Multistack International Ltd
ABN: 54 007 254 346
And Controlled Entities

FINANCIAL REPORT
For the Half-Year ended 30 June 2026

This half-year financial report is to be read in conjunction with the financial report for the year ended 31 DECEMBER 2025

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Directors' Report

The Directors present their report together with the condensed financial report of the Group, consisting of Multistack International Ltd ("the Company") and its controlled entities, for the half-year ended 30 June 2026 and the Independent Auditor's review report thereon. This financial report has been prepared in accordance with Australian Accounting Standard AASB:134 *Interim Financial Reporting.*

Directors
The names of the Directors in office at any time during or since the end of the half-year are:

Name	Period of directorship
Mr Allan Yu (Chairman / Non-executive Director)	Director since 16 February 2004
Mr Stephen Leung (Chief Executive Officer)	Director since 10 October 1991
Mr Siu Wai Yan (Executive Director)	Director since 10 October 1991
Ms Yim Ni Chan (Executive Director)	Director since 26 November 2002
Mr Terence Chu (Non-executive Director)	Director since 19 March 1999

The directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Review of operations

	January – June 2026 A$	January - June 2025 A$
Revenue from ordinary activities	-	56,475
Operating profit/(loss) before tax	1,924,941	2,684,906

The Group has made a profit of $1,924,941 before tax (2025: profit of $2,684,906). The profit was generated from debts waiver and income from the disposal of Multistack Australia Pty Ltd.

Welletin Investments Ltd. (a related party of S. Yan and S. Leung) has waived the total outstanding amount of $1,689,514 owed by the Company.

Option King Ltd. (a 100% wholly owned subsidiary) has been deregistered on 10 April 2026.

A.C.R. Equipment (HK) Ltd (a related party of S. Yan and S. Leung) has waived $396,000 of the total debt $696,000, balance of $300,000 remained outstanding owed by Multistack Australia Pty Ltd, the Company has provided the same $300,000 in Multistack Australia Pty Ltd for the debt owed.

On 1 July 2026, the Company announced that the transaction contemplated by the Asset Sale Deed has been completed, that is the Company has disposed of its main undertaking, including 100% of the shares in Multistack Australia Pty Ltd. The Company has retained cash reserves to support its ongoing corporate, statutory and ASX compliance obligations.

The Company is currently investigating various business opportunities, meanwhile, the entity will continue to be prudently operated as a going concern. The Company (MSI) will continue to comply with all its ASX and other reporting requirements.

Significant Changes in State of Affairs
On 1 July 2026, the Company announced that the transaction contemplated by the Asset Sale Deed has been completed, that is the Company has disposed of its main undertaking, including 100% of the shares in Multistack Australia Pty Ltd. The Company has retained cash reserves to support its ongoing corporate, statutory and ASX compliance obligations.

The Company is currently investigating various business opportunities, meanwhile, the entity will continue to be prudently operated as a going concern. The Company (MSI) will continue to comply with all its ASX and other reporting requirements.

Rounding of amounts
In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the Directors' report and in the financial report have been rounded to the nearest dollar (where indicated).

Auditor's independence declaration
A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* in relation to the review for the half-year is provided with this report.

Signed in accordance with a resolution of the Board of Directors.

A. Yu
Chairman
Melbourne, 31 August 2026

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To the Board of Directors of Multistack International Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead auditor for the review of the financial statements of Multistack International Limited for the half-year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Nexia	
Nexia Melbourne Audit Pty Ltd	**Ben Bester**
Melbourne	Director

Dated this 31st day of August 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Half-Year Ended 30 June 2026

	Half-year	
	30 June 2026	30 June 2025
	$	$
Continuing Operations		
Sale of goods	-	56,475
Total Revenue	**-**	**56,475**
Cost of sales	-	(53,950)
Gross Profit	**-**	**2,525**
Other Income		
Gain on disposal of intangible assets	-	1,068,593
Settlement of legal matter	-	2,976,729
Wavier of debts	2,086,742	-
Income from disposal of Multistack Australia Pty Ltd	263,487	-
Other income	-	43,058
Other Income	**2,350,229**	**4,088,380**
Expenses		
Employee benefits expenses	-	(199,626)
Administrative expenses	(22,769)	(315,166)
Professional fees	(88,353)	(783,317)
Impairment	-	(107,890)
Foreign currency losses	(56,466)	-
Total Expenses	**(167,588)**	**(1,405,999)**
Profit / (Loss) before income tax	**2,182,641**	**2,684,906**
Income tax expense	**-**	**-**
Profit / (Loss) from continuing operations	**2,182,641**	**2,684,906**
Profit / (Loss) from discontinued operations	**(257,700)**	**-**
Net Profit / (Loss) attributable to members of the parent entity	**1,924,941**	**2,684,906**
Total Comprehensive Profit / (Loss) attributable to:		
Members of the parent	1,924,941	2,684,906
	1,924,941	**2,684,906**
Basic and Diluted Profit/(Loss) per share	**$0.0141**	**$0.0197**

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position
As at 30 June 2026

	30 June 2026 $	31 December 2025 $
Current assets		
Cash and cash equivalents	361,406	1,108,270
Trade and other receivables	-	1,631
Inventories	-	117,977
Deposit / Bond for property	-	17,612
Total current assets	**361,406**	**1,245,490**
Non-current assets		
Right-of-use assets	-	51,689
Total non-current assets	**-**	**51,689**
Total assets	**361,406**	**1,297,179**
Current liabilities		
Trade and other payables	36,986	1,837,622
Lease liabilities	-	111,168
Loan from A.C.R. Equipment (HK) Limited	-	696,000
Loan from Super Link Company Limited	-	-
Employee benefits	-	182,036
Provision for warranty	-	12,000
Total current liabilities	**36,986**	**2,838,826**
Non-current liabilities		
Lease liabilities	-	58,874
Total non-current liabilities	**-**	**58,874**
Total liabilities	**36,986**	**2,897,700**
Net assets / (liabilities)	**324,420**	**(1,600,521)**
Equity		
Contributed equity	156,838,695	156,838,695
Accumulated losses	(156,514,275)	(158,439,216)
Total equity / (capital deficiency)	**324,420**	**(1,600,521)**

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity
For the Half-Year ended 30 June 2026

	Attributable to equity holders of the parent entity		
	Contributed equity	**Accumulated Losses**	**Total**
CONSOLIDATED	**$**	**$**	**$**
At 1 January 2025	**156,838,695**	**(160,696,367)**	**(3,857,672)**
Profit for the period	-	2,684,906	2,684,906
Total comprehensive loss for the half-year	**-**	**2,684,906**	**2,684,906**
At 30 June 2025	**156,838,695**	**(158,011,461)**	**(1,172,766)**

	Attributable to equity holders of the parent entity		
	Contributed equity	**Accumulated Losses**	**Total**
CONSOLIDATED	**$**	**$**	**$**
At 1 January 2026	**156,838,695**	**(158,439,216)**	**(1,600,521)**
Profit for the period	-	1,924,941	1,924,941
Total comprehensive loss for the half-year	**-**	**1,924,941**	**1,924,941**
At 30 June 2026	**156,838,695**	**(156,514,275)**	**324,420**

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows
For the Half-Year ended 30 June 2026

	Half-year 2026 $	Half-year 2025 $
Cash flows from operating activities		
Receipts from customers	-	56,800
Proceeds from legal settlement	-	2,976,729
Payments to suppliers and employees	(149,972)	(1,322,325)
Interest received	-	951
Net operating cash outflows from discontinued operations	(278,338)	-
Net cash increase / (used) in operating activities	**(428,310)**	**1,712,155**
Cash flows from investing activities		
Net cash disposed with discounted operations	(318,554)	-
Net cash increase / (used) in investing activities	**(318,554)**	-
Cash flows from financing activities		
Repayment of loan	-	(1,092,568)
Repayments of lease liabilities	-	(55,000)
Net cash (used) / increase in financing activities	-	**(1,147,568)**
Net (decrease) / increase in cash and cash equivalents	**(746,864)**	**564,587**
Cash and cash equivalents at beginning of period	1,108,270	975,608
Cash and cash equivalents at end of period	**361,406**	**1,540,195**

The accompanying notes form part of these financial statements

Notes to the Half-Year Financial Statements 30 June 2026

1. Basis of Preparation of the Half-Year Financial Report

This Condensed Consolidated half-year financial report does not include all the notes of the type usually included within the annual financial report.

It is recommended that this half-year financial report be read in conjunction with the financial report for the year ended 31 December 2025 and any public announcements made by Multistack International Ltd during the half-year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*. Multistack International Ltd is a for-profit entity for the purpose of preparing the financial statements.

This condensed half-year financial report covers Multistack International Limited and its controlled entities as a consolidated entity. Multistack International Limited is a company limited by shares, incorporated and domiciled in Australia. The address of Multistack International Limited's registered office and principal place of business is 17 Friars Road, Moorabbin, Victoria, 3189.

The half year financial report was authorised for issue by the Directors as at the date of the Directors' report.

(a) Basis of preparation of the Half-Year Financial Report

This Condensed Consolidated half-year financial report has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting,* as appropriate for for-profit entities, and the *Corporation Act 2001*. Compliance with AASB 134 as appropriate for for-profit entities, ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting.*

The half-year financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies. Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

The accounting policies applied in this half year financial report are consistent with those of the annual financial report for the year ended 31 December 2025.

(b) Principles of Consolidation

The consolidated financial statements are those of the Consolidated Entity, comprising the financial statements of the parent entity and of all entities, which Multistack International Limited controlled from time to time during the year and at balance date.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. All intercompany balances and transactions, including any unrealised profits, or losses have been eliminated on consolidation.

(c) Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial / Directors' Report) Instrument 2016/191*, the amounts in these half year directors' and financial reports have been rounded to the nearest dollar.

Notes to the Half-Year Financial Statements (continued)

(d) Going Concern

The financial report has been prepared on a going concern basis.

On 1 July 2026, the Company announced that the transaction contemplated by the Asset Sale Deed has been completed, that is the Company has disposed of its main undertaking, including 100% of the shares in Multistack Australia Pty Ltd. The Company has retained cash reserves to support its ongoing corporate, statutory and ASX compliance obligations.

The Company does not have any liabilities other than payments for its corporate expenses.

The Company is currently investigating various business opportunities, meanwhile, the entity will continue to be prudently operated as a going concern. The Company (MSI) will continue to comply with all its ASX and other reporting requirements.

Following the disposal of Multistack Australia Pty Ltd, the Group no longer operates the loss-making trading business that gave rise to the uncertainties disclosed in prior periods. As at the reporting date, the Group has cash reserves sufficient to meet its forecast operating and compliance costs and has no material commitments that would impact its ability to meet its obligations as and when they fall due. Accordingly, the Directors have prepared the financial report on a going concern basis and are satisfied that the Group will be able to realise its assets and discharge its liabilities in the ordinary course of business.

(e) New Accounting Standards Issued But Not Yet Effective

The Group has considered the new accounting standards and interpretations that could have a significant impact on the financial statements and have concluded that the new standards do not materially impact the financial statements of the Group.

(f) Fair Value Measurements

All financial assets are measured at fair value on a recurring basis. The financial assets have been measured at Level 1 of the fair value hierarchy as the instruments have quoted market prices. The financial assets are classified at fair value through profit or loss. Due to their short-term nature, the carrying amounts of all other financial instruments are reasonable approximations of their fair values.

2. Significant items

On 1 July 2026, the Company announced that the transaction contemplated by the Asset Sale Deed has been completed, that is the Company has disposed of its main undertaking, including 100% of the shares in Multistack Australia Pty Ltd. The Company has retained cash reserves to support its ongoing corporate, statutory and ASX compliance obligations.

The Company is currently investigating various business opportunities, meanwhile, the entity will continue to be prudently operated as a going concern. The Company (MSI) will continue to comply with all its ASX and other reporting requirements.

3. Dividends Paid or provided for on Ordinary Shares

The Directors have not declared a dividend in either of the current or the previous corresponding periods.

4. Contingent Assets and Liabilities

Since the last annual reporting date, there has been no material change to any contingent assets or liabilities.

5. Discontinued Operations - Disposal of the Company's main undertaking including 100% of the shares in Multistack Australia Pty Ltd

On 1 July 2026, The Company announced that it has completed the transaction contemplated by the Asset Sale Deed with Willing Y Ltd. Under the Asset Sale Deed, Willing Y Ltd has acquired substantially all of the assets of the Company, including 100% of the shares in Multistack Australia Pty Ltd, and assumed substantially all of the liabilities of the Company, subject to the terms of the Asset Sale Deed.

Shareholders have approved the disposal of the Company's main undertaking at the Extraordinary General Meeting held on 24 June 2026.

The Company retains cash reserves intended to support its ongoing corporate, statutory and ASX compliance obligations while the board considers future opportunities.

Multistack Australia Pty Ltd will provide certain transitional services to the Company in accordance with the Asset Sale Deed and associated transitional services arrangements.

The results of Multistack Australia Pty Ltd have been presented as discontinued operations as follows,

(a) Summary of the Profit or Loss for the period for Multistack Australia Pty Ltd

	6 months to 30 June 2026 $	6 months to 30 June 2025 $
Total revenue	169,191	58,505
Total expenses	(426,891)	(370,594)
Loss before tax before income tax	(257,700)	(312,089)
Income tax credit/(expense)	-	-
Loss for the period	(257,700)	(312,089)
Debt waiver by parent entity Multistack International Ltd	18,829,459	-
Debt waiver by A.C.R. Equipment (HK) Ltd (a Directors' related entity)	396,000	-
Net profit after Debt waiver	**19,225,459**	-

A.C.R. Equipment (HK) Ltd (a related party of S. Yan and S. Leung) has waived $396,000 of the total debt $696,000, balance of $300,000 remained outstanding owed by Multistack Australia Pty Ltd, the Company has provided the same $300,000 in Multistack Australia Pty Ltd for this debt owed.

(b) Summary of the Statement of Financial Position as at 30 June 2026 for Multistack Australia Pty Ltd

	30 June 2026 $
Total asset	502,409
Total liability	(670,992)
Net liability	(168,583)

(c) Cash flows for Multistack Australia Pty Ltd for the period

The cash flows from/(used in) or the period, included within the Consolidated statement of cash flows, are set out below:

	6 months to 30 June 2026 $	6 months to 30 June 2025 $
Net cash used in operating activities	(163,445)	(385,091)
Net cash from/(used in) investing activities	-	-
Net cash from financing activities	318,554	586,648
Net cash inflows/(outflows)	155,109	201,557

6. Segment Information

(a) Description of segments

The consolidated entity has two reportable segments as described below:

Segment 1: For the half year to 30 June 2026, primary business and geographical segment being the heating, ventilation and air conditioning (HVAC) industry throughout Australia. The major operations comprise the sale and service of Multistack water and air cooled water chillers used in commercial air-conditioning and process cooling applications.

On 1 July 2026, the Company announced that the transaction contemplated by the Asset Sale Deed has been completed, that is the Company has disposed of its main undertaking, including 100% of the shares in Multistack Australia Pty Ltd.

Segment 2: On 10 April 2026, the wholly owned subsidiary – Option King Ltd has been deregistered. HSBC Bank account of Option King Ltd was closed on 16 December 2025.

(b) Segment information

30 June 2026	**Segment 1**	**Segment 2**	**Total**
	$	**$**	**$**
Segment revenue from external source	-	-	-
Segment result from external source	1,924,941	-	1,924,941
Total segment assets	361,406	-	361,406
Total segment liabilities	36,986	-	36,986
30 June 2025			
Segment revenue from external source	56,475	-	56,475
Segment result from external source	2,679,221	5,685	2,684,906
Total segment assets	1,664,689	46,411	1,711,100
Total segment liabilities	2,883,866	-	2,883,866

7. Subsequent Events

There has been no matter or circumstance, which has arisen since 30 June 2026 that has significantly affected or may significantly affect:

(a) the operations, in financial years subsequent to 30 June 2026, of the Consolidated Entity, or
(b) the results of those operations, or
(c) the state of affairs, in financial years subsequent to 30 June 2026, of the Consolidated Entity.

Directors' Declaration
30 June 2026

In accordance with a resolution of the Directors of Multistack International Limited, we state that:

In the opinion of the directors:

(a) The financial statements and notes set out on pages 6 to 14 are in accordance with the *Corporations Act 2001* including:

(i) Complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements; and

(ii) Giving a true and fair view of the financial position of the consolidated entity as at 30 June 2026 and of its performance for the half-year ended on that date, as represented by the results of its operations, changes in equity and its cash flows, for the half-year ended on that date; and

(b) There are reasonable grounds at the date of this declaration, to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the Board

A. Yu
Chairman
Melbourne
31 August 2026

Nexia Australia

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Multistack International Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Multistack International Limited, which comprises the Statement of Financial Position as at 30 June 2026, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the half-year ended on that date, notes comprising material accounting policy information and other explanatory information, and the Directors' Declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Multistack International Limited does not comply with the *Corporations Act 2001* including:

i) giving a true and fair view of Multistack International Limited's financial position as at 30 June 2026 and of its performance for the half-year ended on that date; and

iii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 30 June 2026 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Nexia

Nexia Melbourne Audit Pty Ltd
Melbourne

Ben Bester
Director

Dated this 31st day of August 2026