

## Appendix 4E

### Preliminary final report

Year ending on 31 December 2025  
Provided to the ASX under listing rule 4.3A

Name of entity	ABN
Multistack International Limited	54 007 254 346

#### 1. Reporting period

Report for the financial year ended 31 December 2025.

Previous corresponding period is the financial year ended 31 December 2024.

#### 2. Results for announcement to the market

				\$A
Revenues from ordinary activities	down	57.52 %	to	158,888
Profit from ordinary activities after tax attributable to members	up	234.41%	to	2,257,151
Net Profit for the period attributable to members	up	234.41%	to	2,257,151
Record date for determining entitlements to the dividend	Not applicable			

**Results for announcement to the market (cont'd)**

**Dividends**

No dividends were paid or declared for the year ended 31 December 2025.

**Trends in Performance**

Total revenue in 2025 decreased by 57.52% to \$158,888 (2024: \$374,032). The Company has received some net cash proceeds from settlement with Danfoss, as well as some surplus from the disposal of Verdicorp's assets to SuperLink in return for a complete discharge of loan and accrued interest owing to SuperLink. The Group has a total of about \$4 million of Other Income from the two abovementioned transactions. The net profit for the period attributable to members was \$2,257,151 (2024: loss \$1,679,290).

**Operations**

The trading entity, Multistack Australia Pty Ltd, has incurred losses before income tax for the year ending 31 December 2025 of \$560,753 (2024: \$502,248). Noted the sale revenue has decreased substantially, there has been few chiller sales during the year, while overheads were about the same.

On 27 June 2025, the Company announced that the Board has reviewed the ongoing commercial viability of its underlying business, given that the Company's operating activities continue to be loss-making and noting that any continuation of the business would certainly require significant capital injection which in the opinion of the Directors is beyond the means and capability of the company to raise, the Directors have determined that the business of the Company will be discontinued in its present form.

The Company is currently working on disposal of all the shares in Multistack Australia Pty Ltd, noting this will be subject to mutual agreement between the parties, completion of definitive documentation and shareholder approval including the obtaining of an independent expert's report to satisfy relevant Corporations Act and ASX Listing Rule requirements. During this time, the business of the Company will continue to be prudently operated as a going concern. MSI will continue to comply with all its ASX and other reporting requirements. Appropriate announcements will be made accordingly.

### **Business Risks**

There are various internal and external risks that may have a material impact on our future financial performance and economic sustainability. We make every effort to identify material risks and to manage these effectively. Material financial risks are listed below.

#### **Inability to commercialise the ORC technology.**

There is a possible risk that the Company is unable to commercialise the ORC technology and hence unable to sell its ORC products, or the Company is taking far too long for this process. This would mean the Company would rely on its existing core business being the sales and distribution of Multistack chillers.

#### **Customer demand for our products**

The global economy, as well as Australia's economy, is expected to grow at its slowest pace, we also expect slow and little growth in demand for our chiller products. The Company noted the consumers are generally more concerned about capital expenditure given the current uncertain economic conditions.

Generally, customers are fundamental to the success of the business. The ability to attract new customers, the loss of key material customers, a reduction in their demand for our products or a claim for non-performance can have a negative effect on the future financial performance of the Company.

#### **Competitor risks**

The Company operates in a competitive environment due to factors including actions by existing or new competitors, price, product selection and quality, manufacturing capability, innovation and the ability to provide the customer with an appropriate range of products and services in a timely manner. Any deterioration in the Company competitive position as a result of actions from competitors may result in adverse effect on our future financial performance.

### **Tax consolidation**

For the purposes of income taxation, Multistack International Ltd and its 100% owned subsidiaries have not formed a tax consolidated group and entry into a tax consolidated group is unlikely. This did not impact the consolidated results for the year. From 1 January 2004, the carried forward tax losses of each entity in the Group could only be used to offset taxable income of that individual entity.

### 3. Consolidated Statement of Profit or Loss and other comprehensive income

FOR THE YEAR ENDED 31 DECEMBER 2025

	For the year	
	31 December 2025	31 December 2024
	\$	\$
<b>Revenue</b>		
Sale of goods	158,888	374,032
<b>Total Revenue</b>	<b>158,888</b>	<b>374,032</b>
Cost of sales	(85,465)	(253,712)
<b>Gross Profit</b>	<b>73,423</b>	<b>120,320</b>
<b>Other Income</b>		
Foreign currency gain	38,771	-
Interest income	964	6,661
Sundry income	4,045,328	5
<b>Total Other Income</b>	<b>4,085,063</b>	<b>6,666</b>
<b>Expenses</b>		
Employee benefits expense	(401,497)	(403,587)
Administrative and occupancy expense	(480,958)	(463,691)
Finance cost	(26,353)	(195,106)
Foreign currency loss	-	(491,104)
Professional fees	(884,637)	(252,788)
Impairment	(107,890)	-
<b>Total Expenses</b>	<b>(1,901,335)</b>	<b>(1,806,276)</b>
<b>Profit / (Loss) before income tax</b>	<b>2,257,151</b>	<b>(1,679,290)</b>
<b>Profit / (Loss) from continuing operations</b>	<b>2,257,151</b>	<b>(1,679,290)</b>
<b>Other comprehensive income or loss for the year</b>		
<i>Items that may be reclassified subsequently to profit and loss</i>	-	-
<b>Total comprehensive profit / (loss) for the year</b>	<b>2,257,151</b>	<b>(1,679,290)</b>
<b>Earnings per share for profit / (loss) from continuing operations attributable to members of the parent:</b>		
Basic earnings per share	\$0.0166	\$(0.0123)
Diluted earnings per share	\$0.0166	\$(0.0123)

#### 4. Consolidated Statement of Financial Position

	31 December 2025 \$	31 December 2024 \$
<b>Current assets</b>		
Cash and cash equivalents	1,108,270	975,608
Receivables	1,631	3,080
Inventories	117,977	55,229
Deposit – Bond for property	17,612	17,612
<b>Total current assets</b>	<b>1,245,490</b>	<b>1,051,529</b>
<b>Non-current assets</b>		
Intangible assets – ORC Technology	-	2,478,134
Lease assets – Right of Use	51,689	265,965
<b>Total non-current assets</b>	<b>51,689</b>	<b>2,744,099</b>
<b>Total assets</b>	<b>1,297,179</b>	<b>3,795,628</b>
<b>Current liabilities</b>		
Payables and other payables	1,837,622	2,567,283
Lease liability	111,168	101,372
Loan from A.C.R. Equipment (HK) Ltd	696,000	1,741,520
Loan from Super Link Company Ltd	-	2,895,288
Employee benefits	182,036	158,135
Provisions	12,000	12,000
<b>Total current liabilities</b>	<b>2,838,826</b>	<b>7,475,598</b>
<b>Non-current liabilities</b>		
Lease liability	58,874	170,042
Employee benefits	-	7,660
<b>Total non-current liabilities</b>	<b>58,874</b>	<b>177,702</b>
<b>Total liabilities</b>	<b>2,897,700</b>	<b>7,653,300</b>
<b>Net (liabilities)</b>	<b>(1,600,521)</b>	<b>(3,857,672)</b>
<b>Equity</b>		
Contributed equity	156,838,695	156,838,695
Accumulated losses	(158,439,216)	(160,696,367)
<b>Total equity</b>	<b>(1,600,521)</b>	<b>(3,857,672)</b>

## 5. Consolidated Statement of Changes in Equity

CONSOLIDATED	Attributable to equity holders of the parent		
	Contributed Equity \$	Accumulated Losses \$	Total Equity \$
At 1 January 2024	156,838,695	(159,017,077)	(2,178,382)
Loss for the year	-	(1,679,290)	(1,679,290)
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>(1,679,290)</b>	<b>(1,679,290)</b>
Transactions with owners as their capacity of owners	-	-	-
<b>As at 31 December 2024</b>	<b>156,838,695</b>	<b>(160,696,367)</b>	<b>(3,857,672)</b>

CONSOLIDATED	Attributable to equity holders of the parent		
	Contributed Equity \$	Accumulated Losses \$	Total Equity \$
At 1 January 2025	156,838,695	(160,696,367)	(3,857,672)
Profit for the year	-	2,257,151	2,257,151
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>2,257,151</b>	<b>2,257,151</b>
Transactions with owners as their capacity of owners	-	-	-
<b>As at 31 December 2025</b>	<b>156,838,695</b>	<b>(158,439,216)</b>	<b>(1,600,521)</b>

## 6. Consolidated Statement of Cash Flows

	31 December 2025 \$	31 December 2024 \$
<b>Cash flows from operating activities</b>		
Receipts from customers	177,476	455,442
Proceeds from legal matter (Danfoss settlement)	2,976,729	-
Payments to suppliers and employees	(1,819,939)	(955,412)
<b>Net cash provided by / (used in) operating activities</b>	<b>1,334,266</b>	<b>(499,970)</b>
<b>Cash flows related to investing activities</b>		
Interest and other items of similar nature received	964	6,661
<b>Net cash provided by investing activities</b>	<b>964</b>	<b>6,661</b>
<b>Cash flows from financing activities</b>		
(Repayment to) / Loan from Directors' related entities	(1,092,568)	924,251
Payment for principal portion of lease liabilities	(110,000)	(102,150)
<b>Net cash (used in) / provided by financing activities</b>	<b>(1,202,568)</b>	<b>822,101</b>
<b>Increase in cash held</b>	<b>132,662</b>	<b>328,792</b>
Cash at beginning of year	975,608	646,816
<b>Cash at end of year</b>	<b>1,108,270</b>	<b>975,608</b>

### Reconciliation of cash

Reconciliation of cash at the end of the year (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	31 December 2025 \$	31 December 2024 \$
Cash on hand and at bank	1,108,270	975,608
<b>Total cash at end of year</b>	<b>1,108,270</b>	<b>975,608</b>

## 7.1 Consolidated accumulated losses

	31 December 2025 \$	31 December 2024 \$
Accumulated losses at the beginning of the financial year	(160,696,367)	(159,017,077)
Profit / (Loss) from continuing operations	2,257,151	(1,679,290)
<b>Accumulated losses at end of financial year</b>	<b>(158,439,216)</b>	<b>(160,696,367)</b>

## 7.2 Earnings per security (EPS)

Details of basic and diluted EPS reported separately in accordance with *AASB 133: Earnings Per Share* are as follows.

Basic and diluted earnings (loss) per share is calculated at \$0.0166, based on a net profit for the period attributable to members of \$2,257,151 and a weighted average of 136,303,924 ordinary shares on issue for the period.

## 7.3 NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$(0.0117)	\$(0.0464)

## 7.4 Dividends

No dividends have been paid or declared in respect of the current or prior period. There is no dividend or distribution reinvestment plan currently in operation.

## 8. Details of entities over which control has been gained or lost during the period

There has been no change in the composition of the group during the period.

## 9. Basis of preparation

The financial information provided in the Appendix 4E is based on the draft annual financial report, which has been prepared in accordance with Australian Accounting Standards. The Directors have prepared the draft financial statements for the Group on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the discharge of liabilities in the ordinary course of business.

During the year ended 31 December 2025, the Group had a profit after income tax for the year of \$2,257,151 (2024: \$1,679,290 loss). The Group had a negative net asset position of \$1,600,521 (2024 negative \$3,857,672). The Group had a net cash inflow from operating activities of \$1,334,266 (2024: \$499,970 outflow).

As a result of these matters, there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the ordinary course of business.

The Group has \$696,000 (as loan) owing to a director related company, A.C.R. Equipment (HK) Ltd, and \$1,689,514 (management fees) owing to a director related company, Welletin Investments Ltd.

The Group has obtained an undertaking from these director related companies that they will not call on the amount owing for at least 12 months from the date of signing the Group's financial report for the year ended 31 December 2025.

## 10. Audit of the financial report

The financial report is in the process of being audited and is likely to contain an independent audit report that is subject to an emphasis of matter paragraph regarding going concern.