U.S. Holder's tax basis in our Ordinary Shares received would generally equal the sum of the U.S. Holder's tax basis in the remaining public warrants deemed exercised and the exercise price of such warrants. It is unclear whether a U.S. Holder's holding period for our Ordinary Shares would commence on the date of exercise of the public warrants or on the date following the date of exercise of the public warrants, but the holding period would not include the period during which the U.S. Holder held the Public Warrants.

Due to the absence of authority on the U.S. federal income tax treatment of a cashless exercise, there can be no assurance which, if any, of the alternative tax characterizations and resultant tax consequences would be adopted by the IRS or upheld by a court of law. Accordingly, U.S. Holders should consult with their own tax advisors regarding the tax consequences of a cashless exercise.

Redemption or Repurchase of Public Warrants for Cash

If the Company redeems the public warrants for cash as permitted under the terms of the warrant agreement or if the Company repurchases public warrants in an open market transaction, such redemption or repurchase generally will be treated as a taxable disposition to the U.S. Holder, taxed as described in the section entitled “Gain or Loss on Sale or Other Taxable Exchange or Disposition of our Ordinary Shares and Public Warrants” above.

Information Reporting and Backup Withholding

Certain U.S. Holders are required to report information to the Internal Revenue Service relating to an interest in “specified foreign financial assets,” including shares issued by a non-United States corporation, for any year in which the aggregate value of all specified foreign financial assets exceeds US\$50,000 (or a higher dollar amount prescribed by the Internal Revenue Service), subject to certain exceptions (including an exception for shares held in custodial accounts maintained with a U.S. financial institution). These rules also impose penalties if a U.S. Holder is required to submit such information to the Internal Revenue Service and fails to do so.

In addition, dividend payments with respect to our Ordinary Shares and proceeds from the sale, exchange or redemption of our Ordinary Shares or Public Warrants may be subject to additional information reporting to the IRS and possible U.S. backup withholding. Backup withholding will not apply, however, to a U.S. Holder who furnishes a correct taxpayer identification number and makes any other required certification on IRS Form W-9 or who is otherwise exempt from backup withholding. U.S. Holders who are required to establish their exempt status generally must provide such certification on IRS Form W-9. U.S. Holders are urged to consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against your U.S. federal income tax liability, and you may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for refund with the IRS and furnishing any required information. We do not intend to withhold taxes for individual shareholders. However, transactions effected through certain brokers or other intermediaries may be subject to withholding taxes (including backup withholding), and such brokers or intermediaries may be required by law to withhold such taxes.

THE PRECEDING DISCUSSION OF U.S. FEDERAL TAX CONSIDERATIONS IS FOR GENERAL INFORMATION PURPOSES ONLY. IT IS NOT TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE PARTICULAR U.S. FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF PURCHASING, HOLDING AND DISPOSING OF OUR ORDINARY SHARES, INCLUDING THE CONSEQUENCES OF ANY PROPOSED CHANGE IN APPLICABLE LAWS.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to certain of the informational filing requirements of the Exchange Act. Since we are a “foreign private issuer,” we are exempt from the rules and regulations under the Exchange Act prescribing the furnishing and content of proxy statements. In addition, we are not required to file reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we are required to file with the SEC an Annual Report on Form 20-F containing financial statements audited by an independent accounting firm. The SEC also maintains a website at <http://www.sec.gov> that contains reports and other information that we file with or furnish electronically with the SEC.

I. Subsidiary Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

Risk management overview

The Group has exposure to market risk (including currency risk and interest rate risk), credit risk, liquidity risk, capital risk and commodity price risk. The Group’s exposure to each of these risks, and its objectives, policies and processes for measuring and managing risk are more fully described in the notes to its consolidated financial statements appearing elsewhere in this annual report.

Market Risk

(i) Currency Risk

While the Group’s reporting currency is the U.S. dollar, its sales and purchases are substantially denominated in Singapore dollars. As a result, the Group is exposed to foreign exchange risk as its revenues and results of operations may be affected by fluctuations in the exchange rate between the U.S. dollar and Singapore dollar. If the Singapore dollar depreciates against the U.S. dollar, the value of the Group’s Singapore dollar revenues, earnings and assets as expressed in the Group’s U.S. dollar consolidated financial statements will decline. The Group does not have a policy to hedge its exposure to foreign exchange risk.

(ii) Interest Rate Risk

The Group is exposed to interest rate risk on its non-current borrowings at variable rates.

The Group’s borrowings at variable rates are denominated mainly in Singapore dollars. At December 31, 2025, if the interest rates had increased/decreased by 0.5% (at December 31, 2024: 0.5%) with all other variables including tax rate being held constant, the loss after tax for the financial year would have been lower/higher by US\$15,474 (2024: US\$16,504) as a result of higher/lower interest expense on these borrowings.

Credit risk

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of its counterparties’ financial conditions and generally do not require collateral.

Financial assets are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash and cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings.

Liquidity risk

The Group is exposed to liquidity risk, which is risk that it will be unable to provide sufficient capital resources and liquidity to meet its commitments and business needs. Liquidity risk is controlled by the application of financial position analysis and monitoring procedures. When necessary, the Group will turn to other financial institutions and related parties to obtain short-term funding to cover any liquidity shortage.

Capital risk

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and a net current asset position to support its business and maximize its shareholders' value. The capital structure of the Group comprises issued share capital and retained earnings.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company's bank borrowings are subject to certain financial covenants imposed by lending institutions. One of the banks' covenants requires the Company to maintain a gearing ratio of 1.3 at all times and net tangible assets of at least US\$2.2 million. The gearing ratio is calculated as the ratio of total bank borrowings to tangible net worth, where tangible net worth comprises paid-up capital and revenue reserves, excluding intangible assets. Adjusted tangible net worth is defined as paid-up capital plus revenue reserves, loans owing by the company to its group company and related companies, amount due to its directors and/or shareholders, excluding intangibles, loans and/or investments by the company in its group company and related companies, amount due from its directors and/or shareholders. As of December 31, 2025, the Company's was not in compliance with the aforementioned covenant. The breach provides the lenders with the right to demand immediate repayment of the outstanding borrowings. In light of the covenant breach, the Company has classified the relevant borrowings as current liabilities in the consolidated statement of financial position as of December 31, 2025, in accordance with applicable accounting standards. The bank has performed its half-yearly review of the Company's financials and has not made demands for immediate repayment from the lender as of the date of this report. In addition, this bank loan will be fully repaid by end of June 30, 2026.

Commodity Price Risk

As the Group derives part of its revenue from the sales and trading of its circular products, which typically include zinc, precious metals and base metals, the Group is exposed to commodity price risk, which is risk on its financial performance and profitability upon fluctuations in the prevailing market prices of these commodities that are out of its control since they are primarily driven by external market forces.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

Not required.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not required.

ITEM 15. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Our executive management is responsible for establishing and maintaining a system of disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our executive management concluded that our disclosure controls and procedures were effective as of December 31, 2025.

Management's annual report on internal control over financial reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) under the Exchange Act.

Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"), and includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of our company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with IFRS, and that receipts and expenditures of our company are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of the unauthorized acquisition, use or disposition of our company's assets that could have a material effect on the consolidated financial statements.

A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness of our internal control over financial reporting to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Our management evaluated the effectiveness of our internal control over financial reporting, as required by Rule 13a-15(c) of the Exchange Act, based on criteria established in the framework in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management has concluded that our internal control over financial reporting was effective as of December 31, 2025.

ITEM 16. [RESERVED]

Not required.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Not required.

ITEM 16B. CODE OF ETHICS

Our board of directors has adopted our code of business conduct and ethics, a code that applies to our directors, officers and employees. We have filed our code of business conduct and ethics as Exhibit 11.2 hereto. This code is publicly available on our website <https://ir.oiogroup.co/> at.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES**Auditor Fees**

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by our principal external auditor, Assentsure PAC, the independent registered public accounting firm the Company. We did not pay any other fees to Assentsure PAC during the periods indicated below.

Services	Year Ended December 31,	
	2025	2024
	US\$	US\$
Audit Fees ⁽¹⁾	147,000	140,000

Note:

- (1) “Audit fees” means the aggregate fees billed in each of the fiscal years listed for professional services rendered by the independent registered public accounting firms for the audit of the annual financial statements and the review of the interim financial information, included in our Form 20-F, registration statements and other required filings with the SEC. We did not pay Assentsure PAC for any other audit-related and tax fees in each of the fiscal years listed.

The policy of our audit committee is to pre-approve all audit and non-audit services provided by our independent registered public accounting firm, including audit services, audit-related services and tax services as described above, other than those for *de minimis* services which are approved by the audit committee prior to the completion of the audit.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not required.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

None.

ITEM 16F. CHANGE IN REGISTRANT’S CERTIFYING ACCOUNTANT

None.

ITEM 16G. CORPORATE GOVERNANCE

Not required.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

The Company has adopted an Insider Trading Policy governing the purchase, sale and other dispositions of the Company's securities by directors, senior management and employees that is reasonably designed to promote compliance with applicable insider trading laws, rules and regulations, and all applicable listing standards. A copy of the policy is filed as Exhibit 11.1 hereto.

Effective March 18, 2026, Section 16 of the U.S. Securities Exchange Act of 1934 requires directors and officers of Foreign Private Issuers ("FPI") to publicly report their ownership and transactions in such securities on SEC Forms 3, 4 and 5, generally within prescribed timeframes. It is intended to promote transparency in insider dealings and to deter improper use of material non-public information, and includes a "short-swing profit" rule that may require disgorgement of profits from matching purchases and sales within a six-month period. As OIO is an FPI, the Company is subject to this new requirement.

ITEM 16K. CYBERSECURITY

Although we are unable to eliminate all risks associated with cybersecurity threats and we cannot provide full assurance that our cybersecurity risk management processes will be fully complied with or effective, we have adopted policies and procedures that are designed to facilitate the identification, assessment, and management of those risks, including any such risks that have the potential to be material.

Risk management and strategy

We have developed and implemented a cybersecurity risk management program intended to protect the confidentiality, integrity, and availability of our critical systems and information. Our cybersecurity risk management program is aligned to the Company's business strategy and shares common methodologies, reporting channels and governance processes that apply to other areas of enterprise risk, including legal, compliance, strategic, operational, and financial risk. Key elements of our cybersecurity risk management program include:

- risk assessments designed to help identify material cybersecurity risks to our critical systems, information, products, services, and our broader enterprise information technology environment;
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security controls;
- training and awareness programs for team members that include periodic and ongoing assessments to drive adoption and awareness of cybersecurity processes and controls;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and a third-party risk management process for service providers, suppliers, and vendors.

In the last three fiscal years, the Company has not experienced any material cybersecurity incidents, and expenses incurred from cybersecurity incidents were immaterial.

Governance

As part of our overall enterprise risk management program, we prioritize the identification and management of cybersecurity risk at several levels. Our Board of Directors has overall oversight responsibility for our risk management, and delegates cybersecurity risk management oversight to the Audit Committee, which is responsible for ensuring that management has processes in place designed to identify and evaluate cybersecurity risks and implement processes and programs to manage cybersecurity risks and mitigate cybersecurity incidents.

Management is responsible for identifying, considering and assessing material cybersecurity risks on an ongoing basis, establishing processes to ensure that such potential cybersecurity risk exposures are monitored, putting in place appropriate mitigation measures and maintaining cybersecurity programs.

PART III

ITEM 17. FINANCIAL STATEMENTS

See “Item 18. Financial Statements.”

ITEM 18. FINANCIAL STATEMENTS

The consolidated financial statements the Company are included at the end of this annual report.

ITEM 19. EXHIBITS

Exhibit No.	Description
2.1	<u>Merger Agreement dated November 29, 2022 among Genesis Unicorn Capital Corp. (“GUCC”), Environmental Solutions Group Holdings Limited, OIO Group, ESGH Merger Sub Corp and the shareholder representative (incorporated by reference to Exhibit 1.1 of the Company’s registration statement on Form F-4 (File No. 333-269078), initially filed with the SEC on December 30, 2022).</u>
2.2	<u>Share Purchase Agreement dated February 26, 2025 by and among OIO, De Tomaso Automobili Holdings Limited (“DT”), and the DT shareholders named therein (incorporated by reference to Exhibit 2.1 to OIO’s report of foreign private issuer on Form 6-K filed with the SEC on February 27, 2025).</u>
3.1	<u>Amended and Restated Memorandum and Articles of Association of the Company (incorporated by reference to Exhibit 3.1 of the Company’s registration statement on Form F-1 (File No. 333-278644), initially filed with the SEC on April 12, 2024).</u>
4.1	<u>Specimen of ordinary share certificate of the Company (incorporated by reference to Exhibit 4.1 to OIO’s Form 20FR12B filed on August 8, 2023).</u>
4.2	<u>Specimen of warrant certificate of the Company (incorporated by reference to Exhibit 4.2 to OIO’s Form 20FR12B filed on August 8, 2023).</u>
4.3	<u>Warrant Agreement (incorporated by reference to Exhibit 4.1 of GUCC’s current report on Form 8-K filed with the SEC on February 17, 2022).</u>
8.1	<u>List of Principal Subsidiaries (incorporated by reference to Exhibit 8.1 to OIO’s annual report on Form 20-F filed with the SEC on April 29, 2025).</u>
10.1	<u>Share Purchase Agreement dated March 27, 2024 (incorporated by reference to Exhibit 10.1 to OIO’s report of foreign private issuer on Form 6-K filed with the SEC on April 1, 2024).</u>
10.2	<u>Share Purchase Agreement dated August 21, 2024 (incorporated by reference to Exhibit 10.1 to OIO’s report of foreign private issuer on Form 6-K filed with the SEC on August 23, 2024).</u>
10.3	<u>Share Purchase Agreement dated January 17, 2025 (incorporated by reference to Exhibit 10.1 to OIO’s report of foreign private issuer on Form 6-K filed with the SEC on January 22, 2025).</u>
10.4	<u>OIO Group Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to OIO’s report of foreign private issuer on Form 6-K filed with the SEC on January 15, 2025).</u>
11.1	<u>Insider Trading Policy (incorporated by reference to Exhibit 11.1 to OIO’s annual report on Form 20-F filed with the SEC on May 16, 2024).</u>
11.2	<u>Code of Business Conduct and Ethics (incorporated by reference to Exhibit 11.2 to OIO’s annual report on Form 20-F filed with the SEC on April 29, 2025).</u>
12.1	<u>CEO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
12.2	<u>CFO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
13.1	<u>CEO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
13.2	<u>CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
97.1	<u>Clawback Policy (incorporated by reference to Exhibit 97.1 to OIO’s annual report on Form 20-F filed with the SEC on May 16, 2024).</u>

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this report on its behalf.

OIO Group

April 30, 2026

By: /s/ Quek Leng Chuang

Name: Quek Leng Chuang

Title: Chief Executive Officer

OIO Group

Annual Report for the Financial Years Ended
December 31, 2025 and 2024

OIO Group

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of OIO Group

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of OIO Group and subsidiaries (the “Company”) as of December 31, 2025 and 2024, and the related consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024 and the results of its operations and its cash flows for the years ended December 31, 2025 and 2024, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Company’s Ability to Continue as a Going Concern

As discussed in Note 2.1 to the financial statements the accompanying consolidated financial statements and notes have been prepared assuming that the Company will continue as a going concern. The Company had net losses of US\$4,760,894 and US\$633,257 for the years ended 2025 and 2024, respectively. As of December 31, 2025, the Company has net current liabilities of US\$8,382,681. These conditions raise doubt about the Company’s ability to continue as a going concern. Management’s outlook regarding these matters are also described in Note 2.1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Assentsure PAC

We have served as the Company’s auditor since 2023.

Singapore
April 30, 2026

PCAOB ID No: 6783

OIO Group
Consolidated Statement of Financial Position
As at December 31, 2025 and 2024

	Note	December 31, 2025 US\$	December 31, 2024 US\$
ASSETS			
Current assets			
Cash and cash equivalents		533,609	634,882
Trade and other receivables	12	1,140,120	1,040,542
Inventories	13	300,258	440,194
		<u>1,973,987</u>	<u>2,115,618</u>
Non-current assets			
Property, plant and equipment, net	10	21,471,539	20,762,483
Intangible assets, net	11	2,434,454	2,977,311
Total Non-current assets		<u>23,905,993</u>	<u>23,739,794</u>
Total assets		25,879,980	25,855,412
LIABILITIES			
Current liabilities			
Trade and other payables	16	6,501,396	4,449,950
Lease liabilities	15	301,143	221,254
Borrowings	17	3,499,706	4,319,182
Tax liabilities		54,423	92,211
Total Current liabilities		<u>10,356,668</u>	<u>9,082,597</u>
Non-current liabilities			
Lease liabilities (non-current)	15	1,831,126	1,926,702
Deferred tax liabilities	18	15,000	133,000
Total Non-current liabilities		<u>1,846,126</u>	<u>2,059,702</u>
Total liabilities		12,202,794	11,142,299
Net assets		13,677,186	14,713,113
EQUITY			
Share capital	19	13,832	13,616
Accumulated losses		(105,380,079)	(100,619,185)
Other reserves		3,422,799	3,422,799
Share premium reserve	14	99,004,833	97,047,941
Share application reserve		1,240,000	-
Exchange reserves		(555,455)	(123,198)
Revaluation surplus	14	15,931,256	14,971,140
Total equity		<u>13,677,186</u>	<u>14,713,113</u>

OIO Group**Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Financial Years ended December 31, 2025 and 2024**

	<u>Note</u>	<u>2025 US\$</u>	<u>2024 US\$</u>
Revenue	4	5,831,650	6,099,777
Other income	5	326,637	427,147
Changes in inventories of finished goods and work-in-progress		(590,514)	215,059
Logistics costs		(916,472)	(642,423)
Depreciation of property, plant and equipment		(1,622,290)	(1,602,096)
Amortization of intangible assets		(1,633,857)	(1,118,678)
Employee benefits expense	7	(3,326,187)	(1,388,796)
Finance expense	8	(292,656)	(350,145)
Other operating expenses	6	(2,692,993)	(2,400,431)
Loss before income tax		(4,916,682)	(760,586)
Income tax credit	9	155,788	127,329
Net loss		(4,760,894)	(633,257)
Other comprehensive income :			
<i>Items that will not be reclassified to profit or loss</i>			
Net surplus on revaluation of leasehold land and buildings		960,116	-
<i>Items that may be reclassified subsequently to profit or loss</i>			
Movements in foreign currency translations		(432,257)	-
Total comprehensive loss		(4,233,035)	(633,257)
Loss per share*		(0.34)	(0.07)

*The weighted average number of ordinary shares has been adjusted retrospectively to reflect the impact of the 1-for-3 reverse share split effected on April 24, 2026.

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

OIO Group
Consolidated Statement of Changes in Equity for the Financial Years ended December 31, 2025 and 2024

	Share capital US\$	Revaluation reserve US\$	Exchange reserve US\$	Share premium reserve US\$	Share application reserve US\$	Other reserve US\$	Accumulated losses US\$	Total equity US\$
2024								
Beginning of financial year	10,892	14,971,140	(123,198)	89,725,052	-	3,422,799	(99,985,928)	8,020,757
Issuance of new shares	2,724	-	-	7,497,276	-	-	-	7,500,000
Share issuance expense	-	-	-	(174,387)	-	-	-	(174,387)
Loss for the year	-	-	-	-	-	-	(633,257)	(633,257)
Balance as of December 31, 2024	<u>13,616</u>	<u>14,971,140</u>	<u>(123,198)</u>	<u>97,047,941</u>	<u>-</u>	<u>3,422,799</u>	<u>(100,619,185)</u>	<u>14,713,113</u>
2025								
Beginning of financial year	13,616	14,971,140	(123,198)	97,047,941	-	3,422,799	(100,619,185)	14,713,113
Issuance of new shares	216	-	-	1,997,660	1,240,000	-	-	3,237,876
Share issuance expenses	-	-	-	(40,768)	-	-	-	(40,768)
Net surplus on revaluation of leasehold property	-	960,116	-	-	-	-	-	960,116
Movements in translation reserves	-	-	(432,257)	-	-	-	-	(432,257)
Loss for the year	-	-	-	-	-	-	(4,760,894)	(4,760,894)
Balance as of December 31, 2025	<u>13,832</u>	<u>15,931,256</u>	<u>(555,455)</u>	<u>99,004,833</u>	<u>1,240,000</u>	<u>3,422,799</u>	<u>(105,380,079)</u>	<u>13,677,186</u>

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

OIO Group
Consolidated Statement of Cash Flows for the Financial Years ended December 31, 2025 and 2024

	Note	2025 US\$	2024 US\$
Cash flows from operating activities			
Loss before income tax		(4,916,682)	(760,586)
Adjustments for:			
- Prepaid forward purchase agreement written-off		-	969
- Write-back of deferred underwriting fees payable		-	(153,125)
- Share compensation expense		1,237,876	-
- Depreciation of property, plant and equipment	10	1,622,290	1,602,096
- Amortisation of intangible assets	11	1,633,857	1,118,678
- Interest income		(20)	(7)
- Interest expense	8	292,656	350,145
- Gain on disposal of property, plant and equipment	5	(73,730)	-
- Foreign exchange adjustments		(198,466)	89,978
		(402,219)	2,248,148
Changes in operating assets and liabilities:			
- Trade and other receivables		(98,297)	(190,416)
- Inventories		139,936	(376,010)
- Trade and other payables		674,585	(2,123,660)
- Deferred underwriting fees payable		-	(2,600,000)
Net cash generated from/(used in) operating activities		314,005	(3,041,938)
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,200,038)	(304,755)
Proceeds from disposal of property, plant and equipment		73,730	-
Additions to intangible assets		(1,122,174)	(1,714,524)
Interest received		20	7
Net cash used in investing activities		(2,248,462)	(2,019,272)
Cash flows from financing activities			
Repayment of bank borrowings		(1,118,278)	(1,380,703)
Proceeds from shares issuance		760,000	7,500,000
Proceeds from shares application		1,240,000	-
Shares issuance expense		(40,768)	(174,387)
Loan from/ (repayment to) shareholders		940,799	(56,063)
Loan from/ (repayment to) directors		436,062	(13,586)
Repayments of lease liabilities		(217,531)	(195,785)
Interest paid		(292,656)	(350,145)
Net cash generated from financing activities		1,707,628	5,329,331
Net (decrease)/increase in cash and bank balances		(226,829)	268,121
Cash and cash equivalents			
Effects of exchange rate changes on cash and cash equivalents		125,556	-
Beginning of the financial year		634,882	366,761
End of financial year		533,609	634,882

Reconciliation of liabilities arising from financing activities

	Lease liabilities US\$	Interest- bearing bank and other borrowings US\$	Total US\$
At January 1, 2024	2,166,806	5,778,479	7,945,285
Changes from financing cash flows:			
Repayments of loans from shareholders and directors	-	(69,649)	(69,649)
Repayment of bank loans	-	(1,380,703)	(1,380,703)
Principal element of lease payments	(195,785)	-	(195,785)
Borrowing cost paid	(53,725)	(296,420)	(350,145)
Total change from financing cash flows	(249,510)	(1,746,772)	(1,996,282)
Other changes:			
Exchange adjustments	(96,524)	(78,594)	(175,118)
New lease	273,459	-	273,459
Interest expenses	53,725	296,420	350,145
Total other changes	230,660	217,826	448,486

At December 31, 2024	<u>2,147,956</u>	<u>4,249,533</u>	<u>6,397,489</u>
Changes from financing cash flows:			
Proceeds from loans from shareholders and directors	-	1,376,861	1,376,861
Repayment of bank loans	-	(1,118,278)	(1,118,278)
Principal element of lease payments	(217,531)	-	(217,531)
Borrowing cost paid	(61,362)	(231,294)	(292,656)
Total change from financing cash flows	<u>(278,893)</u>	<u>27,289</u>	<u>(251,604)</u>
Other changes:			
Exchange adjustments	98,382	298,802	397,184
New lease	103,462	-	103,462
Interest expenses	61,362	231,294	292,656
Total other changes	<u>263,206</u>	<u>530,096</u>	<u>793,302</u>
At December 31, 2025	<u>2,132,269</u>	<u>4,806,918</u>	<u>6,939,187</u>

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

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

1. General information

OIO Group (“OIO” or the “Company”) is a holding company incorporated as an exempted company under the laws of the Cayman Islands. As a holding company with no material operations of its own, OIO conducts all its operations through its operating entity incorporated in Singapore, Environmental Solutions (Asia) Pte. Ltd. (“ESA”) and its subsidiary, ESG Chemicals Sdn Bhd, incorporated in Malaysia.

Environmental Solutions Group Holdings Limited

Environmental Solutions Group Holdings Limited (“ESGH”) is a holding company incorporated under the laws of the Cayman Islands as an exempted company with limited liability. The address of its registered office is 71 Fort Street, PO Box 500, George Town, Grand Cayman, KY1-1106, Cayman Islands. As a holding company with no material operations of its own, ESGH conducts all of its operations through its operating entity incorporated in Singapore, Environmental Solutions (Asia) Pte. Ltd.

Environmental Solutions Asia Holdings Limited (“ESAH”)

ESAH, a wholly-owned subsidiary of the ESGH, was incorporated and domiciled in the British Virgin Islands with its registered office at Mandar House, 3rd Floor, Johnson’s Ghut, Tortola, British Virgin Islands.

Environmental Solutions (Asia) Pte. Ltd. (“ESA”)

ESA was incorporated and domiciled in Singapore, with its registered office at 101 Tuas, South Avenue 2, Singapore 637226. ESA is a waste management, treatment and recycling company involved in the collection and recycling of hazardous and non-hazardous industrial waste from customers such as pharmaceutical, semiconductor, petrochemical and electroplating companies.

ESG Chemicals Sdn. Bhd. (“ESGC”)

ESGC, a wholly owned subsidiary of ESA, was incorporated and domiciled in Malaysia, with its registered office at 07-01 Jalan Sagu 10, Taman Daya, 81100 Johor Bahru, Johor, Malaysia. It’s principal activities include storing and distribution of circular products manufactured by ESA.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB)

These financial statements have been prepared on a historical cost convention, except for Prepaid forward purchase agreement and leasehold land and buildings which are measured at fair value.

The preparation of financial statements in conformity with IFRS requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions.

The financial statements of the Group have been prepared on a going concern basis notwithstanding that the net current liabilities as of December 31, 2025 amounted to approximately US\$8.4 million (2024: US\$7.0 million). As of December 31, 2025, the Group’s current assets were approximately US\$2.0 million and its current liabilities were approximately US\$10.4 million. The negative working capital was primarily attributable to current liabilities arising from bank loans of approximately US\$3.5 million and loans from Directors and shareholders of approximately US\$2.4 million. To date, the Group has been able to service its loan repayments and there were no indications that the banks intend to recall the loans.

The Group’s ability to continue as a going concern is largely dependent on its ability to reduce operation costs and grow its revenue to fully utilize its production capacity as well as raising funds from the capital market and loans from shareholders and directors. The Group successfully raised US\$2.0 million from private placements to investors during the financial year ended December 31, 2025.

2. Significant accounting policies (continued)**2.1 Basis of preparation (continued)**

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Basis of Consolidation

The financial statements are presented in United States Dollars (“US\$”), which is the Group’s functional currency. All financial information presented in United States Dollars has been rounded to the nearest dollar, unless otherwise indicated.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31, 2025 and 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Company the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:-

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Company’s voting rights and potential voting rights.

The Company assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (“OCI”) are attributed to the equity holders of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

2. Significant accounting policies (continued)

2.3 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognized when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the goods or services. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

Revenue from contracts with customers

(a) *Rendering of services*

Revenue from rendering of services is recognized when the entity satisfies the performance obligation at a point in time, generally when the significant acts have been completed and when transfer of control occurs, or for services that are not significant, transactions revenue is recognized as the services are provided. The Group's primary service consists of collecting and disposing of industrial wastes for its customers.

(b) *Sale of goods*

Revenue from sale of goods is recognized at a point in time when the performance obligation is satisfied by transferring a promised good to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Other revenue

Interest income

Interest income is recognized using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate, a shorter period.

Contract assets

The contract assets are for the Group's rights to consideration for work completed but not billed at the reporting date on its contracts; costs incurred to obtain or fulfil a contract with a customer; and any impairment losses recognized in the reporting year. The contract assets are transferred to receivables when the right to payment becomes unconditional.

Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to customers for which consideration has been received (or is due) from customers in advance of performance. These balances primarily arise from advance payments received from customers for delivery of precious metals such as palladium, platinum and silver.

Contract liabilities are recognized as revenue when the Group satisfies its performance obligations under the terms of the respective contracts, either over time, or at a point in time for when control of goods is transferred to the customer.

2.4 Government grants

Grants from the government are recognized as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognized as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to non-monetary assets are deducted against the carrying amount of the non-monetary assets.

2. Significant accounting policies (continued)**2.5 Property, plant and equipment***(a) Measurement**(i) Property, plant and equipment*

Property, plant and equipment other than leasehold land and buildings are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Leasehold land and buildings are either initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment loss or at fair value less accumulated depreciation and impairment losses recognized after the date of the revaluation. Valuations are performed frequently to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any revaluation surplus is credited to the property revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the Statement of Profit or Loss and Other Comprehensive Income, in which case the increase is recognized in the statement of profit or loss.

A revaluation deficit is recognized in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

An annual transfer from the property revaluation reserve to accumulated losses is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the assets original cost. Upon disposal, any revaluation reserve relating to that particular asset being sold is transferred to retained profits.

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation is calculated using the straight-line method to allocate depreciable amounts over the estimated useful lives as follows:

	Useful lives
Leasehold land and buildings	Over the lease term period ranging from 2 to 30 years
Plant and equipment	3 to 5 years
Machineries	2 to 10 years
Renovation	5 years
Motor vehicles	10 years
Furniture and fittings	5 years

The residual value, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognized in profit or loss when the changes arise.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognized is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognized in profit or loss when incurred.

2. Significant accounting policies (continued)**2.5 Property, plant and equipment (continued)***(d) Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognized in profit or loss.

2.6 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

Intangible assets with finite useful lives are amortized over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Amortization is calculated using the straight-line method to allocate depreciable amounts over the estimated useful lives of the assets. The estimated useful lives are as follows:

	Useful lives
Software and production processes	3 years

2.7 Borrowing costs

Borrowing costs are recognized in profit or loss using the effective interest method.

2.8 Impairment of non-financial assets

Intangible assets, property, plant and equipment and right-of-use assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired or when annual impairment testing for an asset is required.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognized as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

A reversal of impairment loss for an asset is credited to profit or loss in the period in which it arises.

2. Significant accounting policies (continued)**2.9 Financial assets***(a) Classification and measurement*

The Group classifies its financial assets at amortized cost.

The classification of debt instruments depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of the financial assets not a fair value through profit or loss, transactions costs that are directly attributable to the acquisition of the financial asset.

At subsequent measurement

Debt instruments are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit loss ("ECL") on financial assets which are subject to impairment under IFRS 9 (including trade and other receivables). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognizes lifetime ECL for trade and other receivables. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance as equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition for which the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

2. Significant accounting policies (continued)**2.9 Financial assets (continued)***(b) Impairment of financial assets (continued)**(i) Significant increase in credit risk*

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, or the credit default swap prices for the debtor;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) Significant financial difficulty of the issuer or the borrower;
- (b) A breach of contract, such as a default or past due event;
- (c) The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender(s) would not otherwise consider.

2. Significant accounting policies (continued)**2.9 Financial assets (continued)***(b) Impairment of financial assets (continued)**(iii) Credit-impaired financial assets (continued)*

- (d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
(e) The disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognized in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure to default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default representing the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The groups are regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortized cost of the financial asset.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on the trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognized in profit or loss. Any amount previously recognized in other comprehensive income relating to that asset is reclassified to profit or loss.

2. Significant accounting policies (continued)**2.10 Financial Liabilities**

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognized at fair values (net of transaction costs) and subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

(a) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

(b) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.11 Leases*When the Group is the lessee*

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use assets

The Group recognizes a right-of-use asset and lease liability at the date at which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are presented within "Property, plant and equipment".

2. Significant accounting policies (continued)**2.11 Leases (continued)**

Lease liabilities

The initial measurement of a lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that is based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain the option will be exercised; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For a contract that contains both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected to not separate lease and non-lease components for property leases and accounts for these as one single lease component.

Lease liability is measured at amortized cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use assets, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents lease liabilities as a separate line item on the statement of financial position.

Short-term and low-value leases

The Group has elected to not recognize right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value. Payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognize those lease payments in profit or loss in the periods that triggered those lease payments.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- The modification increases the scope of the lease by adding the right to use one or more underlying assets; and

2. Significant accounting policies (continued)**2.11 Leases (continued)**

- The consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

When the Group is the lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognized as receivables at commencement date at amounts equal to net investments in the leases, measured using the interest rate implicit in the respective leases. Initial direct costs are included in the initial measurement of the net investments in the leases. Interest income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognized in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognized as an expense on a straight-line basis over the lease term except for investment properties measured under the fair value model. Variable lease payments for operating leases that depend on an index or a rate are estimated and included in the total lease payments to be recognized on a straight-line basis over the lease term. Variable lease payments that do not depend on an index or a rate are recognized as income when they arise.

Refundable rental deposits

Refundable rental deposits received are accounted for under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Lease modification

Changes in consideration of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

2. Significant accounting policies (continued)**2.12 Inventories**

Inventories are stated at the lower of cost or net realizable value. Cost is calculated using the specific identification method and includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying values of inventories to the lower of cost and net realizable value.

2.13 Income taxes

Income tax represents the sum of current and deferred tax. Income tax relating to items recognized outside profit or loss is recognized outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:-

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

2. Significant accounting policies (continued)**2.13 Income Taxes (continued)**

Deferred tax is calculated, without discounting, at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred taxes are recognized as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognized directly in equity.

The Group accounts for investment tax credits similar to accounting for other tax credits where a deferred tax asset is recognized for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilized.

2.14 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.15 Employee benefits

Employee benefits are recognized as an expense, unless the cost qualifies to be capitalized as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(c) Equity Incentive Plan

On February 17, 2025, the Group's Board of Directors approved the Equity Incentive Plan (the "Plan"). The Plan is intended to attract, retain, and motivate employees and directors by providing equity ownership opportunities. During the fiscal year ended December 31, 2025, the Group issued 1,201,821 ordinary shares to certain employees under the Plan. These shares were granted as fully vested. For the year ended December 31, 2025, the Group recognized US\$1.2 million in share-based compensation expense, which was included within Employee Benefits Expense as a component of Operating Expenses in the Consolidated Statements of Profit or Loss and Other Comprehensive Income.

2. Significant accounting policies (continued)**2.16 Currency translation**

The financial statements are presented in United States Dollar (“US\$”). Our business and operations are primarily conducted in Singapore through our subsidiary, ESA, that is domiciled there. The functional currency of ESA is Singapore Dollars (“SGD”) and transactions in a currency other than SGD (“foreign currency”) are translated into SGD using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognized in profit or loss. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

The functional currency of ESGC is Malaysian Ringgit (“MYR”) and transactions in a currency other than MYR (“foreign currency”) are translated into MYR using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognized in profit or loss. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

All foreign exchange gains and losses impacting profit or loss are presented in the consolidated statement of profit or loss and other comprehensive income within “Other operating expenses”.

2.17 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to any insignificant risk of changes in value, and have a short maturity of generally within three months when acquired.

2.18 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.19 Related parties

(a) A person, or a close member of that person’s family, is related to the Company if that person :

- (i) Has control or joint control over the Company;
- (ii) Has significant influence over the Company; or
- (iii) Is a member of key management personnel of the Company or the Company’s parent;

or

(b) An entity is related to the Company if any of the following conditions applies:-

- (i) The entity and the Company are members of the same group;
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) The entity and the Company are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the Company’s parent.

2. Significant accounting policies (continued)**2.19 Related parties (continued)**

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) That person's children and spouse or domestic partner;
- (b) Children of that person's spouse or domestic partner; and
- (c) Dependents of that person or that person's spouse or domestic partner.

2.20 Fair value measurement

The Group measures its properties at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:-

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2. Significant accounting policies (continued)**2.21 Application of amendments to IFRS**

In the preparation of the financial statements for the year ended December 31, 2025, the Group has applied the following amendments to IFRSs, for the first time, which are mandatorily effective for the annual periods beginning on or after January 1, 2025:

		Effective for annual reporting periods beginning on or after
Amendments to IAS 21	Lack of exchangeability	January 1, 2025

The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these financial statements.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements in applying the entity's accounting policies*(a) Determination of functional currency*

In determining the functional currency of the Group, judgment is used by the management to determine the currency of the primary economic environment in which the Group operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

(b) Determination of lease term of contracts with extension options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the extension option of the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Group reassesses the lease term to consider whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend (e.g. construction of significant leasehold improvements or significant customization to the leased asset).

The Group includes the extension option in the lease term for leases of leasehold buildings because of the leasehold improvements made and the significant costs that would arise to replace the assets. The extension options for leases of motor vehicles are not included as part of the lease term because the Group typically leases motor vehicles for not more than five years and, hence, will not exercise the extension options.

3. Critical accounting estimates, assumptions and judgements (continued)**Critical accounting estimates and assumptions***(a) Useful lives of plant and equipment*

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences an unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Group's plant and equipment as at December 31, 2025 was US\$21,471,539 (2024: US\$20,762,483).

(b) Inventory valuation method

Inventory write-down is made based on the current market conditions, historical experience and selling goods of a similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically for excess inventories, obsolescence and declines in net realizable value and an allowance is recorded against the inventory balances for any such declines. The realizable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available and inherently involves estimates regarding the future expected realizable value. The carrying amount of the Group's inventories as at December 31, 2025 was US\$300,258 (2024: US\$440,194).

(c) Allowance for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

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

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

The carrying amount of the Group's trade receivables as at December 31, 2025 was US\$853,668 (2024: US\$683,939).

(d) Impairment of non-financial assets

The impairment testing of non-financial assets requires assumptions about the future cash flows projections as well as about the discount rate to be applied. The assumptions used to arrive at the cash flow projections are dependent on the future market shares, the market trend and the profitability of the Group's products.

Impairment testing of non-financial assets requires estimates about the extent and probability of the occurrence of future events. As far as possible, estimates are derived from past experience taking into account current market conditions and the stage of technological advancement.

3. Critical accounting estimates, assumptions and judgements (continued)**Critical accounting estimates and assumptions (continued)***(e) Capitalization of intangible assets*

The costs of internally generated intangible assets are capitalized in accordance with the accounting policy in Note 2.6 to the financial statements. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The carrying amount of the intangible assets at the reporting date is US\$2,434,454 (2024: US\$2,977,311).

(f) Termination of Forward Purchase Agreement

On March 21, 2024, the Company received a termination notice from Vellar, dated March 14, 2024, pursuant to the Forward Purchase Agreement. Pursuant to the termination notice, Vellar notified the Company that the Valuation Date was March 15, 2024 as a result of the occurrence of a VWAP Trigger Event. On March 22, 2024, the Company and Vellar entered into a Valuation Period Agreement pursuant to which the parties agreed that the Valuation Period concluded at 4:00 p.m. on March 21, 2024 and the Number of Shares as of the Valuation Date was equal to 52,641, calculated as 2,200,000 Shares (the Recycled Shares and Additional Shares) less 2,147,359 Shares (the Number of Shares Adjustment). As 52,641 Shares multiplied by the VWAP of US\$0.45 less US\$4,400,000 (being the Settlement Amount Adjustment, calculated as the product of the Maximum Number of Shares and US\$2.00) is a negative number, neither Vellar nor the Company is liable to the other party for any payment under the Forward Purchase Agreement. As a result of the conclusion of the Valuation Period, the obligations of Vellar and the Company under the Forward Purchase Agreement have been terminated.

(g) Incremental borrowing rate applied in the measurement of lease liabilities

The Group determines the incremental borrowing rate ("IBR") applied in the measurement of lease liabilities where the interest rate implicit in the lease cannot be readily determined. The IBR represents the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. In determining the IBR, management makes assumptions and judgements with reference to observable market data, the Group's credit risk profile, lease term, and currency of the lease. The carrying amount of the lease liabilities at the reporting date is US\$2,132,269 (2024: US\$2,147,956).

(h) Inputs and valuation method used in determining the fair value of leasehold land and building

The fair value of leasehold land and building is determined by management with reference to independent professional valuations carried out by external valuers. The valuation is performed using the market comparison approach and/or income approach, whereby significant unobservable inputs include estimated market rental rates, capitalization rates, and discount rates applied to projected future cash flows. Management exercises judgement in determining the appropriateness of the valuation methodology adopted and in assessing the reasonableness of key inputs and assumptions applied by the independent valuers. A change in any of the key assumptions used could result in a significant change to the fair value measurement. The carrying amount of the leasehold land and building at fair value at the reporting date is US\$15,964,489 (2024: US\$15,823,299).

4. Revenue

Revenue classified by type of good or service is as follows:

	2025 US\$	2024 US\$
Revenue from:		
- Sales of circular products	1,515,665	1,198,610
- Waste disposal services	4,315,985	4,901,167
	<u>5,831,650</u>	<u>6,099,777</u>

The revenue from sales of goods and other service income is recognized based on a point in time.

5. Other income

	2025 US\$	2024 US\$
Foreign exchange gain	210,159	251,897
Interest income	20	7
Gain from disposal of motor vehicle	73,730	-
Government grants	42,728	21,779
Write-back of deferred underwriting fees payable	-	153,125
Others	-	339
	<u>326,637</u>	<u>427,147</u>

6. Other operating expenses

	2025 US\$	2024 US\$
Foreign worker levy	165,089	173,632
Impairment loss on other receivables	-	49,851
Insurance	158,436	260,787
Professional fees	786,260	633,525
Property tax	112,554	109,326
Rental and storage	309,317	409,145
Utilities	252,894	164,581
Upkeep, repair and maintenance	174,250	131,776
Chemical and incineration fees	522,658	349,769
Bank service charges	12,379	10,846
Nasdaq listing fee	86,000	65,500
Nasdaq listing expenses	52,015	19,364
Others	61,141	22,329
	<u>2,692,993</u>	<u>2,400,431</u>

7. Employee benefits expense

	2025 US\$	2024 US\$
Salaries, wages and bonuses	3,080,129	2,379,674
Directors' remuneration	1,024,994	382,598
Directors' fees	128,000	128,000
Employer's contribution to defined contribution plans including Central Provident Fund	154,566	153,047
Other short term benefit	60,672	60,001
	<u>4,448,361</u>	<u>3,103,320</u>
Less : Amount capitalized as internal development of intangible assets	(1,122,174)	(1,714,524)
	<u>3,326,187</u>	<u>1,388,796</u>

8. Finance expense

	2025 US\$	2024 US\$
Interest expenses:		
- Lease liabilities	61,362	53,725
- Borrowings	167,783	249,284
- Loans from directors	63,511	47,136
	<u>292,656</u>	<u>350,145</u>

9. Income tax expense

	2025 US\$	2024 US\$
Tax credit attributable to loss is made up of:		
- Current income tax	(37,788)	35,671
- Movements in deferred tax liabilities	(118,000)	(163,000)
Tax credit attributable to loss	<u>(155,788)</u>	<u>(127,329)</u>

The tax on loss before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax expense as follows:

	2025 US\$	2024 US\$
Loss before income tax	(4,916,682)	(760,586)
Tax calculated at tax rate of 17% (2024: 17%)	(835,836)	(129,300)
Effects of:		
- Expenses not deductible for tax purposes	465,367	198,675
- Income not subject to tax	(45,126)	(186,647)
- Temporary difference	259,807	(10,057)
	<u>(155,788)</u>	<u>(127,329)</u>

10. Property, plant and equipment, net

	Leasehold land and Buildings ² USD	Plant and equipment USD	Machineries USD	Renovation USD	Motor vehicles USD	Furniture and fittings USD	Construction- in-progress USD	Total USD
2025								
Cost								
Beginning of financial year	19,537,807	4,066,863	1,213,687	490,239	694,591	132,100	1,198,070	27,333,357
Additions	-	127,387	-	80,241	105,215	2,242	884,953	1,200,038
Disposal	-	-	(397,071)	-	-	-	-	(397,071)
Revaluation	(472,784)	-	-	-	-	-	-	(472,784)
Translation difference	61,215	268,147	38,447	36,083	16,178	10,943	71,094	502,107
End of financial year	<u>19,126,238</u>	<u>4,462,397</u>	<u>855,063</u>	<u>606,563</u>	<u>815,984</u>	<u>145,285</u>	<u>2,154,117</u>	<u>28,165,647</u>
Accumulated depreciation								
Beginning of financial year	1,673,694	2,622,248	1,070,773	488,132	587,523	128,504	-	6,570,874
Depreciation charge	955,011	552,125	70,889	9,508	33,415	1,342	-	1,622,290
Disposal	-	-	(397,071)	-	-	-	-	(397,071)
Revaluation	(1,432,900)	-	-	-	-	-	-	(1,432,900)
Translation difference	60,091	186,819	24,311	36,143	12,756	10,795	-	330,915
End of financial year	<u>1,255,896</u>	<u>3,361,192</u>	<u>768,902</u>	<u>533,783</u>	<u>633,694</u>	<u>140,641</u>	<u>-</u>	<u>6,694,108</u>
Net book value								
End of financial year	<u>17,870,342</u>	<u>1,101,205</u>	<u>86,161</u>	<u>72,780</u>	<u>182,290</u>	<u>4,644</u>	<u>2,154,117</u>	<u>21,471,539</u>

10. Property, plant and equipment, net (continued)

	Leasehold land and buildings ² US\$	Plant and equipment US\$	Machineries US\$	Renovation US\$	Motor vehicles US\$	Furniture and fittings US\$	Construction- in progress US\$	Total US\$
2024								
Cost or valuation								
Beginning of financial year	19,264,346	3,762,237	1,213,687	490,239	694,591	131,973	1,198,070	26,755,143
Additions	273,461	304,626	-	-	-	127	-	578,214
End of financial year	<u>19,537,807</u>	<u>4,066,863</u>	<u>1,213,687</u>	<u>490,239</u>	<u>694,591</u>	<u>132,100</u>	<u>1,198,070</u>	<u>27,333,357</u>
Accumulated depreciation								
Beginning of financial year	732,355	2,103,927	974,802	487,530	543,149	127,015	-	4,968,778
Depreciation charge	941,339	518,321	95,971	602	44,374	1,489	-	1,602,096
End of financial year	<u>1,673,694</u>	<u>2,622,248</u>	<u>1,070,773</u>	<u>488,132</u>	<u>587,523</u>	<u>128,504</u>	<u>-</u>	<u>6,570,874</u>
Net book value								
End of financial year	<u>17,864,113</u>	<u>1,444,615</u>	<u>142,914</u>	<u>2,107</u>	<u>107,068</u>	<u>3,596</u>	<u>1,198,070</u>	<u>20,762,483</u>

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 15.

During the financial year, leasehold land and buildings with carrying amount of approximately US\$15,964,489 (2024: US\$15,823,299) were mortgaged to secure a term loan (Note 17).

²Leasehold land and buildings are measured at fair value less accumulated depreciation and impairment losses recognized after the date of the revaluation.

10. Property, plant and equipment, net (continued)

Fair value hierarchy

Independent valuations of the Group's leasehold land and buildings were performed by CKS Property Consultants Pte Ltd and Edmund Tie & Company (SEA) Pte Ltd for the financial year ended December 31, 2025.

There was no independent valuation of the Group's leasehold land and buildings conducted for the financial year ended December 31, 2024. The revaluation surplus net of applicable deferred income taxes was credited to revaluation reserve. The following table presents the fair value measurement hierarchy of the Group's leasehold land and buildings carried at fair value:-

	Fair value measurements as at December 31, 2025 categorized into			
	Fair value at December 31, 2025 US\$	Quoted prices in active markets for identical assets (Level 1) US\$	Significant other observable inputs (Level 2) US\$	Significant unobservable inputs (Level 3) US\$
Recurring fair value measurement				
Leasehold land and buildings:				
- Industrial - Singapore	15,964,489	-	15,964,489	-

	Fair value measurements as at December 31, 2024 categorized into			
	Fair value at December 31, 2024 US\$	Quoted prices in active markets for identical assets (Level 1) US\$	Significant other observable inputs (Level 2) US\$	Significant unobservable inputs (Level 3) US\$
Recurring fair value measurement				
Leasehold land and buildings:				
- Industrial - Singapore	15,823,299	-	-	15,823,299

During the years ended December 31, 2025 and 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

10. Property, plant and equipment, net (continued)

Reconciliation of fair value measurements categorized within Level 3 of the fair value hierarchy:-

	Leasehold land and buildings US\$
Carrying amount at December 31, 2024	15,823,299
Depreciation charge on revaluation of properties held for own use	(716,450)
Net gain from a fair value adjustment recognized in the consolidated statement of profit or loss and other comprehensive income	960,116
Translation difference	(102,476)
Carrying amount at December 31, 2025	<u>15,964,489</u>

Valuation techniques

The valuation techniques used in the financial years ended December 31, 2025 were consistent with prior years and all leasehold land and buildings' valuation was determined using a market comparison approach. The fair value of leasehold land and buildings is based on prices for recent market transactions in similar properties and adjusted to reflect the conditions and locations of the Group's properties. The significant input into this valuation approach is price per square foot, which has been adjusted to reflect the location, size, tenure, age and condition, standard of finishes, use, facilities provided, date of transaction and the prevailing economic conditions.

Below is a summary of the valuation techniques used and the key inputs to the valuation of leasehold land and buildings:-

	<u>Valuation techniques</u>	<u>Significant unobservable inputs</u>	<u>Range or weighted average</u>	
			2025	2024
Leasehold land and buildings in Singapore	Market comparison approach	Price per square foot	US\$126 to US\$156 per square foot	n/a

The fair value measurements are based on the above leasehold land and buildings' highest and best use, which does not differ from their actual use.

Had the Group's leasehold land and buildings been carried at cost less accumulated depreciation, the carrying amount of the Group's leasehold land and buildings as at December 31, 2025 and 2024 would have been approximately US\$2,697,921 and US\$3,171,013 respectively.

11. Intangible assets, net

	2025 US\$	2024 US\$
Cost		
Beginning of financial year	6,064,363	4,349,839
Additions - internal development	1,122,174	1,714,524
Translation differences	146,939	-
End of financial year	<u>7,333,476</u>	<u>6,064,363</u>
Accumulated amortisation		
Beginning of financial year	3,087,052	1,968,374
Amortization	1,633,857	1,118,678
Translation differences	178,113	-
End of financial year	<u>4,899,022</u>	<u>3,087,052</u>
Net book value		
End of financial year	<u>2,434,454</u>	<u>2,977,311</u>

12. Trade and other receivables

	2025 US\$	2024 US\$
Trade receivables, net		
- Non-related parties	853,668	683,939
	<u>853,668</u>	<u>683,939</u>
Non-trade receivables		
- Advance payment to suppliers	138,532	119,745
- Deposits	112,367	108,550
- Prepayments	35,553	128,308
	<u>286,452</u>	<u>356,603</u>
	<u>1,140,120</u>	<u>1,040,542</u>

Receivables that are past due but not impaired

The Group had trade receivables amounting to US\$165,032 (2024: US\$117,153) that were past due at the reporting date but were not impaired. These receivables were unsecured and the analysis of their aging based on their trade date at the reporting date is as follows:

	2025 US\$	2024 US\$
Less than 30 days	15,415	96,741
30 to 90 days	82,452	20,412
More than 90 days	67,165	-
	<u>165,032</u>	<u>117,153</u>

The trade receivables and contract assets are subject to the expected credit loss model under the financial reporting standard on financial instruments. At all reporting dates the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. Details of impairment of trade and other receivables are set out in Note 23(b)(ii).

As of December 31, 2025, the Group has made allowance for expected credit loss amounting to US\$48,972 (2024: US\$47,691).

13. Inventories

	2025 US\$	2024 US\$
Raw materials	12,685	17,368
Finished goods	287,573	422,826
	300,258	440,194

14. Reserves**(a)** Revaluation surplus

Revaluation surplus represents increases in the fair value of leasehold land and buildings, net of tax, and decreases to the extent that such decrease relates to an increase on the same asset previously recognized in other comprehensive income.

(b) Other reserve

Other reserve represents members' deemed contribution arising from reorganization.

(c) Exchange reserve

The exchange reserve represents:

- the exchange differences relating to the translation of the Group's leasehold land and building from the revaluation. The exchange differences are recognized directly in other comprehensive income and accumulated in the exchange reserve. Such exchange differences accumulated in the exchange reserve are reclassified to the consolidated income statement on the disposal of the leasehold land and building.
- exchange differences arising from the translation of the financial statements of the Company's subsidiaries whose functional currencies differ from the Company's reporting currency.
- For consolidation purposes, the assets and liabilities of foreign subsidiaries are translated into the Company's reporting currency at the exchange rates prevailing at the balance sheet date, while income and expense items are translated at average exchange rates for the reporting period. The resulting exchange differences are recognized in other comprehensive income and accumulated in the foreign currency translation reserve within equity.
- The Company's foreign currency translation reserve is primarily attributable to its subsidiaries with functional currencies denominated in Singapore dollars while the Company's reporting currency is U.S. dollars.

(d) Share premium reserve

The share premium reserve represents the excess amounts paid by shareholders above the par value of the shares issued.

(e) Share application reserve

Share application reserve represents proceeds received from investors in connection with subscriptions for the Company's ordinary shares for which the issuance of such shares had not been completed as of the reporting date. The amounts are presented within equity as the Company has received subscription proceeds pursuant to binding agreements and, based on the terms of the arrangements, the Company does not have a contractual obligation to deliver cash or another financial asset, except in limited circumstances where the share issuance does not occur.

Management has evaluated the substance of these arrangements in accordance with IAS 32, Financial Instruments: Presentation, and concluded that the balances meet the definition of equity instruments, as the Company expects to settle the arrangements by issuing a fixed number of its own equity instruments for a fixed amount of cash and has no unconditional obligation to refund the proceeds.

Upon the issuance and allotment of the ordinary shares, the balance in share application reserve will be reclassified to share capital and share premium, based on the par value of the shares issued and the excess over par value. No gain or loss will be recognized upon such reclassification.

As of December 31, 2025, the share application reserve amounted to US\$1,240,000 (December 31, 2024: US\$Nil). Subsequent to the reporting date, the Company issued 1,550,000 million shares upon satisfaction of customary closing conditions, including, where applicable, regulatory approval.

15. Leases – The Group as a lesseeNature of the Group's leasing activities

The Group has lease contracts for land, buildings, machineries and equipment. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets.

The Group regularly enters into short-term leases of 12 months or less for certain plant and equipment and machineries. The Group applies the 'short-term lease' recognition exemptions for these leases.

(a) Carrying amounts

ROU assets classified within property, plant and equipment

	2025 US\$	2024 US\$
Carrying amounts		
Leasehold land and buildings	1,906,772	2,040,813
Motor vehicles	164,866	89,683
	<u>2,071,638</u>	<u>2,130,496</u>

(b) Depreciation charge during the financial year

	2025 US\$	2024 US\$
Leasehold land and buildings	237,642	231,952
Plant and equipment	-	270
Motor vehicles	30,629	40,958
	<u>268,271</u>	<u>273,180</u>

Interest expense

	2025 US\$	2024 US\$
Interest expense on lease liabilities	61,362	53,725

(c) Short-term leases

	2025 US\$	2024 US\$
Expense relating to short-term leases	309,317	142,441
Repayment of lease principal and interest	278,893	249,510
Total cash outflow for leases	<u>588,210</u>	<u>391,951</u>

Note: Amount includes payments of principal and interest portion of lease liabilities and short-term leases.

For both years, the Group leases various offices and machineries for its operations. Lease contracts are entered into for fixed term of 1 month to 30 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. At the end of the current financial year, subject to the fulfilment of certain conditions, the lease for one of the properties was extended by 20 years, ending in November 2050.

15. Leases – The Group as a lessee (continued)

The Group regularly enters into short-term leases for certain office premises. As at December 31, 2025 and 2024, the portfolio of short-term leases was similar to the portfolio of short-term leases to which the short-term leases expense is disclosed above.

(d) Addition of ROU assets during the financial year ended December 31, 2025 was US\$103,462 (2024: US\$273,459)

(e) Lease liabilities

	2025 US\$	2024 US\$
Current	301,143	221,254
Non-current	1,831,126	1,926,702
	2,132,269	2,147,956

16. Trade and other payables

	2025 US\$	December 31, 2024 US\$
Trade payables		
- Non-related parties	540,304	305,670
	540,304	305,670
Other payables		
- Amount due to shareholders	1,074,331	133,532
- Contract liabilities	785,991	1,009,110
- Amount due to directors	1,333,017	896,955
- Accruals and other payables	2,687,433	2,045,333
- Goods and services tax payable	63,187	43,177
- Withholding tax	17,133	16,173
	5,961,092	4,144,280
	6,501,396	4,449,950

The amounts due to directors are non-trade in nature, unsecured, bear interests at 6% per annum and are repayable on demand. The amounts due to shareholders are non-trade in nature, unsecured, interest-free and are repayable on demand.

The contract liabilities primarily relate to the advance consideration received from customers for unsatisfied performance obligations. The Company recognizes revenue for each respective performance obligation when control of the product or service transfers to the customer and the right to payment becomes unconditional. In 2025, US\$NIL (2024: US\$974,914) of contract liabilities was recognized as revenue in the profit or loss statement.

17. Borrowings

	2025 US\$	2024 US\$
Term loan I	38,145	118,558
Term loan IV	-	108,888
Term loan V	-	137,837
Term loan VI	170,353	528,376
Term loan VII	1,264,699	1,573,182
Trade receivables financing	196,433	124,780
Revolving credit	1,830,076	1,727,561
	<u>3,499,706</u>	<u>4,319,182</u>
	2025	2024
	US\$	US\$
Analysed as :		
Non-current portion	-	-
Current portion	3,499,706	4,319,182
	<u>3,499,706</u>	<u>4,319,182</u>

Details of the repayment schedule in respect of the interest-bearing borrowings are as follows :

	2025 US\$	2024 US\$
Bank borrowings:		
Within one year or on demand	3,499,706	2,928,509
Within a period of more than one year but not exceeding two years	-	1,390,673
	<u>3,499,706</u>	<u>4,319,182</u>

- (i) Term loan I was obtained for refinancing the outstanding loan amount in relation to the leasehold land and building of the Group. This loan is repayable by monthly instalments over a 132 months period commencing July 2015. The interest rates charged were at the bank's Business Financing Rate ("BFR") of 5.68% to 5.68% per annum. It contains a repayment on demand clause and therefore it is classified as current liabilities as of December 31, 2024. As of December 31, 2025, the balance of the loan will be fully repaid before the end of the next financial year and is accordingly classified as current liabilities.

17. Borrowings (continued)

- (ii) Term loan IV was obtained for working capital purposes. This loan is repayable by monthly instalments over a 5-year period commencing from year 2021. The interest rates charged are 2% per annum on monthly rests. It contains a repayment on demand clause and therefore it was classified as current liabilities as at December 31, 2024. As of December 31, 2025, this loan was fully repaid.
- (iii) Term loan V was obtained for working capital purposes. This loan is repayable by monthly instalments over a 5 year period commencing from year 2021. The interest rates charged are 2% per annum. It contains a repayment on demand clause and therefore it was classified as current liabilities as at December 31, 2024. As of December 31, 2025, this loan was fully repaid.
- (iv) Term loan VI was obtained for purchasing of machineries for core business operations. This loan is repayable by monthly instalments over a 5-year period commencing from year 2021. The interest rates charged are 2.5% per annum on monthly rests. It contains a repayment on demand clause and therefore it is classified as current liabilities as of December 31, 2024. As of December 31, 2025, the balance of the loan will be fully repaid before the end of the next financial year and is accordingly classified as current liabilities.
- (v) Term loan VII was obtained as a replacement for Term Loan II and also for working capital purposes. This loan is repayable by monthly instalments over a 3-year period commencing year 2023. The interest rates charged are 2% above the Bank's Cost of Funds. It contains a repayment on demand clause and therefore it is classified as current liabilities as of December 31, 2024. The balance as of December 31, 2025 is due for full repayment before the end of the next financial year and is accordingly classified as current liabilities. Subsequent to the end of the financial year, the Company refinanced the loan and on January 22, 2026, a notification was sent to redeem Term Loan VII.
- (vi) Revolving credit is obtained for working capital purposes. These loans are repayable 1 to 6 months from the date of each drawdown. The interest rates charged are 2% per annum above the Bank's Cost of Funds or 2% above the prevailing SIBOR per annum. It contains a repayment on demand clause and therefore it is classified as current liabilities as of December 31, 2025 and 2024.
- (vii) The Group has a trade receivables financing agreement with one of its lenders. The arrangement will provide immediate payment of up to 90% of the receivables upon presentation of relevant documents by the Group. The remaining 10% will be paid upon settlement of the receivables by the customer. This arrangement has no recourse and the Group is only liable for unpaid receivables if the non-payment results from, inter alia, fraud, illegality, dispute, misrepresentation, loss of right, title and interests in the receivables, the non-payment constitutes and event not covered by the relevant credit insurance policy or an event which renders the Bank unable to claim the relevant credit insurance policy.

Security granted

The Group's borrowings are secured by:

- (a) A legal mortgage on the Group's leasehold land and buildings with net book value of US\$15,964,489 (2024: US\$15,823,299) (Note 10);
- (b) Several guarantees from a director of the Group in his personal capacity.

18. Deferred taxation

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred taxes relate to the same taxation authority.

	2025 US\$	2024 US\$
Net deferred tax liabilities from temporary differences in depreciation of plant and machinery	15,000	133,000

18. Deferred taxation (continued)

The movement in deferred tax liabilities (prior to offsetting of balances) during the financial year is as follows:

	2025 US\$	2024 US\$
Balance as at beginning of financial year	133,000	296,000
Movements in deferred tax liabilities	(118,000)	(163,000)
Balance as at end of financial year	15,000	133,000

The Company's deferred tax liabilities in both financial years primarily relate to differences in depreciation useful lives of property, plant and equipment, as well as timing differences arising from accruals and provisions that are recognized in the financial statements in periods different from those in which they are recognized for tax purposes.

19. Share capital

	2025	2024
No. of ordinary shares	14,130,413	13,413,140

The number of shares presented has been adjusted retrospectively to reflect the impact of the 1-for-3 reverse share split effected on April 24, 2026, as if the transaction had occurred at the beginning of the earliest period presented. Prior to giving effect to the reverse share split, the number of shares for the financial years ended December 31, 2025 and 2024 was 42,391,240 and 40,239,419 respectively.

The authorized share capital of OIO in the financial year ended December 31, 2025 was US\$300,000 divided into 3,000,000,000 ordinary shares of par value US\$0.0001 each. During the year ended December 31, 2025, the Company issued 950,000 shares in private placements and 1,201,821 shares for an employee Equity Incentive Plan.

On April 24, 2026, OIO effected a reverse share split to consolidate 3 shares into 1. The authorized share capital of the Company after the RSS was US\$300,000 divided into 1,000,000,000 ordinary shares of par value US\$0.0003 each.

In the financial year ended December 31, 2024, the Company issued 315,000 shares (105,000 shares after RSS) as settlement of promissory notes as well as issued 27,241,380 shares (9,080,460 after RSS) in private placements.

20. Related party transactions

(a) Directors' remuneration

	2025 US\$	2024 US\$
Salaries and bonuses	999,603	359,667
Directors' fees	128,000	128,000
Interest on loans from Directors	63,511	47,136
Employer's contribution to the Central Provident Fund	25,391	22,931
	1,216,505	557,734

(b) Key management personnel compensation

	2025 US\$	2024 US\$
Salaries and bonuses	587,666	242,678
Employer's contribution to the Central Provident Fund	22,296	22,003
	609,962	264,681

21. Capital commitments

Capital expenditures contracted for at the end of the reporting period but not recognized in the financial statements are as follows:

	2025 US\$	2024 US\$
Property, plant and equipment	61,709	1,312,753

22. Group information**Subsidiaries**

The consolidated financial statements of the Group include:

Name of subsidiary	Principal activities	Place of incorporation and business	Effective equity held by the Group	
			2025 %	2024 %
<u>Held by the Company</u>				
Environmental Solutions Group Holdings Limited	Investment holding company	Cayman Island	100	100
<u>Held by Subsidiary</u>				
Environmental Solutions Asia Holdings Limited	Investment holding company	British Virgin Islands	100	100
Environmental Solutions (Asia) Pte Ltd	Waste management and recycling of industrial wastes	Singapore	100	100
ESG Chemicals Sdn. Bhd.	Warehousing and distribution of circular products	Malaysia	100	100

23. Financial risk management*Financial risk factors*

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk, liquidity risk and capital risk.

The Directors review and agree to the policies and procedures for the management of these risks, which are executed by the management team. It is and has been throughout the current and previous financial year, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken. The following sections provide details regarding the Group's exposure to the abovementioned financial risks and the objectives, policies, and processes for the management of these risks. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Market risk*(i) Currency risk*

Currency risk arises from sales or purchases that are denominated in currencies other than the functional currency of the Group.

The foreign currency in which these transactions are denominated is mainly Singapore Dollar ("SGD"). The Group does not have a policy to hedge its exposure to foreign exchange risk.

The Group's currency exposure based on the information provided to key management is as follows:

	<u>SGD</u> <u>US\$</u>	<u>USD</u> <u>US\$</u>	<u>CNY</u> <u>US\$</u>	<u>MYR</u> <u>US\$</u>	<u>Total</u> <u>US\$</u>
December 31, 2025					
Financial assets					
Cash and cash equivalents	175,174	358,435	-	-	533,609
Trade and other receivables	993,145	142,690	-	4,285	1,140,120
	<u>1,168,319</u>	<u>501,125</u>	<u>-</u>	<u>4,285</u>	<u>1,673,729</u>
Financial liabilities					
Trade and other payables	4,287,542	1,323,674	884,953	5,227	6,501,396
Borrowings	3,499,706	-	-	-	3,499,706
Lease liabilities	2,012,832	-	-	119,437	2,132,269
	<u>9,800,080</u>	<u>1,323,674</u>	<u>884,953</u>	<u>124,664</u>	<u>12,133,371</u>
Net financial liabilities	<u>(8,631,761)</u>	<u>(822,549)</u>	<u>(884,953)</u>	<u>(120,379)</u>	<u>(10,459,642)</u>
Currency exposure of financial liabilities, net of those denominated in the Company's functional currency	<u>(8,631,761)</u>	<u>(822,549)</u>	<u>(884,953)</u>	<u>(120,379)</u>	<u>(10,459,642)</u>

23. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	<u>SGD</u> <u>US\$</u>	<u>USD</u> <u>US\$</u>	<u>MYR</u> <u>US\$</u>	<u>Total</u> <u>US\$</u>
December 31, 2024				
Financial assets				
Cash and cash equivalents	270,772	362,977	1,133	634,882
Trade and other receivables	1,021,680	18,862	-	1,040,542
	<u>1,292,452</u>	<u>381,839</u>	<u>1,133</u>	<u>1,675,424</u>
Financial liabilities				
Trade and other payables	3,754,629	683,017	12,304	4,449,950
Borrowings	4,319,182	-	-	4,319,182
Lease liabilities	2,147,956	-	-	2,147,956
	<u>10,221,797</u>	<u>683,017</u>	<u>12,304</u>	<u>10,917,088</u>
Net financial liabilities	(8,929,315)	(301,178)	(11,171)	(9,241,664)
Currency exposure of financial liabilities, net of those denominated in the Company's functional currency	(8,929,315)	(301,178)	(11,171)	(9,241,664)

23. Financial risk management (continued)**(a) Market risk (continued)***(i) Currency risk (continued)*

If the USD changes against the SGD by 10% (2024: 10%) respectively with all other variables including tax rate being held constant, the effects arising from the net financial liabilities/assets position will be as follows:

	Increase/(decrease) in profit or loss before tax	
	2025 US\$	2024 US\$
SGD against USD		
- strengthened	(863,176)	(892,932)
- weakened	863,176	892,932
MYR against USD		
- strengthened	(12,038)	(1,117)
- weakened	12,038	1,117
CNY against USD		
- strengthened	(88,495)	-
- weakened	88,495	-

(ii) Interest rate risk

The Group is exposed to interest rate risk on its non-current borrowings at variable rates.

The Group's borrowings at variable rates are denominated mainly in SGD. As of December 31, 2024, if the SGD interest rates had increased/decreased by 0.5% (2024: 0.5%) with all other variables including tax rate being held constant, the loss before tax for the financial year would have been lower/higher by US\$15,474 (2024: US\$16,504) as a result of higher/lower interest expense on these borrowings.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation, resulting in financial loss to the Group.

(i) Risk management

The Group has adopted the following policy to mitigate its credit risk.

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of its counterparties' financial conditions and generally does not require collateral.

Financial assets are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash and cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings.

23. Financial risk management (continued)**(b) Credit risk (continued)***(ii) Impairment of trade receivables*

The Group has applied the simplified approach by using the provision matrix to measure the lifetime ECL for trade receivables and the general approach for other financial assets at amortized cost.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the financial year ended December 31, 2025, 60.4% of the total trade receivables were from three of the Group's largest customers. In 2024, 76.3% of total trade receivables were from three of the Group largest customers.

Individual credit evaluations are performed on all customers. These evaluations focus on the customer's payment history and their current ability to pay. In addition, information specific to the customer and pertaining to the economic environment in which the customer operates are also considered. Unless agreed the otherwise, trade receivables are generally due within 30 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated with reference to the credit spread for each of the groupings (which taking into consideration of historical credit loss experience, average actual date of receipt, customers' background, listing status and size as groupings of various debtors), which reflect the credit risk of the debtors, over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

2025

	Expected loss rate	Gross carrying amount US\$	Loss allowance US\$
	<u> </u>	<u> </u>	<u> </u>
Current (not past due)	0%	688,636	-
Less than 3 months past due	0%	97,867	-
3 months to 6 months past due	0%	67,165	-
More than 6 months past due	100%	48,972	48,972
		<u>902,640</u>	<u>48,972</u>

23. Financial risk management (continued)

(b) Credit risk (continued)

(ii) Impairment of trade receivables (continued)

2024

	Expected loss rate	Gross carrying amount US\$	Loss allowance US\$
Current (not past due)	0%	566,787	-
Less than 3 months past due	3%	120,572	3,420
More than 6 months past due	100%	44,271	44,271
		<u>731,630</u>	<u>47,691</u>

Expected loss rates are based on actual loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The movements in loss allowance for trade receivables during the years are as follows:

	2025 US\$	2024 US\$
At January 1	<u>47,691</u>	46,768
Foreign exchange adjustment	<u>1,281</u>	923
At December 31	<u>48,972</u>	<u>47,691</u>

Other financial assets, at amortized cost

The Group's other financial assets recognized at amortized cost are mainly comprised of cash and bank balances, non-trade receivables from non-related parties, deposits and prepayments. These other financial assets are subject to immaterial credit loss.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to these receivables in estimating the probability of default of each of these other financial assets.

23. Financial risk management (continued)**(c) Liquidity risk**

The table below analyses non-derivative financial liabilities of the Group based on the remaining period from December 31, 2025 and 2024 to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows.

	Less than 1 year US\$	Between 2 and 5 years US\$	More than 5 years US\$
At December 31, 2025			
Trade and other payables	6,501,396	-	-
Borrowings	3,537,212	-	-
Lease liabilities	386,565	425,416	2,059,641
	<u>10,425,173</u>	<u>425,416</u>	<u>2,059,641</u>
At December 31, 2024			
Trade and other payables	4,449,950	-	-
Borrowings	3,039,021	1,407,585	-
Lease liabilities	278,197	452,919	2,040,342
	<u>7,767,168</u>	<u>1,860,504</u>	<u>2,040,342</u>

(d) Capital risk

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and a net current asset position to support its business and maximize its shareholders' value. The capital structure of the Group comprises of issued share capital and retained earnings.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company's bank borrowings are subject to certain financial covenants imposed by lending institutions. One of the banks' covenants requires the Company to maintain a gearing ratio of 1.3 at all times and net tangible asset of US\$2.2 million. The gearing ratio is calculated as the ratio of total bank borrowings to tangible net worth, where tangible net worth comprises paid-up capital and revenue reserves, excluding intangible assets. Adjusted tangible net worth is defined as paid-up capital plus revenue reserves, loans owing by the company to its group company and related companies, amount due to its directors and/or shareholders, excluding intangibles, loans and/or investments by the company in its group company and related companies, amount due from its directors and/or shareholders. As of December 31, 2025, the Company's gearing ratio was not in compliance with the aforementioned covenant. The breach provides the lenders with the right to demand immediate repayment of the outstanding borrowings. In light of this, the Company has classified the relevant borrowings as current liabilities in the consolidated statement of financial position as of December 31, 2025, in accordance with applicable accounting standards. The bank has performed its half-yearly review of the Company's financials and has not made demands for immediate repayment from the lender as of the date of this report. In addition, this bank loan will be fully repaid by end of June 30, 2026.

(e) Fair value measurements

The notional amounts of financial assets and financial liabilities with a maturity of less than one year are assumed to approximate their fair values.

The fair value of the non-trade balances with the related parties has not been determined as the timing of the expected cash flows of these balances cannot be reasonably determined because of the relationship.

23. Financial risk management (continued)**(f) Warrants**

As of December 31, 2025, OIO has 8,625,000 public warrants and 692,331 private warrants. Each warrant entitles the holder to purchase one ordinary share of OIO at an exercise price of US\$34.50 per share, on the basis of one share for every three warrants held. No fractional shares will be issued. The warrants will expire five years after the consummation of the Business Combination with GUCC, in August 2028.

OIO may redeem the outstanding warrants (excluding the private warrants that are part of the private units), in whole and not in part, at a price of US\$0.03 per warrant:

- at any time while the warrants are exercisable,
- upon a minimum of 30 days' prior written notice of redemption,
- if, and only if, the last sales price of OIO ordinary shares equals or exceeds US\$18 per share for any 20 trading days within a 30 trading day period ending three business days before OIO sends the notice of redemption, and
- if, and only if, there is a current registration statement in effect with respect to OIO ordinary shares underlying the warrants at the time of redemption and for the entire 30-day trading period referred to above and continuing each day thereafter until the date of redemption.

As of December 31, 2025, none of the warrants have been exercised.

Based on the closing price of warrants as at December 31, 2025 of US\$0.10, value of OIO's total outstanding warrants was approximately US\$931,733.

(g) Financial Instruments by Category

The carrying amounts of the different categories of financial instruments are as follows:

	2025 US\$	2024 US\$
Financial assets, at amortised cost	1,487,221	1,434,788
Financial liabilities, at amortised cost	11,267,062	9,891,805

24. New or revised IFRSs not yet adopted

Standard / Amendment	Effective Date (mandatory)	Summary
IFRS 9 & IFRS 7 — <i>Classification and Measurement</i>	1 Jan 2026	Classification/measurement refinements & related disclosures
IFRS 9 & IFRS 7 — <i>Contracts Referencing Nature-dependent Electricity</i>	1 Jan 2026	Targeted PPA/nature-dependent electricity contract guidance
<i>Annual Improvements to IFRS Accounting Standards — Volume 11</i>	1 Jan 2026	Narrow clarifications and consistency improvements
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures	Effective date has been removed temporarily by the IASB.	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
IFRS 18	1 Jan 2027	Presentation and Disclosure in Financial Statements
IFRS 19	1 Jan 2027	Subsidiaries without Public Accountability : Disclosures
IAS 21	1 Jan 2027	Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)

The directors anticipate that the application of all new and amendments to IFRSs will have no material impact on the financial statements in the foreseeable future.

25. Loss per share

Loss per share is computed by dividing net loss by the weighted average number of the Company's common shares outstanding during the period.

	2025 US\$	2024 US\$
Net loss	(4,760,894)	(633,257)
Loss attributable to ordinary shareholders	(4,760,894)	(633,257)
Weighted average number of ordinary shares	13,986,738	8,676,595
Basic and diluted loss per share	<u>(0.34)</u>	<u>(0.07)</u>

Loss per share for all periods presented has been adjusted retrospectively to reflect the impact of the 1-for-3 reverse share split effected on April 24, 2026, as if the transaction had occurred at the beginning of the earliest period presented. Prior to giving effect to the reverse share split, the loss per share based on the pre-split weighted average number of shares for the financial years ended December 31, 2025 and 2024 was \$(0.11) per share and \$(0.02) per share, respectively.

26. Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications had no impact on the Group's reported results of operations, cash flows, or financial position. Specifically, for the fiscal years ended December 31, 2025 and 2024, certain project costs previously classified within plant and equipment have been reclassified to construction-in-progress to better reflect the nature and stage of completion of the underlying assets. In addition, certain line items within the consolidated statements of cash flows have been reclassified to more appropriately reflect the nature of the underlying transactions. In particular, loans from shareholders and directors, previously presented within changes in working capital, have been reclassified to financing activities.

27. Subsequent events1) Share issuance

On April 10, 2026, the Company issued 1,675,000 shares (558,333 shares after the reverse share split) at a purchase price of US\$0.80 per share pursuant to the Share Purchase Agreement entered into on January 17, 2025.

2) Business combination – Acquisition of De Tomaso

On February 26, 2025, the Company entered into a share purchase agreement (the "Agreement") with De Tomaso Automobili Holdings Limited, a Cayman Islands exempted company ("DT"), and certain of DT's shareholders named therein, including De Tomaso Automobili Holdings Limited, a Marshall Islands company, and Ideal Team Ventures Limited, a British Virgin Islands company, pursuant to which the Company agreed to purchase from the DT shareholders, and the DT shareholders agreed to sell to the Company, the entire issued share capital of DT, for the Consideration (as defined below), such that upon the closing, DT shall become a direct wholly-owned subsidiary of the Company, and the DT shareholders shall become shareholders of the Company (the "Acquisition").

Pursuant to the terms of the Agreement, the aggregate consideration to be paid by the Company at the closing of the Acquisition to the DT shareholders is US\$1,030,000,000 (the "Consideration"), which will be paid in 1,000,000,000 newly issued ordinary shares of the Company (the "Consideration Shares") at a deemed issue price of US\$1.03 per share. In addition, subject to DT and its subsidiaries (the "DT Group") having achieved the FY2025 Performance Target (as defined below) and the FY2026 Performance Target (as defined below), the Company shall issue additional ordinary shares to the DT shareholders equal to 5% of the number of Consideration Shares (the "Earnout Shares") for each fiscal year. The total number of Earnout Shares that may be issued in both FY2025 and FY2026 shall not exceed 10% of the number of the Consideration Shares. In the event that the FY2025 Performance Target is not satisfied by the end of 2025 but the FY2025 Performance Target and the FY2026 Performance Target have been satisfied by the end of FY2026, all of the Earnout Shares in respect of both fiscal years (to the extent not yet issued) shall be issued to the DT shareholders. The "FY2025 Performance Target" stipulates that 36 units of DT vehicles be delivered to and accepted by its customers in the year was not met as at December 31, 2025. The "FY2026 Performance Target" requires 74 units of DT vehicles to be delivered to and accepted by its customers in the year.

On April 21, 2026, the Company received an approval letter from The Nasdaq Stock Market LLC (the "Nasdaq Letter") in connection with the anticipated closing of the above-mentioned business acquisition of De Tomaso Automobili Holdings Limited (the "Business Combination") and the listing of the combined company on The Nasdaq Capital Market, subject to the satisfaction of the conditions set forth therein. The Business Combination was consummated on April 24, 2026.

In connection with the closing of the Business Combination, the combined company commenced trading on The Nasdaq Capital Market on April 24, 2026 under the ticker symbol "OIO."

3) Reverse share split

In connection with the Acquisition, the Company effected a 1-for-3 reverse share split (the "Reverse Share Split") on April 24, 2026, immediately prior to the closing of the Business Combination, such that each three issued and outstanding ordinary shares of the Company was combined into one ordinary share.

The Reverse Share Split formed an integral part of the Company's transaction and listing structuring and was intended to position the combined company to meet Nasdaq's initial listing requirements at the time of effectiveness, including the minimum bid price requirement under Nasdaq Listing Rule 5550(a)(2).

**Certification by the Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Quek Leng Chuang, certify that:

1. I have reviewed this annual report on Form 20-F of OIO Group (the “Company”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) [intentionally omitted];
 - (c) Evaluated the effectiveness of the Company’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Company’s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting; and
5. The Company’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s internal control over financial reporting.

Date: April 30, 2026

/s/ Quek Leng Chuang
Quek Leng Chuang
Chief Executive Officer

**Certification by the Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Ho Shian Ching, certify that:

1. I have reviewed this annual report on Form 20-F of OIO Group (the "Company");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) [intentionally omitted];
 - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: April 30, 2026

/s/ Ho Shian Ching

Ho Shian Ching

Chief Financial Officer

**Certification by the Chief Executive Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the annual report of OIO Group (the “Company”) on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Quek Leng Chuang, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2026

/s/ Quek Leng Chuang

Quek Leng Chuang
Chief Executive Officer

**Certification by the Principal Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the annual report of OIO Group (the "Company") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ho Shian Ching, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2026

/s/ Ho Shian Ching

Ho Shian Ching
Chief Financial Officer
